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Dwight Morrow's Role In The Mexican Revolution: Good Neighbor Or Meddling Yankee?

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DWIGHT MORROW'S ROLE IN THE MEXICAN REVOLUTION: GOOD NEIGHBOR OR MEDDLING YANKEE?

BY

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DISSERTATION

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ABSTRACT OF DISSERTATION

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Historians traditionally have exaggerated Dwight Morrow's role in the Mexican Revolution. According to the traditional view, Morrow arrived in Mexico as the new U.S. ambassador in 1927 and proceeded to convince President Plutarco Elías Calles that the time had come to apply the brakes to his revolutionary reforms. In the next three years, the vexatious oil dispute, the bloody Church-State conflict, and the problems caused by the agrarian reform were, supposedly, settled, thanks to Morrow's benign, business-like approach to diplomatic affairs.

But there are many problems with this interpretation of U.S.-Mexican relations. It now appears that changing political and economic conditions in the United States and Mexico had created an ideal environment for a statesman with Morrow's special talents. In the United States, talk of armed intervention in Mexico had brought a storm of criticism from the public, the press, and major sectors of the American business community. With only the petroleum interests and scattered conservative elements

demanding a hard line, Washington realized that less belligerent tactics were needed to achieve its diplomatic goals south of the Rio Grande.

In Mexico, President Calles welcomed Ambassador Morrow because he had always shared the former banker's conservative economic ideas. Only the State Department's uncompromising attitude and left-wing pressure had forced Calles to appear far more radical than he truly was on issues involving the oil industry, labor relations, and the agrarian reform. However, by late 1927 Calles finally enjoyed sufficient political power to control his enemies and deal with an American envoy who was willing to cooperate with the Mexicans, rather than forcing them to new extremes with unreasonable demands.

Morrow was, therefore, met with great fanfare in Mexico and was immediately encouraged to deal directly with Calles on a personal basis. Exploiting the ambassador's good will and evident respect for Mexican sovereignty, Calles was soon able to retreat from certain troublesome policies without losing face in the United States or Mexico. As a result, the oil dispute was settled as Calles submitted new oil legislation to his Congress and wrote new regulations for the industry with Morrow's assistance. The president was, moreover, able to control agrarian forces with Morrow's aid as Calles' agrarian officials

discouraged the "reckless transfer of land" when they accompanied the ambassador on his trips through the countryside. Other American cases were quietly resolved in Mexican courts and by an agrarian official who was temporarily assigned to the Foreign Ministry. Later, when a total defeat of the Cristeros appeared impossible and Morrow's own life was in danger, Calles exploited the envoy's negotiating skills to settle the Church-State dispute and remove yet another source of friction between the United States and Mexico.

Morrow's cooperation and support were considered to be of even greater importance at the height of two political crises in 1928 and 1929. In 1928, Alvaro Obregón's assassination threatened to shake the foundations of Mexican political and economic stability, but Morrow's publicly expressed confidence in the government helped to prevent both a business panic and a new military revolt in mid-1928. In 1929, when a military revolt finally did break out, the ambassador's support was considered essential in obtaining Washington's aid and in defeating the rebels before their movement could seriously affect Mexican political and economic progress.

However, by 1930 several factors, including rumors that Morrow had begun to profit from his diplomatic post, had combined to produce a "backfire of resentment" against

the now-famous ambassador. Dwight Morrow can, nevertheless, be considered a precursor to Franklin Roosevelt's Good Neighbor policy because he ardently opposed U.S. military intervention and economic imperialism in Latin America. His mission can be judged a diplomatic success because, while Morrow allowed Calles to exploit his good will during serious political and economic crises, American foreign policy goals were finally achieved with tactful and innovative methods for the first time in the Mexican Revolution.

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PREFACE

U.S.-Mexican relations were characterized by mutual distrust and a great deal of empathy in the sixteen-year period 1910-1927. The catastrophic events of the Mexican Revolution had produced such destruction and radical change in these years that many American observers condemned its violence, although few foreigners fully understood its significance. American ambassadors from Henry Lane Wilson to James R. Sheffield reacted to the Revolution by conspiring with notorious counterrevolutionaries and by sending countless notes of protest to the Mexican Foreign Ministry. American presidents from William Howard Taft to Calvin Coolidge meanwhile struggled to control the political forces unleashed in Mexico by denying official recognition to certain revolutionary regimes, by enforcing an arms embargo against the Mexican Army in 1916 and 1927, by sending troops to the border and navy vessels to the Mexican coast, and by actually invading the nation on two separate occasions. None of these tactics appreciably altered the situation in Mexico and many clearly worsened conditions by driving the revolutionaries to new extremes in defiance of the United States. Only the Bucareli Agreements of August 31,

1923, offered an Indian summer of improved relations based on peaceful negotiations, but even these agreements were largely abandoned as both sides reverted to less conciliatory positions within two years.

What issues were so vital to Mexican and American interests that they could poison diplomatic relations between these neighboring nations for such an extended period of time? What problems could not be settled without resorting to intervention or the thinly-veiled threat of violence by Washington and its diplomatic representatives?

Three main issues separated the two governments. First, there was the problem of American claims based on damage to U.S. interests both before and during the Revolution. Over 2700 claims, valued at nearly 514 million dollars, were eventually filed by American citizens against Mexico. Each case caused more friction as the Americans usually argued that they were victims of the Revolution, while the Mexicans usually argued that foreigners were the victims of renegade bandits like Pancho Villa. Villa's raids against American interests at Santa Ysabel, Sonora, and Columbus, New Mexico, were certainly regrettable, but the Mexican government insisted that it could not be held responsible for the criminal activity of its private citizens. Given this intransigence on both sides, not a single award involving American claims during the Revolution

was ever granted in the period 1910 to 1927, although a Special Commission to deal with these problems had been set up during the Bucareli Conferences of 1923.

Next, there was the problem of the Mexican agrarian reform. Article 27 of the revolutionary Constitution of 1917 had stated that private property could no longer be considered sacred, as nineteenth century liberals had insisted, because "the nation shall have . . . the right to impose upon private property such restrictions as the public interest may require . . . to conserve and equitably distribute the public wealth." Reasserting its right as the original owner of all land, based on Spanish and Indian traditions, the state could now expropriate large tracts of land in the interest of "social utility" and the "national benefit." As a result, all Indian communal landholdings, or ejidos, were to be returned to their original villages and expanded to meet local needs. Other large landholdings were also to be broken up and redistributed as the need arose. The concentration of land ownership that had characterized the long dictatorship of Porfirio Díaz (1976-1880 and 1884-1911) was, in effect, outlawed, although all expropriated property was to be paid for with agrarian bonds based on its declared tax value plus 10 per cent.

These new regulations were bound to cause additional problems with foreign interests because most foreigners had acquired their vast landownings under the liberal laws of the Porfiriato; by 1914, the combined total of foreign holdings more than tripled the total owned by Mexican nationals. To make matters worse, a great deal of American-owned property was located near the northern boundary of Mexico, although the new constitution provided that "no foreigner shall under any circumstances acquire direct ownership of lands and waters within a hundred-kilometer zone on the frontiers or within fifty kilometers from the seacoast." Americans also complained that their land was worth far more than its declared tax value plus 10 per cent and that peasants often invaded their property illegally without bothering to prove a social need for their seizures. These same Americans often insisted on immediate cash payments, rather than long-term agrarian bonds, as compensation for their expropriated land. Others protested that more than 1755 hectares had been confiscated from their holdings, despite the fact that this limit had been agreed upon in the Bucareli Agreements. In short, the Americans argued that they had become the ex post facto victims of the Revolution when the rules of the legal game had suddenly been changed with the promulgation of a new Mexican constitution in 1917.

American oil interests were even more outraged by the provisions of Article 27. According to these provisions, the state not only retained ultimate ownership of the land surface, but claimed ownership of the subsoil and its minerals as well. Private individuals could only apply for and receive temporary permission to extract Mexican oil or valuable minerals because, in ancient Spanish terms, what the king gave, the king could take away. The American oil companies responded with the legal argument that their property rights could not be violated by fiat because any change in the law would be a discriminatory act and would, in effect, amount to confiscation of their holdings. The Mexicans retreated a small distance in 1921 and in the Bucareli Agreements of 1923 by conceding that if "positive acts" or some actual attempt to develop particular oil fields had been made prior to 1917, these fields would not be liable to Article 27 of the new constitution. But even this concession did not completely satisfy the oil companies and the State Department because by late 1925 the Mexican Congress had enacted a new law that required all companies to apply for fifty-year concessions to operate their oil wells in Mexico. Exasperated, the American oilmen turned to Washington to protect their foreign property rights and resorted to underhanded methods to pressure the Mexican government or completely

destroy it by supporting counterrevolutionary schemes.

Diplomatic relations were, therefore, stalemated as the Mexicans defended their sovereign right to alter their own laws in the national interest, while the Americans argued that previous agreements were still legally binding, despite the course of the Revolution and the writing of the Constitution of 1917. Aggravated by the passage of new anti-clerical legislation in mid-1926 and worried by a growing fear of Bolshevism in Mexico, American statesmen held out little hope for a peaceful settlement of international differences by January, 1927.

Only a major shift in American policy and significant changes within Mexico itself would alter this opinion over the next three years.

CHAPTER I

The Morrow Myth in U.S. Diplomatic History

There is a long-standing myth about Dwight Morrow's role in the Mexican Revolution. According to this myth, the news that Morrow was to be the next U.S. ambassador to their country struck terror in the hearts of all Mexicans in September, 1927. All supposedly believed that the Wall Street banker was being sent either to collect Mexico's enormous foreign debt or to direct a U.S. military invasion of Mexico's valuable oil fields. The headline of a Mexican newspaper is said to have warned that "After Morrow Comes the Marines."[1] Streets were covered with handbills imploring Mexicans to rise and defend their nation against the powerful new envoy.[2] One reporter found the Mexicans determined "to keep one hand on their pocketbooks and the other on their guns" as Morrow traveled to his new post in October, 1927.[3]

But it was said that this fear and alarm soon vanished when the new ambassador arrived in Mexico City. To their surprise, the Mexicans discovered that Morrow was hardly an evil Shylock eager to exact his pound of flesh from their impoverished nation. Barely more than five feet

tall, "with deep blue eyes, uncombed hair, baggy trousers, and a disarming manner,"[4] Morrow resembled an aging schoolmaster rather than a heavy-handed debt collector. When the diplomat officially presented his credentials to President Plutarco Elías Calles, the latter is said to have been "struck speechless" in "complete amazement" as Morrow promised to respect Mexican sovereignty as no U.S. ambassador had ever done before.[5] The New York Times soon reported that Calles and the envoy had become fast friends as the president "capitulated" to Morrow's charm at their very first meeting.[6] Good will visits by Will Rogers and Charles Lindbergh only served to increase the diplomat's popularity and influence in Mexico.[7] Morrow, in Arnold Toynbee's words, was nothing less than an "instant success" in his first diplomatic assignment overseas.[8]

According to the Morrow myth, the ambassador not only succeeded in shattering a century-old tradition of mistrust between the United States and Mexico, but also "adjusted with seeming facility all of the major points of dissension that existed between the two governments."[9] The dangerous petroleum issue was settled within weeks after Morrow was sent "to charm the requisite concessions" from Calles.[10] A short while later, the ambassador "persuaded" the Mexicans to finally solve their bloody Church-State conflict and establish internal peace.[11] A Morrow

aide even went so far as to assert that the banker-turned-diplomat had taken Mexico's finance minister "under his wing and taught him finance."[12] Another commentator saw the shadow of Morrow's influence in Mexico's decision to break diplomatic relations with the Soviet Union after Mexico had been the first Latin American nation to recognize the Russian regime in 1926.[13] Finally, few failed to note that Mexico's land reform lost much of its steam once Morrow criticized the program as financially unsound. Calles supposedly "listened to the oracle and reduced land distribution by almost a million acres in 1928."[14] Having won the president's confidence with his tact and charm, observers claimed that the former banker quickly converted Calles into an ardent capitalist and political conservative.[15] Mexico's ruler became fantastically rich as Morrow reportedly "killed the Mexican revolution with a smile."[16] Many observers agreed that after Morrow arrived in Mexico, "the life went out of the revolution" because it was "difficult to conduct a revolution on [the same] bookkeeping principles" that Morrow had practiced as a Wall Street banker in the 1920s.[17]

This interpretation of Morrow's activities in Mexico has survived for fifty years, although it is ethnocentric, paternalistic, and grossly one-sided. The myth is ethnocentric because it suggests that an American

businessman could go to Mexico and single-handedly solve that nation's complex problems in three short years. It is paternalistic because it argues that Calles and the Mexicans could be swayed from their revolutionary course by a kind, fatherly figure who promised to put their troubled house in order after years of domestic chaos. The myth is one-sided as well because it interprets an important period of U.S.-Mexican relations from the American viewpoint alone, without considering how Morrow's actions fit into the mainstream of Mexican events from 1927 to 1930. Dwight Morrow's myth therefore only serves to reenforce old ideas about American strengths and Mexican weaknesses. U.S. intervention was still considered a necessary cure for Mexico's ills, although the type of medicine sent from Washington in 1927 was to be far less bitter for the ailing patient; a benign, middle-aged businessman was certainly less offensive than a battalion of armed Marines.

Depite these flaws, the Morrow myth has survived for three main reasons. First, it has offered something for nearly every observer in the United States and Mexico, regardless of his or her convictions regarding political and economic affairs. Those who opposed revolutionary change in the hemisphere could point to Morrow's achievements to prove that a practical, businesslike approach could help solve even the most difficult problems in Latin

America. The author of a best-selling biography that portrayed Jesus Christ as "the founder of modern business" could therefore exalt Morrow's level-headed business methods in quieting Mexico's revolutionary storm.[18] Standard Oil of New Jersey's chief legal advisor in Mexico could likewise call Morrow the United States' "greatest citizen,"[19] while John D. Rockefeller, Jr. could tell the ambassador that "Your wisdom, your tact, [and] . . . your sense of fair play, have all combined to enable you to render a service of great importance."[20] According to Will Rogers, the problem did not exist that Dwight Morrow could not solve by "[bringing] it down from what at first looked like something big, and [reducing] it to its natural size." The capitalists' jester of the 1920s added that "I don't know when I had ever come to like and admire a man more than I did [Morrow]."[21]

Mexican nationalists, on the other hand, used the Morrow myth as proof of Washington's persistent desire to intervene in Mexican affairs. Marte R. Gómez, the radical Minister of Agriculture in 1929, could thus blame Morrow for Calles' growing opposition to the redistribution of land,[22] while J. M. Puig Casauranc could take the ambassador to task for his "illegal and impertinent" involvement in the church-state settlement.[23] Agreeing with these charges against Morrow, two young nationalists in Cuernavaca tore

down the street sign on a road named in the ambassador's honor and replaced it with a political poster of their own in June, 1936. The poster explained that "We seek to change the name of this street, for it is offensive and . . . glorifies Yankee imperialism, personified by one of its principal agents."[24] The street sign was not replaced for several months. Even the most recent general history of Mexico, written in 1977, employs the Morrow myth in a similar fashion. According to this work, Calles was forced to halt all revolutionary reforms in order to pacify his nation's foreign creditors, represented by the banker-turned-diplomat, Dwight Morrow.[25] These accusations were, therefore, typical among Mexican nationalists, but no Mexican has surpassed José Vasconselos in his use of the Morrow myth to criticize the ambassador's every move in Mexico. Vasconcelos denounced Morrow as nothing less than a "proconsul" who succeeded in ruling Mexico form the U.S. embassy as the hated Joel Poinsett had only dreamed of doing while he served as the first American minister to Mexico in the 1820s. The former Minister of Education charged that Morrow not only attempted to alter important Mexican legislation, but also worked to cut government spending in vital areas, such as health and education, so that Mexico's creditors could be paid on schedule. The envoy was bitterly

reproached for his intervention in the Escobar military revolt, the church-state conflict, and the presidential election of 1929. José Vasconcelos concluded that Morrow was "the key to Calles' dazzling success" in establishing a bloody and thoroughly corrupt regime in the late 1920s.[26]

The second reason why the Morrow myth has survived for so long concerns the use of the ambassador's biography as the main source of information about this important era in U.S.-Mexican relations. There are three book-length biographies of Dwight Morrow,[27] but Sir Harold Nicolson's work of 1935 is the one which is referred to and quoted by nearly every historian who has written on the ambassador's years in Mexico. Nicolson's chapters on Morrow's foreign service nevertheless perpetuated the Morrow myth and, in many ways, enlarged it.

This does not, however, mean that Nicolson's biography has been free of criticism by important individuals who were either close to Morrow or who served in high-level positions in the Mexican government itself. Having read the book in its manuscript form, Morrow's top legal advisor in Mexico was so angered that he sent Nicolson a long memo "bitterly attacking the whole Mexican chapters and saying the thing will do harm."[28] Another aide was equally upset by the volume,[29] but its most telling criticism came from

Genaro Estrada in a book review that appeared less than three weeks after the biography was released in the United States. Calles' former Minister of Foreign Affairs argued that Nicolson knew little about "the environment and psychology of Mexico" and was, therefore, poorly prepared to write of Morrow's experience as the U.S. ambassador to his country in the late 1920s. The Mexican statesman, moreover, complained of "certain omissions of facts and circumstances" that would someday come to light to expose the true nature of Morrow's work.[30]

Nicolson's own misgivings make his interpretation even less credible. Commissioned to write Morrow's biography by the ambassador's widow, Nicolson realized that he lost "something of my independence" by allowing Elizabeth Cutter Morrow to pay his expenses.[31] Understandably, Nicolson also became emotionally tied to the Morrow family when the Morrows' eldest daughter died of pneumonia while Nicolson was researching his book and Bruno Hauptmann was convicted in the Lindbergh kidnapping case while Nicolson was staying with the family in New Jersey.[32] Convinced that "some terrible fate . . . hang[s] over this family," but "deeply impressed" by Mrs. Morrow's courage in the face of disaster,[33] Nicolson confessed that "so long as [the widow and Anne Morrow Lindbergh] are pleased, I do not care about other people [and their opinion of my biography]."[34]

The author's research was, moreover, limited and often frustrating. Nicolson made his first trip to Mexico in early 1935, but stayed for less than two months. Most of this time was spent at the Morrows' beautiful home in Cuernavaca where the biographer met few hostile witnesses and observed few of the problems that plagued Mexico in this era.[35] The British author even neglected to interview Calles until four days after completing his manuscript. Nicolson asked the former president several questions about Morrow, but all Calles would say was that "'Sr. Morrow was a man of great judgement and friendliness.'"[36] The Englishman became so exasperated by this constant praise of his subject that he "longed to say, '. . . this is all nonsense and you know it. Dwight Morrow was a shrewd and selfish little arriste who drank himself to death.'"[37] But Nicolson never heard such criticism of the ambassador and, as a result, he found his finished work to be "sentimental" and "as heavy as lead."[38] Nicolson even kept his own opinion of Morrow from his book in its published form, although he privately wrote that the ambassador "had the mind of a supercriminal and the character of a saint."[39] Unfortunately, this adulatory biography has remained the major source of information about the ambassador's mission to Mexico, despite its author's many doubts and some severe criticism by Morrow's contemporaries.[40]

The third reason for the longevity of Morrow's myth involves the ambassador's excellent press relations in the United States. Morrow was extremely careful in his dealings with the press and no doubt agreed with Charles Lindbergh's advice on handling reporters. According to the envoy's son-in-law, one should never write anything that he would not want to see in the next morning's headlines or say anything that he would not want to hear shouted from the roof tops.[41] Morrow was nevertheless aware of Mexico's unfavorable press in the United States and confided in a friend that all he "could hope for [in becoming ambassador] was to see Mexico off the front page" of American newspapers in 1927.[42] The diplomat achieved this goal by managing much of the news that was sent from Mexico with the assistance of some powerful friends in the newspaper world. Morrow could rely on newsmen like Roy W. Howard, Hewitt H. Howland, Walter Lippmann, Bruce Barton, B. C. Forbes, Henry K. Norton, Carleton Beals, and Ernest Gruening to help improve Mexico's image in the states. Roy Howard helped by writing letters to each of the twenty-eight editors in the Scripps-Howard newspaper chain. Bruce Barton reported to Morrow that "the tenor of these letters was that you and your activities [in Mexico] are now news of the first importance and that he wants you covered and

played up in the best possible way."[43] Ernest Gruening, of the Portland Evening News, went so far as to ask Morrow's opinion of his articles on Mexico so that his future work would "be correct and . . . as helpful as possible."[44] Henry Norton also contributed several favorable articles about Mexico and was about to write yet another one in May, 1928, when he asked Morrow "if you have any special points you would like to have brought out at this time. I should be very glad . . . to receive any suggestion [you can offer about Mexico]."[45] The ambassador willingly replied to these requests and, in fact, invited Barton, Norton, and other important reporters to Mexico as his guests. Morrow even asked a correspondent from the Hearst newspapers to stay at the U.S. embassy, although the Hearst chain was notoriously hostile to the Calles regime. James T. Williams, Jr. traveled to Mexico City, toured the countryside with Morrow, met Calles with the ambassador at his side, and left for home convinced that Morrow was doing "a marvelous job" south of the Rio Grande.[46]

Many newsmen emphasized the ambassador's role in improved U.S.-Mexican relations because they were truly eager to see Morrow's tactful diplomacy replace Washington's use of the Big Stick in Latin America. The Birmingham News predicted this change in official attitude before Morrow

ever stepped foot in Mexico. According to the News' editorial of September 21, 1927, "A new era will be opened between Washington and Mexico City by [Morrow's] appointment--an era that will reassure all Latin Americans . . . that this nation's foreign policy is based on the principle that right makes might." Other editors espoused the Morrow myth because they represented large economic interests that could profit from the ambassador's success in Mexico. The Hearst chain might well be charged with this use of "Capitalist Journalism."[47] William Randolph Hearst was one of the three largest American landowners in all of Mexico[48] and, in the opinion of one U.S. consul, the press magnate's million-acre Babicora Ranch included "the finest agricultural, pasture and timber land in the State of Chihuahua."[49] This vast property was in danger of falling victim to the Mexican land reform in early 1928 and Hearst seemed ready to defend his interests at all costs.[50] The newspaperman was not above using forgery and the threat of U.S. intervention,[51] but when all else failed, he relied on Dwight Morrow to protect his land with the use of tact, rather than force. The ambassador mentioned the case to Calles on February 24, 1928, and within two weeks the president assured Morrow that all actions against the Hearst property had been suspended. In Morrow's words, Calles did not want

the newspaper owner "to have any grounds for claiming that any discrimination was made against him" due to his earlier, belligerent stand.[52] With Morrow's success and Williams' praise of the envoy, Hearst joined the ranks of those who ardently supported Morrow's work abroad.

Finally, many of his friends in the newspaper world exaggerated the ambassador's role in Mexico because they foresaw a promising political career for Morrow in the United States. By December, 1927, Morrow was told that he had succeeded in taking Mexico off the front pages at home, but in the process he had placed his own name in the nation's headlines.[53] Morrow was, in fact, informed that "your name is now mentioned along with that of Mr. [Charles Evans] Hughes as 'the sort of man we ought to have for President.'"[54] Walter Lippmann's New York World agreed with this assessment in an editorial of January 15, 1928. With the Republican national convention scheduled for later that year, Bruce Barton only half facetiously told Morrow that "if you can only contrive to get yourself shot at between now and June we may be able to put you over as a dark horse."[55] Morrow denied that he was at all interested in the nomination while there was still work for him to do in Mexico, but at least one Mexican writer has claimed that the Republican nomination was Morrow's sole reason for becoming ambassador

in 1927. Nemesio Gracía Naranjo argued that the envoy purposely settled Calles' diplomatic problems so that he could be heralded as a miracle worker in the American press and could ride the wave of his popularity all the way to the White House.[56] Herbert Hoover won the coveted nomination as well as the November election in 1928, but the political enthusiasm for Morrow never subsided while he remained in Mexico. The ambassador, in fact, received even greater press coverage after winning over 72 per cent of the vote in the New Jersey Republican primary for the U.S. Senate in 1930.[57] The Mexican ambassador in Washington, Manuel C. Téllez, reported this landslide victory to his government and concluded that Morrow's fame had grown so rapidly in the United States that he would be Hoover's most serious challenger as early as the 1932 presidential campaign.[58]

The result of all this political agitation was that the U.S. press tended to overstate Morrow's achievements in Mexico. The ambassador became the subject of countless editorials and feature articles between 1927 and 1930. In a typical remark from this press, Gruening's Portland Evening News declared that "no American diplomatist ever accomplished so much in so short a time as Morrow of New York."[59] Nearly as exasperated as Nicolson by all this

praise of Morrow, the Newark Ledger reported that "nobody seems inclined to criticize anything he does, no matter how strongly they may disapprove."[60] Feeling the pressure of this exuberant praise,[61] the ambassador protested by writing to the author of a favorable article that his work "emphasizes too much my own action in Mexico and does not sufficiently express appreciation of what the Mexican Government itself has done."[62] The Calles regime, for its part, seemed willing enough to let Morrow receive most of the credit for improved diplomatic relations; after years of threats and disapproval in American newspapers, Mexico at last enjoyed a better image in the wake of Morrow's rising political star.[63]

With its universal appeal, Nicolson's official biography, and the ambassador's outstanding press, the Morrow myth was well established by the mid-1930s. But this hardly meant that the traditional interpretation has gone completely unchallenged over the years. Estrada's early book review certainly raised suspicions about the myth and even Nicolson admitted that "Morrow arrived at the precise stage in Calles' own evolution when the latter was most receptive of experience, encouragement, and advice."[64] Emilio Portes Gil, Mexico's provisional president from November, 1928, to February, 1930, has also denied

that he was ever Morrow's "tool," although the former chief executive recalled that the envoy's "overflowing and well-intentioned zeal" had to be restrained on occasion.[65] Two scholarly articles by the historian, Stanley R. Ross, added further doubts about the myth when they appeared in 1958. According to Ross it was both "convenient and satisfying [for observers] . . . to blame the yanqui diplomat for the cynicism and conservatism which overwhelmed Mexican revolutionary leaders" after Morrow arrived in their capital.[66] This author was certainly more realistic in his discussion of Morrow's role, but lack of space and his limited use of Mexican sources marred Ross's effort and lessened his impact on the historiography of the period. Historical works dealing with the Morrow mission seemed just as devoted to the ambassador's myth after 1958 as they had been prior to that date.[67] "Apparently," as one historian has noted, "human beings have a stubborn attachment to old beliefs and an equally stubborn resistance to new materials that will upset them."[68]

A great many untapped resources have surfaced to make the myth appear even more incredulous. Interviews, oral histories, memoirs, diaries, and the author's correspondence with several historical figures of the late 1920s reveal some important new information about Morrow's

diplomatic career. State Department files, U.S. military reports, and Morrow's own private papers at Amherst College are even more revealing. Finally, documents discovered at the Archivo General, the Archivo de la Secretaría de Relaciones Exteriores, and the Hemeroteca Nacional in Mexico City show how Mexican officials actually dealt with the U.S. envoy. Each of these sources discredits the traditional view of Morrow's role in Mexico; taken together, they completely destroy the myth. It is, therefore, time to reconsider how one U.S. citizen could supposedly redirect the course of the Mexican Revolution with little more than the force of his personality and the prestige of his diplomatic post. And, while Calvin Coolidge and others have claimed that Morrow "pacified Mexico,"[69] it is time to reconsider how a man who supposedly did so much harm to Mexican reforms could still be cheered by the Mexican masses and still be praised as "the best American product ever exported to Mexico."[70]

NOTES

Chapter I

1. Harold Nicolson, Dwight Morrow (New York: Harcourt, Brace & Co., 1935), p. 309; Bruce Barton, "The Ambassador Everybody Knows," Collier's, LXXXII (August 4, 1928), 9. Many writers have followed Nicolson and Barton's example in quoting this headline; see Howard F. Cline, The United States and Mexico (New York: Atheneum, 1973), p. 311; Robert Freeman Smith, The United States and Revolutionary Nationalism in Mexico (Chicago: University of Chicago Press, 1972), p. 244; John W. F. Dulles, Yesterday in Mexico (Austin: University of Texas Press, 1961), pp. 324-25; Lorenzo Meyer, México y Estados Unidos en el conflicto petrolero, 1917-42 (México: Gráfica Panamericana, 1968), p. 176; Robert H. Ferrell, Kellogg and Stimson (New York: Cooper Square, 1963), p. 35.

2. Walter Davenport, "With Morrow in Mexico," Collier's, LXXXII (November 1, 1930), 8.

3. Barton, "Ambassador Everybody Knows," 9; also see Thomas Billing Oberlitner, "The United States and Mexico, 1921-32" (unpublished Ph.D. dissertation, Stanford University, 1950), 212.

4. Leonard Mosley, Lindbergh: A Biography (Garden City: Doubleday, 1976), p. 129; also see Hugh R. Wilson, Diplomat Between Wars (New York: Longmans, Green & Co., 1941), p. 240, and Carleton Beals, Glass Houses: Ten Years of Free-Lancing (Philadelphia: J. B. Lippincott, 1938), p. 267.

5. Arthur Constantine, "Morrow's Achievement: An Honest Policy in Mexico," New York World, September 21, 1930.

6. New York Times, February 5, 1928; also see L. Ethan Ellis, "Frank B. Kellogg" in Norman A. Graebner, ed., An Uncertain Tradition: American Secretaries of State

in the Twentieth Century (New York: McGraw-Hill, 1961), p. 159; Selig Adler, The Uncertain Giant, 1921-41: American Foreign Policy Between the Wars (New York: Macmillan, 1965), p. 104; "Sound Diplomacy," an editorial in Mexican Life, IV (January, 1928), 11; J. Patrick McHenry, A Short History of Mexico (Garden City: Doubleday, 1962), p. 199. One author has even referred to Morrow's "straightening out" the Mexicans. Burton Hersh, The Mellon Family: A Fortune in History (New York: William Morrow, 1978), p. 255.

7. McHenry, Short History, p. 200; Samuel F. Bemis, A Diplomatic History of the United States (New York: Henry Holt & Co., 1942), pp. 561-62; Cline, U.S. & Mexico, p. 211; Nicolson, Morrow, p. 313; Oberlitner, "U.S. & Mexico," 214.

8. Arnold Toynbee, Survey of International Affairs, 1927 (London: Oxford University Press, 1929), p. 384. E. Wilder Spaudling, an historian and former State Department official, declared that Morrow "had performed miracles" in Mexico and "was the best thing to come out of the Coolidge administration." Spaudling, Ambassadors Ordinary and Extraordinary (Washington: Public Affairs Press, 1961), pp. 90, 216.

9. Editorial, Mexican Life, V (July, 1929), 20.

10. Hersh, Mellon, p. 253; Ferrell, Kellogg & Stimson, p. 39; Henry K. Norton, "Morrow's Achievement in Mexico," Mexican Life, V (July, 1929), 24; Drew Pearson, Washington Merry-Go-Round (New York: Horace Liveright, 1931), p. 269; New York Herald Tribune, November 17, 1927; Alfonso Taracena, La verdadera revolución Mexicana (México: Editorial Jus, 1963), XIII: 149; William E. McMahon, ed., Two Strikes and Out (Garden City: Country Life Press, 1939), 18, 60; Robert E. Quirk, Mexico (Englewood Cliffs, N.J.: Prentice-Hall, 1971), p. 99.

11. Samuel F. Bemis, The Latin American Policy of the United States: An Historical Interpretation (New York: Harcourt Brace & Co., 1943), p. 218; McHenry, Short History, pp. 200-201; J. H. Plenn, Mexico Marches (Indianapolis: Bobbs-Merrill, 1939), p. 118; Thomas A. Bailey, A Diplomatic History of the American People, 9th ed. (Englewood Cliffs, N.J.: Prentice-Hall, 1974), p. 680; Quirk, Mexico, p. 101.

12. Colonel Alexander J. McNab's speech of April 23, 1930, printed in the Newark Evening News, May 5, 1930.

13. Albert L. Michaels, "Mexican Politics and Nationalism from Calles to Cárdenas" (unpublished Ph.D. dissertation, University of Pennsylvania, 1966), 8.

14. Nathaniel & Sylvia Weyl, The Reconquest of Mexico: The Years of Lázaro Cárdenas (London: Oxford University Press, 1939), p. 81; Vera Carleton Millan, Mexico Reborn (Boston: Houghton Mifflin, 1939), p. 67; Oberlitner, "U.S. & Mexico," 238-39; Henry Bamford Parkes, A History of Mexico (Boston: Houghton Mifflin, 1969), p. 391; James W. Wilkie, The Mexican Revolution: Federal Expenditure and Social Change Since 1910 (Berkeley: University of California Press, 1973), p. 67; Bailey, Diplomatic History, p. 680; Hubert Herring, A History of Latin America (New York: Alfred A. Knopf, 1968), p. 356.

15. Weyls, Reconquest, p. 94; Plenn, Mexico Marches, p. 104; Tomme Clark Call, The Mexican Venture: From Political to Industrial Revolution in Mexico (New York: Oxford University Press, 1953), p. 7; Michaels, "Politics & Nationalism," 35.

16. Quoted in Beals, Glass Houses, p. 273. Also see Fernando Díaz de Urdanivia, "Tríptico Fatal," Excelsior (April 21, 1950) and La Prensa (San Antonio, Texas), January 5, 1935.

17. Eyler N. Simpson, The Ejido: Mexico's Way Out (Chapel Hill: University of North Carolina Press, 1937), p. 582; also see Frank Brandenburg, The Making of Modern Mexico (Englewood Cliffs, N.J.: Prentice-Hall, 1964), p. 73.

18. Barton, "The Ambassador Everybody Knows." Interestingly, Barton's biography of Christ was entitled The Man Nobody Knows: A Discovery of Jesus (Indianapolis: Bobbs-Merrill, 1924).

19. W. E. McMahon to Edward G. Lowry, Mexico City, November 24, 1933, Dwight W. Morrow Papers, Amherst College, Amherst, Massachusetts; hereafter cited as the Morrow Papers.

20. John D. Rockefeller, Jr. to Morrow, New York, April 25, 1928, Morrow Papers.

21. Quoted in Betty Rogers, Will Rogers: The Story of His Life Told by His Wife (Garden City: Garden City Publishing Co., 1943), p. 217.

22. Interview with Marte R. Gómez, April 16, 1964 in James W. & Edna Monzón Wilkie, eds., México visto en el siglo XX: Entrevistas de historia oral (México: Instituto Mexicano de Investigaciones Economicas, 1969), p. 90.

23. J. M. Puig Casauranc, Galatea rebelde a varios pigmaliones de Obregón a Cárdenas: Antecedentes del fenómeno mexicano actual (México: Impresores Unidos, 1938), p. 337. Dr. Puig Casauranc served as the head of the ministries of Public Education; Industry, Commerce, and Labor; Foreign Relations; and the Department of the Federal District at various times in the decade 1924-34.

24. New York Times, June 20, 1936; Luis Quintanilla to Secretaría de Relaciones Exteriores, Washington, June 24, 1936, Archivo de la Secretaría de Relaciones Exteriores, 73-0/870(36)/1:4243. The Archivo de la Secretaría de Relaciones Exteriores will hereafter be cited as AREM.

25. Jan Bazant, A History of Mexico from Cortes to Cárdenas (London: Oxford University Press, 1977), p. 177.

26. José Vasconcelos, "Bolivarismo y Monroismo" in his Obras completas, tomo II (México: Libreros Mexicanos Unidos, 1958), p. 1431. Also see Vasconcelos, El Proconsulado (México: Ediciones Botas, 1946), pp. 56, 145, 148, 176, 186-87, 316, 337, 484-85, 519, 578; Vasconcelos, La flama: los de arriba en la revolución historia y tragedia (México: Compañía Editorial Continental, 1959), pp. 107-12; 139, 142, 200, 204. Several American authors have agreed with Vasconcelos; see, for example, John H. Davis, The Guggenheims: An American Epic (New York: William Morrow, 1978), p. 304.

27. Nicolson, Morrow; Hewitt H. Howland, Dwight Whitney Morrow: A Sketch in Admiration (New York: The Century

Co., 1930); Mary Margaret McBride, The Story of Dwight W. Morrow (New York: Farrar & Rinehart, 1930). All three works faithfully follow the Morrow myth.

28. Diary entry of June 4, 1935, in Nigel Nicolson, ed., Harold Nicolson: Diaries & Letters, 1930-39 (New York: Atheneum, 1966), p. 205.

29. "The Reminiscences of George Rublee" (December, 1950), p. 200 in the Oral History Collection of Columbia University; hereafter cited as OHC.

30. Genaro Estrada, "La gestión de Mr. Morrow," Excelsior (October 30, 1935).

31. Diary entry of June 26, 1934, in N. Nicolson, Diaries & Letters, p. 176.

32. Nicolson to Vita Sackville-West, Englewood, November 23, 1934, and Nicolson to Sackville-West, Englewood, February 14, 1935, in ibid., pp. 190-91, 196-97.

33. Nicolson to Sackville-West, Englewood, November 23, 1934, in ibid., pp. 190-91.

34. Nicolson to Sackville-West, Sissighurst, May 4, 1935, in ibid., p. 203. The Lindberghs later lived in Nicolson's house in Kent, England. Charles Lindbergh, Autobiography of Values (New York: Harcourt, Brace, Jovanovich, 1978), p. 18.

35. See Nicolson to Sackville-West, Cuernavaca, February 22, 1935, in ibid., pp. 198-99.

36. Quoted in Nicolson to Sackville-West, Culiacan, March 11, 1935, in ibid., p. 202.

37. Nicolson to Sackville-West, Washington, November 17, 1934, in ibid., p. 189.

38. Diary entry of June 7, 1935, in ibid., p. 205 and Nicolson to Sackville-West, Englewood, New Jersey, February 16, 1935, in ibid., p. 197. Also see Nicolson's comments to Hugh R. Wilson in Wilson, Diplomat, p. 238.

39. Nicolson to Vita Sackville-West, Englewood, October 26, 1934, in ibid., p. 186.

40. See, for example, Parkes, Mexico, pp. 391, 451; Bemis, Latin American Policy, p. 217; Dulles, Yesterday, p. 704; Wilkie, Federal Expenditure, p. 112; Jeanne C. Traphagen, "The Inter-American Diplomacy of Frank B. Kellogg" (unpublished Ph.D. dissertation, University of Minnesota, 1956); Oberlitner,"U.S. & Mexico," 212-57; Lawrence A. Cardoso, "Mexican Emigration to the United States, 1900 to 1930" (unpublished Ph.D. dissertation, University of Connecticut, 1974), 171.

41. Eric Severeid's interview with Anne Morrow Lindbergh broadcast on CBS-TV, May 27, 1977.

42. E. T. Clark to Morrow, Washington, December 9, 1927, Marrow Papers.

43. Bruce Barton to Morrow, New York, January 7, 1928, Morrow Papers.

44. Ernest Gruening to Morrow, Portland, Maine, March 28, 1929, Morrow Papers.

45. Henry K, Norton to Morrow, Irvington, N. Y., May 19, 1928, Morrow Papers. Under Secretary of State Robert E. Olds had written to Morrow that "It strikes me that you might well consider using Norton as an opportunity to get a certain kind of favorable publicity on the Mexican situation." Olds to Morrow, Washington, April 2, 1928, Morrow Papers.

46. "The Reminiscences of James T. Williams, Jr." (July, 1957), OHC, p. 700.

47. See Upton Sinclair, The Brass Check: A Study of American Journalism (Pasadena, California: By the Author, 1919) on the use of "Capitalist Journalism."

48. Isaac R. Marcosson, "The American Stake in Mexico," Saturday Evening Post, vol. CXCIX (March 12, 1927), 196; "Memorandum Relating to the Agrarian Situation in Mexico," n.d., in the "Agrarian Question" file, Morrow Papers. The other two largest American landowners in Mexico were John Hays Hammond and the Southern Pacific Railroad Company.

49. John W. Dye to Kellogg, Juárez, February 4, 1928, Archives of the United States Department of State, 812 Chichuahua/5; the Archives of the United States Department of State are hereafter cited as ADS.

50. Special Agent J. K. Wren, "The General Mexican Situation in the El Paso District," January 11, 1928, ADS, 812.00/29094. Hearst claimed to have property valued at approximately four million dollars in Mexico. New York American, December 20, 1927. Also see W. A. Swanberg, Citizen Hearst: A Biography of William Randolph Hearst (New York: Bantam Books, 1971), pp. 467, 475.

51. See below, pages 255-59.

52. Morrow to Kellogg, Mexico City, February 24, 1928, ADS, 812.52/1494; Morrow to Robert E. Olds, Mexico City, March 8, 1928, ADS, 812.52 Babicora/12. Also see Fernando Medina Rúiz, Calles: Un destino melancólico (México: Editorial Jus, 1960), p. 101.

53. E. T. Clark to Morrow, Washington, December 9, 1927, Morrow Papers.

54. E. T. Clark to Morrow, The White House, March 31, 1928, Morrow Papers.

55. Bruce Barton to Morrow, New York, January 7, 1928, Morrow Papers. In March, a Republican leader from Illinois told Morrow that "There never was a time in our history . . . when men of your type were more needed in our public life." By April, the same leader wrote that "I have heard a very considerable number of people in the last few months say that they would like to see you President." Frank O. Lowden to Morrow, Oregon, Illinois, March 26 and April 19, 1928, Morrow Papers. Also see "The Reminiscences of Hilarion N. Branch" (1966), p. 147 in OHC; Alexander Weddell to James R. Sheffield, Mexico City, April 11, 1928, Box #9, James R. Sheffield Papers, Yale University, New Haven, Conn.; hereafter cited as the Sheffield Papers; Philadelphia Bulletin, May 15, 1928; Excelsior, May 15 & 27, 1928.

56. Nemesio García Naranjo, "El 'Poinsettismo' del Gral. Calles," La Reacción, October 12, 1939.

57. See Excelsior, June 19, 1930; Dean Acheson, Morning and Noon (Boston: Houghton Mifflin, 1965), pp. 156-59; Anonymous [Ray Thomas Tucker], The Mirrors of 1932 (New York: Brewer, Warren & Putnam, 1931), p. 108; Alex Gumberg to A. H. Springer, New York, July 11, 1930, Morrow Papers. Morrow received 414,279 of the total 577,385 ballots cast. New York Times, June 19, 1930.

58. Téllez to Secretaría de Relaciones Exteriores, Washington, September 25, 1930, AREM, Expediente III/323(73:72)/53. Also see Excelsior, September 22, 1930. According to Excelsior (June 19, 1930), "There is an inclination in political circles which now believes that if Morrow carries his banner further . . . , he will end by planting it in the White House" by 1932.

59. Portland Evening News, October 28, 1928. The ambassador had always worked in New York, although his family's home was in Englewood, New Jersey.

60. Newark Ledger, August 16, 1930.

61. Morrow to Sheffield, Mexico City, November 3, 1927, Morrow Papers; Morrow to Thomas W. Lamont, Mexico City, November 7, 1927, Morrow Papers; Morrow to Charles D. Hilles, Mexico City, November 3, 1927, Box #193, The Charles D. Hilles Papers, Yale University, New Haven, Connecticut.

62. Morrow to Gurening, Mexico City, March 27, 1929, Morrow Papers.

63. A veteran reporter explained that Mexico had received bad publicity in the United States because "American editors demand that Mexican news . . . must be excitingly gory. If it doesn't drip blood and sensation they don't want it." George Seldes, You Can't Print That! (New York: Payson & Clarke, 1929), p. 351. The Mexican attitude towards Morrow's popularity would, however, change by 1930. See below, pages

64. Nicolson, Morrow, p. 304.

65. Emilio Portes Gil, Autobiografía de la Revolución Mexicana (México: Instituto Mexicano de Cultura, 1964), pp. 481, 599-600; Emilio Portes Gil, "Como se conjuro en 1927 una invasión armada de México," El Universal, May 28, 1950.

66. Stanley R. Ross, "Dwight Morrow and the Mexican Revolution," Hispanic American Historical Review, XXXVIII (November, 1958), 507; Ross, "Dwight Morrow, Ambassador to Mexico," The Americas, XIV (1958), 273-89; the latter article also appeared in El Universal, April 4-9, 1958.

67. See, for example, Bazant, History of Mexico; Janet A. Lane, "U.S.-Mexican Diplomatic Relations, 1917-42" (unpublished Ph.D. dissertation, Georgetown University, 1972); Daniel James, Mexico and the Americans (New York: Frederick A. Praeger, 1963), pp. 240-42; Jules Archer, Mexico and the United States (New York: Hawthorn, 1973), pp. 125-30; Adler, Uncertain Giant, pp. 104-105.

68. Roberta Wohlstetter, Pearl Harbor: Warning and Decision (Stanford: Stanford University Press, 1962), p. 393.

69. Calvin Coolidge, "Introduction" to Howland, Dwight Whitney Morrow, p. xi.

70. José Miguel Bejarano, Mexican Consul General in New York City, in a speech of September 12, 1930, which appeared in Excelsior, September 13, 1930.

CHAPTER II

The War Scare of 1927: The View from the United States

There was serious talk of a U.S. war with Mexico just ten months before Dwight Morrow arrived in that Latin American nation. War clouds gathered on the horizon as President Coolidge told newsmen on January 7, 1927, that American lives and property would have to be protected in Mexico. "We do not care how this is done," declared Coolidge, "but only know that it must be done."[1] Three days later, the chief executive broadened his charges against Mexico by telling Congress that rebel forces in Nicaragua were receiving war supplies that "bear evidence of having belonged to the Mexican Government." Gunrunners that sailed for Nicaragua were, reportedly, fitted out in Mexican ports with the "encouragement of Mexican officials and, in at least one case, under the captaincy of Mexican naval reserve officers."[2] Coolidge hardly needed to remind Congress that these weapons would be used against American troops that had recently landed in Nicaragua to help prop up that nation's conservative regime. Mexican guns were

killing U.S. Marines and challenging U.S. authority in Central America; this situation could not be tolerated.[3] Coolidge warned the Mexicans that he viewed the matter with nothing less than "deep concern."[4]

The president's message caught the United States and the world by surprise,[5] but his administration had not yet completed its bitter indictment against Mexico. Secretary of State Frank B. Kellogg followed his chief to Capitol Hill and testified before the Senate's Foreign Relations Committee just forty-eight hours after Coolidge had uttered his belligerent words of January 10. Kellogg flatly accused Mexico of harboring Bolshevik agents who planned to lead revolutionary movements against American interests in vital areas of the Western Hemisphere. The Secretary of State quoted various Bolshevik sources in an effort to prove these charges, but committee members, led by Senator William E. Borah, were hardly convinced by this weak evidence even after they had questioned Kellogg for three long hours.[6]

Secretary of State Kellogg later claimed that "we never were anywhere near war with Mexico,"[7] but few observers believed that the Coolidge administration had any other plans in early 1927. Thousands were outraged by the government's accusations and did not hesitate to voice their

opposition to an armed invasion of Mexico. Veteran Washington correspondents reported that they had never seen such a vast mobilization of public opinion.[8] Ninety-three per cent of the 28,000 Americans polled in a national survey opposed any step that might lead to a conflict with Mexico.[9] Thirty pacifist organizations held an emergency conference in Washington and six hundred members of the Committee on the Cause and Cure of War marched to the White House to urge the president to arbitrate differences with Mexico, rather than resort to violence.[10] More than one hundred "leading men in the fields of international relations and law" petitioned for arbitration in a full-page advertisement that appeared in The Survey of February 1, 1927. Four hundred "prominent men and women," including the presidents of several Ivy League schools, also appealed to Coolidge to seek a peaceful solution.[11] William F. Green of the American Federation of Labor called the very idea of a war with Mexico "unthinkable"[12] and sent his union's chief lobbyist to a meeting of sixty national organizations that had gathered to campaign against armed intervention.[13] The National Council for Prevention of War, the League of Women Voters, the Foreign Policy Association, the Council of Jewish Women, and the YMCA all joined in the public outcry against the threat of violence.[14]

American newspapers and magazines also reflected public opinion in hundreds of editorials that strenuously objected to the use of force in Mexico. The Baltimore Sun, for example dismissed Kellogg's testimony as

> an elaborate parade of danger that would not scare a toothless old woman. . . . The only possible theory on which Mr. Kellogg can be acquitted of foolishness beyond words is that he is deliberately raising a vast bugaboo to cover State Department manipulations in Latin America for oil and other exploiting interests.[15]

The New York World called the secretary's presentation a poor attempt to "deliberately . . . poison the minds of the American people." The World asked its readers "What crime can an official commit that is worse than [spreading] malicious propaganda when peace between neighboring nations is at stake?"[16] The New Republic seemed to respond by asserting that "it cannot be repeated too often that nothing in the Mexican situation justifies in the slightest degree the threat or use of force" against the Calles regime.[17] Only a handful of newspapers, including the Washington Post, the Wall Street Journal, the New York Herald Tribune, and the New York Times, actually supported the Coolidge administration and its charges against Mexico.[18]

The administration received little additional support in the halls of Congress. On January 25, 1927, the Senate went so far as to pass unanimously a resolution

that acknowledged the government's duty to protect U.S. nationals abroad, but declared that

> it is nevertheless sound policy, consistent with the honor and best interest of the United States and promotive of international peace and good will, to submit to an arbitral tribunal . . . the controversies with Mexico relating to the alleged confiscation or impairment of the property of American citizens and corporations in Mexico.[19]

Few Congressmen were willing to risk a more belligerent stand when so many of their constituents had voiced their contempt for those who threatened violence in 1927.

Racists, led by Senator J. Thomas Heflin and the Ku Klux Klan, added their objections to an invasion of Mexico because they feared the social and political consequences of ruling a race of "inferior" people who would represent "a menace to the old American seed stock."[20] No less a Mexican ally than Frank Tannenbaum believed that "with the temper of our present race problem in mind, . . . no American citizen who wished to preserve American institutions and save the United States from internal conflict, can face [an occupation of Mexico] without the greatest apprehension."[21]

Finally, thousands of telegrams and letters were sent to Washington either to protest against the possibility of war or to call for Kellogg's immediate resignation. In a typical letter of this kind, a citizen from Denver, Colorado,

wrote to President Coolidge that "It would be nothing short of a calamity if we should resort to force in this matter."[22] A group of Philadelphia Quakers added that they opposed war "on the irrefutable Christian principles of justice and friendship" and warned that "our past and recent [acts of violence] are rapidly lowering the prestige of our country throughout the world."[23]

The Quakers' assessment of world opinion was entirely accurate. European newspapers attacked Washington's Mexican policy as both hypocritical and imperialistic. The press in at least five Old World nations specifically criticized the Coolidge administration for its use of force in Nicaragua and its threats of war with Mexico just as the United States called for further disarmament in Europe.[24] In an editorial that revealed the bitterness felt by European debtor nations of this era, a Czechoslovakian newspaper noted that "as soon as [its] economic base is menaced, even the United States knows no other means but soldiers, guns and aeroplanes. . . . Europe will meet her [financial] obligations, but she will feel more . . . on an equal footing with her creditor, whose moral superiority has now turned out to be mere fiction."[25] The Latin American press was equally resentful, as newspapers in Colombia, Argentina, Paraguay, Venezuela, and Uruguay attacked Washington's

aggressive policy on the eve of the Sixth International Conference of American States.[26] Anti-American sentiment ran so high in Caracas that the American ambassador, Willis C. Cook, called on officials in the Juan Vicente Gómez regime to silence two major newspapers in their criticism of Coolidge and Kellogg. Willis soon reported that the dictator was as willing as ever to please Washington "with the result that articles unfavorable to the United States have ceased appearing."[27] Not so easily pressured by foreign diplomats, the Colombian press called for "public manifestations against imperialism" in the last week of January, 1927. Students demonstrated in the streets of Bogotá and the arrival of American aviators on a good-will flight through Latin America was all but ignored by the citizens of Colombia.[28] Washington could hope for little official foreign support at disarmament talks or at the Havana Conference when so many private individuals and newspapers were up in arms against the 1926 invasion of Nicaragua and the threat of a U.S. war with Mexico.[29]

U.S. Business Opposition to War

Many believed that this huge wave of foreign and domestic opposition was largely, if not completely responsible for ending the war scare of early 1927. As one of Mexico

City's two largest newspapers put it, "serene voices had hushed the clamor of ill-disposed interests" that called for an invasion of Mexico after the Coolidge address of January 10.[30] A well-known historian later agreed with this judgment by asserting that "the simple explanation seems to be the correct one: an outburst of popular opinion against . . . the use of force in Mexico caused the Coolidge administration to abandon its . . . threatening position."[31] Most recently, a young scholar has argued that "the public reaction against the oil men helped arouse considerable sentiment against the [Coolidge] Administration's policies of defending property rights in Mexico" with a hard-line approach.[32] Any war would have been difficult and costly without national enthusiasm and at least some international support. But, while public opinion certainly influenced decision making in 1927, several other forces were equally responsible for averting a violent clash or diplomatic break with Mexico.

First, there was the influence of Big Business. Most critics considered business to be a greedy, monolithic force that continually sought armed intervention to protect its endangered property and collect its overdue loans in Mexico. Giant oil companies, large landowners, and Wall Street bankers were all suspected of warmongering as they

pressured Coolidge with "strident calls" for a hard-line policy in Mexico.[33] In a typical remark of early 1927, Senator Burton K. Wheeler of Montana declared that "a few mercentaries in the City of New York [are] hell bent upon the meanest kind of imperialistic policy" in Mexico.[34] The U.S. Socialist Party agreed with this opinion and questioned if the Coolidge administration "should risk money and perhaps life itself . . . for the sake of profits and prestige [for] a few."[35] The American public soon learned that these favored few included several notorious figures involved in the Teapot Dome scandal of 1921. The notion of fighting for such unscrupulous individuals as Edward L. Doheny and Harry F. Sinclair seemed repugnant to all but the most chauvinistic of citizens.[36] Senator George Huddleston of Alabama reflected the general feeling of the times when he vowed that he was "not willing that a single American boy . . . be conscripted and sent into Mexico to lose his life in order that the oil companies may pay dividends."[37]

War critics expressed their doubts about U.S. investors abroad in literature as well as in speeches, rallies, and petitions. In his most recent novel, published shortly before President Coolidge addressed the U.S. Congress in early 1927, Joseph Hergesheimer had characterized his

fictitious oil company executive as "the model of a conservative New York man of large affairs" who sought to line his own pockets and increase his already awesome power, regardless of the consequences for the United States or Mexico.[38] Hergesheimer's oilmen hoped to reverse Mexico's nationalistic laws "and run our oil companies any damn way we chose" by provoking U.S. intervention across the border. Not satisfied with these ambitious goals, another fictional businessman added that "it would be a good thing to get [Mexico's] labour movement stopped [as well]; if we don't Mexico will be as bad as Russia" before too very long.[39] Hardly shocked by these lines, few readers questioned Hergesheimer's image of American businessmen abroad because it simply reenforced what most Americans had always suspected to be true.

A cynical play, entitled Spread Eagle, had a similar effect when it opened in New York City on April 4, 1927.[40] The play's villain was an unscrupulous mining executive named Martin Henderson who favored U.S. intervention to safeguard his company's vast holdings in Mexico. The business leader had pressured "Cal" to intervene across the Rio Grande, but he was told that the United States needed a major diplomatic crisis before its people would support a war against Mexico. Henderson was determined to provide such a crisis and went so far as to pay a Mexican

general one and a half million pesos to start a revolution in his own country. Despite this huge investment, the sinister executive secretly hoped that the general's new government would be poor and unstable because, in Henderson's words, "the only kind of Mexican leader that's worth a damn . . . is one so bad [that] he causes American intervention."[41]

The general's revolt failed, but Henderson did not hesitate to plot a second, equally deceitful scheme. The mining executive planned to hire a former president's son and send him off to Mexico where his senseless murder would have the same sensational effect as the sinking of the Maine had had in February, 1898. Everything worked according to plan as the young man was supposedly killed by the Mexicans, the public was outraged, and American troops marched off "to make Mexico safe for every American citizen."[42] Only the sudden reappearance of the president's son, who had miraculously survived his wounds, soured Henderson's victory. It was, however, too late to stop the American war machine as the businessman, with his total disregard for human life and Mexican sovereignty, had tricked the United States into a costly and totally unnecessary war. Henderson's ambition to profit from the sale of war supplies to Washington made him appear as an even more deplorable

figure. Spread Eagle enjoyed a brief success on the New York stage, although it was perhaps too potentially real for most audiences to appreciate in the spring of 1927.

Some business interests might well be accused of sharing Martin Henderson's sinister goals, even if they never shared his fictional success. Howard T. Oliver, for example, led a New York-based organization known as the Society of Mexican Pilgrims. The Pilgrims included several large American interests that gave their moral and material support to a handful of disgruntled generals who were prepared to lead a new revolt in Mexico. Hoping to increase this support with government aid, Oliver went so far as to meet with a top State Department official to learn how Washington could "guide him in the most effective course." The government official discouraged Oliver "in the most definite and emphatic way," but this warning did little to stop the Pilgrims' nefarious activities in Mexico.[43] Colonel R. R. McCormick of the Chicago Tribune also favored U.S. intervention and was so sure of an imminent conflict with Mexico that he sent a war correspondent to cover the expected invasion in March, 1927.[44] The American invasion did not, of course, materialize, but some businessmen still agreed with a belligerent author who wrote that in dealing with Mexico, the only "way to kill a snake is to kill it."[45]

Writing in the Manufacturers Record of January, 1927, this hostile observer went on to propose a new doctrine in U.S.-Latin American relations. The main tenet of his doctrine was that

> In the territory north of the Panama Canal the United States will tolerate no Government that is not acceptable to itself. It does not recognize as complete and absolute the sovereignty of any Central American Republic. It issues its fiat that its own interests are such as to necessitate an overlordship in that part of [the] hemisphere, and it will maintain that overlordship, if requisite, by force of arms.[46]

An American physician with financial interests in Mexico saw pecuniary as well as strategic advantages in such a doctrine. Sounding much like the fictional Martin Henderson, the doctor told a fellow investor that the killing of whites in Mexico would force Washington's hand and precipitate the desired invasion across the Rio Grande. Employing the terms of his profession, the doctor continued that

> I feel sure we will go in . . . [as] a dirty cancer cannot be allowed to live at [our] side. . . . [The Mexicans] have proved [sic] . . . they can't run their country and someone will have to run it for them. . . . [If] the U.S. goes in, I and you [sic] and everyone who is interested in Mexico should walk out with a smug fortune. Fortunes will be made over night [sic] [as] all [Mexico] needs is a real government to develop [into] the richest spot in the world.[47]

In a final example of this kind, the Mexican Minister of Foreign Affairs reported that Adolfo de la Huerta, who had led the abortive revolt of 1923-24, had gone to New York

with a large sum of money to confer with U.S. oilmen at the height of the 1927 war scare.[48] There is no evidence of what actually transpired at these meetings, but it would seem unlikely that de la Huerta would travel so far and with so much money if the oil companies had not expressed some interest in the rebel's devious schemes.[49]

An urgent desire for U.S. intervention in Mexico was not, however, shared by all business interests of the 1920s. It is, in fact, a grave mistake to consider the business community as a monolithic force that recognized war as the only solution to its problems in Mexico. Powerful business leaders of the era argued just as ardently against a break with Mexico because, in one reporter's words, they "stood to lose instead of profit by war" in this instance.[50] Thus, while American newspaper owners like McCormick, Hearst, and Colonel McLemore of Texas favored a hard-line policy,[51] others, like Harry Chandler of the Los Angeles Times, opposed it. Disturbed by talk of foreign invasions and internal revolts with American support, Chandler wrote that

> No matter how many adverse reports are made on Calles and his government [and] no matter if he has made mistakes, he is . . . the constitutional head of [Mexico] and in that capacity is entitled to the moral support of the American government.

The newsman added that these were not his views alone, but "the views of every old time American property owner in

Mexico who is familiar with the country, its people and its history."[52]

American merchants in the United States and Mexico agreed with this opinion. As early as June 19, 1925, the American trade commissioner in Mexico City stressed the relation between international peace, Mexican prosperity, and the growth of commercial ties across the Rio Grande. The trade official told over two hundred businessmen at a U.S. Chamber of Commerce luncheon that "the greater the production of Mexico, the greater will be her progress, and the greater will be her purchasing power."[53] George Wythe and his listeners realized that war could destroy transportation routes, limit Mexican purchasing power, and, in the coldest terms, kill potential customers. The Laredo Chamber of Commerce therefore hoped to avert a violent conflict in 1927 and went so far as to offer its city as the site for a possible summit conference between Coolidge and Calles,[54] although the American president rejected any such offer in "a definite and irrevocable manner."[55] Later that summer, the Houston Chamber of Commerce planned to sponsor a good-will flight to Tampico and Mexico City. Official permission for the flight was, however, denied by Washington and the Texas businessmen had had to report to Calles that their plans had been "indefinitely postponed."[56]

Not yet discouraged by these setbacks, the Chambers of Commerce in both Nogales, Arizona, and Nogales, Sonora, made plans for "an elaborate celebration" of Armistice Day in 1927. According to a U.S. consul, the business leaders in these neighboring cities intended to stress the theme of international peace "with even greater emphasis" than usual.[57] In another symbolic gesture of this kind, the San Antonio Chamber of Commerce arranged for businessmen from all parts of Texas to attend the inauguration of Aarón Sáenz as the new governor of Nuevo León.[58] These and similar acts clearly demonstrated the fact that commercial interests on both sides of the border were eager to promote better U.S.-Mexican relations for the sake of peace, as well as their own profits, in 1927.

Calles and "Humane" Foreign Capital

A powerful group of U.S. businessmen also opposed any break with Mexico because they had secured lucrative contracts with the Calles regime. President Calles was often denounced as a Bolshevik by his contemporaries and a radical (from 1924 to 1927) by historians, but these labels did not prevent his seeking foreign capital to help reconstruct Mexico after years of domestic turmoil. All Calles expected of foreign investors was that they respect

Mexican laws and not seek special privileges from his government. As early as October, 1924, Calles visited the United States on his way home from a three-week stay in Europe and promised "legal protection, . . . friendly cooperation, and welcome" to all foreigners who did not seek "exacting rights, privileges or one-sided consideration" in Mexico. After explaining his rather moderate reform program, Calles asked a group of New York businessmen

> If today the Association of American Exporters and all the industrialists of their marvelous country consider Mexico a magnificent market, what will it not be when we . . . have succeeded in making . . . a community in which . . . the workmen in the field and in the city . . . will attain to an economic and social position similar to that enjoyed by the American people?[59]

The president reiterated these ideas on several occasions and demonstrated his sincerity in welcoming foreigners by urging American businessmen to come to Mexico and consider investing their surplus capital in his nation's economy.[60] As Calles told a reporter in late 1926,

> We have absolutely no idea of building a Chinese wall around Mexico and thereby isolating ourselves. This policy would be suicidal. . . . We open our arms to all foreigners who in good faith come to live in peace and economic harmony. They can count on our help and protection. What we must defend ourselves against is what I call inhuman capital; in other words, capital which comes to Mexico to exploit and take away the riches which it extracts. Such capital does not respect the national institutions, for it seeks only to absorb us.[61]

Those foreigners who recognized that Calles was clearly a Mexican nationalist, rather than a Bolshevik conspirator, profited handsomely in their business dealings with the president. Henry Ford was just such a foreigner. The car manufacturer had hoped to build an assembly plant in Mexico City and had commissioned Adran R. Lajous to handle his negotiations with Calles. Lajous was the president's personal friend and, having convinced Calles of Ford's good intentions, the Mexican agent won valuable concessions in railroad freight rates, customs duties, and taxes. Lajous could even wire his home office that Calles was "emphatic we will have no trouble" with labor unions in Mexico.[62] With Lajous as its manager, the assembly plant began production in 1926. By year's end over 49 per cent of all new cars and trucks registered in Mexico City were Fords; the company's ten closest competitors were forced to share less than 32 per cent of this expanding market.[63] With his domination of the Mexican auto market and his lucrative concessions from the Calles regime, Ford could see little advantage in a change of government in Mexico or a U.S. invasion in 1927. The industrialist became an outspoken opponent to intervention and, while he did not attempt to lead a peace mission as he had done in World War I,[64] he nevertheless charged that Washington was "talking war because some financier wants something in Mexico, but

they [sic] will never get it because the public is too intelligent to permit it."[65]

Other U.S. interests fared equally well under Calles' rule. The J. G. White Engineering Corporation, for example, dealt with Calles through its representative in Mexico, James Smithers. Smithers was the ruler's "intimate friend" and was said to have "as much influence with the President as any man in the world."[66] The American had had business ties with Calles since before the Revolution and often served as the latter's trusted interpreter when the president spoke with U.S. diplomats.[67] Exploiting his official contacts in the government, Smithers secured an excellent contract for J. G. White when the engineering firm was commissioned to investigate, plan, and construct a new system of dams throughout Mexico. The New York company dispatched a superintendent and several resident engineers to coordinate the huge project, but these foreigners shared their authority with Mexican officials who were directly responsible to the National Irrigation Commission.[68] U.S. technical skill was, therefore, utilized while the actual work remained under Mexican control. The American engineers learned to speak Spanish, sent their children to Mexican schools, and, reportedly, established an excellent rapport with their Mexican workers.[69] Given this rapport and Smither's lucrative contract, J. G. White reaped a considerable

profit from the federal government's 48.5 million-peso investment in new irrigation projects of the late 1920s.[70]

The International Telephone and Telegraph Company was just as successful in Mexico. The nation had been served by as many as fifty different phone companies by 1924, but in the following year ITT signed a government contract to organize, operate, and expand Mexico's communication system for the next half century.[71] The Mexican Telephone and Telegraph Company, an ITT subsidiary since 1923, received generous concessions from those in power. The firm was exempt from Mexico's numerous taxes and was required only to pay federal authorities 10 per cent of its net earnings or 4 per cent of its gross earnings, whichever was larger. The government allowed MTT to import as much as twelve million pesos worth of telephone equipment free of all customs duties and taxes until 1930. The phone company was also granted the use of all railroad and government telegraph poles to string its wires throughout Mexico. In return, the government could use MTT's lines at half the public rate, while the company pledged to expand local service and open international communications in the near future.[72] MTT was, meanwhile, considered to be "humane capital," in Calles' words, because the company trained Mexican personnel to help run its new facilities and because the company was

able to deal with labor unions "without serious difficulties" in these early years.[73] The number of phones operated by MTT increased nearly 177 per cent from 1925 to 1930 and by December, 1927, long distance lines connected Mexico with Canada, Cuba, and the United States.[74] The American corporation had spent some four million dollars in Mexico during the late 1920s, but it realized a tremendous return on this investment by controlling more than half of the nation's telephone business after 1928.[75]

Mexico's mining industry was also dominated by foreign interests that had learned to cooperate with Calles. The industry often suffered from over-production and the fluctuating price of minerals in this era, but most producers found it to their advantage to comply with Mexico's mining laws, pay their many taxes, and deal with labor demands.[76] One observer's remarks of late 1926 were more or less typical. According to this source, Mexico's mining laws created confusion among some foreigners who were prepared to think the worst about Mexican lawmakers. The author nevertheless concluded that

> As a rule, these requirements are not oppressive or unfair if it is assumed that the mineral wealth belongs to the people of Mexico and that they are permitting other[s] . . . to obtain these valuable minerals on condition of payment of relatively insignificant amounts.[77]

While the petroleum companies employed threats, bribery, sabotage, and propaganda to oppose nationalistic legislation, the mining industry usually relied on low-keyed, cooperative methods to influence Mexican leaders.[78] When asked how his mining company maintained good relations with the Mexican government, a major producer testified that his firm

> never knowingly broke a Mexican law no matter how unjust; it never ignored or defied a public official but tried to persuade him that he was taking a wrong position; it never touched a mining property unless it had a sound title; and it made certain that all responsible officials in contact with Mexican authorities could talk things over in a friendly manner in Spanish.[79]

Not every company could practice these business virtues, but those who made the effort were usually granted mining concessions without great difficulty.[80] These foreign companies hardly needed diplomatic pressure from Washington or a battalion of invading Marines in order to operate their mines or prevail upon Mexican leaders of the 1920s.

Business and the Arms Embargo

Another powerful group of business interests joined the ranks of those who opposed a break with Mexico when the Coolidge administration decided to enforce its arms embargo against the Calles regime. Washington had instituted this embargo on January 7, 1924, as the Alvaro Obregón government

struggled to survive against the formidable de la Huerta revolt.[81] With the embargo in effect, Coolidge allowed loyal Mexican agents to purchase over 1.2 million dollars worth of war materiel in the United States, while denying this privilege to rebel forces.[80] Given this important advantage, Obregón was able to arm nine thousand agrarian and labor recruits to fight de la Huerta and his many military followers.[81] The U.S. embargo thus contributed to de la Huerta's early defeat, but Washington neglected to lift the ban on arm sales when order was restored in 1924. The once-helpful embargo now became a diplomatic weapon that Coolidge often considered using as leverage in protecting American property rights in Mexico from 1925 to 1927.[83] The president realized that without this ban, Mexican rebels could arm themselves in the United States and attack Calles with some hope of military success. At least one clique of revolutionaries is said to have contacted Kellogg and offered to abolish all offensive Mexican laws if Washington simply raised its arms embargo to help the insurgents topple the Calles regime.[84] Observers believed that Calles could not survive in power for more than sixty days if the American embargo was ever lifted. [85] Coolidge never took this potentially explosive step, but his administration followed an almost equally hostile course from December 16, 1926, to

December 30, 1927. Rather than lifting the arms embargo and suffering the wrath of world disapproval, the president moved to block the shipment of war materiel not only to private Mexican citizens, but to their federal government as well. The Mexican military had bought the vast majority of its supplies in the United States and had, in fact, increased its purchases of U.S. arms by over 228 per cent in 1926.[87] Despite this buildup, the U.S. military attaché in Mexico City reported that the Mexican army's equipment was "mostly in poor condition" by December of that year.[88] The armed forces needed many supplies as well as new parts for their equipment, but Washington went so far as to hold up already purchased goods in U.S. ports and at the border. Six cases of European guns and forty-eight cases of European army saddles were thus embargoed on the docks of New York City although they had been paid for and were simply awaiting transshipment to Veracruz.[89] Other items that were of questionable use to the military, including radios, barbed wire, rock salt, and locomotives, were allowed to enter Mexico only after considerable delay by the State Department.[90] In all, twenty-one planes, 396 revolvers, 609 rifles, and twenty-five tons of gunpowder destined for Mexico were left stranded on American docks in 1927.[91]

Washington refused to publicly reveal why it took this drastic action against arm sales to Mexico, but the

State Department confidentially stated three main reasons for its change of policy. First, Kellogg expressed his fear that planes manufactured in the U.S. would be used against the Yaqui Indians in northern Mexico. The Yaquis had led a new revolt in late 1926 and were capable of retaliating against American citizens in Mexico if the Indians were bombed by aircraft made in the States. Kellogg therefore stopped the shipment of planes across the border because he considered it "doubtful whether the Mexican Government would or could extend protection" to Americans in the war zone.[92]

Next, the Secretary of State argued that war supplies acquired by Calles in the United States were being sent to rebel forces in Nicaragua where they were, ironically, used to fight U.S. Marines. Distressed by this turn of events, Kellogg concluded that "I cannot believe it is good policy for us to ship arms to Mexico when that country can spare arms for . . . revolutionists" in Nicaragua.[93]

The third and most important reason for the U.S. ban on the sale of military goods involved the State Department's concern for American property rights in Mexico. Calles' nationalistic oil legislation was scheduled to be enforced after January 1, 1927, but Kellogg hoped to deter this action by letting the Mexican president "know that we were reconsidering the whole subject of the Arms Embargo."[94]

This blatant threat was to serve as a warning to Mexico that the Coolidge administration might still lift its embargo and allow the shipment of arms to potential rebels if its diplomatic demands were not met soon. Washington had, therefore, resorted to diplomatic blackmail in its efforts to protect U.S. rights abroad, although no one in the State Department could explain how Calles was expected to defend private property or maintain domestic order in his country without guns and ammunition to supply his loyal troops.

Many business interests in the United States were adversely affected by their government's arms embargo and at least sixteen companies and business organizations went so far as to voice their objections to top State Department officials.[95] The du Pont Corporation of Wilmington, Delaware, raised the most persistent and typical objections of this kind. Du Pont executives visited Washington, telephoned inquiries, and wrote many letters to the capital in their efforts to have their twenty-five tons of embargoed gunpowder released to Mexico. The company stated that the Mexican War Department had bought all of its gunpowder from du Pont since 1922. "Reliable sources" had nevertheless reported that if Mexican authorities could no longer obtain their supplies in the United States, they were quite willing to

deal with the Bofors of Sweden who "will undoubtedly secure all the future powder business" in Mexico.[96]

Business leaders in the arms industry were also deeply concerned about European competition. A representative of the Colt's Patent Fire Arms Manufacturing Company called on the American commercial attaché in Mexico City and asserted that Washington's arms embargo "not only deprived American manufacturers of a market won through hard work, but also gave European factories an opportunity to gain a foot-hold in Mexico which might prove [to be] costly in the future."[97] The agent complained that the Calles regime had already purchased two thousand Belgian pistols for the Mexico City police force because the U.S. embargo prevented the policemen from buying their weapons in the states.[98] The Arms and Metal Products Company experienced a similar problem with the Mexican Army. Reporting that federal officers had recently received five hundred pistols from a Spanish manufacturer, representatives from the company wrote that the Mexican officers were about to order a thousand more of the same weapons in the fall of 1927.[99]

Julius Klein of the U.S. Bureau of Foreign and Domestic Commerce deplored this type of foreign competition and spoke for the threatened American aircraft industry when he contacted the State Department in September, 1927.

The Department of Commerce official insisted that Canada and Mexico were "our logical aircraft markets" but the loss of either nation's business "would damage the prestige of American aircraft products in [all] Latin American countries." European companies could argue that the U. S. was no longer a reliable source of aircraft supplies "due to possible embargoes such as the present one on Mexico." Klein reported that a Mexican commission was, in fact, about to sail for Europe to purchase new planes because the Calles government was prevented from buying its aircraft in the United States. This situation was alarming enough, but the commerce official added that "experience [shows] that the initial purchases usually dictate subsequent replacements of the same type."[100] Klein concluded that the arms embargo on the Mexican government would have to be relaxed or the U.S. aircraft industry would risk losing not only its market in Mexico, but also its market for new planes and replacement parts in the entire hemisphere.[101]

Klein and other business leaders of the 1920s dreaded such European competition because they recognized foreign markets as essential outlets for surplus goods manufactured in the United States. Deprived of these important markets, the U.S. economy could not function at its most efficient level and could not expand at its normal

rate of growth. The chief of the Bureau of Foreign and Domestic Commerce clearly expressed this belief when he declared that "in peacetime our exports . . . are the margins upon which our well-being depends [for only great] exports enable us to use our resources and energy to the full."[102] Secretary of Commerce Herbert Hoover believed that this valuable trade would benefit not only the U.S. economy, but Latin American stability and hemispheric relations as well. According to Hoover,

> It is greatly to our interest in cold dollars and cents to have business booming in all parts of the world [and] to find ourselves surrounded by contented, busy neighbors. That is one of the surest guarantees of international order and good will [because] political disturbances spring from economic unrest, from depresssion and misery.[103]

The arms embargo against Mexico could only harm vital sectors of the U.S. economy, help create instability in Mexican politics, and produce unnecessary friction in U.S.-Mexican relations. The ban against Mexico could not be tolerated.

Herbert Hoover's Department of Commerce was not the only branch of the federal government that sided with business interests in their opposition to the embargo of 1927. The assistant U.S. Secretary of War found it "rather peculiar for us to force [Mexico] to buy planes abroad . . . rather than . . . patronize the American industry." The War Department was genuinely concerned

about this loss of trade not only because it hurt American business, but also because it meant the loss of accurate intelligence on Mexico's military capacity. Washington could only learn exactly how many planes or guns or bayonets Mexico could employ in combat if the Mexicans bought most of their war materiel in the states where information about their purchases could be reported to U.S. intelligence agents.[104] Meanwhile, the Treasury Department was finding it increasingly difficult to enforce the arms embargo along the more than fifteen-hundred-mile U.S.-Mexican border.[105] The American commercial attaché in Mexico City wrote that it was "a well known fact" that the arms embargo only increased smuggling at the order where high Mexican import duties had already encouraged a considerable amount of illegal trade.[106] The U.S. embassy even learned that the smuggling of arms was ordered by high-level Mexican officials. In urgent need of five Thompson machine guns for his troops, the Mexican Minister of War had, on at least one occasion, ordered his government's consul in San Antonio to dismantle the weapons in the United States and send their parts across the border "in handbags or . . . boxes marked as agricultural implements or machinery."[107] Treasury officials could do very little to stop this type of evasion at the many busy ports of entry on the U.S.-Mexican border.

American efforts to watch European ports to learn the extent of foreign arm sales to Mexico proved equally fruitless. Informers were paid to scrutinize loading docks in Belgium, France, and England, while the U.S. embassy in Stockholm was instructed to "discreetly ascertain" if Mexico was in fact buying its gunpowder from the Bofors.[108] The result of this undercover work was disappointing and almost comical. Ambassador Leland Harris took over a year to report that Mexico never bought any of its gunpowder in Sweden[109] and forty-six boxes of carefully loaded merchandise, identified as weapons in Antwerp, were found to contain only mirrors and medical supplies when inspected in Veracruz.[110] War material nevertheless arrived in Mexico from Europe "with entire regularity," according to the U.S. chargé d'affaires in Mexico City. H. F. Arthur Schoenfeld went on to state that with these new weapons the Calles regime was, by mid-1927, "in a stronger position from the military point of view than at any time since its inception."[111] The embassy official concluded that nothing short of a complete blockade of the Mexican coast could arrest this trade and the damage it did to U.S. business interests. Judging that "no such policy can be adopted," Schoenfeld joined officials in the Departments of War, Treasury, and Commerce when they called for an early end to the ineffective embargo of 1927.[112]

Wall Street and the Threat of War

The last, and most influential, source of opposition to the arms embargo came from an unexpected, but extremely powerful sector of the U.S. economy. Americans, such as Henry Ford, may have believed that Washington was "talking war because some financier wants something in Mexico"[113] and Mexicans, such as Vicente Lombardo Toledano, may have charged that Wall Street was largely responsible for the war scare,[114] but most New York bankers openly opposed any plans to invade or otherwise punish Mexico in 1927. Indeed, two J. P. Morgan partners served on the front line of the movement that opposed war with Mexico. Thomas W. Lamont and Dwight Morrow saw no advantage in collecting Mexico's substantial foreign debt with the aid of heavily-armed Marines. As early as October, 1922, Lamont had called on the American Bankers Association to have patience with the Mexican government as it made "an earnest effort" to improve its economy and provide "its foreign investors with adequate security."[115] Less than a year later, the same banker used Mexico as an example to show how peaceful international cooperation could help resolve even the most serious financial difficulties. After explaining how this cooperation had led to the signing of Mexico's foreign debt agreement of June, 1922, Lamont dismissed the idea of invading Mexico

in order to enforce this pact as "almost unthinkable."[116]

Dwight Morrow was equally adamant in this matter. The banker stated his opposition to the use of force in collecting foreign debts in at least one article, two interviews, and three speeches given from August, 1924, to October, 1927.[117] In a typical remark, Morrow asked,

> Is there any one who thinks that if a man owes him money and cannot pay it there is profit in going out and killing the debtor? Entirely apart from the immorality of putting human lives to the hazard of modern war where the sole issue is a pecuniary claim, there is a conclusive practical reason against such a source in that war . . . does not and cannot accomplish the desired result.[118]

Stressing the same point more bluntly, Morrow declared that "when we need the sheriff to help collect a loan, we recognize that our venture has turned out a failure. We are then only trying to save some planks from a shipwreck."[119] Morrow and Lamont hoped to avoid a shipwreck of this kind because only a financially sound Mexican government could afford to pay its foreign creditors. Despite his conflicts with Washington and the oil companies, Calles had managed to make regular interest payments on his nation's foreign debts. Foreign bankers realized that these payments would be suspended and the value of Mexican bonds would depreciate rapidly with the outbreak of war.[120] Wall Street hardly needed the Marines to occupy the Mexican

customhouse in Veracruz when the Mexican government was more than willing to cooperate with its foreign bondholders in the late 1920s.

Morrow and Lamont employed actions as well as words to oppose a U.S. break with Mexico. Morrow, for example, used his considerable influence on President Coolidge to prevent either intervention or a total lifting of the arms embargo. The Morgan partner had been a close friend and trusted advisor to the president since the two men had graduated from Amherst College together in 1895.[121] Morrow had, in fact, sent his "heartiest congratulations" to Coolidge when the latter served as the governor of Massachusetts and sent his state militia to break the famous Boston police strike of September, 1919.[122] Capitalizing on the national publicity that Coolidge had received in this labor struggle, Morrow had worked hard to have his friend nominated as the Republican vice-presidential candidate in 1920. The banker raised money for Coolidge, distributed thousands of copies of the governor's collected speeches, and labored so tirelessly at the Republican convention in Chicago that one observer concluded that Coolidge's nomination "was a great political accident, entirely brought about by the imagination of Dwight Morrow."[123] The Wall Street banker remained close to his former classmate while Coolidge served as the vice president and, as was his habit

when he sought to educate others to his way of thinking, Morrow sent Coolidge many books on key issues of the day.[124] In those "cosy days when . . . J. P. Morgan kept its relations sweet with prominent people . . . by putting lucrative opportunities in their way," Coolidge was also added to a "preferred list" of individuals who were regularly offered blue-chip stocks at discount rates.[125] Given these strong personal, political, and financial ties, it was said that few people in the world had more influence on the vice president than Dwight Morrow.[126]

Calvin Coolidge turned to his friend for even more advice on national affairs when Warren Harding died in office and Coolidge became president in August, 1923. Morrow was a frequent guest at the White House and it was not long after Coolidge had come to power that reporters began to recognize the diminutive banker as one of the president's "most trusted lieutenants"; others called Morrow the Republican Colonel House.[127] It was, however, Morrow's practice to avoid giving unsolicited advice to his powerful friend. The Morgan partner later told a New York attorney that "when he had an idea which he thought helpful he would withhold it until in the course of a spontaneous discussion he would be questioned, as he always was" by the president.[128] Coolidge therefore asked the banker's opinion of the Mexican situation at several critical points from

1924 to 1927. The president had seriously considered raising the arms embargo at least once in 1925 and twice in 1926, but it was Morrow who counterbalanced the advice of hard-liners in the State Department and the U.S. embassy in Mexico to sway Coolidge from that dangerous course.[129] And, according to a "source of the highest importance" on the Senate's Foreign Relations Committee, it was Morrow who was largely responsible for deterring a movement in the administration to "Cubanize" or directly intervene in Mexico in January, 1927.[130]

Thomas Lamont, for his part, had helped organize the International Committee of Bankers on Mexico as a negotiating body representing Mexico's major creditors in the United States and Europe.[131] A Morrow aide reported that the Bankers' Committee was formed in February, 1919, "largely at the instance and fully under the instructions of the Department of State with the hope of being able to render the [U.S.] Government a distinct service in its solution of the Mexican questions."[132] The de la Huerta-Lamont debt agreement of 1922 therefore involved "heavy sacrifices" for Mexican bondholders, but fulfilled one of the State Department's major requirements for recognition of the Obregón regime.[133] Only the de la Huerta revolt of 1923-24 and the steady loss of federal revenues (caused by a decline in oil production) brought the suspicion of

payments based on this initial accord.[132] After considering Mexico's new financial condition and its desire "to deal with its creditors in a way which would tend to the reestablishment of its credit," Lamont negotiated yet another, more liberal agreement with the Mexican leaders in October, 1925.[135]

Both Morrow and Lamont established close personal ties with several Mexican leaders in the course of these negotiations and in subsequent years. The bankers' contacts included Mexico's former Minister of Finance, Alberto J. Pani,[136] as well as A. L. Negrete, Alberto Mascareñas, Agustin Legorretta, Luis Legorretta, and the Mexican ambassador in Washington, Manuel C. Téllez. Led by Pani and known as the "national development faction" of the Calles regime, these important men had hoped to ease U.S.-Mexican relations so that they might help to attract new American investments while also increasing trade across the border and improving their nation's international credit rating.[137] Impressed by Morrow's and Lamont's sincerity, these Mexicans readily turned to the Morgan partners for advice and support at the height of the 1927 war scare. Eager to be of assistance, the Wall Street bankers either met or corresponded with every member of the Pani faction during the crucial early months of 1927.[138]

Alberto Pani therefore met with Dwight Morrow on several occasions to discuss Mexico's controversial petroleum laws and their relation to the recent diplomatic crisis. Pani stated that Calles had never favored the radical provisions of the petroleum legislation of 1925 and was prepared to "expedite" a Supreme Court decision against the offensive laws if he was simply not pressured by the oilmen or their allies in Washington. The Mexican leader explained that his nation's dignity was at stake because it did not wish to alter its own laws and appear to yield to heavy-handed foreign demands.[139] Pani nevertheless worried that the anticipated Supreme Court decision would be indefinitely postponed if the U.S. ambassador to Mexico was recalled, or the arms embargo was lifted, "or even if strong criticism of Mexico should be made by the State Department."[140] Appreciating Calles' difficult political position, Morrow went so far as to help Pani draft a cable to the Mexican president in late February, 1927. According to this message, Morrow and his banking partners promised to use their considerable influence to prevent the breaking of diplomatic relations, the lifting of the arms embargo, or the taking of any step "that . . . could disturb the normal diplomatic relations with our country." In return, Morrow asked Pani to "emphasize the great importance of Mexico doing nothing that would [further

antagonize the oilmen or the Coolidge administration]."[141] The banker and his Mexican ally hoped to buy time so that the war scare might pass, no additional problems might arise, and Calles might hasten the Supreme Court's oil decision without sacrificing Mexican dignity or his own political prestige. Time would heal diplomatic wounds and restore healthy relations if no new attacks were made by either side in this potentially explosive conflict.

Business leaders of the 1920s thus sought nothing less than an officially-supported Open Door policy in Mexico. Embargoes, diplomatic threats, and talk of armed intervention would only mean the loss of trade to European competitors, the termination of lucrative contracts, or the suspension of debt payments for American business interests. Ford, ITT, du Pont, and the Bankers Committee on Mexico may not have approved of Calles' radical rhetoric and often violent ways, but they preferred a devil they knew to a stranger in the wings as long as they were left to manage their own affairs and prosper under this rule.

The Oil Companies' Stand in Mexico

Only the largest American oil companies, represented by the Association of Oil Producers, had favored a belligerent stand in Mexico because they had all but given up on the country and shifted their business to other parts of the world.

As a result, Mexican petroleum production had declined by nearly 67 per cent from 1921 to 1927.[142] The oilmen blamed Mexican laws and high taxes for this decline, but other reasons for the slowdown appear to have been equally important. As early as February, 1920, the Gulf Oil Corporation had reported to its stockholders that salt water was slowly seeping into the Tampico oil region.[143] The exploitation of wells to nearly their full capacity had only increased this danger in the early 1920s.[144] Foreign companies had been quite anxious to drain the oil fields before their wells were ruined by salt water and before nationalistic provisions of the Constitution of 1917 were enforced by those in power. As one U.S. oilman put it, "I'm here to make a million. I don't give a damn for Mexico, and neither does any other American resident here. I want to make my million quick and easy . . . [but] when I make it I'm getting out and never want to see this country again."[145]

Finally, and most significantly, foreign companies discovered an alternative source of rich oil deposits in the Maracaibo Basin of Venezuela. Meeting little legal resistance from the Juan Vicente Gómez regime, the companies increased Venezuela oil production almost 630 per cent while Mexico's total output fell from a high of 193 million barrels in 1921 to only 64 million barrels in 1927.[146]

American oilmen and their attorneys could practically write their own laws in Venezuela while Gómez survived and personally profited from the oil companies' expanding operations.[147] A pamphlet of the late 1920s, entitled Venezuela and Her Progressive Ruler: An Appreciation, clearly expressed the companies' attitude. The pamphlet asserted that,

> In marked contrast with the policy of the Mexican government, that of Venezuela has, by intelligent legislation and its reasonable enforcement on the part of the Executive, . . . encouraged the entry of foreign enterprise and has accorded to its representatives equitable and impartial treatment. . . . In the opinion of the foreign operating companies, no fairer petroleum laws are to be found than those [of 1925] which regulate the oil industry in Venezuela.[148]

Given this safe haven abroad, Mexico's five largest oil producers of 1925 reduced their output by more than 17.6 million barrels in a single year[149] and began to transfer much of their equipment and skilled personnel to Venezuela.

Mexico was no longer of vital importance as a field of exploitation, but Mexican laws nevertheless remained of great interest to the foreign oil companies. American businessmen feared that they would establish a dangerous precedent in all of Latin America if they ever applied for fifty-year concessions to operate their wells in Mexico. A representative from the Standard Oil Company of New Jersey therefore met with the Assistant Secretary of State,

Robert E. Olds, to lobby for Washington's "effective support" against Calles' petroleum laws. The oil representative warned that the Mexican case would serve as an unfortunate example of U.S. policy in every country of Latin America because "they are all watching the situation with the keenest interest." If the State Department did not stand firmly on this legal issue, Latin Americans would realize that they had "nothing to fear from the Government of the United States except the annoyance of periodically receiving and answering a series of diplomatic notes" written in meek protest against offensive laws.[150] General T. M. Pierce of Standard Oil emphasized this same point when he met with Agustin Legorretta in late 1927. According to the general, the oil companies "must remember that if they gave way in a matter of principle in the Mexican dispute, they would be forced to do likewise in . . . Argentina, Colombia, Peru, Ecuador and Venezuela."[151] One month later, a Standard Oil attorney wrote to Morrow that

> my clients while greatly interested in protecting . . . their valuable properties in Mexico are much more interested in the effect throughout Latin America and the world in general which would be produced by demonstration that the Government of the United States is willing to permit a foreign Government to . . . impair . . . [the] property rights of its nationals abroad.[152]

High officials in the U.S. embassy agreed with this crude domino theory on oil legislation in Latin America.

Ambassador James R. Sheffield ardently refused to compromise in Mexico because he believed that such action would serve to encourage the propagation of other "confiscatory" legislation in the hemisphere.[153] Sheffield reported that "of the total . . . American investments abroad in 1924, 44 per cent were made in Latin America. Any weakness in our attitude [in Mexico] is certain to be reflected almost immediately in other foreign countries."[154] Schoenfeld was of the same opinion. The American charge d'affaires declared that "any weakening . . . on the part of the . . . United States . . . will involve far-reaching and disastrous consequences to American interests both in Mexico and wherever similar policies affecting them exist actually or potentially."[155] As late as September, 1927, Schoenfeld asserted that

> it is at bottom a question as to which of these two conflicting interests, the [Mexican] Government or the companies, is better able to stand the strain of a continued deadlock and there is reason to believe [that] the Government's capacity to do so is sharply limited by internal conditions, both political and financial.[156]

The American oil companies had all but abandoned their Mexican wells and could well afford to make a stand against Calles to defend their property rights in other parts of the hemisphere. Twenty-two of the 402 foreign oil companies in Mexico therefore refused to comply with Calles' oil laws, although these companies produced over

70 per cent of the petroleum extracted from the nation's oil wells; it came as no surprise that the twenty-two recalcitrant firms were all multinational corporations and all members of the Association of Oil Producers in Mexico.[157] Only the public outcry against war and the pressure of major business interests in the United States had combined to help frustrate this powerful force in 1927. Diverse interests, including the arms industry, pacifists, racists, merchants, and Wall Street bankers, had successfully counterbalanced the great influence of oilmen and their faithful allies in diplomatic circles. An uneasy peace therefore characterized U.S.-Mexican relations in 1927 until events in Mexico itself ended all talk of a final break with the Calles regime.

NOTES

Chapter II

1. Quoted in Excelsior, January 9, 1927.

2. Quoted in the Christian Science Monitor, January 10, 1927.

3. The Nicaraguan situation, wrote U.S. Consul John Q. Wood, "is commonly regarded as a test between the United States and Mexico for the leadership in Central America." Wood to Kellogg, Veracruz, January 1, 1927, ADS, 812.00/28182. Also see William P. Blocker to Kellogg, Mazatlán, January 11, 1927, ADS, 812.00/28196.

4. The Coolidge address appears in Papers Relating to the Foreign Relations of the United States, 1927, 3 vols. (Washington: U.S. Printing Office, 1942), 3:288-98.

5. Christian Science Monitor, January 11, 1927.

6. Excelsior, January 13, 1927. The United States had no real evidence to prove its charges that Calles was a Boshevik in 1927. An American oilman could only remember that "someone" had heard Calles say in 1924 that "If to love Mexico is to be a Bolshevik, then I am a Bolshevik." Joseph L. Martin to Henry Lane Wilson, New York, February 26, 1927, ADS, 812.001C13/24. An American judge pointed to red flags at a rent strike in Orizaba as additional "proof" of Bolshevik activity in Mexico. Judge Orville Smith to Senator Frank B. Willis, Cleveland, January 21, 1927, ADS, 711.12/905.

7. Kellogg to William R. Castle, January 26, 1934, quoted in Robert H. Ferrell, Frank B. Kellogg & Henry L. Stimson (New York: Cooper Square, 1963), p. 35.

8. Merle Eugene Curti, Peace or War: The American Struggle, 1636-1936 (New York: Garland, 1972, p. 291.

9. Washington Daily News, January 21, 1927.

10. Curti, Peace or War, p. 291.

11. Christian Science Monitor, January 19, 1927.

12. Ibid. Also see Green to Coolidge, New York, March 28, 1927, ADS, 711.12/1036.

13. Harvey A. Levenstein, Labor Organizations in the United States and Mexico: A History of Their Relations (Westport, Conn.: Greenwood, 1971), p. 131.

14. Excelsior, March 17, 1927; The Survey, LVII (February 1, 1927), 594.

15. Baltimore Sun, January 14, 1927.

16. New York World, January 14, 1927.

17. New Republic, XLIV (February 2, 1927), 285.

18. Washington Post, January 12, 1927, and New York Times, January 11, 1927; also see James J. Horn, "Mexican Oil Diplomacy and the Legacy of Teapot Dome" in Robert H. Claxton, Dependency Unbends (Carrollton, Ga.: West Ga. College, 1978), 112n.

19. U.S., Congress, Senate, S. Res. 327, Congressional Record 69th Congress, 2nd sess., January 25, 1927, LXVIII, 2233.

20. C. M. Goethe, "The Influx of Mexican Amerinds," Eugenics: A Journal of Race Betterment, II (1929), 9.

21. Frank Tannenbaum, "Mexico's Internal Politics and American Diplomacy," Annals of the American Academy of the Political and Social Sciences, CXXXII (July, 1927), 175.

22. James H. Causey to Coolidge, Denver, January 27, 1927, ADS, 711.12/941.

23. Peace Committee of the Philadelphia Yearly Meeting of Friends to Kellogg, Philadelphia, January 19, 1927, ADS, 711.12/890.

24. See Sheldon Whitehouse to Kellogg, Paris, January 11, 1927, ADS, 711.12/899; H. Persival Dodge to Kellogg, Copenhagen, January 18, 1927, ADS, 711.12/944; Ray

Atherton to Kellogg, London, January 18, 1927, ADS, 711.12/917; Jacob Gould Schurman to Kellogg, Berlin, January 12, 1927, ADS, 711.12/918; Lewis Einstein to Kellogg, Prague, January 25, 1927, ADS, 711.12/969.

25. Tribuna, January 20, 1927, quoted in ibid.

26. See Piles to Kellogg, Bogotá, January 22, 1927, ADS, 711.12/915; U.S. Embassy to Kellogg, Buenos Aires, January 10, 1927, ADS, 711.12/972; Kreeck to Kellogg, Asunción, January 20, 1927, ADS, 711.12/986; Willis C. Cook to Kellogg, Caracas, January 20, 1927, ADS, 711.12/887; Grant-Smith to Kellogg, Montevideo, January 27, 1927, ADS, 711.12/1010.

27. Willis C. Cook to Kellogg, Caracas, January 31, 1927, ADS, 711.12/960.

28. Piles to Kellogg, Bogotá, January 22, 1927, ADS, 711.12/915.

29. See C. H. Haring's comments on this situation in the Christian Science Monitor, January 13, 1927.

30. El Universal, January 20, 1927.

31. Bryce Wood, The Making of the Good Neighbor Policy (New York: W. W. Norton, 1967), p. 21; also see Stephen D. Bodayla, "Financial Diplomacy: The United States and Mexico, 1919-33" (unpublished Ph.D. dissertation, New York University, 1975), 100.

32. Horn, "Teapot Dome," 108.

33. William A. White, A Puritan in Babylon: The Story of Calvin Coolidge (New York: Macmillan, 1938), p. 282; Rublee, OHC, 201.

34. Quoted in Excelsior, January 31, 1927.

35. U.S. Socialist Party, "Hands Off Mexico: Act to Prevent War Against the Labor Government of Our Sister Republic" included in ADS, 711.12/988½.

36. See Dayton Post No. 5 of the American Legion to Kellogg, Dayton, Ohio, January 26, 1927, ADS, 711.12/927.

37. U.S., Congress, Senate, 69th Congress, 2nd sess., January 15, 1927, Congressional Record, LXVIII, 1726. Also see the New York World's editorial of March 22, 1927, and Horn, "Teapot Dome," 104.

38. Joseph Hergesheimer, Tampico: A Novel (New York: Alfred A. Knopf, 1926), p. 40.

39. Ibid., p. 279.

40. George S. Brooks and Walter B. Lister, Spread Eagle: A DRama and a Fiction for Patriots (New York: Charles Scribner's Sons, 1927). Spread Eagle was reviewed in the New York Times, April 5, 1927.

41. Brooks, and Lister, Spread Eagle, 40.

42. Ibid., p. 102.

43. Joseph Grew's memorandum of his conversation with Oliver, Washington, February 2, 1926, ADS, 812.00/27706. Also see John E. Cates (President of the Society of Mexican Pilgrims) to Kellogg, New York, June 19, 1925, ADS, 711.12/570.

44. George Seldes, Tell the Truth and Run (New York: Greenburg, 1953), p. 210. Seldes' experience in Mexico led to his resignation from the Tribune later in 1927. Also see Seldes, Iron, Brood and Profits: An Exposure of the World-Wide Munitions Racket (New York: Harper & Brothers, 1934), p. 144.

45. Manufacturers Record: Exponent of America (January 20, 1927), 2.

46. Ibid.

47. Quoted in A. Fletcher Kearney to Kellogg, St. Paul, Minnesota, August 8, 1927, ADS, 812.00/29409.

48. Memorandum, January, 1927, AREM, L-E-853, Leg. 10.

49. One can, in fact, refer to a tradition of American scheming to instigate Mexican revolts and encourage U.S. military intervention. In 1913, for example, John Reed heard a U.S. mining official complain of General Salvador Mercado's censorship of the mail. The foreigner asked: "do you think the American Smelting and Refining Company will submit to having

its letters opened and read by a damned greaser? . . . If this don't bring Intervention . . . I don't know what will!" John Reed, Insurgent Mexico (New York: International Publishers, 1969), p. 6. Later, during World War I, Lincoln Steffens entered the American Club in Mexico City and heard the "good news" that seventeen Americans had been shot in northern Mexico.

> "Seventeen of 'em!" they shouted, "Seventeen of 'em slaughtered in cold blood!"
>
> "But why," asked Steffens, "why do you celebrate the killing of Americans?"
>
> "Don't you see?" They explained: "It means intervention. You don't suppose that those blankety-blank pacifists in the Wilson administration can refuse now to send the army, do you?"

Lincoln Steffens, The Autobiography of Lincoln Steffens (New York: Harcourt, Brace & World, 1931), II:735. Steffens wrote that "there had not been in all my time in Mexico a single revolution, counter revolution, or raid across our border by Mexicans that was not engineered and paid for by Americans in Mexico." Ibid., II:734-35. By 1919, Albert B. Fall still believed that "the interests of the U.S. . . . as well as those of the Mexicans themselves, demand as a matter of international morality that the existing Mexican government be either reformed or entirely eliminated." Fall to General Leonard Wood, February 12, 1919, Albert B. Fall Papers, University of New Mexico, Albuquerque, New Mexico.

50. Seldes, Iron, Blood & Profits, p. 145.

51. Excelsior, January 14, 1927; Seldes, Print That, pp. 349, 351, 363; and see pages 38 & 258.

52. Harry Chandler to "K.D.P.", Los Angeles, December 21, 1926, ADS, 812.00/29405.

53. Quoted in Excelsior, June 20, 1925.

54. Laredo Chamber of Commerce to Coolidge, Laredo, Texas, January 15, 1927, ADS, 711.12/891.

55. Excelsior, January 29, 1927.

56. Calles to Luis Montes de Oca, Mexico City, August 6, 1927, Ramo Obregón-Calles, 104-H-40, Archivo General, Mexico City, Mexico; hereafter the Ramo Obregón-Calles will be cited as RO-C. Houston Chamber of Commerce to Calles, Houston, August 8, 1927, RO-C, 104-H-40.

57. Henry C. A. Damn to Kellogg, Nogales, Sonora, August 18, 1927, ADS, 812.2311/501.

58. San Antonio Express, September 27, 1927.

59. Quoted in El Demócrata, April 18, 1924. Also see the New Orleans Times-Picayune, June 21, 1925; Excelsior, November 28, 1927.

60. See, for example, Calles to O. A. Larrazolo, Mexico City, May 8, 1925, RO-C, 104-A-38.

61. Quoted in Isaac F. Marcosson, "Calles," Saturday Evening Post, CXCIX (February 26, 1927), 173.

62. Quoted in Mira Wilkins and Frank E. Hill, American Business Abroad: Ford on Six Continents (Detroit: Wayne State University Press, 1964), p. 147.

63. Calculated from Mexican Commerce & Industry, IX (May, 1927), 26-27.

64. See Barbara S. Kraft, The Peace Ship: Henry Ford's Pacifist Adventure in the First World War (New York: Macmillan, 1978).

65. Quoted in Excelsior, January 19, 1927. On Ford's distrust of Wall Street see Roger Burlingame, Henry Ford (New York: Signet, 1954), pp. 7, 67, 72.

66. Excelsior, October 16, 1928; Barton, "Ambassador Everybody Knows," 34; Josephus Daniels, Shirt-Sleeve Diplomat (Chapel Hill: University of North Carolina Press, 1947), p. 307.

67. Marcosson, "Calles," 4; Rublee, OHC, p. 204; J. C. Satterthwaite to the author, Washington, October 25, 1976. Satterthwaite served as the Vice Consul in Guadalajara from 1927 to 1929 before he became the Third Secretary at the U.S. embassy in Mexico City from 1929 to 1934. Also see Sheffield to Kellogg, Mexico City, April 6, 1927, ADS, 812.00/28317.

68. J. E. Sterrett and J. S. Davis, "The Fiscal and Economic Condition of Mexico" (unpublished report to the International Committee of Bankers on Mexico, May 25, 1928), 165; S. A. Robertson to K. C. Roberts, Mencleva, Coahuila, September 9, 1929, ADS, 812.5511/77.

69. Will Rogers, "More Letters from a Self-Made Diplomat to His President," Saturday Evening Post, CC (May 26, 1928), 173; Seldes, Print That, p. 320.

70. Martin Harry Greenberg, Bureaucracy and Development: A Mexican Case Study (Lexington, Mass.: Heath Lexington Books, 1970), Table 5, p. 39.

71. Sterrett and Davis, "Fiscal and Economic Condition," 187.

72. Ibid., pp. 187-88; Marcosoon, "The American Stake in Mexico," 197; Alexander V. Dye, "Commercial Notes," Mexico Magazine, I (July, 1925), 19; San Antonio Express, September 25, 1927.

73. Sterrett and Davis, "Fiscal and Economic Condition," 188.

74. "Telephone Development in Mexico," Mexican Commerce & Industry, XIII (February, 1931), 17; Mexican Commerce & Industry, IX (December, 1927), 20-22; Excelsior, October 31, 1927.

75. Calculated from Mexican Commerce & Industry, XI (March, 1929), 15; Mexican Commerce & Industry, XIV (July, 1932), 25; also see Excelsior, December 22, 1929 and February 10, 1930.

76. Sterrett and Davis, "Fiscal and Economic Condition," 195-96; William Trotter Hicks, "Economic Effects of the Nationalization of Foreign Property in Mexico, 1917-31" (unpublished Ph.D. dissertation, Northwestern University, 1935), 161, 189-90.

77. F. H. Newell, "Mexican Mining Laws," Mexican Commerce & Industry, IX (January, 1927), 18.

78. Lorenzo Meyer, Los grupos de presión extranjeros en el México revolucionario (México: Secretaría de Relaciones Exteriores, 1973), pp. 69-80.

79, Quoted in Marvin D. Bernstein, The Mexican Mining Industry, 1890-1950: A Study of the Interaction of Politics, Economics, and Technology (Albany: State University of New York Press, 1964), p. 144.

80. Ibid., p. 151; Hicks, "Economic Effects," 161.

81. Kellogg to Coolidge, "Memorandum Regarding the Sale of Arms and Munitions by the Government of the United States to the Government of Mexico, 1923-24," Washington, March 10, 1929, ADS, 812.24/773a; Arthur Bliss Lane Memorandum, Washington, February 24, 1928, ADS, 812.248/48; Coolidge address to the National Republican Club, New York, February 12, 1924, in C. Rascom Slemp, ed., The Mind of the President as Revealed by Himself in His Own Words (Garden City: Doubleday, Page & Co., 1926), p. 47. Also see Harold E. Holcombe, "United States Arms Control and the Mexican Revolution, 1910-24" (unpublished Ph.D. dissertation, University of Alabama, 1968); on the de la Huerta revolt see David A. Brush, "The de la Huerta Rebellion in Mexico, 1923-24" (unpublished Ph.D. dissertation, Syracuse University, 1975).

82. Kellogg to Coolidge, "Memorandum Regarding the Sale of Arms," Washington, March 10, 1929, ADS, 812.24/773a. The exact total was $1,286,611.48. On Washington's use of the arms embargo in other Latin American nations see Benjamin H. Williams, American Diplomacy: Policies and Practice (New York: McGraw-Hill, 1936), pp. 224-25; Charles P. Howland, ed., Survey of American Foreign Relations (New Haven: Yale University Press, 1929), p. 307.

83. Excelsior, December 29, 1923, and January 2, 1924; Summerlin to Kellogg, Mexico City, January 4, 1924, ADS, 812.00/26767; Edwin Lieuwen, Mexican Militarism: The Political Rise and Fall of the Revolutionary Army, 1910-40 (Albuquerque: University of New Mexico Press, 1968), p. 76.

84. Luis N. Morones, "Calles obligó a las compañías petroleras a cumplir las leyes," El Universal (March 9, 1957); William E. Walling, The Mexican Question: Mexico and American-Mexican Relations Under Calles and Obregón (New York: Robins Press, 1927), p. 150.

85. Morones, "Calles obligó a las compañías petroleras a cumplir las leyes," El Universal (March 12, 1957).

86. William J. Crittenden to Kellogg, Pittsburgh, February 9, 1927, ADS, 711.12/959; William Green to Coolidge, New York, March 28, 1927, ADS, 711.12/1036; William P. Blocker, Mazatlán, Sonora, December 11, 1926, ADS, 812.00/28144.

87. F. M. Gunther to Kellogg, Washington, December 2, 1926, ADS, 812.24/510.

88. Ibid.

89. Kellogg to Collector of Customs (New York) Washington, December 30, 1926, ADS, 812.24/502.

90. George Wythe to Domeratzky, Mexico City, July 28, 1927, ADS, 812.113/10277; Kellogg to Coolidge, "Memorandum on Arms Embargo," Washington, March 5, 1929, ADS, 812.113/1048a; Mexican Commerce & Industry, IX (August, 1927), 11.

91. State Department Memorandum, Washington, n.d., ADS, 812.113/10357; N. E. Bates to William H. O'Gorman, Wilmington, Delaware, April 21, 1927, ADS, 812.24/560.

92. Kellogg to James Sheffield, Washington, December 16, 1926, ADS, 812.24/494. On the Yaquis' fight for autonomy see Evelyn H. Dehart, "Resistance and Survival: A History of the Yaqui People's Struggle for Autonomy, 1533-1910" (unpublished Ph.D. dissertation, University of Texas, 1976).

93. Kellogg to Sheffield, Washington, December 16, 1926, ADS, 812.24/494.

94. Ibid.

95. These sixteen firms included the Westinghous Electric Company, the Radio Corporation of America, du Pont, the Colt Fire Arms Company, the Remington Arms Co., and the U.S. Steel Products Company. R. C. Tanis to Robert Olds, Washington, October 8, 1927, ADS, 812.113/10321½.

96. A. Felix du Pont to Kellogg, Wilmington, Delaware, February 11, 1927, ADS, 812.24/502; K. K. V. Casey to Kellogg, Wilmington, May 11, 1927, ADS, 812.24/568.

97. George Wythe to Schoenfeld, Mexico City, August 31, 1927, ADS, 812.113/10293.

98. Ibid.; F. M. Gunther to the Colt's Patent Fire Arms Manufacturing Company, Washington, March 14, 1927, ADS, 812.24/531; F. M. Gunther to the Colt's Patent Fire Arms Manufacturing Company, Washington, June 7, 1927, ADS, 812.24/579.

99. D. M. Morehouse to George Wythe, Mexico City, September 8, 1927, ADS, 812.24/633.

100. Julius Klein to F. M. Gunther, Washington, September 12, 1927, ADS, 812.113/10324.

101. Also see S. S. Bradley (General Manager of the Aeronautical Chamber of Commerce) to Edward P. Lowry, New York, August 24, 1927, ADS, 812.113/10282.

102. Julius Klein, "Foreign Trade: General Progress and Tendencies," Pan Pacific Progress, V (December, 1926), 167. Also see Klein, Frontiers of Trade (New York: The Century Co., 1929), pp. 120, 141; and see Robert Neal Seidel, "Progressive Pan Americanism: Development and United States Policy Toward South America, 1906-31" (unpublished Ph.D. dissertation, Cornell University, 1973), 184.

103. Quoted in Klein, Frontiers of Trade, p. 175.

104. F. Trubee Davison to William R. Castle, Washington, November 11, 1927, ADS, 812.248/39.

105. William R. Castle Memorandum, Washington, September 26, 1927, ADS, 812.24/639.

106. George Wythe to Klein, Mexico City, September 28, 1927, ADS, 812.113/10321.

107. Schoenfeld to Kellogg, Mexico City, July 19, 1927, ADS, 812.24/607.

108. George S. Messersmith to Kellogg, Antwerp, January 21, 1927, ADS, 812.24/512; Robert Olds to Leland Harrison, Washington, June 2, 1927, ADS, 812.24/568.

109. Leland Harrison to Kellogg, Stockholm, October 29, 1928, ADS, 812.24/676.

110. John Q. Wood to Kellogg, Veracruz, March 16, 1927, ADS, 812.24/538; Wood to Kellogg, Veracruz, March 30, 1927, ADS, 812.24/547.

111. Schoenfeld to Kellogg, Mexico City, October 17, ADS, 812.248/33.

112. Schoenfeld to Kellogg, Mexico City, April 23, 1927, ADS, 812.24/622.

113. Quoted in Excelsior, January 19, 1927. Also see Amos Pinchot, "The Flag and the Dollar," The Forum, LXXVIII (September, 1927), 435.

114. Taracena, La verdadera revolución, XII: 116.

115. Thomas W. Lamont, "The American Banker's Responsibility Today" an address to the 48th Annual Meeting of the American Bankers Association, New York, October 30, 1922, Morrow Papers.

116. Thomas W. Lamont, "Three Examples of International Cooperation," Atlantic Monthly, CXXXII (October, 1923), 541.

117. Dwight Morrow, "Who Buys Foreign Bonds?" Foreign Affairs, V (January, 1927), 219-32; New York Evening Post, September 27, 1927; B. C. Forbes, "No Morgan Chestnuts To Be Pulled from Mexican Fire," Forbes (October 15, 1927), 13-14; B. C. Forbes Memorandum, New York, [October,] 1927, Morrow Papers; Dwight Morrow, "Who Buys Foreign Bonds?" an address to the Institute of Politics, Williamstown, Mass., August 4, 1924, Morrow Papers; Morrow address to the American Bankers Association, Chicago, September 30, 1924, Morrow Papers; Morrow, "The Investor in Foreign Bonds" an address to the Commercial Club of Chicago, April 23, 1926, Morrow Papers.

118. Quoted in the New York Evening Post, September 27, 1927.

119. Morrow, "Who Buys Foreign Bonds?" 232.

120. San Antonio Express, September 25, 1927; Washington Post, September 21, 1927; Christian Science Monitor, September 21, 1927.

121. Morrow to James R. Sheffield, New York, June 1, 1920, Morrow Papers.

122. Morrow to Coolidge, New York, September 13, 1919, Morrow Papers.

123. "The Reminiscences of Guy Emerson," OHC (1951), p. 189. Also see Pearson, Washington, pp. 276-77; Ishbel Ross, Grace Coolidge and Her Era (New York: Dodd, Mead & Co., 1962), pp. 42-43, 50-52, 55.

Morrow told a Republican delegate, "I am sure Coolidge would make a good President; I think he could make a great one." Morrow to Sheffield, New York, June 1, 1920, Morrow Papers.

124. See, for example, Morrow to Coolidge, New York, February 2, 1921 and Morrow to Coolidge, New York, June 26, 1922, Morrow Papers.

125. Mosley, Lindbergh, p. 154.

126. White, Puritan, p. 74; "The Reminiscences of Stanley Washburn," OHC (1952), pp. 182-83.

127. Louis S. Levy, Yesterdays (New York: Library Publishers, 1954), p. 248; Tucker, Mirrors, p. 110; Baltimore Sun, September 21, 1927; New York Times, September 21, 1927; New York American, September 21, 1927.

128. Levy, Yesterdays, p. 249; also see Norman H. Davis to Morrow, New York, May 11, 1926, Morrow Papers; Morrow to Walter Lippmann, New York, September 8, 1925, Morrow Papers.

129. Walling, Mexican Question, p. 150; San Antonio Express, September 25, 1927.

130. Christian Science Monitor, September 21, 1927.

131. Forbes, "No Morgan Chestnuts," 13; Robert Freeman Smith, "The Formation and Development of the International Bankers Committee on Mexico," Journal of Economic History, XXIII (December, 1963), 574-86.

132. Captain Lewis McBride, "Memorandum as to the Organization, Purposes and Activities of the International Committee of Bankers on Mexico" in V. Monroe to coleman, New York, July 19, 1930, Thomas W. Lamont Papers, Harvard University; hereafter cited as the Lamont Papers.

133. Ibid.; Lamont, "Three Examples," 541; Dulles, Yesterday, p. 148.

134. McBride Memo in Monroe to Coleman, New York, July 19, 1930, Lamont Papers.

135. Dulles, Yesterday, pp. 286-88; Bodayla, "Financial Diplomacy," 80-81.

136. Pani's biography is summarized in Major Harold Thompson's Memorandum on Pani, Mexico City, August 28, 1928, 2261:2271-G-64, Navy and Old Army Branch of the National Archives and Records Center, Washington, D.C.; hereafter cited as NOAB.

137. Smith, Revolutionary Nationalism in Mexico, p. 245; Jean A. Meyer, La révolucion Mexicaine, 1910-40 (Paris: Calmann-Lévy, 1973), p. 143.

138. See, for example, Morrow Memorandum of a dinner at Morrow's New York apartment with Morrow, Pani, Negrete, and Thomas Cochrane present, February 22, 1927, Morrow Papers; also see Ignacio Moran I. Mariscal to Kellogg, New York, February 5, 1927, ADS, 711.12/950.

139. Morrow Memorandum on a meeting with Pani, Negrete, Swain, and Cochrane, New York, February 21, 1927, Morrow Papers. Manuel Sierra emphasized this point when he told Schoenfeld that "it would be humiliating in front of the world to acknowledge that such a change [in the petroleum law] was brought about by pressure [from] the United States." Reported in Schoenfeld to Kellogg, Mexico City, July 18, 1927, ADS, 812.52/1466½. Sierra was the chief of the Diplomatic Department in the Mexican Foreign Ministry.

140. Morrow Memorandum on a meeting with Pani, Negrete, Cochrane, Munroe, and Swain, New York, February 23, 1927, Morrow Papers.

141. Morrow Memorandum on the Pani cablegram to his government, February 25, 1927, Morrow Papers; Morrow Memorandum on a meeting with Pani, Negrete, Cochrane, Munroe, and Anderson, New York, February 25, 1927, Morrow Papers.

142. Calculated from Edwin Lieuwen, Petroleum in Venezuela: A History (Berkeley: University of California Press, 1954), p. 121.

143. Hicks, "Economic Effects," 140.

144. Sterrett and Davis, "Fiscal and Economic Condition," 204.

145. Quoted in Seldes, Print That, p. 360.

146. Lieuwen, Petroleum in Venezuela, p. 121.

147. Ibid., pp. 34-38, 49-50, 55.

148. Cyrus Norman Clark, Venezuela and Her Progressive Ruler: An Appreciation (Caracas: Lit y Tip del Comercio, 1929).

149. Calculated from Mexican Commerce & Industry, IX (July, 1927), 13.

150. James R. Sloane Memorandum on his conversation with Olds, Washington, October 21, 1926, ADS, 812.00/ 28005½.

151. V. Munroe Memorandum on his meeting with A. Legorretta and General Pierce, New York, December 13, 1927, Lamont Papers. Also see Alexander Legge (President, International Harvester Company) to Kellogg, Chicago, February 16, 1927, ADS, 711.12/984; Morrow to Lamont, Mexico City, November 7, 1927, Morrow Papers.

152. Sloane to Morrow, Havana, January 19, 1928, Morrow Papers.

153. Sheffield to Nicholas Murray Butler, Mexico City, March 14, 1927, the James R. Sheffield Papers, Yale University; hereafter cited as the Sheffield Papers.

154. Sheffield to Kellogg, Mexico City, April 5, 1926, ADS, 711.12/744; and see Sheffield to Morrow, New York, November 17, 1927, Morrow Papers; Sheffield to James W. Wadsworth, Mexico City, April 7, 1926, Box #8, Sheffield Papers.

155. Schoenfeld to Kellogg, Mexico City, September 5, 1927, ADS, 812.6363/2363.

156. Ibid.

157. These twenty-two companies produced from 48 to 70 per cent of all Mexican oil in the 1920s. Lane, "Diplomatic Relations," 107; J. Fred Rippy, "Fundamentals in the Present Mexican Situation," Annals of the American Academy of Political and Social Sciences, CXXXII (July, 1927), 169. The recalcitrant

firms were listed in Calles' telegram to Senator William E. Borah, printed in the New York Times of March 1, 1927. The most important of these were Standard Oil of Indiana, Huasteca Petroleum, Mexican Sinclair, Doheny & Bridge, and Mexican Tuxpam.

CHAPTER III

The War Scare of 1927: The View from Mexico

The war scare of 1927 produced great concern in the United States, but it created nothing short of alarm across the Rio Grande. Mexicans had feared an American invasion or a diplomatic break with Washington for some time. High government officials, including Ambassador Téllez, Jesús Silva Herzog, and Calles' Jefe del Estado Mayor, General José Alvarez, were thoroughly convinced that Washington planned to invade Mexico's oil region and eventually annex that valuable territory to the United States.[1] Luis N. Morones was equally apprehensive. The Minister of Industry, Commerce, and Labor learned that American diplomats were so sure of an imminent break in U.S.-Mexican relations that they were prepared to abandon Mexico City at any hour of the day or night.[2] Most significantly, Mexican officials had uncovered a secret contingency plan written by the U.S. military attaché, Lieutenant Colonel George M. Russel, in July, 1924. This document, known as the Green Plan, called for several thousand American troops

to invade Mexico, tie up all domestic railroad traffic, and occupy several key cities, including Tampico and either Monterrey or Mexico City. According to Russel's scheme, few American lives would be lost in this brief action as Mexican soldiers would be left stranded and defenseless without the use of their own railroads. Half of Mexico would have little to eat within two weeks and American soldiers would encounter so little resistance that they could expect to "cross the country without [even] a skirmish" to impede their steady advance.[3] Such a plan was both naive and impractical, but its mere existence seemed to prove Calles' greatest fears at the height of the American war scare in 1927.

Mexican leaders braced themselves for the expected American invasion when they learned that U.S. Marines had landed in Nicaragua in late 1926.[4] Six additional warships and six hundred additional Marines had been ordered to Nicaragua as late as January 6, 1927.[5] Few doubted that Mexico would be the next victim on Washington's list if the United States was determined to brandish its Big Stick in Latin America.[6] Rumors of the anticipated attack only increased in volume and number after President Coolidge delivered his belligerent address to Congress and observers reported the ominous movement of American troops and battleships. Reflecting the urgent mood of this period, Tampico's

major newspaper, El Mundo, printed a special edition on Janury 14 to report the mobilization of all American forces along the U.S.-Mexican border from Arizona to Texas.[7] Governor Emilio Portes Gil of Tamaulipas claimed that he had read several stories in the American press that told of U.S. battleships leaving for Veracruz, Tampico, and Tuxpan.[8] Later, Genaro Estrada received an urgent telegram that reported that these ships were already en route to Mexico in early 1927.[9] General Arnulfo R. Gómez created even further alarm when he dashed off a cable to Alvarez and Calles to warn his superiors that American vessels had been spotted just outside the harbor at Veracruz.[10] Distressed, President Calles responded to the emergency at hand by transferring some five thousand federal troops from Sonora to the Tampico region[11] and by ordering some extraordinary measures if the Marines actually landed on Mexican soil. The president instructed Portes Gil, General Gómez and the chief of military operations in Tampico, General Lázaro Cárdenas, to burn all U.S. property in the oil fields "so the invaders would find only debris and ashes" rather than wells and refineries on the Mexican coast.[12]

Calles' Peace Offensive of 1927

But Calles was never forced to resort to this scorched-earth policy. The boats that Gómez sighted off

the shore at Veracruz were only cargo ships and there is no available evidence to show that Washington ever intended to implement the Green Plan or any other scheme to invade Mexico.[13] This did not, however, mean that the possibility of war or a break with Washington was any less real to the Mexicans in early 1927. The Coolidge speech and Kellogg testimony of January were probably only trial balloons that failed, but Calles still had the rigid U.S. arms embargo to remind him that Washington was capable of drastic action, despite the strenuous opposition of business interests and public opinion. Thus, while the immediate threat of war had passed by mid-February, Calles sought to deter similar risks in the future by employing whatever force he could muster against his powerful neighbor. The Mexican ruler had five important weapons at his command.

First, Calles used the promise of a favorable Supreme Court decision in the oil conflict to win allies on Wall Street, while quieting official American criticism of his regime.[14] This diplomatic ploy proved to be highly effective as Dwight Morrow counterbalanced the oil industry's influence in the White House and Calles delayed his nation's court decision until he was sure of Washington's change of policy in late 1927.

Next, the Mexican president attempted to resist the U.S. arms embargo against his government by sending a

military commission to buy weapons in Europe and by establishing an embargo of his own. Calles was said to be "very much annoyed" by the ban on arms sales[15] and, in what was probably an officially inspired editorial, Excelsior called the embargo "a case of unnecessary hostility on the part of the Yankee Government." The newspaper was particularly upset because already-purchased goods were being detained in the United States without any public explanation of this "strange and inexplicable decision."[16]

Ambassador Téllez clearly expressed his nation's anger in a letter to Secretary of State Kellogg dated July 6, 1927. The Mexican envoy noted that his request to buy war material in the United States had been continually rejected by the State Department,[17] although Téllez considered this affront "inconsistent with the cordial relations that unite our two countries." The ambassador pointed out that without guns to properly arm federal troops public safety in Mexico would be impaired "with consequences that would be unpleasant" to U.S. interests. In an economic warning to the business-orientated government in Washington, Téllez also declared that inconveniences created by the arms embargo "can be easily remedied, since [munitions] may be acquired by my Government in other countries." Téllez wrote that should this happen, "the financial injury would almost entirely fall upon the [American] manufacturing firms"

that normally supplied Mexico's military needs.[18] Calles and his generals had "consistently shown a preference for American merchandise,"[19] but they threatened to take their business elsewhere if their valuable trade was no longer welcomed in the United States.

The Mexicans were as good as their word. When the Coolidge administration still refused to explain or lift its arms embargo against his government, President Calles appointed a military commission to purchase war material from European suppliers rather than from American firms. The commission, headed by General José Luis Amezcua, sailed for England where it reportedly purchased ten new fighter and commercial planes for the sum of $800,000.[20] English manufacturers were even prepared to train Mexican pilots and mechanics to fly and service the newly-acquired aircraft.[21] A worried State Department instructured its ambassadors in four major European countries to keep track of both General Amezcua and his business transactions abroad.[22]

Calles also attempted to retaliate against the U.S. arms embargo by instituting a boycott of his own on May 30, 1927. The president decreed that Mexican bureaucrats and their federal departments could no longer purchase their goods and supplies in the United States.[23] To make conditions even more difficult, Calles raised his nation's import

duties 5 per cent and made custom regulations at the border increasingly burdensome.[24] The ruler explained that he was forced to take these drastic measures because Washington refused to release merchandise that the Mexican government had already purchased overseas. Calles asked how his government could be expected to economize and pay its many debts if large sums of its money were tied up in goods that were paid for but never received.[25] A high government official publicly defended Calles' stand by denying that Mexico's limited embargo was inimical compared to the State Department's "hostile acts." In a pointed remark, the official declared that the Mexican government was forced to order its goods in Europe "as the White House had forbidden us to supply ourselves in the United States." The spokesman warned that with his nation's financial problems and the availability of European sources, Mexico would not change its policy on government purchases in the U.S. until Washington finally changed its policy on arm sales to the Calles regime.[26]

Calles' economic sanctions worked very well. The municitions industry was outraged when it learned of Amezcua's purchases in Europe[27] and American merchants were similarly distressed by the Mexican boycott of May 30. The general manger of the El Paso Chamber of Commerce complained to his congressman that Calles' embargo and increased import

duties "will seriously curtail the business of the border merchants and jeopardize their interests." Representative C. B. Hudspeth relayed this emphatic protest to Secretary of State Kellogg.[28] Members of the San Antonio Chamber of Commerce also voiced their displeasure and demanded to know what the State Department was doing to ease diplomatic relations with Mexico.[29] Even Ambassador Sheffield reported that "certain elements friendly to Germany and other European countries" were anxious "to take advantage of the strained relations between Washington and Mexico to divert [Mexican] government purchases to Europe."[30] The Coolidge administration steadfastly refused to lift its controversial arms embargo against the Mexican government until December, 1927, but Calles' economic sanctions had helped to create even greater pressure from American business interests who preferred improved U.S.-Mexican relations to further losses to their European competitors.

Calles employed a well-organized propaganda campaign as a fourth means to influence U.S. policy making. A special news agency was established to help explain Calles' revolutionary program to the world and offset the adverse reports that most foreign correspondents filed from Mexico City.[31] The agency's director, Lic. Francisco de A. Benavides, claimed that his department provided a regular mail service to more than two thousand newspapers in Europe,

Latin America, and the United States.[32] Calles' half-brother, Arturo M. Elías, was particularly helpful in this campaign. The Mexican Consul General in New York City used his office to distribute reams of favorable information about the Mexican government and its reforms. Elías issued press releases, wrote a small pamphlet, and paid several Americans to assist him in spreading Mexican propaganda in American labor unions, the liberal press, and anti-Catholic organizations.[33] A confidential State Department memo of February, 1926, also explained that Ambassador Téllez was "furnished with a large fund with which to influence American publicity in respect to Mexico." According to this intelligence report, any correspondent in Washington could draw cash from the Mexican fund by "merely hinting that he would accept it."[34] A U.S. naval officer reported to his commander that the Mexican government had even planned to spend a vast sum of money to produce a series of films that would subtly influence U.S. public opinion regarding Mexico. A well-known film director had already been approached to supervise the ambitious project by June, 1927.[35]

Mexico's chief executive became directly involved in his government's propaganda campaign of the mid-1920s. Calles granted interviews to foreign reporters, met with visiting groups, and even went so far as to write several articles for newspapers and journals in the United States.[36]

The president's theme remained consistent. Whether writing for the prestigious journal, Foreign Affairs, or speaking informally to tourists on a good will excursion to his capital, Calles would patiently explain his many controversial policies as part of his overall program to improve the general standard of living in Mexico. Calles repeatedly denied that he was a Bolshevik; his program was meant to satisfy Mexican needs rather than conform to any particular political ideology. Calles doubted that very many officials in his government could explain what Marxism involved, no less adhere to its complex dogma.[37] Finally, the president insisted that foreign investors were "welcomed with open arms" if they simply respected Mexican laws and did not seek any special privileges in his country.[38] Calles capped his efforts to influence U.S. public opinion and ease diplomatic tension by releasing a translated collection of his public speeches in a small volume entitled Mexico Before the World.[39]

These many attempts to influence foreign opinion were stepped up even further with the threat of U.S. intervention in early 1927. Calles hardly expected European or Latin American governments to criticize openly American aggression as long as they remained politically and economically tied to the United States. The president nevertheless hoped to arouse popular sentiment and create moral pressure from around the world to prevent American intervention in his

country. Estrada was, therefor, instructed to wire every Mexican embassy in Latin America as well as those in London, Paris, Berlin, and Madrid to warn them "of the gravity of the International crisis which is threatening the stability of our Government." Mexican diplomats were ordered

> to use the necessary funds to carry on . . . propaganda in the Press of all kinds . . . to uphold the right which Mexico has to dictate its own laws. This propaganda should be effected in an intelligent manner, exposing the absurdeness of the [policies] of Secretary of State Kellogg, as well as the ignominious American intervention in Nicaragua.[40]

Not satisfied with this international press campaign alone, Calles met with forty memebers of an American good will tour led by the Reverend Hubert Herring of Boston. The president told this audience of ministers, authors, lawyers, and teachers that he was willing to submit all diplomatic problems to the Hague Tribunal in order to avert "a still greater menace to Mexico." In a direct appeal to American public opinion, Calles maintained that there was no real conflict between the people of the United States and the people of Mexico. Only a small band of American capitalists had selfishly called for intervention, although they realized that the use of force or a diplomatic break with Washington would serve to encourage reactionary elements and endanger Mexico's needed reforms.[41] Other good will excursions,

including forty-seven editors of farm journals in the United States, also received special attention in Mexico and were given "an exceptionally cordial greeting" by Calles at the National Palace.[42]

The president's propaganda campaign proved to be just as effective as his government's boycott of American goods, his buying of military hardware in Europe, and his promise of a favorable court decision in the petroleum conflict. European newspapers from the conservative Nationaltidende of Copenhagen to the socialist Ceske Slovo of Prague vehemently condemned American aggression in Latin America.[43] Anti-American protests and adverse editorial comments in Colombia were "believed to be largely due to Mexican activities," according to the U.S. ambassador in Bogotá.[44] American diplomats in Asunción, Caracas, and San Salvador shared this suspicion when hostile editorials also appeared in the major newspapers of these Latin American capitals.[45] Several hundred workers and university students went so far as to march through the main streets of San Salvador with placards that read "Viva México" and "Abajo Díaz." This particular demonstration ended at the Mexican Legation where anti-American speeches were delivered by several of the protesters and at least one Mexican official at the scene.[46]

Hubert Herring never took to the streets in protest when he returned to the United States, but he successfully

influenced U.S. public opinion with the help of several other members of his good will tour. Herring spoke at mass meetings in Chicago and Washington where he attacked his government's threats against Mexico as "indescribably cruel." The minister answered Kellogg's accusations concerning Bolshevik activity in Mexico by declaring that there were probably more Communists in any single Washington hotel than there were in all of Mexico City. Turning his criticism to Ambassador Sheffield, Herring adminished the envoy for his strictly legal approach to sensitive diplomatic problems.[47] Testifying before a Senate subcommittee in February, 1927, Herring claimed that the Calles regime was "the ablest Government which Mexico has ever known" but Sheffield could simply not deal with it because the ambassador was "utterly incapable of getting at the real spirit of [what] . . . is happening to the soul of Mexico." The witness rejected the possibility of a strictly legal solution to American problems with Calles by saying that "We will never heve peace save upon the basis of feelings. Laws [have] never yet made peace."[48] A Quaker who had accompanied Herring's group to Mexico testified before the same subcommittee and thoroughly agreed that the use of force and legal arguments could never solve the conflict with Mexico. Carolena M. Wood reported that "the patient is getting well" and only required a dose of understanding

from the United States to recover and eventually deal with its international problems.[49]

Calles' propaganda therefore proved to be quite successful, but the president sought yet another means to counter U.S. diplomatic pressure in 1927. The ruler had no need to look any further than the U.S. embassy in Mexico City to find the fifth and perhaps the most powerful weapon in his diplomatic arsenal. Calles had suspected that Ambassador Sheffield and Secretary of State Kellogg were conspiring with Mexican reactionaries and the major foreign oil companies for some time. The president was convinced that he could remove much of the sting from Washington's often-belligerent Mexican policy of he could somehow expose this plot against his government. Many forged or stolen documents had fallen into his hands since 1925,[50] but the chief executive wanted more recent and more damaging evidence before he presented his case against the American statesmen. Plans were, therefore, made to secretly uncover additional proof of the State Department's treachery. Luis Morones and Aarón Sáenz were instructed to bribe U.S. embassy personnel with large sums of money in order to break the diplomatic code and obtain highly confidential documents. General Alvarez and his aides were to establish close contacts with the U.S. diplomatic staff in order to gain access to the embassy and make copies of incriminating records. Finally,

Mexican governors in the oil region were instructed to investigate the oil companies' clandestine activities in each of their strategically important states.[51]

These top Mexican officials completed their tasks with all the skill and intrigue of a professional spy ring. First, Morones discovered that the embassy employee in charge of the diplomatic code was willing to turn informer, rather than be exposed as a chronic alcoholic. Having broken the code, a military officer under Alvarez gained access to the embassy and copied important letters while having an affair with the wife of a U.S. diplomat. Once made, the valuable copies were delivered to government couriers at drop points in various churches, restaurants, and theaters of Mexico City.[52] Many other documents were simply bought from those who dealt with stolen documents and forgeries in what had become a thriving Mexican business. It is said that the Mexican government had spent several hundred thousand dollars in its efforts to obtain three hundred and fifty copies of consular dispatches, military reports (including the Green Plan of 1924), and confidential coorespondence between Sheffield and the State Department.[53]

Calles made excellent use of this expensive collection of documents. The president trusted his good friend, James Smithers, to deliver many bundles of photostated copies to the State Department on February 24, 1927.[54]

American officials soon verified that most of the documents were indeed authentic, although a few were dismissed as mere forgeries.[55] No one could deny that the evidence was extremely damaging. A typical report by Lieutenant Colonel Davis referred to the day when Mexico would be "so fortunate as to be blessed with American intervention." Davis stated that Mexico had "little if any hope of developing into a self-supporting, respectable member of the community of nations unless she received from the outside something she has never really had, that is to say extended training in actual self-government."[56] State Department officials labeled such reports "embarrassing" while the embassy's First Secretary declared that a similar document was "the worst thing that Calles could have read." Reflecting the distressed mood in Washington, Arthur Bliss Lane added, "God help us [now]."[57]

Calles wasted no time in exploiting his diplomatic advantage. Copies of the stolen U.S. documents were sent to Mexican embassies in every major capital of the world in case Calles decided to play his trump card and release his evidence to the international press.[58] In addition, Ambassador Téllez was called home for an urgent briefing in Mexico City. He soon returned to Washington to request a private conference with President Coolidge and Secretary of State Kellogg. Their high-level meeting took place

on the afternoon of March 21, 1927. Téllez informed both Coolidge and Kellogg that his government intended to demonstrate its sincere desire for improved diplomatic relations by not releasing its stolen documents from the U.S. embassy. The Mexican ambassador insisted that the Calles regime had never wanted trouble with the United States, but American diplomats had failed to understand Mexico's constructive reforms and had created unnecessary friction between the neighboring nations. Indeed, Calles had hoped that Ambassador Sheffield would be recalled by Washington on several occasions in 1925 and 1926. Téllez went on to explain that Mexican laws were designed to facilitate Mexican development, rather than to harm foreign investors or create diplomatic tensions. Mexico had no desire to confiscate U.S. poperty "or to discriminate against American citizens in any way." The Mexican ambassador stated that his government had, in fact, been able to negotiate with several American oil companies, but Harry F. Sinclair had told Calles that "higher authorities" in the United States had not allowed his oil company to come to terms with the government in Mexico. Kellogg indignantly replied that his department had never interfered in American business negotiations abroad. The Secretary of State, moreover, dismissed most of the stolen embassy documents as "clumsy forgeries, undoubtedly made by somebody to stir

up trouble." Clearly irritated, the statesman declared that "I certainly ought to have been kicked out of the Cabinet if I had been fool enough to write those documents."[59]

But President Coolidge appeared to be more conciliatory. The chief executive was encouraged by the Mexican promise to protect American property and he was certainly relieved to hear that Calles did not intend to release his embarrassing evidence against the United States. None of the three hundred and fifty confiscated documents actually called for war, but they clearly revealed the uncompromsing, racist, and bullying attitude of a great many American diplomats in the United States and Mexico. Perhaps most importantly, Coolidge realized that his government's position in Mexico had become indistinguishable from the oil producers' belligerent stand against Calles. The "higher authorities" who frustrated Sinclair's negotiations with Calles were, undoubtedly, members of the Oil Producers Association, rather than officials of the State Department, but the distinction between the two institutions and their goals had obviously become blurred in the Mexican mind. Calles and many others in Mexico believed that Sheffield, Kellogg, and the U.S. Secretary of Treasury, Andrew W. Mellon, were major stockholders and officers in the oil companies; the Mexicans never doubted reports that Sheffield was to

receive a "very large remuneration" from the Oil Producers Association if he finally won their legal battle in Mexico.[60] His conference with Téllez on March 21 therefore helped Coolidge to realize that his own foreign policy could no longer be identified with the oil industry's demands if the Mexican deadlock was ever to be broken without the use of military force.[61]

Coolidge publicly reponded to Mexican overtures less than five weeks later. Speaking at a New York dinner celebrating the fiftieth anniversary of the United Press news service, the president remarked that American interests were seldom safe in Mexico "but recently our difficulties have been increased by the enactment of laws . . . , which . . . threaten the virtual confiscation of [the] property of citizens, even where their holdings . . . were established for scores of years." Coolidge had no intention of sacrificing this property in Mexico and he flatly rejected the thought of arbitration by a third party. The chief executive nevertheless denied that he sought trouble abroad. Indeed, Coolidge offered to negotiate every diplomatic issue as long as Calles kept his recent promise to protect American lives and property in Mexico. The president concluded his remarks to the huge gathering of newsmen by declaring that an "amicable ajustment" of all difficulties "will surely be possible"

as both sides favored "cordial and friendly relations" by the spring of 1927.[62]

Why Did Calles Seek Detente with the United States?

President Calles read of the Coolidge address with great enthusiasm. The ruler had argued that the United States could never hope to settle its problems in Mexico "by threats or violent means,"[63] but Coolidge now seemed willing to abandon these methods in the interest of peace. Calles' many efforts to influence U.S. policy had, apparently, succeeded. The Mexican ruler declared that Washington's new attitude was so "serene, cordial and concilatory" that it would "be not only possible but easy . . . to arrive at a friendly agreement" with the United States.[64] Calles told visitors at the National Palace that the Coolidge speech "gave assurances that the embargo on arms would not be lifted and that Mexico would have time to settle her internal difficulties without undue pressure on the part of the United States."[65] Mexico's new Minister of Foreign Affairs, Genaro Estrada, also heralded the address as "a great advance" and informed Schoenfeld that although the United States and Mexico had been following separate tracks "a 'switch' (aguja) . . . had now been created" so that a new diplomatic course could

be followed.[66] Manuel Sierra went so far as to tell a U.S. embassy official that the Coolidge speech "left the [petroleum] controversy, by implication, to the decision of the Mexican Tribunals and therefore no longer constituted a challenge to Mexican sovereignty." Hearing this, Allan Winslow concluded that Coolidge had finally "opened a way for the Mexicans, through favorable decisions of the Supreme Court, to 'save face', and thereby maintain . . . the integrity of [their nation's] sovereignty."[67] Extremely pleased with this breakthrough, Calles and his followers seemed even willing to exaggerate the president's few remarks so that they could continue their revolutionary program without further interference from the United States. Calles was particularly anxious to eliminate the danger of American aggression for three additional reasons.

The Threat of Rebellions with American Support

First, the Mexican leader sought peace with Washington because he feared that the Coolidge administration would lift its arms embargo and support rebellious Mexican exiles in the United States. The United States was known as the "indispensable ally" of Mexican insurgents because few revolts had ever succeeded in Mexico without official American support of some kind.[68] The Calles regime was

already plagued by the Yaqui rebellion in Sonora, the Cristero movement based in Jalisco, and the threat of a military revolt on the eve of Mexico's presidential election of 1928.[68] Calles was deeply concerned that Washington would respond to domestic pressure in the United State and aid the Cristeros,[69] but he was even more concerned about Mexico's almost traditional pre-election military revolt. Although Generals Arnulfo R. Gómez and Francisco R. Serrano had begun their campaigns for the presidency in the spring of 1927, few observers held out any hope of their success at the polls against the officially-endorsed candidate, Alvaro Obregón. Rumors of the generals' anticipated revolt circulated as early as January, 1926, when Gómez reportedly offered to abolish all offensive Mexican laws in exchange for even covert American support.[70] The ambitious general publicly accused Obregón of soliciting American aid,[71] but secretly called on the U.S. Consul in Veracruz on at least two occasions in 1927. Gómez therefore met with John Q. Wood on April 5 and promised that he would faithfully cooperate with the United States "should he be successful in gaining the Presidency." The Mexican officer claimed that he had organized a force of four thousand well-equipped men that could easily defeat any twenty thousand soldiers in the Mexican army.[72] Gómez simply asked that Washington be patient and not intervene

in his country as "it would not be necessary [for American troops] to kill a single Mexican to accomplish the object desired by the American Government."[73] An American invasion would only serve to unite all Mexican officers against a common enemy, but, left to themselves, many dissatisfied officers would side with Gómez to help destroy Calles and his hated xenophobic laws.[74]

Serrano was only slightly less active in his attempts to gain U.S. support. Obregón's former Minister of War was often photographed with Ambassador Sheffield during gatherings at the U.S. embassy[75] and, while he occasionally attacked the United States in public, Serrano told an embassy informant that "it would be very easy to arrange [all diplomatic] questions" once an "honorable government" took power in Mexico. The conspirator expressed his hope that Washington would not lift its arms embargo until after a military revolt had broken out against Calles. Serrano emphasized this point by repeating it several times and by telling his American informant that such a revolt was "imminent" in the fall of 1927.[76]

Calles was well aware of these covert attempts to enlist U.S. aid against his regime. The president and Obregón had anticipated the Gómez-Serrano military revolt for some time and Calles learned of similar plots from his expensive collection of stolen American documents.[77] The president and his War Minister, Amaro, had worked hard to

curb military revolts, cut army spending, and avert a succession crisis in 1927,[78] but their many efforts would be futile as long as Mexican traitors could still hope for some measure of support from Washington. Calles' apprehension was clearly stated in a cable that he reportedly sent to every state governor in Mexico on New Year's Day in 1927. The chief executive hoped to rally the governors' support just as his federal oil legislation was about to be enforced and the threat of U.S. intervention seemed most imminent. Calles therefore accused Ambassador Sheffield of "manufactur[ing] . . . intrigues" to "forcibly bring about the rupture of diplomatic relations between [the United States and Mexico]." In an effort to warn as well as to unite his governors, the president concluded that Sheffield's deplorable action "would give to the enemies of my administration an opportunity to organize and . . . make possible the realization of their iniquitous and bastardly plans."[79] The Mexican leader was convinced that these plans could only be frustrated if Sheffield was removed from the scene and outstanding diplomatic problems were resolved without further damage to Mexican sovereignty and prestige.[80]

Calles also realized that Washington's support was essential to his government even if it was denied to rebel forces in the United States and Mexico. Remembering

the importance of the U.S. arms embargo in de la Huerta's defeat of 1924, the president skillfully used the Coolidge address of April 25 to deter those who hoped to exploit the rift in U.S.-Mexican relations for their own political advantage. Schoenfeld astutely reported that the Mexican government

> is fearful of having the impression created that it has not the full support of the United States, for it feels that the knowledge of such support will tend more to discourage the political opponents of the Government, than any other factor. . . . The Government . . . grasps at any straw which may serve to encourage the belief that we will support the Calles Administration and, with it, General Obregón.[81]

Calles therefore hoped to win American support without American intervention; the president may well have uttered a sixteenth century Mexican adage about Black workers when he thought of State Department officials in 1927: "Bad to have them, but much worse to do without them."[82]

The Conservative Calles: Labor Policies

Finally, Calles worked to establish peace with Washington in 1927 because his government's social and economic goals were never as radical and xenophobic as most observers would have led us believe. Thus, while he "was regarded abroad as an example of rabid radicalism, . . . a perusal of statements made by Calles and his closest collaborators in 1924-27 . . . makes it evident that this

was not the case."[83] The president welcomed "humane" foreign capital and dealt with companies such as Ford and ITT with little difficulty in this era.[84] Even Morones cooperated in the drive to win business confidence and attract foreign investments, although the Minister of Labor was often identified as the most radical and most anti-foreign leader in all of Mexico. The powerful union chief thus told a U.S. Chamber of Commerce luncheon in 1925 that the Calles regime welcomed all foreigners, although "Mexico would rather go to its grave than allow others to dictate its actions."[85] Four months later, Morones told a convention of textile workers that labor would have to cooperate with companies representing both foreign and domestic interests if Mexico was to begin the difficult task of national economic recovery.[86] According to one labor historian,

> [official] rhetoric throughout the '20s echoed the theme of "class equilibrium" . . . in place of class conflict. An appeal went out to all groups . . . to identify their interests with those of the revolutionary community as a whole. The corporatist implications of this development became increasingly realised during the Calles administration.[87]

Statistics on the number of officially-supported strikes held from 1925 to 1927 help to prove that the Calles regime and its labor allies were far more anxious to control local unions and punish uncooperative business interests than to create a radical socialist state in

Mexico. Records show that fifty-one strikes, involving 9861 workers, were called in 1925, but only 1005 workers walked off their jobs in the sixteen government-backed strikes of 1927.[88] Membership in Morones' Confederación Regional Obrera Mexicana (CROM) meanwhile grew from 1.5 million workers in 1925 to over 1.8 million in 1927.[89] The increasingly large federation therefore led fewer strikes and Calles' "labor government" passed fewer labor laws as it became increasingly evident that those in power sought to harness and politically exploit the working class, rather than deal with its chronic social and economic problems. In January, 1928, six thousand railroad workers actually threatened to quit their jobs and emigrate to the United States when their carefully-planned strike was declared illegal by Morones and his Ministry of Industry, Commerce, and Labor.[90]

Foreign businessmen, on the other hand, were encouraged by this trend and one suspects that Henry Ford was not the entrepreneur who heard the promise that he would have no trouble with labor in Mexico.[91] In one instance, an American businessman reportedly went to Calles to complain about a threatened strike against his company led by a labor leader who was not affiliated with CROM. The president replied that:

> I will not stand for labor breaking its contract. Go back . . . and tell this union that if they [sic]

> strike I will outlaw them. I will permit you to employ non-union labor. I will help you to break the strike, and if the union attempts violence, I will call out the national troops to fight them.

The strike was, therefore, prevented and observers found that the American businessman met "no opposition when [his company] got the agitator beaten up and driven out of [his own] state."[92]

The Conservative Calles: Agrarian Policies

Calles manipulated agrarian forces in a similar fashion. The president had been elected as a labor candidate in 1924, but he fully realized the importance of agrarian support in Mexican revolutionary politics. Calles therefore visited Emiliano Zapata's grave in Morelos and told the peasants to "make it known to Mexican and foreign reactionaries [alike] that the revolutionary and agrarian policies of Zapata are mine."[93] But, while the candidate spoke of land redistribution in militantly agrarian states like Morelos, his rhetoric became far less radical when he faced his urban supporters in Mexico City. Speaking at a political rally in the capital, he declared that the redistribution of large landholdings "must develop with all energy and without vacillation, but within the limits of method and order." In a statement that revealed his strong opposition to land invasions and collective farming, Calles called for an agrarian reform

> brought about through evolutionary proceedings, amply planned and studied, backed by a firm system of agricultural credit and by the organization of cooperative societies [of] small farmers.[94]

The candidate reiterated these ideas on several occasions during his campaign,[95] but his underlying interest in the agrarian reform was most clearly revealed in a press interview given in the spring of 1924. When asked his opinion of small private landholdings, Calles replied that he favored this form of land ownership over ejidos

> because if the field workers become land proprietors future revolutions may be . . . avoided. Substantial interests will be created which will guarantee established order [and] provide opportunities for capital to invest in the formation of agricultural banks, insurance companies and other manifestations of cooperation between capital and labor.[96]

These plans to prevent peasant uprisings and produce lucrative business opportunities within a capitalist economy could hardly be called radical when most agrarian leaders condemned them as reactionary and extremely damaging to peasant interests in the mid-1920s.[97]

Calles' agrarian program proved to be just as moderate and just as cautious after he assumed power on November 30, 1924. The president called on Luis L. León to head his Ministry of Agriculture, although León's nomination was widely recognized as a political guarantee that Calles' agrarian policy would be quite conservative.[98] The two leaders insisted on an "integrated solution" to the agrarian problem. According to this solution, peasants would have

to be prepared to meet the responsibilities of land ownership if they were to benefit from the reform and not harm the economy by reducing agricultural production and spreading agrarian unrest in the countryside. The peasants would be provided with agricultural schools, credit institutions, irrigation works, and new roads to facilitate the marketing of their crops, but they would be forced to relinquish their land if they did not exploit these opportunities and efficiently farm their new plots.[99] In León's words, Calles "never believed in demagogic agrarianism that attempted to make the campesinos happy with gifts, subsidies and the pardoning of debts without demanding work and responsibility" in return.[100]

Calles and León instituted their moderate agrarian policy by sponsoring at least twenty new agrarian laws in the period 1925 to 1927. This important legislation provided funds for rural schools, banks, and dams, but it was also designed to strike a major blow to the ejidal system of collective farming. The new Law of Ejidal Patrimony called for the division of communal property into small, inalienable plots so that the formation of ejidos would only serve as the first step in the creation of a rural society dominated by small, independent landowners.[101] Calles and León also fought the ejido and "the reckless transfer of lands" in direct appeals to the peasant masses. Addressing the Congress

of Agrarian Communities in the fall of 1925, the Minister of Agriculture had stated that "the true agrarian at the present time must not agitate the peasants, but in every way possible smooth over the situation and apply himself calmly and industriously to the working of his land."[102] President Calles echoed this message in December, 1926, when he told campesinos in the state of Veracruz that

> I cannot impress upon you too strongly, and I shall not weary of repeating it, that the period of agitation is over, that the era of reconstruction has begun. Progress can only be hindered by agitation, by departure from the realm of strict legality [in land seizures]. Work and cooperation are the only paths for you to follow now.[103]

Statistics on the number of amparos granted by December, 1928, reveal this great effort to control agrarian forces during Calles' administration just as the decreasing number of officially-backed strikes had demonstrated Calles' desire to control labor elements in the same era. Of the two thousand amparo (injunction) cases decided by the end of 1928, eighteen hundred, or 90 per cent of them, frustrated agrarian attempts to divide large landholdings.[104] According to one reporter, many judges were quite willing to overrule decisions made by the National Agrarian Commission "for a compensation."[105] Others found that landowners with favorable political connections were hardly bothered, while those with less influence suffered heavily from

Calles' land reform.[106] One hundred and fourteen of the richest hacendados still controlled a quarter of all privately-owned property, while only 17 per cent of all eligible villages had received any land of their own by the late 1920s.[107] Haciendas specializing in export crops such as bananas, sugar cane, vanilla, and henequen were seldom disturbed and American landowners discovered that they would not be seriously affected by the land reform unless they refused to cooperate with Mexican authorities and went directly to the U.S. embassy with their complaints.[108] Few foreigners appreciated this fact and, while their diplomatic representatives sent several hundred notes to protest individual cases, the Mexican Foreign Ministry simply replied by asking if the afflicted owners had exhausted all legal channels in Mexico.[109] Government officials knew that foreign and domestic landowners could expect favorable decisions in Calles' compliant courts, but they would only damage their cause if they questioned Mexican laws and, thereby, challenged Mexican sovereignty.

Rural "agitation" did not, however, subside. The redistribution of land in fact increased steadily during the first three years of Calles' rule. Nearly six hundred thousand hectares of land were redistributed in 1924, but the total grew to approximately eight hundred thousand hectares during each of the next two years and finally

skyrocketed to a million hectares in 1927. These figures have often been used to demonstrate the radical nature of Calles' early land reform, but they can be quite misleading unless at least two other factors are also considered. First, the initiative for reform remained at the local level where amibitious politicians often raised the cry for land simply to increase their own power based on agrarian support. In the words of one observer, "the presence or absence of strong political leaders in sympathy with the agrarian reform has been . . . as important in determining the amount of land granted as the factors of . . . agricultural resources and the density of population" in a particular region.[110] Moreover, vast differences in state and federal agrarian laws made it even more difficult for Calles to control the pace of his own land redistribution program. By mid-1926, the American Consul General in Mexico City wrote what while the federal policy "appeared to be well defined, the fact that the agrarian laws of the several states . . . are not identical, [leads] to considerable confusion [due] to a more radical handling of the problem by certain state officials."[111] Other factors, including a sincere need for land, also influenced the course of the agrarian reform, but local politics and radical state laws, rather than Calles' political radicalism, were often the main reasons for the increased rural activity of the period 1924 to 1927.

President Calles was well aware of these problems and, while he did everything in his power to control the situation, he did not hesitate to exploit it for his own political advantage in these early years. The chief executive had, therefore, sponsored legislation that was designed to give him extraordinary powers to revise or abrogate all agrarian legislation in Mexico. Arthur Schoenfeld explained that this bill would centralize control of the agrarian reform and would give the federal government almost complete responsibility for the conduct of agrarian affairs.[112] The legislation was passed without debate on December 7, 1926. Calles exercised his new power on April 26 of the following year when he centralized and modified all agrarian laws by decree.[113] It was no coincidence that Calles issued this decree only thirty-six days after Téllez had made his promise to protect all American property and only twenty-four hours after Coolidge had made his conciliatory speech in New York. In order to stress the importance of this step, lest its significance be lost at the U.S. embassy, the Mexican Foreign Ministry let Ambassador Sheffield and his staff know "informally that it is confident [that] the new decree will alleviate [the] situation [for] American and other foreign landowners" in Mexico.[114]

Calles therefore tightened his grip on the agrarian reform and attempted to use his enlarged political power to

mollify the United States, but he was also eager to control agrarian forces for their valuable military and political support. The president realized that once a campesino received a plot of land in the agrarian reform he was indebted to the government in much the same way as he had been indebted to his former patrón. The campesino had simply shifted his dependence from a local hacendado to a more distant and often more demanding master, the state.[115] Land recipients were now forced to rely on the federal government for such things as financial credit and legal protection, but they were also expected to perform certain political services in return. Many were called on to attempt political rallies, vote for official candidates, and, most importantly, defend the state with the use of government-supplied arms. A U.S. consul in San Luis Potosí explained how the Mexican government exploited this agrarian support at the height of the de la Huerta revolt of 1923-24. Walter F. Boyle reported that federal soldiers "are . . . informing the provisional holders of land that if they do not enlist [their property] will be taken away from them, [while] those who are not provisional holders . . . are advised to volunteer or be run out of the country." As many as 3500 agrarian had been recruited with these methods from San Luis Potosí alone.[116] Supplied with government weapons bought in the

United States, these agrarians had joined forces with armed laborites to help crush the de la Huerta revolt within four months of its outbreak.[117] Remembering that this support had facilitated his own election in 1924, Calles carefully avoided alienating agrarian elements because he realized that their armed support might well be needed to smash yet another pre-election revolt in 1927. Given this ironic interdependence between Calles and the peasants of Mexico, it is possible to compare the president's experience with the agrarian reform to a rider's experience with a wild horse; it was as if Calles was astride a powerful stallion that he hoped to tame and exploit before the beast threw him from the saddle to create social, political, and economic chaos in Mexico. As León put it, any attempt to completely halt the agrarian reform "would bring a revolution within a week."[118]

The Conservative Calles: Petroleum Policies

The president's petroleum laws were similarly criticized as destructive and extreme, although they were hardly more radical than his labor and agrarian policies. There is, in fact, evidence to show that American pressure, rather than revolutionary fervor, dictated the form of Calles' petroleum legislation in late 1925. Mexican

lawmakers resented the oil companies' persistent attempts to influence the writing of new laws, but the public outcry against Washington's interference in these matters was far more vehement than any Mexican protest against the companies' underhanded methods. Mexican animosity centered on a press release issued by Secretary of State Kellogg on June 12, 1925. According to one authority, this statement exploded "a verbal time bomb which shattered the prevailing calm and reverberated for months to come."[119] Kellogg had stated that after long discussions with Ambassador Sheffield, he had reached the conclusion that

> Our relations with [the Calles regime] are friendly, but nevertheless conditions are not entirely satisfactory and we expect the Mexican Government to restore properties illegally taken and to indemnify American citizens [affected by the land reform].

The Secretary of State reported that he had heard rumors of an impending revolt in Mexico and, while he had hoped that this information was false, he reminded Calles that the United States would "continue to support [his administration] only so long as it protects American . . . rights and complies with its international . . . obligations." Finally, in what one American newspaper was to call the "worst diplomatic blunder in American history,"[120] Kellogg declared that until these conditions were met Mexico would be "on trial before the world." Adding insult to injury, the secretary issued this harsh diplomatic warning to the

press rather than sending it through normal diplomatic channels. Kellogg's message was therefore interpreted as a "public scolding" of an inferior neighbor, rather than a formal protest to a sovereign nation.[121]

The Mexican response was immediate and decisive. President Calles answered Kellogg's insult by issuing a press release of his own on June 14. The chief executive insisted that Mexico would meet its international obligations as soon as joint commissions could determine the exact nature and extent of foreign claims. Calles also attacked Kellogg's words as contradictory and damaging because, while the secretary claimed to favor peace in Mexico, his remarks about a revolt with possible American support only encouraged Calles' enemies. The president read Kellogg's message as

> a threat to the sovereignty of Mexico that she cannot overlook and rejects with all energy because she does not accord to any foreign country the right to intervene in any way in her domestic affairs nor is she disposed to subordinate her international relations to the exigencies of another country.[122]

Calles stressed his displeasure by summoning Schoenfeld to the Foreign Ministry in Mexico City where, after an uncomfortably long wait, the chargé d'affaires received a strong oral protest against Kellogg's statement.[123]

The Mexican people supported their ruler in a loud and unified voice. El Universal applauded Calles' stand

and called Kellogg's action "alarming" because his remarks were unexpected and uncalled for. The newspaper editorialized that "When there is a storm, there is nothing strange in hearing thunder, but when no clouds are to be seen, nobody expects to suddenly hear thunder."[124] Excelsior also supported Calles and recognized Sheffield's evil influence in Kellogg's statement; the ambassador was accused of belonging to "the Poinsett, Lind, and Silliman school of diplomacy."[125] El Demócrata called Sheffield's tactics both "perfidious" and "Machiavellian."[126] Others chose to criticize the charge that Mexico was "on trial before the world" because, unlike Anglo-American jurisprudence, Mexican law assumed that the accused was guilty until he was proven innocent. A foreign power had therefore assumed Mexico's guilt and unwillingness to meet its international obligations, although Calles had been in office for less than seven months. The president received unwavering support in hundreds of letters and telegrams from all parts of Mexico and from all segments of Mexican society.[127] In a typically enthusiastic letter of this kind, General Obregón wrote to Calles that the president's

> declarations repelling the uncalled-for accusations of Secretary Kellogg have salvaged our honor and no one can deny that you are fully justified. Secretary Kellogg attempts to show that the fate of our Governments depends on the word of [Washington, but he] ignores the fact that history has proven to the world that Mexican Governments can exist and operate normally . . . without the official sympathy of the White House.[128]

Similar messages were printed in long columns in nearly every newspaper of importance.[129] Perhaps most significantly, foreign observers reported that even "the rank and file of [Calles' most bitter] enemies . . . line[d] up behind him on this issue."[130] Few Mexican presidents had ever enjoyed such wide-spread support and few Mexican presidents were more capable of exploiting this rare solidarity for their own political advantage in troubled times.

Calles deftly exploited this anti-American sentiment to divert attention from domestic problems and to rally his political support prior to the important legislative session of 1925.[131] According to the New York Times' correspondent in Mexico, "the attitude taken by the United States has tended to bring the Agrarian and Labor Parties together in their support of President Calles just at a time when they were beginning to develop differences."[132] The chief executive skillfully used "the bogy of a monstrous external enemy" to help push several of his pet bills through the Mexican Congress in late 1925 and early 1926. Much of Calles' agrarian legislation, including the Law of Ejidal Patrimony, was passed in this short period, but there were limitations as well as advantages to the ruler's use of anti-American sentiment in Mexico. As the New York Journal of Commerce perceptively observed, "Anti-American

feeling . . . has now . . . been fanned into flame, and as a result the [Calles] Government could not, even if it desired, be too accommodating to the 'Gringoes'--and stay in office [for very long]."[133] Even Henry Lane Wilson agreed that "if [Calles] yields to Kellogg's demands, he will [soon] be overthrown by agrarian and labor elements in Mexico."[134] A popular revolt of this kind was unlikely as long as the army remained loyal to Calles, but the president could not afford to compromise with the United States if he intended to unify Mexico and keep his main base of political support intact. In an effort to remind Calles of this political need, the head of the Mexican Communist Party wrote to the president and criticized past "concessions" to Washington. According to Rafael Carrillo, any attempt "to satisfy Uncle Sam is to anger the workers and peasants and to lose their support" because nothing could ever "satisfy the insatiable appetite of the Northern Octopus."[135]

Kellogg's effort to repress Mexican radicalism had clearly backfired with disastrous consequences by the time Mexican lawmakers considered Calles' petroleum legislation in late 1925. The president could do little to satisfy Washington and the oil companies when radicals accused him of "watering down" his petroleum bill and "giving a thousand explanations to the gringoes."[136] As

Calles later explained the situation to Dwight Morrow, he had never intended to threaten the American oil companies, but "the act of 1925 was a most necessary piece of legislation at the time because . . . there was an extreme radical wing whose wishes had to be met."[137] The chief executive nevertheless attempted to reassure Washington in 1925 and, as Aarón Sáenz told Sheffield, Mexico was "determined that nothing should be done which might have [an] unfavorable effect upon the cordiality of our relations." The Foreign Minister continually denied that the oil bill was either retroactive or confiscatory.[138] Alberto Pani also attempted to reassure the Oil Producers' Association in New York by sending news through a "confidential intermediary." The Finance Minister insisted that the petroleum bill had been considerably modified by December, 1925, and that the foreign oil companies' opinion would be carefully considered when specific regulations for the law were drawn up in 1926.[139]

But Washington and the oilmen never appreciated Calles' difficult political position. American leaders only made the president's situation worse by applying additional pressure while the petroleum bill was still pending in the Mexican Congress. Ambassador Sheffield protested against the proposed bill on three occasions in late 1925 and Secretary of State Kellogg instructed the U.S. embassy

in Mexico to send a formal note of protest even before the petroleum legislation was officially promulgated.[140] Convinced that "firmness at this juncture is obviously [the] only policy likely to avail," Sheffield made thinly disguised threats about lifting the arms embargo and punishing Mexico if the petroleum bill was actually passed by Congress.[141] Foreign oilmen were no less contentious as they called on Washington to defend their interests, and "boasted all over Mexico that they did not need to obey the laws of Mexico."[142] President Calles never favored the radical provisions of the oil legislation, according to Pani, but Mexican dignity, as well as leftist support, was clearly at stake in late 1925.[143] In Calles' words to a prominent Mexican lawyer, the oil bill "and other legislation of this kind represented a test [of] whether Mexico was a sovereign state or whether its legislation would be imposed by the United States." The petroleum law was meant to prove that the Calles' regime was "master of its own house."[144] Aware of these remarks and Calles' public statements of a similar vein,[145] an unpublished U.S. embassy report concluded that "At bottom, the compelling motive for the revolutionary oil policy of Mexico is to be found in such psychological factors as national dignity and a vague fear of encroachment by the United States."[146] Insensitive to these feelings, Washington responded to the

final enactment of Mexico's new oil legislation by pursuing its same obtrusive and self-destructive diplomatic policy; dozens of formal notes were sent in protest against the oil and agrarian laws although these notes only served to threaten Mexican sovereignty and further damage U.S.-Mexican relations.[147] A war of diplomatic notes raged on without tangible results for an entire year.

The Conservative Calles: Financial Policies and the Economic Depression of 1927

Foreign and domestic pressures, rather than true convictions, had thus forced Calles to appear far more radical than he really was in the era 1924 to 1927. But, while his labor, agrarian, and oil policies were often deceptive, Calles' financial program never failed to reflect the president's basically conservative nature. The chief executive worked hard to balance his nation's budget, reorganize its financial structure, and improve its poor international credit rating.[148] Federal bureaucrats found their departmental budgets slashed by as much as fifty million pesos in a single year.[149] In an effort to economize, the president boldly discharged nearly nineteen thousand government workers in 1925 as he announced that "it is absolutely necessary to clean house, to place rascals where they belong and put honorable men in their place," if they

were replaced at all.[150] Federal employees who survived this bureaucratic purge were paid on schedule for the first time in years and over twenty-six million pesos were spent to pay back salaries and old debts for government supplies.[151] The Mexican tax structure was also improved as a federal income tax was permanently established soon after Calles took power.[152] As a result, Mexican finances were placed on a sound footing and the government's cumulative deficit was completely eliminated by December, 1925.[153] Next, Calles and his Minister of Finance, Alberto Pani, reorganized their nation's banking system by creating new credit institutions and by establishing a single bank of issue for all of Mexico. Known as the Banco de México, the new central bank was founded on August 31, 1925, with a capitalization of a hundred million pesos in gold.[154] Finally, Calles hoped to improve his nation's international credit rating by resuming payments on Mexico's enormous foreign debt. Pani therefore signed a new debt agreement with the International Committee of Bankers on Mexico in October, 1925, and debt payments were faithfully made through all of 1926.[155]

These conservative financial reforms produced some very encouraging results in the mid-1920s, but friction with the United States greatly limited their effectiveness in stimulating the Mexican economy as a whole. Kellogg's

diplomatic blunder of June, 1925, and Sheffield's several hundred diplomatic notes concerning individual agrarian cases only served to challenge Mexican sovereignty and encourage Mexican leaders to continue their reform program at a fervid pace. Only 26.7 per cent of all expropriated foreign property belonged to U.S. citizens,[156] but few politicians were willing to halt the redistribution of land and commit political suicide by appearing to honor American demands concerning the agrarian reform. To make matters worse, large landowners often refused to plant their fields or restock their ranches as long as they were threatened by the land reform.[157] Small private armies fought armed agrarians in pitched battles as the hacendados resorted to extreme violence to defend their estates. Plagued by these unsettled conditions as well as by natural disasters and the Cristero revolt, agricultural production suffered badly in 1927.[158] Mexico's vitally important corn harvest decreased by 120,397 metric tons from 1926 to 1927 and the production of frijole beans dropped by 18,289 metric tons in the same period.[159] Thus, while the growth of commercial crops not affected by the reform continued to rise steadily in volume, Mexico was forced to purchase over two million pesos worth of foreign corn to satisfy its domestic needs in 1927.[160] Other staples, including wheat, lard, and eggs, were also purchased abroad, although these expensive

imports helped to create an extremely unfavorable balance of trade for Mexico.[161] Faced with food shortages, rural chaos, and unemployment in a generally depressed economy, approximately 180,000 Mexicans chose to emigrate to the United States in 1927 alone.[162]

American protests against the oil legislation of 1925 had a similarly disruptive effect on the Mexican economy. Using decreased oil production as leverage against the Calles regime and as an example to other oil-producing nations, foreign companies went so far as to abandon many wells and close down two important Mexican refineries in 1927.[163] Output fell by thirty-four million barrels as Mexico experienced the largest single-year production decline in its entire history.[164] Thousands of workers lost their jobs in an industry that was described as "flat, stale and unprofitable."[165] Federal revenues from the production and export of oil fell precipitously and created a long chain of new financial problems for treasury officials.[166] Calles had previously relied on these revenues as his government's major source of income, but taxes on the production and export of oil dropped more than 50 per cent from 1926 to 1927 and more than 80 per cent from the peak year of 1922.[167] These duties had once represented nearly a third of all government revenues, but they had steadily dwindled to represent only about a tenth of all federal earnings by 1927.[168] (See Table 3-1.)

TABLE 3-1

Annual Government Oil Revenues
(in pesos)

Year	Revenues
1920	45,479,000
1921	62,725,000
1922	85,980,000
1923	60,536,000
1924	57,373,000
1925	42,411,000
1926	34,400,000
1927	16,983,000
1928 (estimated)	9,931,075

Source: Memo, [1928], Financial-Miscellaneous Memorandum I File, Morrow Papers.

This drastic decline in income played havoc with Calles' strict financial program and modest national reforms. The president was forced to reduce government spending on agricultural schools, road construction, and irrigation projects when twelve million pesos were cut from the federal budget in March, 1927.[164] The financial situation became so critical that government employees could no longer expect to be paid on schedule, although their salaries had already been reduced by from 5 to 10 per cent in late 1926.[170] Only army officers continued to be paid on a regular basis as the government attempted to guarantee their

loyalty in the event of war or a new military revolt.[171] Perhaps most significantly, the decline in oil revenues seriously affected Mexico's ability to pay its foreign and domestic creditors. The regime owed more than eleven million pesos to the International Committee of Bankers on Mexico in 1927, but it could only afford to pay 8.5 million pesos from its badly depleted treasury.[172] Unable to meet its obligations in 1927, Calles and his economic advisers feared that Mexico would have to default on all its debt payments in the following year.

Several observers described this serious economic depression of 1927.[173] The U.S. commercial attaché in Mexico City reported that in early January "business conditions . . . have reached an exceptionally low level in all sections of the country. In commercial and financial circles the economic depression is more severe than it has been in years."[174] The situation hardly improved in the following months. Writing in March, 1927, the same author found that "although business has been greatly depressed for some time . . . , it [has now shown] a tendency to be still more restricted."[175] The attaché was no less pessimistic by mid-August when he noted "a downward [trend] . . . in the already depressed business situation in Mexico."[176] The nation's unstable currency followed a similarly disastrous course as the exchange rate on the

Mexican peso dropped to its lowest level in the entire decade 1919 to 1929. (See Table 3-2.)

TABLE 3-2

Average Exchange Rate of the Mexican Peso in U.S. Dollars, 1919-1929

Year	Rate
1919	.5067
1920	.4961
1921	.4891
1922	.4872
1923	.4855
1924	.4851
1925	.4939
1926	.4831
1927	.4720
1928	.4811
1929	.4818

Source: U.S. Department of Commerce, Commerce Yearbook, vol. II (Washington: Government Printing Office, 1930), p. 389.

Banking conditions were equally unsound. Businessmen often chose to deposit their savings abroad in an effort to avoid currency fluctuations and uncertain political conditions in Mexico.[177] Interest rates climbed to as high as 18 per cent and loans were "radically restricted" to individuals "of unquestionable solvency."[178] Collections

were described as "exceptionally difficult" in April and "unusually bad" by October as money became scarce and business confidence continued to decline.[179]

Commerce, mining, and the textile industry also suffered major setbacks as the depression worsened in 1927. Government efforts to reduce Mexico's balance of trade deficit by increasing import duties and urging citizens to "Buy Mexican Goods" only served to curb, rather than to stimulate domestic trade.[180] Stocks often ran low, but merchants were either unable to unwilling to replenish their supplies as long as economic conditions remained stagnant.[181]

Miners were no better off. Old production records were shattered in 1927, but the price of minerals fell "to the point of rendering many centers of exploitation unprofitable."[182] The world market price of silver, Mexico's most valuable mineral, fell from 62.107¢ to 56.3706¢ a pound from 1926 to 1927 as mine operators experienced the same kind of damaging overproduction that had injured the oil industry in the post-World War I era.[183] Other minerals, including copper, lead, and zinc suffered a similar fate, as shown in Table 3-3. The largest mining companies could realize a small profit under these adverse conditions, but most operators were forced either to cut production or abandon their mines completely.[184] According

TABLE 3-3

Production and Market Prices of Major

Mexican Minerals,

1926-1927

Production in milions of kilograms:		Silver	% change	Copper	% change	Lead	% change	Zinc	% change
	1926	3.057		53.763		210.8		105.7	
			+1.75		+5.04		+13.14		+23.97
	1927	3.111		56.474		238.5		130.6	
Price in U.S. Cents/ lbs.:	1926	62.107		13.795		8.417		7.337	
			-9.2		-6.3		-19.7		-14.9
	1927	56.370		12.920		6.755		6.242	

Sources: Mexican Magazine: A Mining Journal, IV:3 (March, 1928), 67; ibid., IV:6 (June, 1928), 171.

to one American miner, "Economic conditions could not be worse. Everyone that possibly can is shutting down work and those that can't quit are getting along on the least possible amount of labor."[185]

Business conditions in the textile industry were just as bad. The Cristero revolt, American diplomatic threats, high taxes, labor problems, and overproduction combined to create a "shock of confidence" that crippled Mexico's largest manufacturing industry.[186] Disturbed by these developments in a major sector of the economy, the federal government refused to allow textile plants to close down their operations or lay off factory workers in 1927.[187] The sale of textile goods therefore declined 62.5 per cent from the peak year of 1920 to the depression of 1927, while the number of textile factories actually rose 20 per cent in the same period.[188] Profits dwindled as huge stockpiles of cotton goods mounted in the nation's few manufacturing centers.

This growing economic crisis served to discourage foreign as well as Mexican investors. The flow of capital from the United States declined rapidly in 1927 and at least one observer noted "a tendency on the part of foreign investors to withdraw their capital whenever possible."[189] The Mexican situation was marked by "constant uncertainty" that caused frightened businessmen to seek more stable

environments for their investments in Latin America.[190] In a letter that reflected the anxiety and trepidation of a good many foreigners, a trust officer from Franklin, Pennsylvania, wrote to the State Department and asked when President Calles was legally scheduled to leave office. Paul C. Moore explained that the value of his Mexican oil stocks had declined more than thirty points since the passage of Calles' petroleum legislation, but he hoped that a peaceful change in government would produce stability, "rectify the situation," and still allow him to recover some of his financial losses in Mexico.[191] Concerned by uncertain political and economic conditions, Moore and his fellow investors in the United States were hardly willing to risk any additional capital until Mexico's domestic and international problems could be resolved and business confidence could be restored.

Foreign capital had suddenly become far more important to Mexico than Mexico was to foreign capital. The Calles regime could only afford to defy Washington and the oil companies as long as Mexico remained solvent, but by 1927 American pressure had combined with several other forces to nearly destroy the Mexican economy. Decreased oil revenues, rural chaos (inadvertently encouraged by Washington), the arms embargo, diplomatic threats, and the massive withdrawal of American capital had all

contributed to the new economic crisis in Mexico. Calles and his closest advisers had begun to realize that a strategic retreat would be necessary if their government was to survive the depression of 1927 and reinstitute its moderate reforms before leaving office in 1928.[192] Calles clearly needed American support to continue the difficult task of economic reconstruction and to defeat his internal enemies without direct foreign intervention. Having exhausted his use of anti-American sentiment in Mexico, the president now hoped to exploit the vast power and wealth of the United States so that Washington could help, rather than hinder, his political and economic plans. El Universal suggested this new strategy in what was, undoubtedly, an officially inspired editorial of late 1927. The newspaper called on all Mexicans to find "a method by which instead of blindly opposing [the Americans], we can mitigate their action and turn it to our advantage."[193] Appreciating the need for such a change in attitude, the New York Times went so far as to give Calles' new foreign policy a descriptive name of its own. The Times editorialized that although American loans and investments were often denounced as "dollar diplomacy" in Latin America, "it may just as truly be called 'peso diplomacy' to show that it is a thing which the Mexicans themselves really need and desire."[194] Peso diplomacy, or the political

and economic need for American support, had, therefore, determined Mexico's response to the threat of war in January and the Coolidge speech in April, just as it would eventually determine the nation's response to Dwight Morrow's appointment as the new U.S. ambassador in late September, 1927. Peso Diplomacy had clearly replaced xenophobia as the major driving force in Mexican foreign relations.

NOTES

Chapter III

1. Sheffield to Kellogg, Mexico City, January 11, 1927, ADS, 812.00/28170; Jesús Silva Herzog, Una vida en la vida de México (México: Siglo XXI, 1972), p. 94; Silva Herzog served in several government posts and was the Mexican ambassador to the Soviet Union in the late 1920s. Also see Manuela Enriqueta Alvarez Sepúlveda's interview with Alvarez of January 28, 1966, in her "Las relaciones de México y los Estados Unidos durante el período en que fue presidente el General Calles, 1924-28" (Tesis, Universidad Nacional Autónoma de México, 1966), 132; John Pomian, ed., Joseph Retinger: Memoirs of an Eminence Grise (London: Sussex at the University Press, 1972), p. 60. A reporter found that "it is generally admitted that almost 100 per cent of the resident Americans and almost 50 per cent of the articulate Mexican people believe in the inevitability of intervention." Seldes, Print That, p. 354.

2. Morones, "Calles obligó a las compañías petroleras a cumplir las leyes," El Universal, March 9, 1957.

3. Ibid., February 7, 1957.

4. Taracena, La verdadera revolución, X: 269; XI: 108.

5. New York Times, January 7, 1927.

6. American oil representatives, including Chandler Anderson, actually hoped that "the use of force in Nicaragua would ease the way for armed intervention in Mexico." Bodayla, "Financial Diplomacy," 98.

7. See Arthur C. Frost to Kellogg, Tampico, January 14, 1927, ADS, 812.00/28194; Seldes, Iron, Blood & Profits, p. 144.

8. Portes Gil, Autobiografía, p. 396.

9. Alvarez Sepúlveda's interview with Morones of August 17, 1963, in her "Relaciones de México y los Estados Unidos," 126; also see Morones' comments in El Universal, March 8, 13, 1957.

10. Alvarez Sepúlveda's interview with Alvarez of January 28, 1966, in her "Relaciones de México y los Estados Unidos," 133-34.

11. Sheffield to Kellogg, Mexico City, January 11, 1927, ADS, 812.00/28170.

12. Portes Gil, Autobiografía, p. 397; Albert Louis Michaels' interview with Luis L. León, January 15, 1965, in his "Mexican Politics and Nationalism from Calles to Cárdenas" (unpublished Ph.D. dissertation, University of Pennsylvania, 1966), 4n.

13. Alvarez Sepúlveda's interview with Alvarez of January 28, 1966, in her "Relaciones de México y Los Estados Unidos," 133-34. Also see James J. Horn, "Did the United States Plan an Invasion of Mexico in 1927?" Journal of Inter-American Studies, XV (1973), 454-71.

14. See above, pp.58-65.

15. Sheffield to Kellogg, Mexico City, June 2, 1927, ADS, 812.113/10236.

16. Excelsior, June 14, 1927.

17. See, for example, Téllez to Kellogg, Washington, June 29, 1927, ADS, 812.24/600 and Robert Olds to Téllez, Washington, June 30, 1927, ADS, 812.24/600. In this case Téllez had requested 150 Thompson pistols "destined for the use of the National Railways."

18. Téllez to Kellogg, Washington, July 6, 1927, ADS, 812.24/612.

19. Sheffield to Kellogg, Mexico City, June 2, 1927, ADS, 812.113/10236; Schoenfeld to Kellogg, Mexico City, August 23, 1927, ADS, 812.24/622.

20. New York Herald Tribune, November 4, 1927; Special Agent Manuel Sorola's report on the "Mexican Situation," San Antonio, November 5, 1927, ADS, 812.00/28957; Schoenfeld to Kellogg, Mexico City, October 17,

1927, ADS, 812.248/33; Rigby A. Willson to Ray Atherton, Bristol, England, January 21, 1928, ADS, 812.248/48; Major Harold Thompson, Report No. 2015, April 7, 1928, Navy and Old Military Branch, Military Archives Division of the National Archives and Records Service, Washington, D.C.; hereafter cited as NOMB.

21. Ibid.; Ray Atherton to Kellogg, London, England, October 21, 1927, ADS, 812.248/34.

22. Francis White to U.S. Ambassadors in London, Paris, Rome, and Madrid; Washington, D.C., September 24, 1927, ADS, 812.248/28.

23. U.S. Department of Commerce, Commerce Reports, June 13, 1927; Excelsior, May 31, 1927; Sheffield to Kellogg, Mexico City, June 2, 1927, ADS, 812.113/10236.

24. McEnelly to Kellogg, Chihuahua, June 2, 1927, ADS, 812.113/10249.

25. Sheffield to Kellogg, Mexico City, June 2, 1927, ADS, 812.113/10236; New York Times, June 4, 1927.

26. Excelsior, June 13, 1927.

27. See above, pages 52-54.

28. D. A. Bandeen to Congressman C. B. Hudspeth, El Paso, June 1, 1927 and Hudspeth to Kellogg, Washington, June 6, 1927, ADS, 812.113/10235.

29. F. M. Gunther to San Antonio Chamber of Commerce, Washington, June 15, 1927, ADS, 812.113/10237; Ginn & Company to Secretary of State, New York, June 16, 1927, ADS, 812.113/10242.

30. Sheffield to Kellogg, Mexico City, June 2, 1927, ADS, 812.113/10236.

31. Pomian, Retinger, p. 67.

32. Lic. Francisco de A. Benavides to Calles, Mexico City, October 28, 1927, RO-C, 721-I-6.

33. Ibid.; Arturo M. Elías, The Mexican People and the Church (New York: n.p., 1926); Francis Ralston Walsh to Kellogg, Mexico City, January 4, 1928, ADS, 812.20211/92.

34. Confidential State Department Memo, "Propaganda Against the United States by the Mexican Government Since the Beginning of the Administration of President Calles," Washington, February 15, 1926, ADS, 711.12/695.

35. Lt. Donald H. Armstrong to Commander W. B. Woodson, San Diego, June 22, 1927, ADS, 812.20211/75.

36. See Marcosson, "Calles," 3-5, 169-74; New York Times, October 27, 30, 1924; Calles' article in New Orleans Times-Picayune, June 21, 1925; Calles, "The Policies of Mexico Today," Foreign Affairs, V (October, 1926), 1-5.

37. Reported in Lenora Hawkes-Jones to State Department, no location, January 22, 1927, ADS, 711.12/957. Also see James J. Horn, "U.S. Diplomacy and the Specter of Bolshevism in Mexico, 1924-27," The Americans, XXXII (July, 1975), 31-45.

38. See above, pages 42-43.

39. Calles, Mexico Before the World: The Public Documents and Address of Plutarco Elías Calles (New York: Academy Press, 1927).

40. Quoted in Sheffield to Kellogg, Mexico City, January 27, 1927, ADS, 711.12/929 3/4.

41. Excelsior, January 9, 1927; Christian Science Monitor, January 18, 1927; Dwight Morrow was asked to join this group, but he turned down the reverend's invitation. Hubert Herring to Morrow, Boston, November 17, 1926, and Morrow to Herring, New York, November 19, 1926, Morrow Papers. Herring's tour was severely criticized in Rabbi Bernard Heller to President Coolidge, Scranton, Pa., January 27, 1927, ADS, 711.12/936.

42. Excelsior, March 30, 1927; Sheffield, "Autobiographical Sketch," 69, Sheffield Papers.

43. Nationaltidende, December 30, 1926; Ceske Slovo, January 8, 1927; and see above, pages

44. Piles to Kellogg, Bogotá, January 22, 1927, ADS, 811.2310/173.

45. Kreeck to Kellogg, Asunción, January 20, 1927, ADS, 711.12/986; Willis C. Cook to Kellogg, Caracas, January 31, 1927, ADS, 711.12/960; Jefferson Caffery to Kellogg, San Salvador, January 14, 1927, ADS, 711.12/931.

46. Ibid. Adolfo Díaz was the conservative, U.S.-supported president of Nicaragua.

47. V. F. Coe, F. G. Ward, and H. G. Creel to Calvin Coolidge, Chicago, January 26, 1927, ADS, 711.12/923; Spanish ambassador to Spanish Foreign Ministry, Washington, February 24, 1927, Dispatch #113 of 1927, Spanish Diplomatic Records, Madrid, Spain; hereafter the Spanish Diplomatic Records will be cited as SDR.

48. Hearing Before a Senate Subcommittee on Foreign Relations, 69th Congress, 2nd sess., S. Res. 329: Opposing the Sending of Armed Forces Into Mexico or Adjacent Waters While Congress Is Not in Session, February 21, 1927.

49. Ibid.; also see Paul Hutchinson's article on Mexico in the Christian Science Monitor, January 18, 1927. Hutchinson, the Christian Science Monitor's managing editor, accompanied Herring's good will tour to Mexico.

50. Pomian, Retinger, pp. 58-60.

51. El Universal, February 28, 1957; Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 127-28, 132-33, 379-80.

52. Interview with Jesús Silva Herzog, May 5, 1964, in Wilkies, México visto en el siglo XX, p. 641; Alvarez Sepúlveda interview with Alvarez, January 28, 1966, in her "Relaciones de México y los Estados Unidos," 133; also see her interviews with Morones, August 17, 24, 1963, in ibid., 28-29.

53. Carlos Barrera, "Calendario: Diplomacia Diplomatica," Excelsior, November 12, 1953. As one American engineer testified, "This traffic in documents is a business in Mexico City. It's a regular business. You can get any kind of document you want." Frank McLaughlin quoted in the New York Herald-Tribune, December 28, 1927.

54. El Universal, March 13, 1957; Eduardo J. Correa, "Invadir a México o Derrocar a Calles?" Excelsior, November 5, 1953.

55. Sheffield to Kellogg, Mexico City, May 6, 1927, ADS, 711.12/1071½; El Universal, March 15, 1957; Schoenfeld to Sheffield, Mexico City, February 27, 1927, Sheffield Papers.

56. Quoted in Horn, "Did the U.S. Plan an Invasion?" 459-60.

57. Quoted in ibid., 459.

58. Silva Herzog, Una vida, p. 95.

59. Kellogg's Memorandum, Washington, March 21, 1924, ADS, 711.12 Forged Correspondence/43; Téllez's report on this meeting is quoted in Taracena, La verdadera revolución, XII: 161-65.

60. Alvarez Sepúlveda's interview with Alvarez, January 28, 1966, in her "Relaciones de México y los Estados Unidos," 131; Gregorio Selser, El pequeño ejercito loco: Operación México-Nicaragua (Havana: Imprenta Nacional de Cuba, 1960), p. 98; Morones' article in El Universal, March 12, 1957; Lane, "U.S.-Mexican Diplomatic Relations," 88; El Dictamen (Veracruz), November 25, 1926.

61. Most Mexican writers claim that Calles' strategic use of his stolen documents prevented an American invasion in 1927. See, for example, Morones' article in El Universal, March 15, 1957; Portes Gil's article in El Universal, May 26, 27, 28, 1950; Portes Gil, Autobiografía, pp. 396-97; Taracena, La verdadera revolución, XII: 161-65; Silva Herzog, Una vida, p. 95; Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 129.

62. New York Times, April 26, 1927.

63. Quoted in William E. Walling, The Mexican Question, p. 176.

64. New York Times, April 27, 1927; Selser, El pequeño ejercito loco, p. 103.

65. Sheffield to Kellogg, Mexico City, May 6, 1927, ADS, 711.12/1071½.

66. Schoenfeld Memo of Conversation with Estrada, Mexico City, April 29, 1927, 711.12/1057.

67. Winslow Memo of Conversation with Sierra, Mexico City, April 28, 1927, ADS, 711.12/1057.

68. See Jean A. Meyer, The Cristero Rebellion: The Mexican People Between Church and State, 1926-29 (Cambridge: Cambridge University Press, 1976), p. 163; New York Telegram, November 9, 1927; Charles W. Lewis, "Justice as Administered in Mexico," Mexico City, December 3, 1927, ADS, 812.00/29047; Excelsior, March 12, 1929; Steffens, Autobiography, II: 734-35.

69. See, for example, Secretaría de Relaciones Exteriores to Secretaría de Gobernación, Mexico City, January 29, 1927, AREM, L-E-853.

70. Alvarez Sepúlveda, "Relaciones de Mexico y los Estados Unidos," 321.

71. Teracena, La verdadera revolución, XIII: 63.

72. When a reporter pointed out that the vast majority of Mexican leaders were against him, Gómez replied: "Wait until they smell my gunpowder. Wait till they taste my steel." Quoted in the New York Telegram, November 9, 1927.

73. Wood to Kellogg, Veracruz, April 5, 1927, ADS, 711.12/1042.

74. Wood Memo on Conversation with Gómez, Veracruz, March 9, 1927, ADS, 711.12/1026.

75. Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 387; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, June 30, 1927, SDR, Dispatch #161 of 1927.

76. Major Harold Thompson Memo, Mexico City, September 30, 1927, ADS, 812.00/28791. Also see Serrano's interview in the New York Telegram, November 10, 1927; Col. Alexander J. McNab, Jr., to Col. Stanley H. Ford, Mexico City, November 10, 1927, NOMB, Report No. 1801.

77. Schoenfeld to Kellogg, Mexico City, October 11, 1927, ADS, 812.00/28866; Schoenfeld to Kellogg, Mexico City, October 13, 1927, ADS, 812.00/28894.

78. Lieuwen, Mexican Militarism, pp. 85-95.

79. Quoted in Sheffield to Kellogg, Mexico City, January 27, 1927, ADS, 711.12/929 3/4.

80. The Mexicans also suspected the American consul in Laredo and considered asking for his recall in early 1927. See Secretaría de Relaciones Exteriores to Secretaria de Governación, Mexico City, April 27, 1927, AREM, L-E-853, Leg. 11.

81. Schoenfeld to Kellogg, Mexico City, July 18, 1927, ADS, 812.52/1466½. Also see Sheffield to Kellogg, Mexico City, April 29, 1927, ADS, 711.12/1057.

82. Quoted in Peter J. Bakewell, Silver Mining and Society in Colonial Mexico, Zacatecas, 1546-1700 (Cambridge: Cambridge University Press, 1971), p. 122.

83. Miguel S. Wionczek, "Electric Power: The Uneasy Partnership" in Raymond Vernon, ed., Public Policy and Private Enterprise in Mexico (Cambridge: Harvard University Press, 1964), p. 40.

84. See above, pages 44-48.

85. Excelsior, June 20, 1925; El Universal, February 15, 1957.

86. El Demócrata, October 7, 1925. Also see Excelsior, January 20, 1927.

87. Barry Carr, The Peculiarities of the Mexican North, 1880-1928 (Occasional Papers of the Institute of Latin-American Studies at the University of Glasgow, No. 4, 1971), p. 14. Also see L. Meyer, Los grupos de presión extranjeros, p. 18, and Michaels, "Mexican Politics and Nationalism," 24.

88. Barry Carr, El movimiento obrero y la política en México, 1910-29 (México: Sep Stentas, 1976), II: 41; Wilkie, Federal Expenditure, Table 8-2, p. 184. Wilkie has also shown that the United States experienced six times as many strikes as did Mexico in

1927, while the number of strikers was forty-five times larger in the United States than in Mexico. Ibid., Appendix G, p. 295.

89. Carr, Movimiento obrero, II: 6.

90. Special Agent Manuel Sorola, "Mexican Situation in the San Antonio District," January 14, 1928, ADS, 812.00/29092. Also see Michaels, "Mexican Politics and Nationalism," 7; Carr, Peculiarities, p. 14; Wilkie, Federal Expenditure, p. 183. Henry A. Landsberger argues that this attempt to control labor from above is typical in all of Latin America. According to Landsberger, "early gains are often handed to [labor] on a silver platter in order to build it up as a source of support, or to forestall the growth of discontent." Henry A. Landsberger, "The Labor Elite: Is It Revolutionary?" in Seymour Martin Lipset and Aldo Solari, eds., Elites in Latin America (London: Oxford University Press, 1967), p. 260.

91. See above, page 44, and Carr, Movimiento obrero, II: 43-44.

92. Seldes, Print That, p. 380.

93. Quoted in Oliver to Coolidge, New York, July 17, 1924, ADS, 812.00/27329; New York Times, April 13, 1924. On a revolution's need to control the countryside, see Samuel P. Huntington, Political Order in Changing Societies (New Haven: Yale University Press, 1968), p. 292.

94. El Demócrata, September 20, 1924.

95. See, for example, Calles' radio address reported in El Demócrata, April 12, 1924.

96. El Demócrata, April 18, 1924; italics added. Also see François Chevalier, "El Ejido y Estabilidad," Ciencias Politicas y Sociales, XI (Octubre, 1965), 421; Marcosson, "Calles," 174. Obregón later agreed, saying: "The secret of public tranquility is property for the rural classes." Quoted in El Universal, October 10, 1927.

97. Manuel González Ramírez, La revolución social de México: El problema agrario (México: Fondo de Cultura Economica, 1966), p. 268; Simpson, Ejido, p. 323; Carr, Movimiento obrero, p. 123.

98. Ibid., pp. 121-22.

99. El Demócrata, April 15, 1924.

100. Luis L. León, "El Presidente Calles," Historia Mexicana, X (Octubre, 1960), 323-24.

101. Ricardo J. Zevada, Calles, El presidente (México: Editorial Nuestro Tiempo, 1971), p. 108.

102. Schoenfeld to Kellogg, Mexico City, September 8, 1925, ADS, 812.52/1335; also see Joseph Retinger, Tierra Mexicana: The History of Land and Agriculture in Ancient and Modern Mexico (London: Noel Douglas, 1926), pp. 103-104.

103. Quoted in Earnest Gruening, "President Calles' First Years," The Forum, LXXV (January, 1926), 54.

104. Eyler N. Simpson, "The Mexican Agrarian Reform: Problems and Progress" (unpublished report for the Institute of Current World Affairs, Agricultural Studies, Series I, No. 9, July, 1933), 143.

105. New York Times, February 15, 1928.

106. Sterrett and Davis, "Fiscal and Economic Condition," 86. Also see William P. Blocker to Kellogg, Mazatlán, December 11, 1926, ADS, 812.00/28144; Beals, Glass Houses, p. 280.

107. Wilfrid Hardy Callcott, Liberalism in Mexico, 1857-1929 (Stanford: Stanford University Press, 1931), p. 331.

108. Morrow to Olds, Mexico City, November 22, 1927, Morrow Papers.

109. Herring testimony to Senate Subcommittee on Senate Resolution #329; Sheffield to Mrs. Will Rundell, Mexico City, February 3, 1927, ADS, 711.12/1080; James F. Vivian, "James R. Sheffield: Ambassador to Mexico, 1924-27" (unpublished M.A. thesis, University of Nebraska, 1963), 158.

110. Simpson, "Agrarian Reform," 69; Gruening, "First Year," 54.

111. Alexander Weddell to Kellogg, Mexico City, June 4, 1926, ADS, 812.52/1; Weddell to Kellogg, Mexico City, June 9, 1925, ADS, 812.00/27555. Also see Robert F. Adie, "Agrarianism in the Mexican Political System," (unpublished Ph.D. dissertation, University of Texas, 1970), 85-86.

112. Schoenfeld to Kellogg, Mexico City, November 28, 1926, ADS, 812.52/1426.

113. Diario Official, April 27, 1927.

114. Sheffield to Kellogg, Mexico City, April 28, 1927, ADS, 812.52/1447.

115. J. Meyer, La révolution Mexicaine, p. 157; J. Meyer, Cristero Rebellion, pp. 107-10.

116. Walter F. Boyle to Kellogg, San Luis Potosí, January 5, 1924, ADS, 812.00/26758.

117. Levenstein, Labor Organizations, pp. 108, 137.

118. Sheffield, "Autobiographical Sketch," 34; Sheffield to Morrow, New York, August 1, 1929, Sheffield Papers.

119. James J. Horn, "Diplomacy by Ultimatum: Ambassador Sheffield and Mexican-American Relations, 1924-27" (unpublished Ph.D. dissertation, State University of New York at Buffalo, 1969), 50.

120. Macon Telegraph quoted in Grew, Turbulent Era, p. 667n.

121. Kellogg's press release appeared in the New York Times, June 13, 1925; Portes Gil, Autobiografía, pp. 391-92.

122. Excelsior, June 15, 1925; Alonso Capetillo, La rebelión sin cabeza (México: Botas, 1925), pp. 217-21.

123. L. Ethan Ellis, Frank B. Kellogg and American Foreign Relations, 1925-29 (New Brunswick: Rutgers University Press, 1961), p. 28.

124. El Universal, June 15, 1925.

125. Excelsior, August 20, 1925; also see Excelsior, June 15, and August 18, 1925. On John Lind and John R. Silliman's diplomatic missions to Mexico, see Charles C. Cumberland, Mexican Revolution: The Constitutionalist Years (Austin: University of Texas Press, 1972), passim.

126. El Demócrata, June 15, 1925. Also see press comments noted in the Mexican Magazine, I (July, 1925), 8-9, 28.

127. See letters in RO-C, 104-E-58.

128. Obregón to Calles, Sonora, June 15, 1925, RO-C, 104-E-58.

129. Schoenfeld to Kellogg, Mexico City, June 16, 1925, ADS, 711.12/580.

130. Donald Haven to Kellogg, Aguascalientes, June 25, 1925, ADS, 711.12/609.

131. Louis J. Halle has written of "the need that every revolutionary regime feels, upon its acquisition of power, to create the bogy of a monstrous external enemy as a basis for enforcing on its own population the discipline without which it could not survive." Halle, The Cold War as History (New York: Harper & Row, 1967), p. 415. Also see Huntington, Political Order, pp. 304-307. On the political value of "pulling the American eagle's tail feathers' see Edward J. Williams, The Political Themes of Inter-American Relations (Belmont, California: Duxbury Press, 1971), pp. 25-26.

132. New York Times, June 21, 1925.

133. New York Journal of Commerce, June 16, 1925.

134. Henry Lane Wilson to Senator George H. Moses, New York, June 16, 1925, ADS, 711.12/564. On the need for a revolutionary government to avoid identification with a major foreign power see Huntington, Political Order, pp. 307-308.

135. Rafael Carrillo to Calles, June 17, 1925, quoted in Sheffield to Kellogg, Mexico City, July 1, 1925, ADS, 812.00/27568.

136. Taracena, La verdadera revolución, XI: 44-45.

137. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

138. Sheffield to Kellogg, Mexico City, December 16, 1925, ADS, 812.6363/1614.

139. Sheffield to Kellogg, Mexico City, December 11, 1925, ADS, 812.6363/1617. Pani's "confidential intermediary" was Wallace Payne Moats, "a prominent American business man in Mexico."

140. Sheffield to Kellogg, Mexico City, December 24, 1925, ADS, 812.6363/1629; Kellogg to Sheffield, Washington, January 5, 1926, ADS, 812.6363/1629.

141. Sheffield to Kellogg, Mexico City, December 24, 1925, ADS, 812.6363/1628; Sheffield to Kellogg, Mexico City, December 16, 1925, ADS, 812.6363/1614.

142. Calles quoted in Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

143. See above, page 64. Also see Pomian, Retinger, p. 57.

144. Quoted in Sheffield to Kellogg, Mexico City, December 24, 1925, ADS, 812.032/251. Redención (Villahermosa, Tabasco) editorialized that for Calles to submit "to the unjust petitions of the Yankee oilmen, is to declare ourselves vassals . . . , in short, to renounce our sovereignty as a free nation and pass into the condition of a feudal estate owned by the filthy Jews who exploit the black oil, which symbolizes the color of the consciences of those imbibers of the blood and sweat of the proletariat." Redención, January 13, 1927, enclosed in Harry B. Ott to Kellogg, Frontera, Tabasco, January 18, 1927, ADS, 711.12/937.

145. See Calles, Mexico Before the World, passim.

146. E. R. Jones and G. Wythe, "Economic Conditions in Mexico," 165, Mexico City, April 25, 1928, ADS, 812.50/161½; also see Schoenfeld to Kellogg, Mexico City, June 15, 1925, ADS, 711.12/550.

147. The U.S. notes appear in Department of State, Papers Relating to the Foreign Relations of the United States, 1926 (Washington: U.S. Government Printing Office, 1941), II: 606-70; Aáron Sáenz, La politica internacional de la Revolución: Estudios y documentos (Mexico: Fondo de Cultura Economica, 1961), pp. 449-506.

148. Zevada, Calles, pp. 64-95.

149. Holland Dempsey Watkins, "Plutarco Elías Calles: El Jefe Macimo of Mexico," (unpublished Ph.D. dissertation, Texas Tech University, 1968), 188.

150. Speech at Nuevo León, February 18, 1926, quoted in his Mexico Before the World, p. 85; Frederick Simpich, "Mexico Gets Down to Business," Nation's Business, XIV (1926), 32; Gruening, "First Year," 54.

151. Watkins, "Jefe Maximo," 190-91.

152. Sterrett and Davis, "Fiscal & Economic Condition," 42-44.

153. Watkins, "Jefe Maximo," 191.

154. Sterrett and Davis, "Fiscal & Economic Condition," 21-27; Alberto J. Pani, El problema supremo de México: Ensayo de crítica constructiva de la política (México, 1955), pp. 25-28; Watkins, "Jefe Maximo," 193-98.

155. Ibid., 198-99; Sterrett and Davis, "Fiscal & Economic Condition," 58; Zevada, Calles, pp. 82-95.

156. Sterrett and Davis, "Fiscal & Economic Condition," 87.

157. Melesio Díaz to Obregón, April 6, 1923, RO-C, 818-S-228; Joseph C. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

158. On natural disasters in 1927, see Mexican Commerce & Industry, IX (October, 1927), 15; ibid., X (March 1928), 20; Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852. On the Cristeros and the decline in agricultural production, see J. Meyer, La révolution Mexicaine, p. 147.

159. Simpson, "Agrarian Reform," Table 21, p. 214.

160. Ibid., Table 23, p. 217; Mexican Commerce & Industry, XIII (September, 1931), 28.

161. Sterrett and Davis, "Fiscal & Economic Condition," 146; Commerce Reports (March 21, 1927), 712; (April 25, 1927), 207.

162. Lawrence A. Cardoso, "Mexican Emigration to the United States, 1900-30: An Analysis of Socio-Economic Causes" (unpublished Ph.D. dissertation, University of Connecticut, 1974), Table #7, 107, 108; Joseph C. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

163. See above, page 66; Mexican Commerce & Industry, X (October, 1928), 22; Sterrett and Davis, "Fiscal & Economic Condition," 204-205.

164. Calculated from Lieuwen, Petroleum in Venezuela, p. 121.

165. Donald Lee McCuen, "The Mexican Oil Industry in 1927," Mexican Commerce & Industry, X (January, 1928), 36; Manuel Sorola, "Mexican Situation," San Antonio, October 1, 1927, ADS, 812.00/28832; Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852.

166. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, April 18, 1927, SDR, Dispatch #77 of 1927.

167. Calculated from Sterrett and Davis, "Fiscal & Economic Condition," 53; Hicks, "Economic Effects," Table V, 186.

168. Schoenfeld to Kellogg, Mexico City, October 26, 1927, ADS, 812.6363/2412.

169. Sterrett and Davis, "Fiscal & Economic Condition," 59, 65; Current History, XXVI (May, 1927), 311.

170. Ibid., XXV (February, 1927), 764.

171. Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852.

172. Sterrett and Davis, "Fiscal & Economic Condition," 60.

173. See, for example, Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852; Joseph C. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

174. Commerce Reports (January 3, 1927), 9; ibid. (January 24, 1927), 198; ibid. (February 6, 1927), 342.

175. Ibid (March 21, 1927), 712.

176. Ibid. (August 29, 1927), 527.

177. Sterrett and Davis, "Fiscal & Economic Condition," 132.

178. Ibid., p. 141; Joseph C. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876; Weddell to Kellogg, Mexico City, October 6, 1927, ADS, 812.51/1374; Weddell to Kellogg, Mexico City, December 6, 1927, ADS, 812.00/29034.

179. Commerce Reports (April 4, 1927), 11; Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

180. Commerce Reports (March 14, 1927), 646; A. Fletcher Kearney to Kellogg, St. Paul, August 8, 1927, ADS, 812.00/29409.

181. Commerce Reports (April 4, 1927), 11; Sterrett and Davis, "Fiscal & Economic Condition," p. 108; William P. Blocker to Kellogg, Mazatlán, December 11, 1926, ADS, 812.00/28144.

182. "A Review of the Mining Production in Mexico During 1927," Mexican Magazine: A Mining Journal, IV (March, 1928), 67; Sterrett and Davis, "Fiscal & Economic Condition," p. 102.

183. Herbert M. Bratter, "The Price of Silver and Its Factors," Mexican Commerce & Industry, XII (March, 1930), 16-18.

184. Mexican Magazine: A Mining Journal, IV (May, 1928), 151; Mexican Commerce & Industry, IX (October, 1927), 15; New York Times, July 8, 1927.

185. B. M. Richardson to A. Fletcher Kearney, Nogales, Arizona, July 2, 1927, ADS, 812.00/29408.

186. Sterrett and Davis, "Fiscal & Economic Condition," 104; Mexican Commerce & Industry, IX (October, 1927), 15.

187. Sterrett and Davis, "Fiscal & Economic Condition," 104, 209.

188. Ibid., Table, 105.

189. Commerce Reports (April 25, 1927), 207.

190. Ibid.; Excelsior, November 29, 1927.

191. Paul C. Moore to Kellogg, Franklin, Pennsylvania, October 26, 1926, ADS, 812.001C13/21.

192. Ludwell Denny, We Fight for Oil (New York: Knopf, 1928), p. 92.

193. El Universal, October 27, 1927.

194. New York Times, December 28, 1927; italics added.

CHAPTER IV

Beginnings: "The Impression of Success and Ease in Solving Problems"

Calvin Coolidge faced the greatest diplomatic dilemma of his presidency in early 1927. U.S.-Mexican relations were in a confused and potentially dangerous state as rumors of a diplomatic break with Calles or an American invasion of Mexico continued to gain currency in both nations.[1] President Coolidge had relied on Secretary of State Kellogg and Ambassador Sheffield to map the course of U.S. foreign policy in Mexico, but their efforts to solve outstanding diplomatic problems had proven less than satisfactory. Kellogg's offensive remarks of June, 1924, Sheffield's countless formal notes of protest in 1926, and the president's own belligerent address of January, 1927, only served to create larger problems in Mexico and greater opposition in the United States.[2] Realizing that his old policy was a dismal failure, Coolidge searched for new tactics to defend American interests in Mexico. The president made three important decisions in his search for a more suitable and less offensive Mexican policy.

Watchful Waiting and Sheffield's Departure

First, the Coolidge administration began a period of watchful waiting. Influenced by Calles' many efforts to sway U.S. policy and encouraged by the Mexican promise not to damage American property, Coolidge did nothing to aggravate the Mexican situation in the months following his conciliatory speech of April 25. The president reportedly believed that "four-fifths of all our troubles in this life would disappear if we would only sit down and keep still." This formula apparently worked in Mexico because the Mexicans were just as determined to avoid further conflict with the United States. Outbursts of anti-American sentiment became noticeably rare by the summer of 1927. Hostile demonstrations, critical speeches, and wall posters demanding "Death to the Gringoes" were soon replaced by quiet reassurances that Calles and his Foreign Minister, Estrada, "desired to settle all outstanding cases with the United States."[3] Few American landowners were disturbed by the agrarian reform in 1927 and no oil wells were expropriated, despite the fact that the largest foreign oil companies still refused to obey the petroleum laws of 1925.[4] Pleased with these developments, the State Department ceased its public criticism of the Calles regime and sent fewer notes of protest on cases involving American

citizens. Only the U.S. arms embargo remained in force to remind Calles of Washington's awesome power and watchful eye.

Next, President Coolidge accepted Ambassador Sheffield's resignation on July 8, 1927.[5] Sheffield had always insisted that a "firm policy" was necessary to defend American interests in Mexico and "protect the United States against the menace of extreme radicalism at our side door."[6] Convinced that Calles and his cabinet would only respond to the threat of force, Sheffield employed thinly-veiled threats, rather than diplomatic skills, in his attempts to resolve even the most sensitive issues. The envoy continually denied that he sought U.S. military intervention in Mexico, but he privately wrote that "There is a vast amount of policing to be done in this world, and as the greatest and the richest of the nations, we will have to do our full share of it in the interest of civilization and peaceful commerce."[7] In typically pejorative and racist terms, the ambassador and his staff in Mexico described Calles as "an assassin, a robber and a violator of his own pledged word."[8] The American Consul General in Mexico City accused Calles of "heavy drinking, high play, and incredibly vile conversation"[9] while Sheffield reported that Mexican leaders in general were "not noteworthy for their loyalty either to each other or to [the]

political principles they ostensibly espouse."[10] The U.S. consul in Tampico characterized Joaquín Amaro as "a typical Indian . . . of the ignorant class" while Morones was charged with "favoring the communist movement . . . for his personal benefit." Calles was dubbed the "Stubborn Turk" and, while his Finance Minister was considered the most conservative member of the Mexican leadership, even Pani was depicted as "a regular grafter" and "a very active socialist."[11] The embassy's negative feelings were summed up by a staff member who declared that it was no longer possible for the United States to "do business with the dirty crooks."[12]

As a result of this attitude, Sheffield usually dealt with reactionary leaders, rather than with government officials in Mexico.[13] Americans who associated with the Calles regime were, in fact, denounced as "Skunks! Liars! [and] Traitors!" in the U.S. embassy.[14] A newsman was flatly informed that "anyone who says a friendly word for the Mexicans is a traitor to the United States."[15] The chief callers at the U.S. embassy were usually members of revolutionary factions so that "rightly or wrongly, the impression prevailed in Mexico City that the American [ambassador] was in league with [Calles' greatest] enemies."[16] Influenced by these conservative elements, Sheffield eulogized Porfirio Díaz and his dictatorial rule because

Mexico "was then and still is utterly unfit for self-government."[17] The ambassador not only criticized the Mexicans' ability to rule their own nation, but also dismissed their efforts to ease diplomatic tension as clever plots designed to deceive Washington and cheat American interests. Calles' enthusiastic response to the Coolidge address of April 25 was, therefore, recognized as a simple attempt "to becloud the fundamental issue" involving private property rights abroad.[18] Sheffield was even less sanguine about American diplomatic overtures to Mexico. Writing just two days after the Coolidge speech in New York, he complained that Washington "is so anxious to get along amicably with Mexico that every little straw showing a change of heart down here is seized upon as indicating a new and favorable breeze."[19] The ambassador argued that stern warnings, such as Kellogg's belligerent statement of June, 1924, "did much to halt the Bolshevik tendencies" in Mexico,[20] but conciliatory acts, such as the Coolidge speech to the United Press, would only encourage a new wave of ruinous radicalism in early 1927.[21]

Calles and his closest advisers clearly recognized James Sheffield as a major obstacle in their plans to improve U.S.-Mexican relations. Morones called the envoy "an unyielding enemy of our country," while others agreed

that he was an "arrogant villain" who misunderstood both Calles and the Mexican Revolution.[22] Only the fear that diplomatic relations would be broken, with disastrous results for his government and its reforms, had prevented Calles from requesting Sheffield's recall on several occasions in 1925 and 1926; the president even refused to meet with the American envoy to discuss urgent diplomatic problems in the latter year.[23] Exasperated by Sheffield's duplicity, Calles went so far as to ask Coolidge to send a personal representative to Mexico in the spring of 1927. The Mexican ruler suggested that this agent might travel to northern Mexico where he could secretly meet with Calles and could appreciate the president's "absolute sincerity and friendliness in all of his dealings with the American Government."[24] This significant attempt to bypass Sheffield and normal U.S. diplomatic channels was frustrated by State Department officials, but Mexican leaders continued to hope that a more responsive and tactful emissary would be sent from Washington.

Many were encouraged by the news of Sheffield's resignation. Aware of William Borah's desire for a negotiated peace with Mexico, Manuel Sierra told a U.S. embassy official on August 17 that "the appointment of an Ambassador of Senator Borah's point of view would enable the United States to see the agrarian problem [and other

issues] form a new angle, and not always . . . from the sole viewpoint of insisting that American interests had been injured."[25] Calles' Foreign Minister expressed a similar opinion only two days later. Genaro Estrada told Schoenfeld that he "hoped an American statesman would emerge who would see the realities of the [Mexican] situation and who would cease insisting upon purely theoretical considerations." "It would be so easy," said Estrada, "to place Mexican-American relations on a better footing if [only] more good will were shown in the United States."[26] A "distinguished foreign diplomat" agreed, adding that,

> on the day when Mexico has the good fortune to have as the American Ambassador a man of the stamp of a Cambon or a Barère, I am convinced that the pressure brought to bear by the United States will be as strong as it is now, but also that it will be infinitely less perceptible and less painful [to Mexico].[27]

There is no evidence to prove that Calvin Coolidge ever considered this wise advice in the days following Sheffield's resignation, but its appearance in the Mexican press and similar comments by top government officials clearly demonstrated a readiness in Mexico to deal with a more patient and diplomatic U.S. envoy after years of dealing with James Sheffield and his uncompromising staff.

A New Ambassador Is Chosen

President Coolidge traveled to his summer home in the Black Hills of South Dakota to make his third and most important decision involving U.S.-Mexican relations in 1927. The chief executive carried the names of at least a dozen possible candidates to fill the vacant Mexican post, but it appears that Coolidge favored Dwight Morrow from the outset.[28] The president wrote to his old friend less than a week after Sheffield's resignation. In a hand-written note dated July 14, 1927, Coolidge told the banker that Sheffield had considered Mexico "the greatest place for service" to the United States. The president declared that "I would prefer to trust you with this place above anyone else . . . but I want you to consult your own wishes. You will be greatly serving the country wherever you are."[29]

Coolidge invited Dwight Morrow to join him in Rapid City where they could quietly discuss the situation in the privacy of his summer retreat. The banker arrived in South Dakota in August and, while many observers thought that he traveled west to see whom Coolidge favored as his successor in the White House, no one suspected the true purpose of Morrow's important meeting with the president.[30] The two men met for several hours on Friday,

August 19. Morrow expressed some interest in the Mexican post, but he reported that J. P. Morgan, Jr., believed "that I could do more good where I was [on Wall Street] than in Mexico." Coolidge replied that Morgan was probably right but "that was not the whole story." In words that accurately reflected his conservative political philosophy, the president explained that "it was not the business of government to do good but to prevent harm" and Morrow would "probably prevent a good deal of harm if [he] went to Mexico." Coolidge told his friend that,

> the primary problem was to find some modus vivendi for getting along with [the Mexicans], and with their suspicions and lack of aptitude it was not easy to get people with the equipment and character to do that. It was also difficult to get anyone to whom responsibility could be left without constantly dealing with things at arms length from Washington.[31]

Coolidge thus sought a tactful and understanding ambassador who could develop a new Mexican policy on his own in much the same way that Henry L. Stimson had created a new U.S. policy in Nicaragua by traveling to Managua in April, 1927.[32] The president may have believed that "four-fifths of all our troubles in this life would disappear if we would only sit down and keep still," but he was quite willing to send independent trouble-shooters, like Stimson and Morrow, to unravel the remaining fifth of all problems that stubbornly refused to solve themselves. "The ideal

way for [the presidency] to function," wrote Coolidge, "is to assign to the various positions men of sufficient ability so that they can solve all the problems that arise under their jurisdiction. . . . If we had differences with Mexico, a Morrow can compose them."[33]

Dwight Morrow was the perfect candidate for this difficult role. Educated at Amherst and Columbia, he had served as a corporation lawyer in the prestigious New York law firm of Reed, Simpson, Thacher and Barnum before joining J. P. Morgan on July 1, 1914.[34] Morrow enjoyed great success in the financial world and reportedly earned a million dollars a year as a Morgan partner in the 1920s.[35] The banker had achieved this remarkable success by employing tact, intelligence, and a disarming personality to deal with the complex business problems of his age. According to Coolidge, Morgan had recruited Morrow in 1914 "not merely because of his [legal] talent, for such talent was plentiful and easy to buy, but . . . for his character, which was priceless."[36] Speaking in 1927, Thomas W. Lamont remarked that "Morrow has an uncanny ability to find a solution [to] almost any problem. There has never been any problem, however difficult, that we [have] had [at J. P. Morgan] which Morrow has not been able to solve."[37] In a rare boast, Morrow himself was heard to say that "If I can get a man to talk to me I

believe I can persuade him to do the right thing without ever disagreeing with him."[38] Walter Lippmann explained how Morrow could achieve this seemingly impossible task. The journalist wrote that Morrow discarded "all weapons but [those] which could promote understanding [so that] his adversary [also] had . . . to disarm . . . or feel wretchedly uncomfortable at having to be a deliberate villain."[39]

Morrow's methods were simple and direct. Having observed his negotiating skill in 1930, an English statesman described the three steps that Morrow usually followed in solving a difficult problem. Sir Arthur Salter's remarks read like a diplomatic handbook:

> First find the facts--all the important facts that are relevant--before you let yourself even begin to form a policy; second, try to penetrate the real mind of the person you are negotiating with, to see the problem as he sees it, to understand what it is that is really important to him; third, try to evolve out of this a solution which will really be to the common interest and not [simply] a diplomatic score [for your side alone].[40]

Morrow had skillfully employed these tactful methods in public as well as in business affairs prior to 1927. The banker had helped to reform New Jersey's penal system in 1917 and was awarded the Distinguished Service Medal for his work on the Allied Maritime Transport Council during World War I. In addition, Morrow had chaired the civilian board of inquiry that had investigated Colonel Billy

Mitchell's highly-publicized charges against the armed forces in 1925.[41] Few problems seemed beyond the banker's proven ability as a trouble-shooter in many fields.

Aware of his success in these activities, as well as his friendship with Coolidge and his considerable influence in the Republican Party, many anticipated Morrow's appointment to an important cabinet post or a coveted diplomatic assignment, such as the Court of St. James. Frank Kellogg had originally favored him for the job of Under Secretary of State and, as late as the spring of 1927, observers believed that Kellogg would retire, Herbert Hoover would move to the State Department, and Dwight Morrow would become the new Secretary of Commerce.[42] But Coolidge never offered his friend this position or any other high-level job prior to July 14, 1927. There were three main reasons for this seemingly odd situation. First, Coolidge had hoped to avoid public criticism for placing too many bankers in key posts within his administration. The multimillionaire banker, Andrew W. Mellon, had served as the Secretary of the Treasury since 1921 and had grown enormously popular in business circles for his conservative policies that aimed to reduce the national debt and favor the rich with considerable tax reductions.[43] There was simply no political room for Morrow in Washington as long as Mellon continued to dominate the Republican

cabinets of the 1920s.[44] Next, Coolidge had previously agreed with J. P. Morgan's assessment that Dwight Morrow was of far greater service to the nation on Wall Street than in Washington. Morrow's talents were badly needed in the business world and Coolidge feared that his departure from New York would adversely affect economic conditions in several indirect, but important ways. Finally, the president had realized the tremendous sacrifice that his friend would have to make if he left his very lucrative and powerful position in the House of Morgan. Few men were willing to exchange a Morgan partnership for a $17,000-a-year ambassadorship, regardless of the social prestige that it might offer.

Coolidge had never wanted his former classmate to suffer this great loss, but the president had never hesitated to call on Morrow to fill at least temporary jobs in crisis situations. He therefore appointed Morrow to investigate Billy Mitchell's accusations in 1925 and asked the banker to head a special mission to China in 1926. As Morrow later explained it, business interests and missionary societies had placed considerable pressure on Coolidge to intervene in Chinese affairs and prevent the outbreak of a new Chinese civil war. The president eventually turned to Morrow to help mediate the differences that divided China, but the banker requested at

least a month to study the situation before he would consider a trip to the Far East. Morrow soon returned to the White House and reported that no one should go to China because no one could stop the impending civil war in that unstable nation. The banker convincingly argued that the Chinese were "entitled to work out their own problems" for "if we insist on intervening . . . we may lose for the long future such friendship as we now have with the Chinese [people]."[45] Morrow made a similar argument against military intervention or a lifting of the arms embargo in Mexico.[46] In both cases, the United States was able to maintain its widespread influence without ever having to pay the high price of direct intervention in another country's internal affairs.

President Coolidge had thus followed Morrow's judicious advice at the height of two international crises, but he had always hesitated to appoint the banker to a more permanent position in his administration. The political situation and Morrow's own status had nevertheless changed by mid-1927. The president's decision not to seek reelection in 1928 meant that he could appoint Morrow to an important government job without fear of damaging his own political future. Just as importantly, Coolidge learned that his friend was "determined to retire from active business" and was willing to accept a challenging new role

in public life.[47] Mexico offered such a challenge, despite the fact that the banker's family and friends were less than enthusiastic about the diplomatic assignment. Distressed by the president's letter of July 14, Elizabeth Cutter Morrow wrote in her diary that Mexico "is a hard job, [with] not much honor, and it comes late. 'No skates left in my bag,' says Santa Claus, 'but here's a silly little whistle if you want it.'"[48] Will Rogers used an equally ironic image to describe the appointment. According to the humorist, asking a man to go to Mexico in 1927 "was just like saying, 'Your tumbler of carbonic acid is ready, Sir. Would you like water with it?'"[49] As Walter Lippmann explained it, Mexico

> is the post that all [diplomats] work hardest to avoid. Among foreign [assignments] it has the least social prestige and the most stubborn problems. One can fail in Mexico easily and conspicuously [while] no success can be very obvious.

The journalist concluded that Mexico was hardly "the place you would send your best friend if your purpose were to start him off happily on a public career."[50] Convinced that Morrow was making a serious mistake in going to Mexico, even his closest friends predicted that he would not last nine months in a country that was known as "the graveyard of American diplomats."[51]

But Dwight Morrow never considered the Mexican post for its political advantages or social prestige.

On the contrary, he reportedly let it be known that the only sort of job he would consider would be a difficult one that would promise adventure and offer him an opportunity to do something "worthwhile" for his country.[52] According to Calvin Coolidge, "It would be difficult to imagine a harder assignment [than Mexico in 1927] . . . but Mr. Morrow never had any taste for sham battles [and he] would never be attracted by the tinsel of diplomacy. He was not asking for honors [or] personal glory but only for a chance to serve."[53] The banker was, moreover, sincerely interested in Mexico and its many difficult problems. Well aware of these problems from his dealings with Pani and the International Committee of Bankers,[54] Morrow was undoubtedly more familiar with Mexican affairs than most "old Mexican hands" in Washington. Denounced as a collection of rank amateurs with little practical experience in Latin America, few State Department officials had ever been to Mexico and only one had seen service in that country since the outbreak of the Revolution in 1910.[55] No one at the U.S. embassy in Mexico City had served at his post for more than three years and Washington's Mexican policy was usually left in the hands of a strategist with no diplomatic experience of any kind prior to his appointment in October, 1925.[56] Morrow was certainly a novice in diplomatic circles, but his status

was hardly a handicap in an administration that could claim very few Mexican experts in the late 1920s.[57]

The Reaction to Morrow's Appointment

President Coolidge personally announced Dwight Morrow's appointment as the new U.S. ambassador to Mexico on September 20, 1927.[58] This news stirred extreme political emotion in the United States. Conservative forces, including the Chicago Tribune, the Wall Street Journal, and the Society of Mexican Pilgrims, welcomed the announcement by praising Morrow and predicting his future success.[59] Employing a double entendre to express his enthusiasm for the appointment of a business leader, Senator George H. Moses of New Hampshire called the nomination "a capital one."[60] James Sheffield and the American colony in Mexico were also encouraged by the news because they mistakenly thought of Morrow as a hard liner who would fight Calles and defend American interests with J. P. Morgan's all-powerful support.[61] Unable to defeat Calles with diplomatic weapons and thinly-veiled threats, conservatives hoped that Morrow would challenge the Mexican ruler with the enormous force and influence of Big Business. Calvin Coolidge was widely applauded for finally sending "a big business man for a big business problem" in Mexico.[62]

Liberals opposed Dwight Morrow's nomination for the very same reasons that conservatives supported it. Surprised by the president's unexpected appointment, many feared that the banker's arrival in Mexico City would only create greater problems, "rather than lead to a peaceful solution of our difficulties with Mexico."[63] Senator Gerald P. Nye of North Dakota denounced the appointment as "the crowning example of the influence of international bankers in our diplomatic affairs"[64] while Senator Reed of Missouri described Morrow's nomination as "another attempt by . . . [J. P.] Morgan to fasten its financial tentacles into Mexico."[65] According to Robert La Follette, Jr., the appointment only served to prove that Dollar Diplomacy still determined the course of U.S.-Latin American relations.[66] Finally, Senator T. H. Caraway of Arkansas believed that in choosing Morrow "President Coolidge has served notice on the Mexican Government that they [sic] will have to deal with J. Pierpont Morgan . . . [rather than with Washington] in the future."[67] Angered liberals concluded that Morrow's appointment was "the boldest manifestation of capitalistic domination of the [U.S. government] that has yet been shown."[68] Political observers predicted a battle royal when the banker's nomination was scheduled for debate on the Senate floor in late 1927.[69]

Mexican leaders read of this ensuing debate with great interest. Anxious to learn all they could about Morrow and his political ideas, government officials collected newspaper clippings that described the new U.S. ambassador in some detail. Dozens of articles were gathered from newspapers from across the United States.[70] The Mexicans were certainly encouraged by what they read. They discovered that despite liberal fears in the United States, Morrow strongly opposed the use of force to collect international loans in Latin America. Moreover, they found that Morrow believed that Americans with legitimate complaints in Mexico should not look to Washington for relief, but should seek to resolve their cases through the normal legal channels of Mexico so that Mexican sovereignty would be respected and international conflicts would be prevented. Finally, they learned that "beyond anything else" Morrow sought to understand Mexico and its problems.[71] When asked what he hoped to accomplish with the Mexicans, the banker simply replied that "I can like them."[72] Reading these reports and remembering his considerable influence on Coolidge at the height of the 1927 war scare,[73] Calles and his followers began to realize that Morrow was the Cambon or Barère that they had always hoped would be sent from Washington. A cable from Pani and a personal letter from President Gerardo Machado of

Cuba only reaffirmed this conviction among Mexican leaders. Pani praised the banker-turned-diplomat in a telegram sent from Paris,[74] while Machado recalled Morrow's help in negotiating two important loans for Cuba in 1923. Writing from Havana on October 1, 1927, Machado told Calles that,

> Mr. Morrow, in his frequent and always friendly business relations with Cuba, has created here such an atmosphere of sympathy for his personality, that I think I ought to contact you as the good friend that I am of Mexico and of the United States.[75]

This description of Morrow was welcomed as an encouraging sign in Mexico, but the most encouraging news of all came from the ticker tape machines of Wall Street. The value of Mexican bonds jumped three and a quarter points on the very day that Coolidge announced that Morrow would be going to Mexico.[76] The banker's excellent reputation on Wall Street had thus benefited Mexico's sagging economy even before the new ambassador left the United States. Pleased with these results and anxious to reap even greater benefits from Morrow's political and economic ties in the U.S., Calles let it be known that he was "prepared to display great courtesy and personal attention towards the [new] American Ambassador."[77]

Mexican newspapers generally reflected Calles' attitude in the fall of 1927. A survey of the seven major dailies in Mexico City revealed that most newspapers

welcomed Morrow with cautious optimism, but none ever went so far as to warn that "After Morrow Comes the Marines."[78] In a typical editorial of the period, El Universal reported that Washington had sent yet another ambassador to represent American financial interests in Mexico. But El Universal never directly criticized Morrow and his former ties with J. P. Morgan. Instead, the newspaper argued that as long as economic problems separated the United States and Mexico, it was better "to deal directly with a leader of the dominant class in the United States rather than with an intermediary who could only guess what his distant clients expected of him" in Mexico. The editorial in fact declared that having a leading banker as the U.S. ambassador to Mexico was "very pleasing" because "we consider it as the best proof . . . of [American] good will and a desire to reach a swift and fair agreement" on all outstanding issues.[79]

Even the most radical newspapers were of the same general opinion. El Machete denounced Morrow's nomination as "a disgraceful act that reveals the subordination of the Yankee government to the financiers of Wall Street." The Communist organ nevertheless added that it was possible that "Mr. Morrow, who represents a rival tendency to the petroleum interests in the exploitation of Mexico, will try to stop Mr. Sheffield's policy of conflict in order

to assure the further 'peaceful' penetration of the financial group that sends him."[80] Damning with faint praise, El Machete at least recognized Morrow as a peaceful alternative to Sheffield and the oilmen in late 1927.

El Sol was even less acrimonious, despite the fact that its editorials were normally very critical of U.S. foreign policy in Latin America. Reflecting Calles' essentially conservative labor policy, CROM's semi-official newspaper promised Morrow that "without aggressions, in good faith, and with the best intentions you will be able . . . to discharge your duty" in Mexico while learning that labor "is an indispensable force for the development of capital."[81] In a final example of this kind, La Patria stated:

> Our opinion is that if the new Ambassador is [indeed] a practical and able man . . . who is not dazzled by the glitter of corrupting gold . . . we will continue to be optimistic and believe that Mr. Morrow will not . . . trample the indisputable RIGHT which we Mexicans have to regular our DOMESTIC AFFAIRS as best suits our interests.[82]

Mexican newsmen were evidently willing to welcome Dwight Morrow and accept his banking past if the new envoy simply respected their nation's sovereignty and abandoned James Sheffield's heavy-handed style of diplomacy. Encouraged by reports from the United States that Morrow was willing to comply with these wishes, many Mexicans looked forward to his arrival and few ever really feared that "After Morrow Comes the Marines."

Preparations

The Calles regime prepared to greet the new U.S. ambassador by taking four important steps in the weeks following Morrow's appointment. First, the government paid $1,201,786 in interest payments to the International Committee of Bankers on Mexico.[83] The federal regime paid this interest for the months of September and October despite the fact that it could hardly afford such an expense in the fall of 1927. Oil revenues continued to decline and the government was forced to borrow additional money to help pay its mounting internal debt.[84] Teachers in the cities of Veracruz and Jalapa went so far as to strike in protest because the federal government owed them more than fifty thousand dollars in back pay by the first week in October.[85] The Calles regime nevertheless paid the International Committee of Bankers on Mexico because it did not want to alienate its foreign creditors just as a Wall Street banker was about to become the new U.S. ambassador to Mexico. In danger of completely defaulting on their debt payments in 1928, Calles and his financial advisors hoped to enlist Dwight Morrow's sympathy and support in case the Bankers' Committee made new demands and insisted on a new debt agreement in the coming year.[86]

Second, Calles prepared to greet Morrow by talking to Calvin Coolidge by phone less than ten days after the

banker's appointment was officially announced. The two presidents opened the first long-distance telephone line between the United States and Mexico on the evening of September 9, 1927. In the first conversation between a U.S. and Mexican president since 1909, Coolidge told Calles of his hope that the new 3357-mile line would help to establish "a better understanding, a greater friendliness and more commercial development" between the neighboring nations. Surrounded by two hundred and fifty businessmen and diplomats, Calles expressed a similar view by replying that the telephone line would help to create "a new era . . . of good will and cordial intercourse . . . which cannot fail to put an end to all those needless misunderstandings which so frequently spring up to deter the healthy and normal development of [our two] countries."[87] Dwight Morrow's name was never mentioned in this brief telephone conversation, but the presidents' friendly remarks certainly helped to clear the diplomatic air so that Morrow's task would be far less difficult when he arrived at his post in October.[88]

Next, Calles prepared to greet Morrow by quietly launching a campaign to establish "close personal relations" between friends of his government and members of the U.S. embassy staff. Calles had hoped to use this campaign to gather intelligence about American involvement in the

Cristero revolt and the Serrano-Gómez rebellion, but he was also determined to win American confidence before Dwight Morrow arrived in Mexico.[89] James Smithers' younger brother, Albert, therefore contacted the embassy and arranged for a meeting with its First Secretary, Alan F. Winslow, on October 18, 1927. In a candid and open conversation, Smithers confessed that he was originally upset by Morrow's appointment, but after learning of the ambassador's background "he knew the Government here was convinced [that] the new Ambassador was the type of man who possessed that integrity, frankness and freedom from prejudice which assured an open-minded approach" to all controversies. When asked if he thought that most diplomatic problems could be resolved, Smithers "replied emphatically in the affirmative." The American businessman nevertheless cautioned Winslow that,

> the psychology and nature of Calles and his advisors . . . did not permit a solution of these questions through the exchange of lengthy legal notes; to reach a solution it was necessary to create a personal association with them of a nature calculated to develop complete confidence not only in the integrity and frankness but also in the firmness and good will of the American Ambassador.

Smithers assured the First Secretary that "a great deal could be quickly accomplished" if Morrow simply respected Mexican sovereignty and developed a friendship with Calles "marked by absolute confidence." Referring to his family's

successful business relations with the Mexican ruler, Smithers concluded that "so long as . . . Calles had confidence in . . . the men with whom he had to deal, [a] fair and just arrangement of any problem could be reached."[90] A high-level Mexican official stressed a similar point when he told reporters that,

> If Mr. Morrow comes to Mexico free from prejudices and imbued with the spirit of creating a new world of ideas in Mexico, . . . his labor will doubtlessly contribute much to the betterment of conditions between the Government in Mexico City and the White House.[91]

The Calles regime seemed very anxious to let Morrow know that he could help resolve many difficult diplomatic problems simply by keeping an open mind and by working on a personal level with Mexican leaders in general and President Calles in particular.[92]

In a fourth and final attempt to improve U.S.-Mexican relations, Calles lifted his limited embargo against the import of American goods just forty-eight hours before Morrow was scheduled to present his diplomatic credentials on October 29, 1927.[93] This ban on Mexican government purchases in the United States had been in force for only five months and had never been very effective as a reprisal against the U.S. arms embargo, but its elimination was recognized as yet another indication that Morrow would be well received in Mexico City.[94]

The new ambassador appreciated these efforts by the Mexican government and responded to them by taking four steps of his own in his efforts to reassure Calles, while also pacifying his most vocal critics in the United States. Morrow began by resigning from the House of Morgan on August 31, 1927.[95] The ambassador could no longer be accused of serving two masters, although he emphasized the fact that J. P. Morgan & Company had not handled a single Mexican loan in all the years that he had been with the firm. The company owned only a few thousand dollars worth of Mexican bonds and chaired the International Committee of Bankers on Mexico mainly as a service to other bondholders, including Kuhn, Loeb & Company of Boston and Glyn, Mills & Company of London. The idea that Morrow was going to Mexico in order to collect Morgan's loans was called "utterly ridiculous" because the firm had "no chestnuts to be pulled from the Mexican fire" in 1927.[96]

Next, Morrow attempted to reassure Calles and his critics by granting several interviews to trusted friends in the newspaper world. B. C. Forbes therefore interviewed his neighbor from Englewood, New Jersey, and went so far as to use J. P. Morgan stationery in writing his copy for a feature article about Morrow that appeared in mid-October.[97] Bruce Gould and Proctor Hall were also granted exclusive interviews as the new ambassador attempted to

express his ideas about international debts and diplomacy without having to face a corps of newsmen that he did not know and count not trust.[98] As a result, Morrow was able to manipulate much of the news that Calles and the public read about his background and ideas without risking sensational reports that may have scuttled his mission before it was even launched in late October.

The ambassador also prepared for his first trip to Mexico City by meeting with countless individuals and by reading everything he could obtain about Mexico. Labor leaders, bankers, liberals, and oilmen were seen for as long as three hours at a time.[99] Perusing State Department files, Morrow soon learned of Calles' desire to deal with international problems on a personal level, rather than through formal diplomatic notes. Three documents were of particular interest to the new ambassador. The first, written at the U.S. embassy in March, 1927, described the French Legation's success with a personal approach to diplomatic relations long before Morrow's arrival in Mexico. According to the secretary of the French Legation, it was "more expedient and effective in the adjustment of specific cases dependent upon the definite action of respective ministries to approach such ministries directly rather than take the matter up through the normal channels, namely, through the Department of Foreign Relations." The

diplomat added that he had cultivated close contacts with officials in several Mexican departments so that in "many cases he had been able to effect a satisfactory solution by virtue of his . . . association with [those who were] handling the various matters."[100] The establishment of strong personal ties with government officials could produce some impressive results, as Albert Smithers had noted in his conversation with Winslow, while the use of formal diplomatic channels could prove to be both ineffectual and frustrating.

Two State Department briefings were also enlightening for the new ambassador. Learning from the administration's experience of early 1927, Under Secretary of State Robert E. Olds told Morrow that military intervention in Mexico was no longer possible or even desirable. "Aggrieved parties" continued to exert pressure on the United States to "play the high hand" and the petroleum interests had urged Washington to use its arms embargo as leverage in its dealings with Calles, but Olds had decided that the use of drastic measures could only make the situation worse and could very well cause yet another destructive revolution in Mexico. Abandoning its rigid, legalistic approach of 1926, the State Department was prepared to give the Mexican government a chance "to find the way out of its [diplomatic] difficulties by appropriate action of

the legislative, executive, and judicial branches . . . acting on their own initiative."[101] Washington was, evidently, willing to see if Pani's promise of a favorable Supreme Court decision on the oil issue and Calles' new law to centralize agrarian legislation[102] would, in fact, resolve major disputes without the use of insults or threats by the United States. Thus, while some historians have given credit to Olds and the State Department for finally altering U.S. policy in mid-1927,[103] it is clear that American statesmen were reacting to Mexican initiatives and Mexican reprisals,[104] rather than acting on their own in a totally altruistic and peaceful manner. Dwight Morrow was the ideal choice for an ambassador who was willing and able to follow such a policy, but one must conclude that he was not its original architect and he was not solely responsible for its implementation in U.S.-Mexican relations.

Finally, Morrow prepared for his new post by enlisting the aid of four men who became experts on the issues that plagued U.S.-Mexican relations in the 1920s. The ambassador thus chose J. Reuben Clark, Jr., to help solve the controversy involving foreign petroleum interests in Mexico. Clark had had extensive experience in the State Department from 1906 to 1913 and was considered to be "the best authority on international law in the United States next to John Bassett Moore."[105] According

to Morrow, "there may be a better available man on International Law in the United States, but I do not know him."[106] The new ambassador had known Clark since October, 1924, and had paid the attorney at least six thousand dollars for this legal advice on the collection of international loans.[107] Both men strongly opposed the use of force in collecting foreign loans and both favored the use of negotiation, rather than threats, in dealing with the weaker nations of the world.[108] Convinced that his friend's talents and ideas would be of great value in the U.S. embassy, the ambassador offered to pay all of Clark's expenses abroad if the 57-year-old lawyer would agree to help Morrow tackle the oil question in Mexico.[109] Clark accepted his friend's challenge soon after Morrow's appointment was announced in late September.

Morrow also turned to George Rublee to help in Mexico. Raised in Wisconsin and educated at Harvard, Rublee was a Progressive lawyer who had served under Woodrow Wilson in several capacities from 1915 to 1920.[110] Largely responsible for Morrow's appointment as a fellow delegate to the Allied Maritime Transport Council in 1918, Rublee learned to admire the Wall Street banker despite their very different political views.[111] The two friends remained in close contact after the war, but it appears that Rublee was increasingly eager to find a new role in

public life by 1927. After learning of Morrow's appointment in September, Rublee wrote to the new ambassador and expressed his desire to serve in Mexico if he was at all needed. The lawyer went so far as to tell Morrow that he would "gladly come as a volunteer [because] the fun of working with you and the interest of this particular work would be enough for me."[112] Rublee eventually joined the ambassador in Mexico and did considerable work on the Church-State problem, but his major contribution in 1927 was made in the United States. The attorney lobbied for Morrow's confirmation in the U.S. Senate by meeting with Progressive leaders, including Gerald P. Nye of North Dakota and George W. Norris of Nebraska.[113] These senators had originally opposed Morrow's appointment, but the ambassador's early success in Mexico and Rublee's lobbying efforts in Washington led to Morrow's rather easy confirmation by the Senate on December 17, 1927.[114]

The new ambassador called on yet another acquaintance from the First World War to assist him in Mexico. Captain Lewis B. McBride had served with Morrow in London and had also helped the former banker as his assistant during the Billy Mitchell hearings of 1925.[115] Morrow often spoke "kind words . . . in high places" in McBride's behalf[116] and, in a rare request to Coolidge, he asked for the officer's promotion in 1926 by stating that he had

"not met any man in either the Army or the Navy of greater all around capacity."[117] Later, in October, 1927, McBride told Morrow of his search for a more lucrative position after thirty years in the U.S. Navy.[118] Grasping at this opportunity to enlist his friend's assistance in Mexico, Morrow asked that McBride be made the U.S. Naval Attaché in Mexico City.[119] The United States hardly needed a Naval Attaché in that capital and McBride never wore his uniform at his new post, but the officer proved of great help in dealing with the many financial problems that faced Mexico in the late 1920s.[120]

Unlike Clark, Rublee, and McBride, Morrow never met his fourth and most colorful aide prior to the fall of 1927. Having discovered that the post of Military Attaché in the U.S. embassy was left vacant at the time of his appointment, the new ambassador requested that it be filled with an officer "who could get along with the Mexicans."[121] The Army sent Colonel Alexander J. McNab, Jr., of Idaho. McNab had commanded a U.S. Army regiment on the Mexican border for six years and had developed close personal ties with many Mexican leaders, including both Calles and Obregón.[122] Known as a crack marksman in the Army, McNab joined his Mexican friends on many hunting trips in Sonora where he learned to speak excellent Spanish and got to know a great deal about Mexico.[123]

Dwight Morrow welcomed a man with these valuable talents and contacts in an era when most U.S. Military Attachés were notoriously hostile to Mexican interests and seldom well received across the Rio Grande.

Morrow's Arrival in Mexico

The new ambassador could not have been better prepared for his first diplomatic assignment when he set off for Mexico on October 19, 1927. Accompanied by Arthur Bliss Lane, J. Reuben Clark, his wife, and his youngest daughter, the envoy crossed the U.S.-Mexican border after a two-day journey through the United States.[124] He was met with great fanfare and official attention in Nuevo Laredo. A military honor guard from Mexico City stretched the entire length of the railroad platform as federal, state, and local dignitaries came forward to greet the new U.S. ambassador to their country. Morrow waved to the crowd from the rear platform of his railroad car and, in the first of his many unprecedented actions, actually left his train to shake hands with those who had come to greet him.[125] Once back on board, the envoy traveled to Monterrey where he received an eqaully warm welcome from the recently-elected governor of Nuevo León, Aarón Sáenz, and the military commander of the state, General Juan Andreu Almazán.[126] Morrow's train proceeded to Mexico City without

incident as two carloads of heavily-armed troops escorted the ambassador on his journey.[127] Armed agrarians and additional soldiers lined the long route with strict orders to shoot anyone found near the tracks.[128] In the words of one observer, the Calles regime "[had never] gone to such extremes to protect an individual" as he traveled through Mexico.[129]

Morrow and his party received an even greater welcome when they arrived in Mexico City on October 23. Cameras flashed as the new ambassador debarked to find a large and enthusiastic crowd of well-wishers. Schoenfeld and the entire embassy staff greeted Morrow along with the representatives from many American organizations, including the American Legion and the American Club of Mexico City. Manuel C. Téllez and the Mexican Chief of Protocol, Alfonso de Rosenweig Díaz, were among the first to receive the envoy in their capital.[130] Standing in the center of what was described as a "demonstration of welcome [such] as had never . . . been accorded to any diplomat entering this city,"[131] Téllez told reporters that he felt "profound satisfaction in the arrival of Mr. Morrow." The Mexican ambassador to the United States added that with Morrow's "understanding and intelligence" he expected that "all matters now under consideration between the [United States and Mexico] will be settled satisfactorily."[132] Contrary

to what most historians would have us believe, the new envoy's arrival had therefore created a feeling of hope and anticipation, rather than fear and alarm, in Mexico City.

Dwight Morrow was extremely pleased by his welcome to Mexico, but he was eager to begin work and was soon tired of what he called the "considerable folderol . . . [of] diplomatic receptions."[133] The ambassador thus avoided social engagements and became "totally absorbed" in his new task.[134] Morrow soon met with a great many men with a great many different opinions of the situation in Mexico. Representatives of firms such as the American Smelting & Refining Company, the British-American Tobacco Company, the Huasteca Petroleum Company, and the Bank of Montreal called at the U.S. embassy in large numbers to greet the ambassador and express their views.[135] Many of these men called President Calles a "fanatic" and argued that "the only course was for the United States to be very firm."[136] Others, including Joseph Retinger and Agustin Legorreta, offered opposing views, counseling patience and understanding from the new ambassador. Faced with "such a conflicting lot of advice," the envoy confessed to Rublee that it was "too early for me to tell [very] much about the situation [here in Mexico]."[137]

Morrow met with high government officials as well as with private individuals during his first few weeks abroad. The ambassador was introduced to Genaro Estrada only two days after his arrival in Mexico City.[138] The Minister of Foreign Affairs cordially welcomed the American diplomat, but lost little time in telling Morrow exactly what Calles expected of him. Estrada explained that in Mexico "the system of administration was a 'Presidential system' and that as the President alone had the authority to make decisions on behalf of the Government he hoped that I would at all times discuss with President Calles matters of difference" between the United States and Mexico.[139] Ambassador Morrow was to hear this advice at several times and from several Mexican leaders,[140] but few men emphasized this point more emphatically than Calles himself.

The Mexican ruler was able to express his wishes to Morrow when the ambassador formally presented his diplomatic credentials on October 29, 1927.[141] A military band played the "Star-Spangled Banner" as Morrow arrived at the National Palace with an escort of seven presidential guards.[142] The 54-year-old ambassador reportedly bowed three times as he approached Calles' chair to meet the president and read his carefully prepared speech.[143] His remarks were brief and to the point. In 173 words,

Morrow presented his credentials and told Calles that,

> I welcome the opportunity of cooperating with your Excellency in finding a mutually satisfactory solution to the problems with which our two countries are now faced. It is my earnest hope that . . . we shall not fail to adjust the outstanding questions with that dignity and mutual respect which should mark the international relationship of two sovereign and independent States.[144]

Pleased with Morrow's statement, Calles responded by expressing his hope that on the basis of

> unshaken dignity and respect between independent and sovereign nations, cordial decisions may be adopted which once and for all dispel misunderstandings and establish those solid principles of constant cooperation, harmony and loyal friendship which should characterize the relations between two peoples of such co-relative interests and such intimate proximity.[145]

Having said this, Calles indicated that he wished to talk to the new ambassador alone. Morrow later recalled that the president told him to "feel free at all times to come directly to him" with any problems that might arise. Calles explained that he was not a diplomat, but he thought that many diplomatic problems "could be readily adjusted in personal meetings" as diplomatic notes only tended to further separate the United States and Mexico. Morrow replied that he would be very willing to "talk things over with him personally from time to time," but Calles was hardly satisfied with this response. The president

insisted that his desire to see Morrow frequently "[was not] merely a formal invitation [because he] earnestly desired that [all issues] be settled amicably, and he thought this could best be accomplished by taking questions up personally."[146] Morrow agreed.

"Ham & Eggs Diplomacy" and the Oil Decision of November, 1927

Calles had clearly taken the diplomatic initiative in his first meeting with Morrow and it was not long after this first encounter that the president asked to see the ambassador in a much less formal atmosphere. Calles' son-in-law, Thomas A. Robinson, called on Morrow just forty-eight hours after the envoy had presented his credentials at the National Palace. Robinson extended another invitation from Calles that asked Morrow to join the president at breakfast on Wednesday, November 2. Morrow took very little time to respond. The ambassador accepted Calles' invitation but, in an unprecedented move, he decided to see the president alone, without an interpreter from the U.S. embassy.[147] Sending a car for Morrow at 6:15 on Wednesday morning, Calles took the ambassador some twenty miles east of Mexico City to his ranch on the road to Texcoco. James Smithers served as their interpreter as Calles and his guest inspected the ruler's 160-hectare

ranch for about an hour. The president was obviously proud of his modern agricultural facilities and told Morrow a great deal about the purebred livestock and complex irrigation system on his property. The ambassador listened attentively as the two men continued their conversation over breakfast. Calles seemed eager to explain his efforts to improve Mexican schools, roads, and agriculture. Morrow, on the other hand, asked several questions about these programs, but discreetly avoided any discussion of controversial issues during this, his first private meeting with the president. Calles had done everything possible to put Morrow at ease and, while he was somewhat disappointed that they had not discussed any specific diplomatic problems, the president repeated his desire to negotiate all issues on a personal level. Morrow agreed to this proposal for a second time as he and his host returned to Mexico City at 11 A.M.[148]

The ambassador's informal conference with Calles was applauded as a diplomatic triumph in newspapers throughout the United States and Mexico. This unique approach to international relations was dubbed "ham and eggs diplomacy" by reporters who anticipated the easy solution of diplomatic problems at Calles' breakfast table. According to one correspondent, "It was as if two ordinary citizens met at [a] country home . . . ; they breakfasted, chatted, and

inspected the livestock" before tackling the great issues of the day.[149] These reports clearly exaggerated several aspects of Calles' second meeting with Morrow, but the Mexican president was still quite satisfied with the results of his initiative. Morrow had demonstrated his trust in Calles by refusing to bring his own interpreter and by seeming to be truly interested in the leader's rather moderate reforms. Almost as importantly, Calles learned that the American press had described his government and his early morning conference in "a favorable light" after years of almost constant criticism.[150]

Calles was, in fact, so pleased with the results of their second meeting that he invited Morrow to join him at his ranch for another breakfast less than a week later. The ambassador explained that he "felt a little reluctant to do this because of the publicity that had attended the [previous] meeting," but he soon agreed to see the president at Chapultepec Palace on November 8.[151] Aware of Calles' desire to negotiate quickly such issues as the oil controversy and the land problem, Morrow spent many hours preparing for his third important conference with the president. Together with J. Reuben Clark, the ambassador examined every aspect of the oil problem "until he was certain that he had more facts in favor of the American case than the Mexicans could ever produce factually in support of their [own]

case."[152] Armed with this legal information, Morrow was ready when Calles opened their conference of November 8 "by asking me directly what solution I thought could be found for the oil controversy." The ambassador replied by carefully explaining that neither President Venustiano Carranza nor the Mexican lawmakers of 1925 had had the authority to declare Article 27 of the Constitution of 1917 to be retroactive against the oil companies. This interpretation was clearly supported by a Mexican court decision involving the Texas Oil Company in 1922 and by Article 14 of the constitution, which provided that no Mexican law could be applied retroactively. There would be no need to rely on international law and, thereby, challenge Mexican sovereignty when a Supreme Court decision could simply uphold the judgment of 1922 and lay the entire petroleum issue to rest.[153]

Calles responded to this suggestion by stating that he had never intended to threaten the oil companies because his government urgently needed the revenues from their important industry. Calles explained that he had had no desire "to commit [economic] suicide," but radical political pressure and American arrogance had forced him to sign the oil bill of 1925.[154] Political conditions had, nevertheless, changed by late 1927 and Calles "rather startled" the ambassador by declaring that a Supreme Court

decision sustaining the Texas Oil case could be expected within two months.[155] Morrow had, of course, expected this favorable decision since at least February when he met with Pani,[156] but he was still "startled" by Calles' promise to resolve the complex problem because it came so soon after his arrival in Mexico. The envoy had not convinced Calles to alter his petroleum policy, as many historians have contended,[157] but he had successfully demonstrated his respect for Mexican sovereignty and his willingness to deal with Calles and his government, rather than with reactionaries and their foreign allies. Reassured by Morrow's actions and words, the Mexican ruler seemed eager to win U.S. support by finally cooperating with Morrow and the oil interests. Having promised to resolve the oil controversy, Calles also told Morrow of his great determination to improve his nation's railroads, to expedite foreign claims, and to encourage even greater trade with the United States. The president went so far as to say that Mexico needed to expand its agricultural production so that it could afford to purchase additional goods in the United States because "Mexico would not be ready for industrial development until long after his time."[158]

Dwight Morrow was very pleased by this meeting of November 8,[159] but he was even more encouraged by the news he received on the following day. The ambassador learned

that Calles had "conferred" with the Supreme Court and had urged its members to reach a decision on the foreign oil dispute before the court adjourned on November 19. A favorable decision could therefore be expected within ten days, rather than within two months.[160] On November 17, Calles' court obediently declared certain provisions of the petroleum law to be unconstitutional in the case of the Mexican Petroleum Company of California.[161] Following the principles laid down in the Texas Oil Company case of 1922, the Mexican court decided that foreign companies would no longer be required to apply for fifty-year concessions on oil fields acquired before 1917.[162]

The new ruling was hailed as a great triumph in the United States and was described as "eminently just" in Mexico where newspapers denied that any "foreign and inadmissible pressure" had been placed on the Supreme Court.[163] Washington was particularly satisfied. Calles' attempt to win American confidence with Morrow's aid had clearly succeeded by late November when Robert Olds told the ambassador that "The rapid swing in the right direction since your arrival in Mexico has created an entirely new atmosphere, both in the [State] Department and outside. We can not avoid a feeling of real optimism [about Mexico] for the first time in years."[164] As Estrada later explained it, the Calles regime had let Ambassador Morrow "to constantly receive

the impression of success and ease in solving problems" so that the diplomatic friction that hampered Mexican development could be quickly eliminated without creating additional foreign conflicts in the late 1920s.[165]

It would, however, be a serious mistake to argue that Dwight Morrow did little to help improve diplomatic relations during his first few months abroad. Calles continued to direct the peace offensive of 1927, but the ambassador contributed to it in at least four important ways. Morrow began by making it very clear that offended American interests could no longer turn to the U.S. embassy to protest their cases before they had exhausted all legal channels in Mexico. The envoy had already demonstrated his faith in Mexican courts and his respect for Mexican sovereignty in helping to revolve the oil conflict, but he hoped to instill this same faith and respect in American business leaders and members of the often belligerent U.S. colony in Mexico. The number of American citizens in Mexico had declined by over sixty thousand individuals since the outbreak of the Revolution,[166] but those who remained reportedly still hoped "for a return of the days when good cooks could be [found] for five dollars a month, when farm laborers were satisfied with seventeen cents a day, [and] when million-acre ranches could be obtained on a promise."[167] These foreigners still

longed for the era when Porfirio Díaz "had a standing order that any complaint from any American citizen was to be settled [on] the same day [that] it was made."[168] Morrow realized that these attitudes would have to be modified if the United States was to avoid further problems in Mexico.

The ambassador attempted to influence these American ideas by addressing a U.S. Chamber of Commerce luncheon just two days after the Supreme Court handed down its famous decision on the oil controversy. Aware of the kudos and publicity that he had received since his arrival, Morrow made a special effort to praise James Sheffield and compliment the American business community in Mexico.[169] The envoy told his audience that merchants were the true peacemakers in history because "they represent the substitution of peaceable exchange for forcible theft . . . , the substitution of agreement for force." Thus, while official envoys were often sent to solve diplomatic problems, "in the long run the relations between . . . Mexico and the United States must depend in large part upon what you unofficial envoys do." Finally, "when they were in a good enough humor to take it," Morrow quoted from a speech delivered by Elihu Root on October 4, 1907. Morrow reiterated the statesman's advice to Americans in Mexico that "while you continue to be good, loyal American citizens,

you should [strive to] be good and loyal Mexican residents" as well.[170] Morrow therefore encouraged his listeners to respect the Mexican government and its laws if they hoped to live and profit in Mexico and if they hoped to ease diplomatic tension without resorting to arrogant insults or threats of violence.

The ambassador also contributed to Calles' peace offensive by making several changes in the U.S. embassy itself. Frequent diplomatic reports to Washington were, for example, discouraged under Morrow because their preparation consumed valuable time that could well be put to better use.[171] American consuls were, moreover, reprimanded for filing derogatory political reports and at least one consul received instructions to confine himself "to statements of facts, leaving to the Ambassador such expressions of opinion as might seem appropriate."[172] For his part, the ambassador preferred to file his reports over the recently-installed telephone line to Washington, although this luxury cost him up to five thousand dollars in one ten-week period and it was rumored that his phone had been tapped by the Mexicans.[173] Undisturbed by these reports of security leaks at the embassy, Morrow argued that,

> If we spend our time . . . feeling that the main object of the Embassy is secrecy instead of

> effectively carrying on the Government's business, we will become slaves of our suspicions, instead of servants to our Government.[174]

More importantly, Morrow steadfastly refused to send diplomatic notes to protest every issue that plagued U.S.-Mexican relations. The envoy remembered Calles' request to settle all differences directly rather than through formal notes, but Morrow refused to send these protests for reasons of his own as well. The former banker compared writing diplomatic notes to "drawing checks on a bank: the signing of each check would decrease my credit so much" that it would eventually disappear without ever solving the initial problem.[175] Morrow's credibility in Mexico and Calles' trust in the ambassador would be sacrificed with the exchange of formal notes, but the diplomatic deadlock would remain unbroken. Finally, Morrow sought to change his nation's image in Mexico by changing the name of the "American Embassy" in Mexico City. In a symbolic gesture that acknowledged the fact that all nations in the Western Hemisphere were American, Morrow renamed his residence the "U.S. Embassy" and insisted that he be called the U.S. ambassador to Mexico.[176] Career diplomats were less than enthusiastic about these unorthodox moves, but the State Department seemed pleased with Morrow's methods[177] and the Mexicans seemed overjoyed. In the words of one Mexican editorial, Morrow had done more to establish

closer ties between the United States and Mexico during his first five weeks abroad "than all of his predecessors had done over the last one hundred years." The newspaper concluded that "Those who spoke to us of the Ambassador as an intelligent man with a clear vision of things were not mistaken."[178]

A Tour of Northern Mexico

Morrow continued to aid Calles in his peace offensive of 1927 by agreeing to accompany the president on a tour of northern Mexico during the first week of December. The ambassador's decision to join Calles was nevertheless criticized in many circles because the two men began their journey shortly after Fr. Miguel Pro Juárez and three of his associates were executed by the Calles regime. The 36-year-old Jesuit from Zacatecas had been very active in the Cristero movement and had been linked to an attempted assassination of General Obregón on November 13.[179] The general was only slightly wounded by the bombs that were hurled at his car in Chapultepec Park and there was little direct evidence against Pro, but the government seemed eager to use the case as a warning to the Cristeros and all other would-be assassins.[180] The priest and his associates were therefore executed at police headquarters in Mexico City "without even the farce of a trial."[181]

Obregón later explained this brutal act in a speech to the Socialist Labor Party of Toluca. According to the general, "We know what to do when an ant stings us: we do not search out the ant who stung us and kill it alone; rather we take a bucket of hot water and fling it over the ant bed [because every insect is potentially capable of committing the same crime]."[182] Not satisfied with Pro's death alone, the government reportedly killed more than a hundred other opposition leaders in a blood bath that stained all of Mexico.[183]

Critics soon denounced the Calles regime as a well-armed gang of thugs whose violence shocked Mexico as it had not been shocked since the execution of Madero and his vice president, Pino Suárez, in February, 1913.[184] "Large crowds attended the funerals," according to Morrow, and thousands "fought to touch the coffin of the priest."[185] Many of those who were outraged by Calles' action went so far as to call on Dwight Morrow to express their anger and enlist his support against the government. A group of "hysterical women" came to see the ambassador within twenty-four hours of Pro's death to ask Morrow to "interfere and protest against the executions." Other Catholics visited the ambassador and "quite openly" told him that "they thought it the duty of the United States to intervene" in this crisis. Members of the diplomatic corps asked

Morrow to "personally say something to the President," while many anonymous letters accused the envoy of ignoring the oppressed elements of Mexico and caring "only for the rich oil men."[186] In a typical letter of this period, James Sheffield declared that "If Dwight Morrow . . . can accept a week's hospitality from the bloody hands of a man who directs these murders, he has a stronger stomach than I have."[187]

Morrow was well aware of this bitter criticism, but he refused to intervene in any way. The ambassador considered the executions to be a "domestic question" and, while he described them as "terrible," Morrow in fact believed that they were justified under Article 28 of the Mexican constitution. More importantly, he did not let the killings stop him from joining Calles on the president's tour of northern Mexico. As he explained it to Arthur Bliss Lane, "I am accredited to General Calles and if I am to accomplish anything in Mexico I cannot start by offending him. I have decided to go."[188]

Morrow and the president planned to leave Mexico City on December 1, 1927. Their departure received considerable attention in the press, although their tour was not the first of its kind in Mexican history. Porfirio Díaz frequently took American capitalists and newsmen on similar tours to negotiate business deals and create

favorable propaganda as his famous yellow train sped through Mexico.[189] Revolutionary presidents had continued this practice after 1910 and Calles had taken an American reporter on a tour through the Mexican countryside as recently as December, 1926.[190] Morrow's trip was, nevertheless, unique because it was the first time that an American ambassador had ever accompanied a president on such a journey and it was the first time that an American humorist had been invited along as well. Will Rogers was already en route to Mexico City when he received an invitation from Calles to join the tour as soon as possible.[191] Rogers' train had no sooner arrived in the capital when Thomas Robinson took him "bag and baggage right over to the adjoining track" where the humorist joined Calles, Morrow, Rublee, McNab, Smithers, several cabinet members, and many high-ranking officers of the Mexican army.[192] The Mexicans seemed particularly anxious to have Rogers along not only to entertain Morrow and his aides, but also to receive even greater publicity in the United States. Calles' special presidential train, with its six new Pullman cars and its long list of important passengers, therefore left Colonia Station within two hours of Rogers' arrival at 8 A.M. on December 1.[193]

Dwight Morrow and his hosts traveled approximately three thousand miles in the next seven days. They began

their carefully planned journey by visiting an agricultural school in Celaya. Here boys "from the humblest surroundings" were taught advanced farming methods in hopes that they would use this knowledge when they returned home to their new family plots in isolated regions of Mexico.[194] Next, Calles showed the ambassador an agricultural bank where ejiditarios could borrow funds to purchase seeds and equipment for their new land. The former banker was especially interested in this facility, although he privately wrote that such banks had very little capital and, in a country of from thirteen to fifteen million people, they "[could] not make a very large impression" on the problem of agrarian credit.[195] On December 3 Calles took Morrow to see a huge dam named in the president's honor in the state of Aguascalientes. Presa Calles had cost the government eight million pesos, but its 340 million-cubic-meter capacity was designed to irrigate some 125 thousand acres of Mexican farm land.[196] Having inspected this modern dam in the morning, Calles and his guests rested at an hacienda in the afternoon. The president went so far as to play a guitar and fight a bull to entertain Morrow, while Rogers joked with the Mexicans and christened himself Don Guillermo Rodríguez.[197] In an apocryphal story that appeared in the U.S. press, Morrow supposedly turned to Rogers and asked, "How can we have serious thoughts of

armed conflict with such people?" Hearing this, Calles was said to have "[spring] to his feet, his face beaming with pleasure." The president "extended his hand to Morrow [and as] the ambassador . . . grasped it . . . the crowd cheered" its approval.[198] Calles could not have asked for more favorable publicity less than twelve months after the war scare of early 1927.

Calles' train continued on to Monterrey where Morrow met with Governor Sáenz and viewed a native art exhibit with "the keenest interest."[199] Later, Calles and the ambassador inspected Mexico's largest irrigation project on the Rio Salado, near the U.S. border. This project would eventually cost the government almost twice as much as the dam in Aguascalientes, but it was to hold four times as much water and was to irrigate up to 163,500 acres of land. The president described the irrigation system in some detail as he and Morrow inspected the construction site run by the J. G. White Engineering Company of New York.[200]

Calles went to great lengths to explain his agricultural program to Morrow because he hoped that the ambassador would understand his "integrated solution," appreciate its progress, and not disturb the delicate situation with heavy-handed threats and new demands. Thus, while Morrow had only planned to learn Calles' view of the

land reform on this trip, the president seemed eager to work for a new agreement with Morrow as they began their journey back to Mexico City. On the evening before their return to the capital, Calles told Morrow that he was "very anxious" to have the envoy meet the Secretary of Agriculture and members of the Agricultural Commission so that they could work together to solve agrarian problems involving American citizens. Calles asserted that "he thought very little additional American land would have to be taken, [although] in some states it might be necessary to take a little" for political reasons. He had, nevertheless, given "positive instructions" that no American property was to be expropriated in excess of 1755 hectares, unless the excess was paid for in cash. When Calles explained that the initiative for land reform remained at the local level, Morrow was bold enough to suggest that if "any cases affecting Americans came to the Federal Agricultural Commission, they might be submitted to the Embassy before they were approved by the [Mexican government]." The chief executive replied that this might very well be arranged. In an equally startling plan, the two men spoke of placing a representative from the Agricultural Commission in the Mexican Foreign Office where he could "devote himself exclusively to the adjustment of [American] claims." A member of the U.S. embassy staff would remain in close

contact with this representative, but Calles and Morrow agreed that the ambassador would "come to the President directly when we were unable to get justice from the Foreign Office" in any particular case.[201] Incredibly, Calles appeared quite willing to sacrifice Mexican sovereignty on the agrarian issue in order to gain Dwight Morrow's valuable support and, in turn, slow the pace of his land reform without overt pressure from Washington.

The Mexican ruler was, moreover, successful in his efforts to receive favorable publicity while he toured northern Mexico with the U.S. ambassador. The apocryphal story of Calles' shaking Morrow's hand before a cheering crowd of Mexicans was only one of several incidents that were described in American newspapers with obvious approval. Will Rogers was given special attention in the press as he reportedly made Calles laugh more during the first two days of their tour than the president had laughed during his first three years in office.[202] It almost seemed that the Mexicans had been ordered to laugh at the American's impertinent jokes; Rogers recalled that James Smithers "could get more laughs out of my stuff [when he translated it to] the Mexicans than I could [get] out of the Americans . . . when I was telling it to [them]."[203] In one such instance, Calles asked Rogers why he was late for dinner during the tour. The American answered that "I was up in

the front cars with some of the soldiers. I have only been [here] one week, but . . . I have learned that it's better to stand with the Soldiers [sic] in Mexico than with the President." Calles laughed at this remark and declared that he had known that fact for years and "that's why I am still President."[204] Hearing of such incidents, reporters concluded that Rogers' humor helped to heal old diplomatic wounds because "You can't keep men from getting on well together when they have laughed at the same funny stories."[205]

In addition, Rogers sent dispatches to 150 newspapers in the United States and wrote at least five favorable articles on his own. The humorist described Mexico as a physically safe and beautiful country where people were able to laugh at themselves and accept Morrow's sound advice in diplomatic affairs.[206] These stories were generally well received in the United States,[207] although some critics argued that Calles had exploited both Morrow and Rogers "to further distract American attention from his treacherous anti-Christian campaign"[208] and "to further instill into the minds of the Mexican people the conviction that [Washington] means to sustain [Calles] in power in any and all circumstances."[209] Morrow was caleld a "stalking horse" for the president, while Rogers was accused of accepting $150,000 from the Mexican government as payment

for his helpful articles.[210] One may doubt that Rogers accepted this payoff, but it is clear that Morrow accepted his role in order to avoid offending Calles and in order to learn the president's views on several major issues, including the agrarian reform.[211]

Lindbergh's Triumph

The Mexican leader was able to receive even more publicity and support from the United States when Charles Lindbergh flew to Mexico City only a week after Calles and Morrow returned to the capital. Ambassador Morrow had taken a special interest in Lindbergh since the young hero had returned from his daring flight to Europe in June, 1927. Lindbergh's non-stop flight was, in Morrow's words, "the biggest thing that has ever happened to help aviation."[202] Concerned that the famous pilot would be exploited by unscrupulous promoters, Morrow had gone so far as to ask Lindbergh's attorneys to wait until their client returned to the states before they signed any contracts in his behalf.[313] Aware of the considerable cost of Lindbergh's trans-Atlantic flight, Morrow even contributed a large sum of money to cover the aviator's many unpaid expenses.[214] The two men became good friends after meeting at a White House dinner as Morrow read the pilot's book "from cover to cover," invited the hero to

his home in New Jersey, and gave him some valuable financial advice in the summer of 1927.[215] Grateful for this attention, Lindbergh congratualted the banker when Morrow was appointed as the new U.S. ambassador to Mexico in late September. The hero fully realized that the Mexican post would be "a difficult one" and wrote to his friend that "if, by any chance, an opportunity should arise where I might be of any aid to you, please call on me."[216] Morrow responded to Lindbergh's offer within a week of its arrival. Remembering that he had once mentioned "the possibility of . . . doing a little flying in Latin America," Morrow wrote to the pilot and suggested that they discuss a trip to Mexico because "it would be a fine adventure."[217] The new envoy did not want Lindbergh to attempt a dangerous non-stop flight from Washington to Mexico City, but the aviator simply replied: "You get me invited and I will do the flying."[218]

Calles was elated with the idea of such a visit when Morrow suggested it to the president on their tour of northern Mexico. The ruler dashed off a "long personal wire" to Lindbergh which not only invited him to Mexico, but also promised him a reception "con todo cariño."[219] Lindbergh answered that he would fly to Mexico on "the first clear day."[220] The young hero left Washington's Bolling field at 12:26 P.M. on December 13, 1927.[221]

The Mexican people had shown considerable interest in Lindbergh's historic flight to Paris and his book, We, had been serialized in El Universal Gráfico,[222] but no one could have predicted the tremendous welcome he received in Mexico City on December 14. A crowd of from 150 to 200 thousand people anxiously waited at Balbuena Airfield to greet The Spirit of St. Louis and its famous pilot. Calles and Morrow arrived at the military airfield as early as eight in the morning, although they were forced to wait more than seven hours in the warm Mexican sun as many false reports circulated through the crowd. In the vivid words of Morrow's youngest daughter,

> A soldier would rush up [to the grandstand] saying that Col. Lindbergh had been seen at Pachuca and would be here in half an hour. Five minutes later another soldier would come up saying that the last bulletin was false and the [aircraft] that had been reported was an oil plane. Three times we saw planes in the air and thought it was 'The Spirit of St. Louis'. We all jumped up and everybody twitched with excitement, [but they] turned out to be . . . escort planes [instead].[223]

Later, a car drove down the runway with a sign announcing that Lindbergh had been seen over Tampico. Seven planes went out in V-formation, only to return alone.[224] Calles and the ambassador became even more concerned when a Mexican plane crashed while thousands looked on. No one was injured, but it was taken as an unlucky sign by Mexican aviators and the president told Morrow that "it

would be the greatest calamity that ever befell Mexico" if Lindbergh crashed in a similar accident.[225] Lindbergh had, in fact, been lost in bad weather, but he realized that he was only thirty-five miles from his destination when he spotted the words "Toluca Hotel" painted on a wall in that city.[226] Finally, at three in the afternoon, the Lone Eagle appeared on the horizon, circled the field, and landed in Mexico City after a non-stop flight of over twenty-seven hours.[227]

Thousands broke through a line of armed soldiers to greet the aviator. Morrow struggled to reach Lindbergh as the crowd lifted The Spirit of St. Louis and actually carried it to the hangar in a wild burst of enthusiasm.[228] Having rescued his friend from this sea of admirers, the ambassador took Lindbergh to the airfield's grandstand to meet Calles, Obregón, and the entire Mexican cabinet. Obregón then accompanied Lindbergh and the Morrow family as they traveled to the U.S. embassy along streets lined with "solid aisles of people. . . . Every window and balcony was jammed" with Mexicans who joined those in the street in shouting "Viva Lindbergh" as they threw flowers and confetti at the passing hero.[229] The pilot's picture appeared in nearly every shop window and it was said to be impossible to buy an American flag or a recording of the "Star-Spangled Banner" in the capital. Lindbergh was

acclaimed the new conqueror of Mexico as James Sheffield, the oil companies, and even the Treaty of Guadalupe-Hidalgo were all forgotten for a brief moment.[230]

The American hero was honored with every imaginable award and ceremony during the next two weeks. The aviator was given the key to Mexico City and Calles declared a national holiday when Lindbergh arrived on December 14.[231] The Mexican Congress met in a special session on the following day to award Lindbergh with the nation's highest honor,[232] although the Cruz o Condecoración had been given only to Mexico's most respected public officials in the past.[233] Estrada gave the hero a fiesta at Mexico City's largest theater and Obregón led him on a tour to the Pyramids of San Teotihuacan.[234] Calles, Morrow, and Lindbergh also reviewed a parade of some fifty thousand workers who carried banners that welcomed the pilot and stated that "One Man in One Machine Has Done More Good Than All the Armies and Fleets."[235] Finally, in the most elaborate ceremony of Lindbergh's visit, Calles called at the U.S. embassy to escort Morrow and his young friend to the National Stadium where thirty to fifty thousand spectators had gathered on a Sunday afternoon. The president reportedly received "the most noteworthy ovation of his career" when he took his seat with Lindbergh to witness an exhibition organized by the Ministry of Education.[236]

Thousands of children in colorful uniforms and native costumes danced, sang, and performed gymnastics in a show that Lindbergh praised as the best he had ever seen.[237]

Charles Lindbergh's visit therefore caused considerable excitement as the Mexican people gave the pilot "an even more enthusiastic welcome than he [had] received in Paris" after his trans-Atlantic flight of May 28.[238] This wide-spread enthusiasm helped to stir Mexican interest in aviation as Lindbergh flew with Calles, Morrow, Amaro, and Obregón,[239] but it was to have an even greater impact on political and international affairs in late 1927. Whether flying with Lindbergh over Mexico City or sharing his applause at the National Stadium, Calles and his regime gained enormous publicity and appeared to enjoy increasing American support against their internal enemies. In addition, Lindbergh's reception was designed to distract public attention from Calles' brutal handling of the Church-State conflict and his strategic retreat in the oil controversy.[240] The opposition was unable to sustain its attack on Calles as long as news of Lindbergh and Morrow dominated newspaper headlines and created at least a temporary feeling of euphoria in the United States and Mexico.[241] The president's desire to politically exploit the situation and improve U.S.-Mexican relations by focusing

attention on Lindbergh was clearly demonstrated in a statement that Calles personally sent to the North American Newspaper Alliance only a few hours after the pilot's arrival in Mexico.[242] Calles told the American news service that

> Colonel Lindbergh's flight has more than a technical interest as an heroic air feat. I consider it, above all, a priceless [demonstration] of good-will sent by the people of North America who assuredly, in sending to us the highest representative of their good-will and the heroism of the United States, did so to produce a closer drawing together of the spiritual and material bonds binding the two countries.[243]

This press release appeared in major newspapers across the United States, including the New York Times, the Baltimore Sun, the Atlanta Constitution, and the Kansas City Star.[244] The president also received valuable assistance in his efforts to alter U.S. opinion when Lindbergh followed Will Rogers' example and wrote several favorable articles about his experiences in Mexico.[245] According to the young hero, "My trip to Mexico City was the most enjoyable . . . I have ever had."[246]

American newsmen responded to these statements with great enthusiasm. A survey of U.S. newspapers revealed that Mexico received "a most favorable press" during Lindbergh's visit.[247] In a typical political cartoon of late 1927, the Chicago Daily News pictured a ragged Mexican labeled "International Misunderstanding" being towed out

to sea by The Spirit of St. Louis. Uncle Sam looked on as a stereotyped Mexican shouted to the plane: "Take him out to the middle of the ocean and DUMP HIM, Lindy."[248] Calles was extremely pleased by this newspaper coverage, but the true proof of his ability to influence public opinion was reflected in the many private letters he received from the United States. In the words of a businessman from Buffalo, New York, news of

> the reception given our . . . Lindbergh by all of Mexico and especially by you . . . has opened our eyes and our hearts and caused practically a complete change of feeling. We like you immensely and personally and when two people are personal friends it is pretty hard for things to go wrong between them.[249]

The Fruits of Calles' Diplomacy

Calles had therefore benefited from Morrow's arrival and Lindbergh's visit in as many as eight different ways. First, the president and Ambassador Morrow had agreed to discuss international problems on a personal basis in order to avoid the deep resentment created by diplomatic threats and the exchange of formal notes. Second, Calles had explained his domestic program to Morrow and even taken him on a three thousand-mile tour of Mexico so that the envoy could appreciate the magnitude of Mexican problems while sympathizing with the government's attempts to solve them.[250] Satisfied that Morrow appreciated his difficult

situation, Calles resolved the oil conflict and secretly promised to slow down the agrarian reform as it affected American interests. Next, the Mexican ruler benefited from Rogers' complimentary articles, Morrow's growing myth, and Lindbergh's enthusiastic welcome in December to almost completely alter his government's image in the United States. This new image was, in turn, used to discourage rebel forces in Mexico who had planned to exploit U.S. aid for their own nefarious activities. No group or individual could rely on Washington to furnish supplies or lift its arms embargo against Mexico as long as U.S.-Mexican relations were constantly improving. Thus, while both Generals Gómez and Serrano had worked to obtain support prior to their military revolt,[251] word of Morrow's appointment reportedly influenced their decision to act prematurely in October "before the new Ambassador could take his post and establish . . . new and friendly [relations]" with Calles.[252] The United States declared its "absolute neutrality" during the shortlived revolt that followed and it was said that Washington's refusal to aid the rebels was a major factor in their early defeat.[253]

Calles also benefited as improved diplomatic relations created a new wave of business optimism after many months of severe economic depression.[254] This optimism was clearly reflected in the exchange rate of the Mexican peso

and the value of Mexican bonds on foreign markets. The exchange rate of the Mexican peso thus rose from .4772 pesos to the dollar in September, when Morrow's appointment was announced, to .4845 pesos to the dollar in December, when diplomatic relations had vastly improved.[255] The value of Mexican bonds increased at an even faster pace as 4 per cent issues jumped from as low as 21 1/8 points in September to as high as 30 1/2 points in December, while 5 per cent issues jumped from 32 points to 39 3/4 points in the same period.[256] Business optimism was also reflected in fantastic rumors that had J. P. Morgan planning to invest forty million pesos in the Bank of Mexico while Morrow was, supposedly, personally able to attract a hundred million dollars in American investments for Mexican industries.[257] More realistically, the U.S. consul in Veracruz reported a "noticeable improvement in the sentiment of the business community since the arrival of Ambassador Morrow."[258] Border merchants were equally enthusiastic. Believing that "Ambassador Morrow has cleared the way for better commercial relations," trade scouts from Texas crossed into Mexico to study the nation's commercial needs in early 1928.[259] Observers discovered that Mexican stores were "buying materials and supplies for the first time in many months."[260] Others found that while Lindbergh remained in Mexico "Americans and other foreigners . . . have been

hospitably received"[261] as many recognized "a definite desire on the part of Mexico to meet American business half way."[262] Calles stressed this desire by stating that "any revolutionary movement in Mexico which threatens the authority of capital is bound to fall. . . . For this reason my government will do everything in its power to safeguard the interests of foreign capitalists who invest [their] money in Mexico." The president concluded that "the United States is not composed of robbers, but of producers who need markets for their manufactured goods and raw materials for their industries."[263] As Calles had told Morrow,[264] Mexico was willing to supply these raw materials and buy more manufactured goods if this increased dependency brought economic recovery, American dollars, and the vague promise of future industrial growth. In the overly optimistic words of a major Mexican newspaper, "Almost all of our social and economic problems, and especially that of bettering the condition of our laboring classes, would be solved by an influx of [American] capital" into Mexico.[265]

The Mexican economy nevertheless remained stagnant in late 1927. Oil revenues continued to decline, despite the Supreme Court decision of November 17, and the expected flood of American dollars into Mexico never materialized.[266] Mexican newspapers explained that the government would have to use 45 per cent of its revenues in 1928 if it intended

to meet its international obligations for that year.[267] The government, in fact, appeared to be on the verge of financial collapse when the Mexican Minister of Finance sent Fernando de la Fuente to New York City to discuss the possibility of a new debt agreement with the International Committee of Bankers on Mexico. Upon arriving in New York, de la Fuente announced that the Calles regime could simply not afford to pay its foreign debts in 1928.[268] Thomas Lamont and his colleagues on Wall Street were, of course, disappointed by this news, but it is clear that renewed business optimism and Morrow's recent arrival in Mexico had helped to cushion the blow, just as Calles had hoped they would; the president's skillful use of Peso Diplomacy had already begun to produce important results in these economically dismal times.[269]

Finally, Calles benefited from improved U.S.-Mexican relations when Washington relaxed its arms embargo against the Mexican government in late 1927. This new step was calculated to gradually reward the Calles regime for its efforts to alleviate diplomatic tension in the months following Morrow's appearance in Mexico. Thus, while the State Department expressed its approval of the Supreme Court's decision in the oil controversy "and the friendly attitude shown by the Mexican Government [during] Colonel Lindbergh's trip," it only agreed to release a token shipment

of embargoed weapons on December 27, 1927.[270] Two hundred and eleven rifles, twenty-nine revolvers, and thirty-six thousand rounds of ammunition were released while other supplies were "held up for the time being pending the adjustment of outstanding matters."[271] The State Department had originally planned to hand over additional shipments "a few days" after each disputed case involving an American citizen was resolved "to our satisfaction,"[272] but it appears that Washington scrapped this policy before it was ever really utilized. Six cases of embargoed rifles were released on December 29, du Pont's twenty-five tons of gunpowder were let go on December 31, and four new planes were permitted to fly to Mexico on January 6.[273] All remaining goods were eventually released when Ambassador Morrow received assurances from the Mexican government that U.S. war materiel would not be transshipped to rebel forces in Nicaragua.[274] By February, 1928, new Mexican requests to buy arms in the United States were approved by the State Department within ten days. By November, the waiting period for approval had been cut to only forty-eight hours.[275] Catholics in the United States protested to Washington that these purchased weapons were used to murder Cristeros in Mexico, but the State Department continued to allow the export of arms to the Calles regime because "If we refuse [to do so] we will throw this . . .

business to European markets and . . . be subject to the criticism that we are not assisting the Mexican Government . . . in maintaining order."[276]

American commerce and Mexican stability had become high priorities in Washington as business pressure and Calles' diplomatic gambit combined to finally alter U.S. policy in 1927. Dwight Morrow played an extremely important role in this change, both as a businessman and as an envoy, but it now appears that historians have exaggerated his power and influence in the first months of his mission abroad. Morrow had no need to break down large diplomatic barriers in Mexico because these barriers had already been removed on the eve of his arrival as President Calles attempted to profit and, in fact, survive with renewed U.S. support.

NOTES

Chapter IV

1. George Seldes, Tell the Truth, p. 210; Carr, Movimiento obrero, II: 47.

2. Walter Lippmann, "Portrait of a New Diplomat: Mr. Morrow's Mission in Mexico," Mexican Life, V (July, 1929), 27; Robert Freeman Smith, "Estados Unidos y las reformas de la Revolución Mexicana, 1915-28," Historia Mexicana, XIX (Octubre-Diciembre, 1969), 221-23.

3. On anti-American demonstrations see Dwyre to Kellogg, Guadalajara, January 14, 1927, ADS, 711.12/894; Christian Science Monitor, January 13, 1927. On anti-American speeches see E. W. Eaton to Kellogg, Manzanillo, Colima, March 4, 1927, ADS, 711.12/1021. On Anti-U.S. posters see Sheffield to Kellogg, Mexico City, February 2, 1927, ADS, 711.12/963; Weddell to Kellogg, Mexico City, February 4, 1927, ADS, 711.12/968. On Calles' and Estrada's desire to settle all issues see Schoenfeld to Kellogg, Mexico City, August 19, 1927, ADS, 812.6363/2349.

4. New York Times, July 9, 1927; Baltimore Sun, September 21, 1927.

5. Excelsior, July 9, 1927; New York Times, July 9, 1927. Sheffield privately wrote that he did not want "to jeopardize my health by continuing to struggle with an impossible situation." Sheffield to Chandler Anderson, Mexico City, March 31, 1927, Sheffield Papers.

6. Sheffield to Kellogg, New York, December 28, 1928, Sheffield Papers. Also see Sheffield to Col. George W. Burleigh, New York, April 24, 1930, and Sheffield to William Williams, New York, December 4, 1928, Sheffield Papers. William Howard Taft agreed with

the ambassador by writing that "everybody who looks into it finds out . . . that Mexico is not to be trusted, that it is a running sore, and that no President can accomplish anything there who does not take a firm stand." Taft to Sheffield, Washington, February 2, 1927, Sheffield Papers.

7. Sheffield to General James G. Harbord, New York, November 5, 1928; also see Sheffield to Wadsworth, Mexico City, March 4, 1926, and Sheffield to Kellogg, Mexico City, July 1, 1926, Sheffield Papers.

8. Sheffield to William Williams, New York, December 4, 1928, Sheffield Papers.

9. Weddell to Kellogg, Mexico City, December 29, 1925, ADS, 812.001C12/15; also see Charles W. Lewis' report "Justice As Administered in Mexico," Mexico City, December 3, 1927, ADS, 812.00/29047.

10. Sheffield to Kellogg, Mexico City, May 27, 1927, ADS, 812.001C13/19.

11. Memo by the U.S. consul at Tampico, "Biography of the Members of Calles' Cabinet" enclosed in Sheffield to Kellogg, Mexico City, April 6, 1927, ADS, 812.00/28317.

12. Seldes, Print That, p. 323. Sheffield claimed that the only difference between government officials and Mexican bandits was "the difference between success and failure." Sheffield to Kellogg, Mexico City, July 1, 1926, Sheffield Papers.

13. Sheffield, "Autobiographical Sketch," 38, 45, Sheffield Papers; Sheffield to Morrow, New York, April 16, 1928, Morrow Papers; Excelsior, July 4, 1929.

14. Seldes, Tell the Truth, p. 212; Seldes, Iron, Blood and Profits, p. 144; Seldes, Print That, p. 321.

15. Arthur Bliss Lane quoted in Seldes, Tell the Truth, p. 212.

16. Christian Science Monitor, February 27, 1928. Also see the San Antonio Express, September 25, 1927.

17. Sheffield to Taft, New York, June 12, 1928, Sheffield Papers.

18. Sheffield to Kellogg, Mexico City, April 29, 1927, ADS, 711.12/1057.

19. Sheffield to Taft, Mexico City, April 27, 1927, Sheffield Papers.

20. Sheffield to Kellogg, New York, December 28, 1928, Sheffield Papers.

21. Sheffield, "Autobiographical Sketch," 67-71, Sheffield Papers.

22. Morones, "Calles obligó a las compañías petroleras a cumplir las leyes," El Universal, March 7, 1957; Luis Montes de Oca Memo on Dwight Morrow, December, 1933, Morrow Papers; Portes Gil, "Cómo se conjuro en 1927 una invasión armada de México," El Universal, May 26, 1950; Excelsior, July 19, 1927; Memo of meeting between Téllez and Lamont, New York, March 31, 1927, Morrow Papers.

23. Lamont Memo of meeting with Téllez, Prieto, Negrete, and V. Monroe, New York, March 31, 1927, Morrow Papers; Kellogg Memo of his meeting with Téllez and Coolidge, Washington, March 31, 1927, ADS, 711.12 Forged Correspondence/43; Williams,OHC, 562.

24. Olds Memo of his meeting with Téllez, Washington, April 1, 1927, ADS, 711.12/1084.

25. Memo of Arthur Bliss Lane's meeting with Sierra in Schoenfeld to Kellogg, Mexico City, August 17, 1927, ADS, 812.52/1467.

26. Schoenfeld to Kellogg, Mexico City, August 19, 1927, ADS, 812.6363/2349.

27. Excelsior, August 1, 1927.

28. Washington Star, September 20, 1927. Among those mentioned for the post were John W. Garrett (a former U.S. ambassador to Argentina), Silas Strawn (a Chicago attorney), T. E. Campbell (a former governor of Arizona), and Charles Beecher Warren (a former ambassador to Mexico and Japan). Excelsior July 9 and September 21, 1927.

29. Coolidge to Morrow, Washington, July 14, 1927, Morrow Papers.

30. New York Herald Tribune, September 21, 1927. Coolidge had declared, "I do not choose to run" on August 2, 1927.

31. Morrow to J. P. Morgan, Jr., New York, August 31, 1927, Morrow Papers.

32. See Henry L. Stimson, American Policy in Nicaragua (New York: Charles Scribner's Sons, 1927).

33. Calvin Coolidge, The Autobiography of Calvin Coolidge (New York: Cosmopolitan Books, 1929), pp. 196-97; also see Morrow's comments noted in Henry L. Stimson Diary, October 1, 1931, Vol. 18, Book 22, in Stimson Papers, Yale University; hereafter cited as the Stimson Papers.

34. See Nicolson, Morrow; McBride, Story of Dwight W. Morrow; Howland, Dwight Whitney Morrow; Constance Morrow Morgan, A Distant Moment: The Youth, Education, and Courtship of Elizabeth Cutter Morrow (Northampton, Mass.: Smith College, 1977), esp. pp. 98-101, 148-50, 164-67, 184.

35. Calvin James Billman, "Backgrounds and Policies," 178n. Morrow also served on the board of directors of several large corporations, including the Bankers Trust Company, the General Electric Company, the Palisade Trust Company, and the Guaranty Company. New York Times, October 1, 1927; Baltimore Sun, September 21, 1927.

36. Calvin Coolidge, Introduction to Howland, Dwight Whitney Morrow, p. vi.

37. "The Reminiscences of Hilarion N. Branch," OHC (1966), p. 49; also see Levy, Yesterdays, p. 248; Howland, Dwight Whitney Morrow, p. 18.

38. Edward V. Mitchell to the author, Monterey, California, October 27, 1976. Mitchell was Morrow's bodyguard in Mexico from May 6 to October 11, 1929.

39. New York Herald Tribune, October 7, 1931.

40. Sir Arthur Salter, Personality in Politics: Studies of Contemporary Statesman (London: Faber & Faber, n.d.), p. 161.

41. B. C. Forbes, "No Morgan Chestnuts To Be Pulled from Mexican Fire," Forbes (October 15, 1927), 14; New York Times, September 18 and December 3, 1925; Nicolson, Morrow, pp. 280-87.

42. Donald R. McCoy, Calvin Coolidge: The Quiet President (New York: Macmillan, 1967), p. 282; New York Herald Tribune, September 21, 1927.

43. See Andrew W. Mellon, Taxation: The People's Business (New York: Macmillan, 1924), Hearst was among those who profited from these policies and admired Mellon for them. See Swanberg, Hearst, p. 479.

44. See New York Times, March 1, 1925. William Allen White wrote that Mellon "so completely . . . dominat[ed] the White House in the days when the Coolidge administration was at its zenith that it would be fair to call the administration the reign of Coolidge and Mellon." White, Puritan, p. 251. Also see Richard F. Fenno, Jr., The President's Cabinet (New York: Vintage, 1959), pp. 171-73.

45. Williams, OHC, pp. 561-62, 695-96.

46. See above, pages 61-62.

47. Coolidge, "Introduction," p. vii; also see Rublee, OHC, p. 202.

48. Elizabeth Cutter Morrow, The Mexican Years: Leaves from the Diary of Elizabeth Cutter Morrow (New York: Spiral Press, 1953), entry of July 19, 1927, p. 3; also see Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976; Rublee, OHC, p. 203.

49. Will Rogers, "More Letters [of May 12, 1928]," 192; Donald Day, ed., The Autobiography of Will Rogers (New York: Avon, 1975), p. 158.

50. Lippmann, "Portrait," 27; also see, Chicago Daily Tribune, September 22, 1927.

51. Rublee, OHC, p. 203; Excelsior, November 27, 1929; New York Evening Post, September 21, 1927; Lamont to Morrow, New York, August 5, 1927, Morrow Papers.

52. Lippmann, "Portrait," 27; New York Evening Post, September 27, 1927; Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976. Mrs. Morgan explained that her father had always "hoped to do a piece of work or service which he would have called 'worthwhile' by which . . . he meant that the work would have virtue for his country or the world or mankind and not be connected with moneymaking." Morrow had thus written to his future wife in May, 1900, and lamented that "Barring accidents in the way of ill health, I shall 'get on' [in business] and it will decidedly not be 'worthwhile.'" Quoted in Morgan, A Distant Moment, p. 167.

53. Coolidge, Introduction to Howland, Dwight Whitney Morrow, p. vii.

54. Bodayla, "Financial Diplomacy," 112-13.

55. Arthur Young, an economic adviser at the State Department, had served in Mexico for twelve months in 1919. Neither Francis White, the Chief of the Latin American Section, nor Franklin Mott Gunther, the Chief of the Mexican Section, had ever been to Mexico. New York World, March 13, 1927.

56. Ibid. Assistant Secretary of State Robert E. Olds handled most Mexican problems at the State Department. Ellis, Kellogg, p. 248n.

57. Thomas A. Bailey, using Dwight Morrow as his example, adds that "the nonprofessional . . . has one distinctive advantage over the professional: he can assume more responsibility and hence take more risks. If he guesses wrong, he has another occupation to fall back on. If the professional guesses wrong, his lifetime career may end in frustration and disgrace." Thomas A. Bailey, The Art of Diplomacy: The American Experience (New York: Appleton-Century-Crofts, 1968), p. 46.

58. New York Herald Tribune, September 21, 1927; New York American, September 21, 1927; Washington Herald, September 21, 1927.

59. Chicago Tribune, September 21, 1927; Wall Street Journal, September 23, 1927; the Society of Mexican Pilgrims passed a resolution to congratulate Coolidge for his appointment of Morrow. El Universal, September 28, 1927.

60. Quoted in the Baltimore Sun, September 21, 1927, and Washington Post, September 21, 1927.

61. Sheffield, "Autobiographical Sketch," p. 77, Sheffield Papers; Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852; Sheffield to Wadsworth, New York, November 3, 1927, Sheffield Papers. News of the colony's approval appeared in the San Antonio Express, September 25, 1927, and the Baltimore Sun, September 21, 1927.

62. Editorial in the Magazine of Business, LII (November, 1927), 524.

63. Senator Frazier quoted in the New York American, September 21, 1927.

64. Quoted in the Washington Post, September 21, 1927.

65. Quoted in Taracena, La verdadera revolución, XIII: 75.

66. Reported in Agencia Mexicana de Prensa to Calles, Mexico City, November 15, 1927, RO-C, 721-I-6.

67. Quoted in the New York World, September 21, 1927.

68. Ibid.

69. Ibid.; Washington Post, September 21, 1927; Newark Ledger, August 16, 1930.

70. The Ramo Obregón-Calles in the Archivo General (esp. 104-L-28, 721-I-6) and the Expediente Nombre: Cuerpo Diplomatico: Dwight Morrow at the Archivo de la Secretaría de Relaciones Exteriores in Mexico City are, in fact, the best sources for press clippings on Morrow to be found in the United States or Mexico.

71. New York Evening Post, September 27, 1927.

72. Quoted in Elisabeth Logan Davis, Fathers of America (Westwood, N. J.: Fleming H. Revell, 1958), p. 73.

73. See above, pages 64-65.

74. Sheldon Whitehouse to Kellogg, Paris, November 23, 1927, ADS, 812.00/29009.

75. Gerardo Machado to Calles, Havana, October 1, 1927, RO-C, 104-E-76; this letter can also be found in the Morrow Papers. For the Cuban loans, see Dana Munro to the author, Waquoit, Mass., June 20, 1976. Munro, who worked with the banker during the Cuban financial crisis of the early 1920s, argues that Morrow "was far more interested in helping the State Department put the Cuban government on its feet than in any profit that J. P. Morgan might make." Machado later came to New York where he stayed as Morrow's guest and heard Morrow deliver the keynote address at a dinner given for him on April 22, 1925. For the text of this address, see The Visit of the President-Elect of Cuba, General Gerardo Machado, to the United States in April, 1925 (Washington: National Capital Press, 1925). Machado even asked Morrow to visit him in Havana on his way to his new post in Mexico. Machado to Morrow, Havana, September 24, 1927, Morrow Papers.

76. Mexican 4% bonds rose from 22 1/4 on September 19 to 25 1/2 on September 20, while the country's 5% bonds rose from 32 3/4 to 34 in the same period. Both bonds peaked for the month of September on the 21st, closing at 26 3/8 and 35, respectively. See daily market reports in El Universal, September, 1927.

77. Schoenfeld to Kellogg, Mexico City, October 20, 1927, ADS, 812.00/28912.

78. The seven major newspapers surveyed by the author at the Hemeroteca Nacional were Excelsior, El Universal, La Patria, El Pensamiento, El Sol, El Universal Gráfico, and El Machete. None of these newspapers carried the headline "After Morrow Comes the Marines" in September or October, 1927.

79. El Universal, October 24, 1927; also see El Universal, September 21, 23, 1927 and Excelsior, September 23, 1927.

80.
80. El Machete, September 24, 1927.

81. El Sol, October 25, 1927.

82. La Patria, October 15, 1927.

83. New York Times, September 29, October 24, 28, 1927; Schoenfeld to Kellogg, Mexico City, September 28, 1927, ADS, 812.6363/2371.

84. Sterrett and Davis, "Fiscal & Economic Condition," 53; A. Fletcher Kearney to Kellogg, St. Paul, August 8, 1927, ADS, 812.00/29409; Hicks, "Economic Effects," Table V, 186.

85. New York Herald Tribune, October 8, 1927.

86. Excelsior, November 29, 1927; Schoenfeld to Kellogg, Mexico City, September 29, 1927, ADS, 812.6363/2371.

87. Ibid., September 30, 1927; Taracena, La verdadera revolución, XIII: 88; Mexican Commerce & Industry, IX (October, 1927), 14; El Universal Gráfico, September 30, 1927; El Universal, September 30, 1927.

88. Coolidge had, moreover, written to Calles to tell him of Morrow's appointment and state that the former banker was "well informed of the relative interests of the two countries and of the sincere desire of this Government to cultivate to the fullest extent the friendship which has so long subsisted between them." Coolidge to Calles, Washington, September 22, 1927, AREM, Expediente III/323(73:72)/53, Legajo 11-7-287.

89. Alvarez Sepúlveda's interview with Alvarez, February 5, 1966, in her "Relaciones de México y los Estados Unidos," 349-50n; Schoenfeld to Kellogg, Mexico City, October 20, 1927, ADS, 711.12/1109.

90. Ibid. On the Smithers' business dealings with Calles, see above, page 45.

91. Quoted in New York Times, September 29, 1927.

92. Schoenfeld reported that the Mexican government had encouraged Sheffield to use these same methods when

he first arrived in Mexico in 1924, but the envoy had simply refused to cooperate. Schoenfeld to Kellogg, Mexico City, October 20, 1927, ADS, 711.12/1109; Sheffield to Kellogg, Mexico City, December 22, 1925, ADS, 711.12/662.

93. Weddell to Kellogg, Mexico City, November 11, 1927, ADS, 812.00/28956.

94. New York Times, October 29, 1927; Current History, XXVII (December, 1927), 418.

95. Morrow to J. P. Morgan, Jr., New York, August 31, 1927, and Morgan to Morrow, New York, September 10, 1927, Morrow Papers; New York Times, October 1, 1927. Morrow also resigned from the board of directors at the Bankers Trust Company, the General Electric Company, the Palisade Trust Company, and the Guaranty Company.

96. B. C. Forbes, "Morgan Not Mexican Bond Broker; Morrow Close-up," New York American, September 24, 1927; Forbes, "No Morgan Chestnuts"; Morrow to Kellogg, New York, October 18, 1927, Lamont Papers. Thomas Lamont made the same point in Lamont to the Editor of the Newark Free Press, New York, September 16, 1930, Lamont Papers.

97. Forbes' manuscript, New York, [October] 1927, Morrow Papers. This manuscript was published as Forbes, "No Morgan Chestnuts."

98. Bruce Gould, "Morrow Is Revealed as Foe of Wars to Collect Dabts," New York Evening Post, September 27, 1927; Proctor Hall, "Morrow Takes on Our Knottiest Job," New York Times, October 16, 1927.

99. Branch, OHC, p. 145; Pearson, Washington, p. 281; Howland, Dwight Whitney Morrow, p. 54.

100. Sheffield to Kellogg, Mexico City, March 25, 1927, ADS, 711.12/1034; emphasis added.

101. Olds to Morrow, Washington, July 22, 1927, and see Olds to Morrow, Washington, October 10, 1927, Morrow Papers.

102. See above, page 64.

103. See, for example, Bodayla, "Financial Diplomacy," 113-17.

104. See above, pages 89-100.

105. Memo on Morrow's Mission to Mexico, Box #4, Folder 91, Arthur Bliss Lane Papers, Yale University; hereafter cited as the Lane Papers. Also see Rublee, OHC, 216, and Branch, OHC, 147-50. Clark had been the Assistant Solicitor of the State Department (1906-10), the Solicitor of the State Department (1910-13), and a member of the American-Mexican Claims Commission. New York Times, October 4, 1930; Ray C. Hillan, ed., J. Reuben Clark, Jr.: Diplomat and Statesman (Provo: Brigham Young University Press, 1973), p. 167; Billman, "U.S. Diplomats to Latin America," 169; Williams, OHC, 703, 829.

106. Morrow to V. Munroe, Mexico City, December 24, 1927, Morrow Papers.

107. Morrow to Clark, New York, March 19, 1925, and Morrow to Clark, New York, November 5, 1926, Morrow Papers.

108. Ibid.; Steven Faires (for Frank Fox) to the author, Provo, Utah, October 21, 1976. Clark's papers are available only to his Mormon biographers at Brigham Young University, but these men have been kind enough to answer several questions about the attorney's career. Faires is their research assistant.

109. Morrow and Clark had begun to discuss the Mexican oil and land problems as early as January, 1927. See Clark to Morrow, Salt Lake City, January 25, 1927, Morrow Papers.

110. Rublee had been a member of the Federal Trade Commission (1915-16), a representative on the Shipping Board & Emergency Fleet Corporation (1917), and a delegate to the Allied Maritime Transport Council (1918-19). See Morrow to Coolidge, New York, May 17, 1920, Morrow Papers; New York Times, March 27, 1930; Dean Acheson, Fragments of My Fleece (New York: W. W. Norton, 1971), p. 206; Téllez to Estrada, Washington, September 25, 1930, AREM, Expediente III/323(73:72)/53, Cuerpo Diplomatico: Dwight Morrow, A/323(73)/1.

111. Rublee, OHC, p. 166; Acheson, Fragments, p. 206.

112. Rublee to Morrow, Carnish, N. H., October 8, 1927, Morrow Papers.

113. Rublee to Morrow, New York, November 3, 1927, Morrow Papers.

114. New York Times, December 18, 1927; Excelsior, December 18, 1927.

115. Morrow to Coolidge, New York, June 1, 1926, Morrow Papers.

116. McBride to Morrow, n.p., February 25, 1924, Morrow Papers.

117. Morrow to Coolidge, New York, June 1, 1926, Morrow Papers. Also see Rublee, OHC, p. 217.

118. McBride to Morrow, Hague-on-Lake-George, New York, October 10, 1927, Morrow Papers.

119. Morrow was able to give McBride financial advice and supplement his income in Mexico so that the officer could later tell the ambassador that "your thoughtfulness and generosity have made it possible for me to live here most comfortably and at the same time add to my savings" for retirement. McBride to Morrow, Mexico City, December 3, 1928, Morrow Papers.

120. New York Times, December 6, 1929; Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers.

121. Morrow to P. J. Hurley, New York, May 24, 1930, Morrow Papers.

122. Ibid.; McNab's remarks in the Newark Evening News, May 5, 1930; New York Times, October 25, 1927; F. M. Gunther to Olds, Washington, April 1, 1927, ADS, 812.77/959a; Excelsior, October 25, 1927; Rogers, "More Letters [of June 2, 1928]," 173-74; Lindbergh, Autobiography, p. 124. Calles once referred to officers like McNab as "the finest types of Americans. They fraternize with our men and seem to understand us. If your politicians at Washington had the same feeling there would be no trouble [in our diplomatic affairs]." Quoted in Marcosson, "Calles," 169.

123. Excelsior, October 25, 1927.

124. Morrow to E. T. Clark, Mexico City, October 31, 1927, Morrow Papers; Lane's Memo on Morrow's Mission to Mexico, Box #4, Folder 91, Lane Papers; Lane served as a top embassy official in 1927.

125. The American Vice Consul in Nuevo Laredo described Morrow's reception in Stephen E. Aguirre to Col. Lowry, November 1, 1933, Morrow Papers.

126. Lane's Memo on Morrow mission; New York Herald Tribune, October 24, 1927; New York Times, October 24, 1927; Taracena, La verdadera revolución, XIII: 124.

127. Excelsior, October 22, 1927; New York Times, October 24, 1927; Schoenfeld to Kellogg, Mexico City, October 20, 1927, ADS, 812.00/28897. Joaquín Amaro had received special instructions to guard Morrow's party in Estrada to Amaro, Mexico City, October 13, 1927, AREM, Expediente Nombre: Cuerpo Diplomatico: Dwight Morrow, 3P/323(73)/1.

128. New York Times, October 22, 1927.

129. New York Herald Tribune, October 24, 1927.

130. Ibid.; New York Times, October 24, 1927; Taracena, La verdadera revolución, XIII: 124.

131. New York Times, October 24, 1927.

132. Ibid.; also see Téllez's remarks when he returned to Washington. El Universal, November 22, 1927.

133. Morrow to Sheffield, Mexico City, November 3, 1927, Morrow Papers.

134. Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976.

135. See Morrow's memos on his meetings with Alfred Main, October 31, 1927; Harvey A. Basham, October 31, 1927; A. E. Banks, November 9, 1927; and E. L. Beck, November 12, 1927, Morrow Papers. Also see Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

136. See Morrow's memos on his meetings with Main and Beck, Morrow Papers. Not surprisingly, Sheffield had urged Morrow to see both of these American businessmen in Mexico.

137. Morrow to Rublee, Mexico City, November 1, 1927; also see Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers, and Pomian, Retinger, p. 65.

138. New York Times, October 26, 1927; Taracena, La verdadera revolución, XIII: 126.

139. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

140. Ibid.; Morrow to Clark, Mexico City, October 30, 1928, ADS, 812.6363/2597½; Luis G. Zorrilla, Historia de las relaciones entre México y los Estados Unidos de America, 1800-1958 (México: Editorial Porrua, 1966), II: 409.

141. Estrada to Secretaria de Gobernación, Mexico City, October 26, 1927, AREM, Expediente III:323(73:72)/53, #3P/321.1(73)/1.

142. Estrada to General José Alvarez, Mexico City, October 29, 1927, RO-C, 731-H-7; Boletín Municipal (Mexico City), October, 1927, 38.

143. E. Morrow, Diary, entry of October 29, 1927, pp. 12-13.

144. Boletín Municipal, October, 1927, 38-39; El Universal, October 30, 1927.

145. Ibid.; Taracena, La verdadera revolución, XIII: 132.

146. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

147. Ibid.; Rublee, OHC, p. 203. Morrow was severely criticized for this step in Sheffield, "Autobiographical Sketch," 78, Sheffield Papers.

148. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers; John Sargent to Kellogg, Mexico City, November 25, 1927, ADS, 812.00/28975.

149. New York Times, November 3, 1927. Also see the Christian Science Monitor, February 27, 1928;

Taracena, La verdadera revolución, XIII: 136; Will Rogers, "More Letters from a Self-Made Diplomat to His President," Saturday Evening Post, CC (May 26, 1928), 6; Beals, Glass Houses, pp. 270-71; Cline, U.S. & Mexico, p. 211.

150. Agencia Mexicana de Prensa to Calles, Mexico City, November 10, 1927, RO-C, 721-I-6.

151. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

152. Williams, OYC, p. 704; also see Morrow to Olds, Mexico City, November 22, 1927, ADS, 812.6363/2437; New York Times, May 13, 1928; Walter Lippmann, "New Oil Rule Ends Long Feud Between U.S. and Mexico," New York World, March 28, 1928.

153. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

154. See above, page 64.

155. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers; Rublee, OHC, p. 204.

156. See above, page 64.

157. See above, Chapter I, footnote #10. Also see J. J. Ring, "American Diplomacy and the Mexican Oil Controversy, 1938-43" (unpublished Ph.D. dissertation, University of New Mexico, 1974), 30.

158. Morrow to Kellogg, Mexico City, November 8. 1927, Morrow Papers. Economic experts in the Mexican government agreed that agricultural development should be given top priority in Mexican Commerce & Industry, X (May, 1928), 14.

159. E. Morrow, Diary, entries of November 8 and 9, 1927, pp. 18-19.

160. Morrow to Olds, Mexico City, November 22, 1927, ADS, 812.6363/2437.

161. El Universal, November 18, 1927. For Calles' close relationship with members of the Supreme Court see ibid.; Morrow to Kellogg, Mexico City, November 17, 1927, ADS, 812.6363/2425. Beals called this

decision a "humorous commentary on the independence of the Mexican judiciary." Beals, Glass Houses, p. 271.

162. For copies of the court's decision, see Morrow to Kellogg, Mexico City, November 22, 1927, ADS, 812.6363/2438, and Guy Stevens to Olds, New York, December 14, 1927, ADS, 812.6363/2456. Also see Meyer, Conflicto petrolero, pp. 179-80; J. Reuben Clark, "The Oil Settlement with Mexico," Foreign Affairs, VI (July, 1928).

163. Excelsior, November 25, 1927.

164. Olds to Morrow, Washington, November 29, 1927, ADS, 812.6363/2438a.

165. Estrada, "La gestión de Mr. Morrow."

166. Seventy-five thousand U.S. citizens reportedly lived in Mexico in 1910, but only 10,811 remained by July, 1926. Charles W. Lewis to Kellogg, Mexico City, October 3, 1927, ADS 812.5011/15; Wilbur Bates to Vice President Charles G. Dawes, New York, January 28, 1927, ADS, 711.12/928.

167. New York Telegram, November 12, 1927.

168. A U.S. attorney in Mexico quoted in John Dewey, "Imperialism Is Easy," New Republic, L (March 23, 1927), 133. According to Huntington, "In Porfirian Mexico . . . a popular saying had it that 'only generals, bullfighters, and foreigners' were assured of favorable decisions in the courts." Huntington, Political Order, p. 305.

169. Morrow to Olds, Mexico City, November 22, 1927, Morrow Papers.

170. Dwight Morrow's Address to the U.S. Chamber of Commerce, Mexico City, November 19, 1927, Morrow Papers; Morrow explained his address in Morrow to Olds, Mexico City, November 22, 1927, Morrow Papers; Root's speech of October 13, 1907 appeared in Robert Bacon and James Brown Scott, eds., Latin America and the United States: Addresses by Elihu Root (Cambridge: Harvard University Press, 1917), p. 181. The ambassador repeated this theme in an address to the St. Andrews Society of Mexico on

November 30, 1927. Excelsior, December 2, 1927. In 1924, Calles had said that the capitalist who came to Mexico should regard himself as a Mexican. El Demócrata, April 18, 1924.

171. Morrow to Olds, Mexico City, November 1, 1927, Morrow Papers. By May, 1928, Lane told Weddell that Washington was "Not getting any material from the Embassy; that the Embassy secretaries are writing practically nothing; and the same is true of the field." Weddell to Sheffield, Mexico City, May 7, 1928, Box #9, Sheffield Papers.

172. Olds to Weddell, Washington, January 8, 1928, ADS, 812.00/29047.

173. Nicolson, Morrow, p. 323n; Constance Morrow Morgan to the author, Ridgefield, Washington, June 15, 1977.

174. Morrow to Olds, Mexico City, May 22, 1928, Morrow Papers. When Weddell, the son of an Episcopalian minister, complained to Morrow about the "sexual laxity" of government officials, the ambassador replied that "the President did not send me to Mexico to control Mexican morals." Lane, "Autobiographic Notes," Box #97, Folder 1610, Lane Papers.

175. Memo on Morrow's Mission to Mexico, Box #4, Folder 91, Lane Papers; also see Luis Montes de Oca's memo on Morrow, December, 1933, Morrow Papers.

176. Will Rogers, "More Letters from a Self-Made Diplomat to His President," Saturday Evening Post, CC (May 19, 1928), 10, 108.

177. Olds told the ambassador that "It delights us all to see the old method of long armed dealing scrapped, and the contrary method of direct personal contact tried. I am sure that the lines along which you are working are absolutely sound." Quoted in Billman, "Backgrounds and Policies," 179.

178. Excelsior, November 22, 1927.

179. Fancón Royer, Padre Pro (New York: P. J. Kennedy & Sons, 1954).

180. Obregón described the bombing in Chapultepec Park in a sworn statement dated November 19, 1927. The general gave McNab copies of this and all other testimony concerning the crime. These documents were sent to Washington in Schoenfeld to Kellogg, Mexico City, January 11, 1928, ADS, 812.00/29089.

181. Weddell to Kellogg, Mexico City, November 29, 1927, ADS, 812.00/28992½.

182. Quoted in Morrow to Kellogg, Mexico City, November 28, 1927, ADS, 812.00/29013.

183. Jose Vasconcelos, "¿Qué pasa en México?" Paris-Madrid (November, 1927), 17, enclosed in Shelton Whitehouse to Kellogg, Paris, November 23, 1927, ADS, 812.00/29009; David C. Bailey, ¡Viva Cristo Rey!: The Cristero Rebellion and the Church-State Conflict in Mexico (Austin: University of Texas Press, 1974), pp. 167-70. A U.S. embassy report found that eighteen priests had been executed in eight different Mexican states during 1927. Twenty-two others had been killed in action. Memo by "H.T." for Morrow, Mexico City, May 16, 1928, Morrow Papers.

184. Editorial, Commonweal, VII (January 4, 1928), 884; Weddell to Kellogg, Mexico City, November 29, 1927, ADS, 812.00/28992½; Francisco Gómez del Rey and Hernan Díaz, The Black Czar: Plutarco Elías Calles, Bolshevick Dictator of Mexico (El Paso, Texas: "El Diario de El Paso" Press, 1928), pp. 27, 30, 34, 35.

185. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

186. E. Morrow, Diary, entries of November 25, 29, 1927, pp. 26-28; Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers; Morrow to Kellogg, Mexico City, November 25, 1927, ADS, 812.00/28995.

187. Sheffield to Weddell, New York, Decemver 5, 1927, Sheffield Papers, The National Council of Catholic Women criticized Morrow's "intimate relations" with Calles in the weeks following Pro's death in Mary G. Hawkins to Coolidge, December 27, 1927.

188. Quoted in Lane's Memo on Morrow's Mission to Mexico, Box #4, Folder 91, Lane Papers; also see Rublee, OHC, p. 206. According to Article 28 of the constitution, "the law shall severely punish and the authorities shall diligently prosecute any monopoly or concentration in the hands of one or a few, of articles of prime necessity, that has as its object the obtaining of an increase in prices." One must assume that Morrow believed that the executions were justified by this law because Pro had been involved in the Cristeros' economic boycott in Mexico. Despite his refusal to intervene in this case, the ambassador felt that "indirectly, I may have done something to make the punishments [against Catholics] less rigorous in the future" by telling Calles "about the importance to Mexico of not affronting the . . . large number of devout Catholics in the world." Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers. Given these statements, it is completely false to state that "Morrow knew nothing about Father Proa [sic] until the tour was under way." McHenry, Short History, p. 200.

189. José Miguel Petersen, "Hands Across the Rio Grande," American Mercury, XVI (January, 1929), 97.

190. Isaac F. Marcosson described his trip with Calles in Marcosson, "Calles," 5, 169-74. The president took two U.S. businessmen on yet another tour in the fall of 1928. See Mexican Commerce & Industry, X (November, 1928), 27. Lincoln Steffens had traveled with Venustiano Carranza during the Revolution; see Steffens, Autobiography, II: 728.

191. Excelsior, December 2, 1927. Historians have usually given Morrow credit for inviting Rogers to Mexico, but the envoy denied that Rogers' trip was his idea in Morrow to Lamont, Mexico City, January 3, 1928, and Morrow to Barton, Mexico City, February 2, 1928, Morrow Papers. Also see Rogers, "More Letters [of May 12, 1928]," 198.

192. Rogers, "More Letters [of May 19, 1928]," 10. Also see Taracena, La verdadera revolución, XIII: 160; Weddell to Kellogg, December 6, 1927, ADS, 812.00/29034; E. R. Jones' Memo of Conversation with Morrow, Mexico City, December 9, 1927, Lamont Papers.

193. E. Morrow, Diary, entry of December 1, 1927, pp. 28-29; New York Times, December 3, 1927; Rublee, OHC, p. 206; Excelsior, December 2, 1927.

194. Ibid., December 3, 1927; New York Times, December 3, 1927; Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers. On Calles' agricultural schools, see Calles, Mexico Before the World, p. 180; Watkins, "Calles," 84; Simpson, Ejido, pp. 280-81.

195. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers; Excelsior, December 3, 1927. On Calles' agricultural banks see Zevada, Calles, pp. 117-19.

196. Excelsior, December 4, 1927; New York Times, December 4, 1927; Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

197. Rogers, Autobiography, pp. 160-62; Taracena, La verdadera revolución, XIII: 163-64; New York Times, December 6, 1927; Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers. When Morrow asked Calles if the hacienda they visited had been affected by the land reform, the president replied that he did not remember, although he doubted it "for they are Friends of mine, and if we had, I would have heard from them." Rogers, "More Letters [of June 2, 1928],," 170. The Hacienda Peñuelas was owned by Miguel Dosamantes.

198. Fort Myers Tropical News, December 6, 1927.

199. New York Times, December 6, 1927.

200. Ibid.; F. Suastegui, "Irrigation Projects in Mexico," Pan Pacific Progress, IX (July, 1928). On J. G. White's operations in Mexico, see above, pages 45-46. Rogers, "More Letters [of May 19, 1928]," 10.

201. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

202. New York Times, December 5, 1927, March 31, 1929.

203. Rogers, "More Letters [of May 19, 1928]," 108; Rublee, OHC, p. 207.

204. Rogers, "More Letters [of May 19, 1928]," 109; E. R. Jones's Memo on Conversation with Morrow, December 9, 1927, Lamont Papers.

205. Barton, "Ambassador Everybody Knows," 34.

206. See Rogers' articles in the Saturday Evening Post, May 12 to June 9, 1928, and the New York Times, December 15, 1927. In a typical remark, Rogers expressed his surprise that Mexicans talked more about Henry Ford's new car models than about politics or revolutions. The humorist declared that Mexico and Ireland were his favorite countries in the world. Excelsior, December 3, 1927; Rogers, "More Letters [of May 19, 1928]," 109. Also see Cline, U.S. & Mexico, p. 211.

207. See Lamont to Morrow, New York, December 15, 1927, Lamont Papers.

208. Michael Kenny, S. J., No God Next Door: Red Rule in Mexico and Our Responsibility (New York: William J. Hirten Co., 1935), p. 14; also see Oberlitner, "U.S. & Mexico," 221.

209. Wilbur Bates to Coolidge, New York, December 1, 1927, ADS, 812.00/29004; also see Weddell to Kellogg, Mexico City, November 29, 1927, ADS, 812.00/28992½; Gómez del Rey and Díaz, Black Czar, pp. 35, 44.

210. Frank N. Thayer to Charles G. Dawes and Members of Congress, Los Angeles, May 23, 1928, ADS, 812.00/29117.

211. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

212. "The Reminiscences of Harold M. Bixby," OHC (May 9, 1960), p. 31.

213. Ibid., pp. 32-33; also see Lindbergh, Autobiography, pp. 316-17.

214. Henry H. Knight to Morrow, New York, June 29, 1927, and Morrow to Knight, New York, June 29, 30, 1927, Morrow Papers. Morrow joined several associates in contributing $10,500 to the flight.

215. Mosley, Lindbergh, p. 129; Howland, Dwight Whitney Morrow, pp. 62-63; Morrow to Lindbergh, New York, August 15, 1927, and October 4, 1927, Morrow Papers; Rublee, OHC, p. 208.

216. Lindbergh to Morrow, Oklahoma City, September 29, 1927, Morrow Papers.

217. Morrow to Lindbergh, New York, October 4, 1927, Morrow Papers; also see Morrow to Barton, Mexico City, February 3, 1928, Morrow Papers.

218. Quoted in Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers, also see Lindbergh, Autobiography, p. 84.

219. Rogers, "More Letters [of June 2, 1928]," 173; Taracena, La verdadera revolución, XIII: 169.

220. Quoted in Rogers, "More Letters [of June 2, 1928]," 173.

221. Mosley, Lindbergh, p. 129. The U.S. government rendered Lindbergh "every aid" in his flight to Mexico City. Excelsior, December 8, 1927; Lindbergh, Autobiography, p. 84.

222. El Universal Gráfico, September 21, 22, 1927.

223. Constance Morrow to Anne Morrow, Mexico City, n.d., Morrow Papers.

224. Chicago Tribune, December 15, 1927.

225. Quoted in Rogers, "More Letters [of June 9, 1928]," 40. Also see Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

226. Lindbergh, Autobiography, p. 87; Charles A. Lindbergh, "To Bogotá and Back by Air," National Geographic Magazine, LIII (May, 1928), 535; Rublee, OHC, p. 209.

227. Excelsior, December 14, 1927. Lindbergh's landing and reception in Mexico were filmed on a newsreel entitled "Highlights from the News," vol. I, no. 8, produced by the William J. Ganz Company of New York. Constance Morrow Morgan was kind enough to allow the author to see this rare footage in late August, 1977.

228. Rogers, "More Letters [of June 9, 1928]," 40.

229. Constance Morrow to Anne Morrow, Mexico City, n.d., Morrow Papers; Lindbergh, Autobiography, p. 88; E. Morrow, Diary, entry of December 14, 1927, p. 34; Rublee, OHC, p. 209; Taracena, La verdadera revolución, XIII: 173; pictures of this scene are included in Lindbergh, "Bogotá and Back," 533.

230. New York Times, December 16, 17, 19, 1927 and January 1, 1928; "Lindbergh's Conquest of Mexico," Mexican Commerce & Industry, X (January, 1928), 25, 45. The Mexicans even named a brand of cigarettes and a type of cocktail in Lindbergh's honor, although the pilot neither smoked nor drank. Barton, "Ambassador Everybody Knows," 9.

231. Mosley, Lindbergh, pp. 129-30; "Lindbergh's Conquest," 25; Taracena, La verdadera revolución, XIII: 173.

232. New York Times, December 16, 1927; J. Barrios L. of the Fábrica National de Alhajias Finas to Calles, Mexico City, December 15, 1927, RO-C, 104-L-28.

233. In an address at the special session, Deputy Alfonso F. Ramírez declared that "The messengers of death and the forerunners of destruction seem to be gone forever, leaving in their place the heralds of life and love." Quoted in Excelsior, December 16, 1927; a picture of this scene is included in Lindbergh, "Bogotá and Back," 535.

234. E. Morrow, Diary, entry of December 15, 1927, p. 351; "Lindbergh's Conquest," 25; Lindbergh, "Bogotá and Back," 545.

235. Ibid., 542, 544, 546; New York Times, December 19, 23, 1927.

236. Ibid., December 19, 1927.

237. E. Morrow, Diary, entry of December 17, 1927, p. 36; Excelsior, December 16, 1927; Lindbergh, Autobiography, pp. 83-88; Lindbergh, "Bogotá and Back," 538.

238. Taracena, La verdadera revolución, XIII: 173.

239. Excelsior, December 14, 21, 1927; Taracena, La verdadera revolución, XIII: 178-79; "Lindbergh's Conquest," 45, New York Times, December 21, 22, 1927; Lindbergh, "Bogota and Back," 537.

240. Kenny, No God, p. 14; Pearson, Washington, p. 284.

241. Taracena, La verdadera revolución, XIII: 188. The Daily Worker (New York) of December 14, 1927, satirized Lindbergh's flight in a political cartoon that showed the pilot flying south in "The Spirit of Wall Street," also see Agencia Mexicana de Prensa to Calles, Mexico City, December 22, 1927, RO-C, 721-I-6.

242. The North American Newspaper Alliance thanked Calles for his statement in Merritt Bond to Calles, New York, December 15, 1927, RO-C, 104-L-28.

243. Quoted in the New York Times, December 15, 1927.

244. Ibid.; Bond to Calles, New York, December 15, 1927, RO-C, 104-L-28.

245. See, for example, the New York Times, December 18, 20, 1927.

246. Ibid.

247. Excelsior, December 19, 1927; Agencia Mexicana de Prensa to Calles, Mexico City, December 28, 1927, RO-C, 721-I-6. See, for example, the Washington Post, December 11, 1927.

248. Chicago Daily News, December 15, 1927.

249. Bertram W. Edwards to Calles, Buffalo, January 21, 1928, RO-C, 104-L-28. Emphasis in the original.

250. The president told reporters on the tour that "I believe that trips such as these serve as the best means of creating an effective understanding between [the United States and Mexico]." Quoted in Excelsior, December 7, 1927.

251. See above, page 223.

252. New York Telegram, November 9, 1927.

253. La Prensa (San Antonio, Texas), October 6, 1927; New York Times, October 8, 1927; Agencia Mexicana de Prensa to Calles, Mexico City, October 15, 1927, RO-C, 721-I-2; Alexander J. McNab, Jr., to Colonel Stanley H. Ford, Mexico City, November 10, 1927, NOMB, Report No. 1801.

254. The Mexican depression is described above, pages 129-38.

255. U.S. Department of Commerce, Commerce Yearbook, 1930 (Washington: Government Printing Office, 1930), II: 389.

256. See daily New York stock market reports in Excelsior, September 1 to December 31, 1927.

257. El Universal Gráfico, January 20, 1928; Excelsior, December 7, 1927.

258. John Q. Wood to Kellogg, Veracruz, December 1, 1927, ADS, 812.00/29037.

259. New York Times, January 29, 1928.

260. Ibid., December 19, 1927.

261. "Lindbergh's Conquest," 25.

262. New York Times, December 22, 1927.

263. Quoted in Excelsior, November 28, 1927.

264. See above, page 200.

265. Excelsior, December 5, 1927.

266. Weddell to Kellogg, Mexico City, December 6, 1927, ADS, 812.00/29034.

267. El Universal, December 1, 1927; Excelsior, December 1, 1927.

268. New York Times, December 27, 1927; E. R. Jones' memo of his meeting with Luis Montes de Oca, Mexico City, December 5, 1927, Morrow Papers; Bodayla, "Financial Diplomacy," p. 132.

269. See Morrow to Lamont, Mexico City, January 3, 1927, Morrow Papers. An American resident in Mexico City wrote that "It is apparent to some of us that the recent demonstrations of good-will and brotherly love spring from . . . hope of necessary financial backing which can be obtained only in the United States." Mable Warram to James Sheffield, Mexico City, January 6, 1928, Box #9, Sheffield Papers.

270. Arthur Bliss Lane Memo to Kellogg and Olds, Washington, December 27, 1927, ADS, 812.24/657.

271. Lane Memo to Kellogg and Olds, Washington, December 19, 1927, 812.24/661; Lane Memo on Arms Embargo, Washington, February 24, 1928, ADS, 812.248/48. For the total amount of embargo goods, see above, page 50.

272. Lane Memo to Kellogg and Olds, Washington, December 19, 1927, ADS, 812.24/661.

273. Lane Memo on Arms Embargo, Washington, February 24, 1928, ADS, 812.248/48.

274. Morrow to Kellogg, Mexico City, February 27, 1928, ADS, 812.248/49.

275. Téllez to Kellogg, Washington, February 18, 1928, ADS, 812.24/666, and Téllez to Kellogg, Washington, November 15, 1928, ADS, 812.24/677.

276. Lane to Olds, Washington, February 23, 1928, ADS, 812.24/670.

CHAPTER V

One Step Forward, Two Steps Back: 1928

The war clouds that darkened U.S.-Mexican relations in early 1927 had completely vanished by early 1928. Washington's hostile statements of the previous year were, in fact, replaced with more conciliatory words as President Coolidge told the U.S. Congress of his desire to resolve diplomatic disputes with Mexico by "amicable adjustment rather than [by] force."[1] Reporters noted that for the first time since Taft there was a feeling of satisfaction about Mexico in Washington.[2] By April, Ambassador Téllez declared that Dwight Morrow had "done more towards cementing friendly relations between the United States and Mexico than had been accomplished in the entire decade preceding his appointment."[3] An era of good feelings had suddenly eliminated all thought of violent conflict between the United States and its neighbor to the south.

The Hearst Scandal

Not even William Randolph Hearst could jeopardize the peace that Calles and Morrow had painstakingly established,

although the newsman did everything in his power to wreck U.S.-Mexican relations just as they had begun to improve. For twenty-six days Hearst's twenty-six newspapers published a series of sensational front-page stories based on "official" documents taken from Mexican government files.[4] These bogus documents exposed an incriminating list of Mexican plots, counterplots, and international intrigues. On December 9, 1927, in the most sensational scoop of the series, the Hearst papers published a document that purported to show that the Mexican government had authorized the payment of $1,115,000 to four U.S. senators as compensation for their active support of Mexico in Washington. The senators' names were, however, carefully deleted as Hearst attempted to force a Congressional investigation and embarrass the Calles regime.[5]

His plan backfired badly. A special Senate committee discovered that Hearst and his cohorts had paid one Miguel Ávila over twenty thousand dollars to collect evidence against Calles, although Ávila's documents were exposed as "utter forgeries" that fooled very few readers in the United States. Thus, while the Catholic News of New York accepted the documents as authentic and accused Calles of killing more people than the Inquisition had killed in three hundred years,[6] most observers recognized Ávila as a notorious trafficker in phony documents of every description.[7] U.S. embassy officials, including Arthur Bliss Lane and former Ambassador

Sheffield, testified that when Ávila had offered them the same documents that eventually appeared in the Hearst newspapers, they had turned the Mexican and his forgeries down in no uncertain terms.[8] A correspondent from the Chicago Tribune could have purchased the same documents as early as March, 1927, and Carleton Beals claimed that he could have had the papers "for a few hundred pesos" in Mexico City.[9] Experts found that in addition to 386 grammatical errors, Calles' signature had been forged on thirty-three of the thirty-six documents on which it appeared.[10] Hearst's attempt to defend his vast holdings in Mexico by "exposing" Calles and provoking U.S. intervention had only brought him scorn and derision in a period when Morrow and Lindbergh had helped to alter Calles' poor image in the United States.[11] Most agreed with Senator George W. Norris when he told the news magnate that his actions only proved that "the Hearst system of newspapers, spreading like a venomous web to all parts of our country, constitutes the sewer system of American journalism."[12] Hearst deserved the punishment of exile on a guano island, according to one editor, for "a crime whose magnitude defies indexing by conventional measures of felony."[13]

The Mexican people were no less critical of Hearst and his newspapers. Ambassador Téllez called the published documents "stupid and cruel falsifications" that were meant

to create diplomatic friction and harm Dwight Morrow's important work in Mexico.[14] Genaro Estrada characterized the documents as "shameful and opportunistic." The Minister of Foreign Affairs explained that Ávila had offered these same documents to the Mexican consul in Los Angeles for twenty-five thousand dollars, but he had been turned away because his evidence was so obviously false and his methods were so blatantly crude.[15] The Mexican press also attacked Hearst and reminded the reading public of his hostile editorials that had called for U.S. intervention on several occasions since 1910. Recognizing Hearst as a national enemy, Excelsior quoted the American's earlier demand that the U.S. "army must invade Mexico not only to protect Americans, but also to liberate the Mexican people. Our flag must fly over Mexico as a symbol of the rehabilitation of that hapless country and its salvation for humanity and civilization."[16]

The Mexicans could never forgive William Randolph Hearst for these impertinent remarks or for his publication of Ávila's bogus documents, but it appears that the Calles regime gained far more than it lost in the Hearst scandal for two main reasons. First, Calles was able to reunite his country in its opposition to a foreign enemy without ever having to sacrifice Washington's support, Morrow's friendship, or U.S. public approval. A State Department official had, in fact, assured Téllez that news of the documents "had fallen flat"

in the United States and Mexico had no cause to worry about the incident "so far as the Department is concerned."[17] As Assistant Secretary of State Olds wrote to Morrow, "our policies have been . . . in no way affected by [Hearst or his falsified documents]."[18] The Senate's prompt and thorough investigation of December 15, 1927, to January 11, 1928, had, moreover, discredited Hearst in what was described as a great moral victory for Mexico.[19] Drawn together in their contempt for Hearst, the episode had "helped rather than hurt relations" between the two countries, according to Ambassador Morrow.[20]

A Delegate to the Ill-Fated Sixth Pan American Conference

The United States therefore enjoyed excellent diplomatic relations with Mexico on the eve of the Sixth International Conference of American States. Dwight Morrow was given much of the credit for this success and, in an effort to exploit both his talents and his fame, President Coolidge named the ambassador as one of the nine U.S. delegates to the conference to be held in Havana, Cuba.[21] Morrow had no desire to leave his post in Mexico for even a short while because, as he told Lamont, "I am sure I can do more good here than I can [do] in Cuba."[22] He nevertheless agreed to attend the meeting for at least a week in January, 1928.[23] Given the widespread resentment against U.S. intervention in

Nicaragua, the ambassador may well have foreseen the trouble that lay ahead. As Kellogg explained it to another delegate, "The next meeting of the Pan American Conference is going to be more important and probably more difficult than any we have had in many years. . . . There is no use disguising the fact that there are liable to be elements going to the . . . Conference purely for the purpose of making trouble for the United States."[24]

Calvin Coolidge sailed for Cuba to open the Havana Conference in hopes of averting, or at least postponing, such a confrontation.[25] Inappropriately, he arrived with Kellogg aboard a U.S. battleship with an escort of four Navy vessels.[26] Neither the president's opening speech of January 17[27] nor Morrow's presence in Havana helped to compensate for this blunder or mitigate resentment against U.S. military intervention in Latin America. Thus, while the ambassador returned to Mexico in less than three weeks and described the spirit in Havana as "excellent,"[28] nothing could prevent the inevitable attack on Washington's foreign policy soon after Morrow's departure. The powder keg finally exploded when a resolution that insisted that "no state has the right to intervene in the internal affairs of another" was debated on the closing day of the conference. Delegates from Argentina and El Salvador led the attack against U.S. imperialism as "the Great Hall [rang] with violent applause."[29] The Latin

Americans were, nevertheless, confronted with what was to be the last major stand in defense of American intervention prior to the Second World War. Serving as the head of the American delegation, Charles Evans Hughes defended the right of "interposition of a temporary character" by asking his opponents: "What [is Washington] to do when government breaks down and American citizens are in danger of their lives? Are we to stand by and see them killed because a government . . . can no longer afford reasonable protection?" Hughes answered his own question by declaring that it was "a principle of international law that in such a case a government is fully justified in taking action . . . . for the purpose of protecting the lives and property of its nationals."[30] Frustrated by this classic argument and too intimidated to vote against the United States, the Latin American delegates were forced to shelve the entire issue and adjourn on February 19, 1928.[31] El Universal reflected the general disappointment in Latin America by declaring the conference a failure and doubting if its result truly justified the expense of sending five Mexican delegates to Havana.[32]

The Mexican delegation, led by Lic. Julio García, had quietly opposed Hughes in the bitter debate of February 18,[33] but its position hardly damaged U.S.-Mexican relations once the conference had ended.[34] Neither country wanted to

sacrifice the diplomatic achievements of late 1927 over an issue that had little to do with Mexico in early 1928; Calles saw no need to press Washington to surrender in principle what it had already abandoned in practice.

Morrow's View of the Mexican Imbroglio

Dwight Morrow therefore returned to his post with his typical energy and enthusiasm to confront the major problems that still divided the United States and Mexico. The ambassador recognized these problems as part of a vast, entangled web that hindered not only U.S.-Mexican relations, but Mexican political and economic development as well. Morrow never doubted that internal conditions in Mexico had been a major cause of diplomatic friction because many of the domestic problems that slowed Mexican growth unavoidably affected foreign relations in the 1920s. As the envoy put it, "almost every international question that Mexico now has arises out of Mexican domestic incapacity."[35] Thus, while the agrarian reform appeared to be an internal issue that involved only a handful of American landowners, Morrow recognized the program as a huge expense that drained the Mexican treasury and frustrated all efforts to balance the federal budget from year to year.[36] Compounded by declining oil revenues and many unpaid current bills, this precarious financial situation made it impossible for Mexico to meet its international obligations and improve its international credit rating.

Without a better credit rating, the country could never hope to obtain additional loans for development, much less achieve political stability and attract additional investments for business growth; Morrow may well have agreed with General Leonard Wood's earlier remark that "When people ask me what I mean by stable government, I tell them [a government that can borrow] money at six percent."[37] Military revolts, political rhetoric, and the threat of political disorder only served to frighten American investors and cause additional problems with gunrunners, who violated the U.S. arms embargo, and with exiles, who constantly conspired against Calles. Finally, the Church-State conflict not only killed civilians and destroyed vital crops in Mexico, but also alienated millions of devout Catholics in the United States. As Kellogg told Morrow in December, 1927, a Church-State settlement "would have a tremendous moral effect in [the U.S.] and render our task very much easier."[38] Each difficult problem was, therefore, related to every other foreign and domestic problem in one way or another. Appreciating these circumstances as few foreigners had been able to appreciate them before, Morrow worked to untangle the Mexican imbroglio by dealing with individual issues while never losing sight of the whole complex situation. The ambassador faced six of these troublesome issues with extremely mixed results in 1928.

The Oil Settlement of March, 1928

The oil controversy was first on Morrow's list because it has "bedevilled so many other questions" and because he hoped that "if [it] could be straightened [out] there . . . might be some increase in revenue" for the badly depleted federal treasury.[39] The Supreme Court decision of November 17, 1927, had, of course, been recognized as a major breakthrough by most observers, but the large oil companies had not been satisfied with its results and were hardly optimistic about their future in Mexico. The oilmen insisted that the court's decision had not really changed the petroleum law of 1925 because, unlike its counterpart in the United States, the Supreme Court in Mexico had to declare a law to be unconstitutional in five successive cases before the lower courts were bound to follow the new legal interpretation. Moreover, the Supreme Court could modify its view or completely reverse itself at any time unless Congress passed an entirely new piece of legislation.[40] Oil executives, including General T.M. Pierce of the Standard Oil Company of New Jersey, argued that a new law was needed because with only the court's decision to protect their interests "any lease or any contract was liable to be changed by the Mexicans . . . with a change of administration or a change in policy." Ready to prove his point with recent evidence, Pierce reported

reported that "two permits which should have been granted under the decision had been refused" to foreign oilmen during the three week period immediately following the November 17 ruling.[41] Dissatisfied with this indefinite situation, the Wall Street Journal spoke for the petroleum interests when it declared that the Supreme Court decision was practically useless as it left "the American oil companies sitting on a limb with the confiscatory saw at work between them and the trunk of the tree."[42]

Dwight Morrow was extremely annoyed by this stubbornly legalistic approach to the oil dispute. The ambassador was particularly disturbed by oil executives, like Pierce, who dictated oil policies from their offices in New York and generally ignored the sound advice that they received from their representatives in Mexico City.[43] These representatives were described as "a good lot of men" who were "most reasonable and helpful,"[44] while their distant superiors seemed preoccupied with "talking about what the oil decision did not do, rather than fastening their minds upon what the decision did do, and cooperating heartily in the next practical step."[45] The companies would have to trust the Calles regime and recognize the November 17 ruling as the "first step toward a settlement" and not simply as a new ploy to deceive the United States.[46] As Morrow wrote to Owen D. Young of the International Chamber of Commerce, the oil

companies would be far better off "if they will only go back into the oil business instead of trying to teach international law to all [of] Latin-America."[47]

Despite Morrow's opinion, the oil executives were prepared either to confer with Calles directly or to have the ambassador "draw up legislation to put the oil decision into effect."[48] Predictably, Morrow was opposed to both plans, although he told "the New York oil people" that if they "could agree upon any legislation . . ., and if that legislation seemed to [be] something I could properly propose in a personal capacity to [Calles], I would be glad to do so."[49] The ambassador may well have guessed that the oilmen would take months to agree on such a proposal and, meanwhile, he could work to influence Calles on his own. Aware of the oil companies' objections and eager to act before the Mexican Congress adjourned at the end of the year, President Calles surprised most observers (including Morrow[50]) by submitting a new oil bill in a special message to the Congress on the evening of December 26. With many of the same features as the oil legislation that Calles had outlined to Morrow as early as November 19,[51] the new bill altered the petroleum law of 1925 and provided confirmatory concessions, without time limitations, for companies who could show that they had performed "positive acts" prior to May, 1917.[52]

A committee in the Chamber of Deputies favored the

proposed bill on the following day and the entire Congress passed the legislation in near record-breaking time.[53] The local oil representatives were, nevertheless, "in something of a panic," according to Morrow.[54] Caught off guard before their superiors could propose new legislation, as the ambassador had suggested, the local representatives appealed to Morrow to intervene in their behalf. The ambassador had no intention of intervening in this instance because he recognized the bill as an important step toward a final settlement and because he was convinced that the oil executives had "such a complete misunderstanding of even their own cases that I do not expect anything to satisfy them."[55] However, in an attempt to pacify the local representatives, Morrow mentioned that he might be able to have Calles scrap the new bill "and have a simple act passed giving Calles extraordinary faculties to settle the question by decree" while the Mexican Congress was away on vacation.[56] The ambassador may well have been bluffing the oilmen, but his strategy worked in this instance as the local representatives "finally told me that they preferred the law as it was to having no legislation" at all.[57] They nevertheless suggested minor changes in the bill (which Calles and Morones accepted after "many hours" with the ambassador) and they insisted on sending a letter to Morones in order to clarify certain points. Morrow thought that this correspondence was completely

unnecessary,[58] but, in yet another effort to satisfy the oil companies and make sure that they did nothing to offend the Mexicans, Morrow wrote the letter himself and had H.N. Branch, of the Huasteca Petroleum Company, sign it.[59] The envoy's letter simply asked "whether an application for confirmatory concession by a foreign company involves surrender of any rights held prior to May 1, 1917."[60] Just as anxious to avoid a prolongation of the dispute and a confrontation with the oilmen, Calles asked Morrow to answer his own correspondence in terms that would satisfy Branch and his colleagues in Mexico City. The ambassador thus answered his own inquiry by reassuring the oilmen that their rights would not be in danger if they applied for confirmatory concessions in Mexico.[61] Morones dutifully signed this letter and sent it off on the very same day that Morrow's original correspondence (from the oil companies) arrived at the Ministry of Labor, Commerce, and Industry.

These efforts were to no avail. Just as Morrow had predicted, the "local oil people" were satisfied with the reassuring exchange of letters, but nothing could please the executives in New York. Resigned to this constant opposition, the ambassador vowed "not to let [it] disappoint me" as the oil negotiations progressed in early 1928.[62]

The third and final round of these negotiations began in February, 1928, when specific regulations for the new

law were hammered out by Morrow, the oilmen, and the Calles regime. The Mexican government welcomed suggestions from the oil companies and J. Reuben Clark worked directly with Morones' staff to iron out each question, point by point.[63] Ambassador Morrow, meanwhile, kept in close contact with the local representatives[64] and acted, according to Schoenfeld, as a deus ex machina in the most difficult situations.[65] The envoy "found the widest difference of opinion amongst the attorneys for the oil companies as to the kind of regulations that they wanted," but, in an effort to win their full support, many of their ideas were incorporated into the final settlement and several of the local representatives were even asked to approve the regulations before they were submitted to Calles.[66] After seven weeks of tedious labor "characterized by the utmost friendliness on both sides,"[67] a new set of regulations were finally drawn up and signed by the president on March 27.[68]

Dwight Morrow refused to accept any credit for this diplomatic achievement because he hoped to emphasize "the determination by the Mexican Government to recognize all rights held by [foreign oil companies] prior to the adoption of the 1917 Constitution."[69] The new regulations nevertheless bore Morrow's imprint as clearly as any project bears the mark of its chief engineer. As Walter Lippmann described the agreement, neither side in the dispute had had to

sacrifice its basic principles, but both had "yielded on matters which were ill-considered, irritating and of no real value to [the] claimants. The result is neither a bargain nor a compromise. It is an understanding."[70] Thus, while the Mexican government removed all time limitations to confirmatory concessions and accepted a very wide definition of positive acts prior to 1917, it still retained ownership of all subsoil minerals based on ancient Spanish law.[71] Moreover, while the Mexicans did not include a Calvo Clause that would have allowed them to confiscate property when foreigners asked their governments for armed intervention in their behalf, the Mexicans did assert that any attempt to transfer concessions to another alien or to a foreign government would "be null and of no effect."[72] Finally, in an attempt to eliminate any doubts about "just what sort of concession [the oilmen] might expect [when] they made application under the amended law and regulations," a draft concession was attached to the document signed by Calles on March 27 and the oil companies were assured that the draft would serve as a model for Morones and his staff in the future.[73]

As with the Supreme Court decision of November, 1927, and the revised petroleum law of January, 1928, the new oil regulations of March were received with great enthusiasm in both the United States and Mexico. The Spanish

ambassador in Washington noted that the regulations had made an "excellent impression" in the U.S. capital,[74] while business observers reported that Mexican government bonds and American petroleum stocks had experienced a sudden increase in value when news of the settlement reached Wall Street.[75] The Washington Evening Sun congratulated Morrow for "a diplomatic victory of immeasurable value" and other newspapers, including the New York Times, the New York World, the New York Evening Graphic, the Brooklyn Eagle, and the Philadelphia Ledger, were just as laudatory in their praise of the ambassador.[76] Manuel Téllez also expressed his great admiration for Morrow[77] and the envoy's achievement received front-page coverage in the Mexican press.[78] It is, therefore, surprising to find that despite this progress and publicity, Morrow still believed that "the disputes between the oil companies and the [Mexican] government have not been adjusted." Writing to Rublee less than a week after Calles had signed the new regulations, the ambassador insisted that "I have never claimed to have settled the oil question. I did have a part in bringing the Mexican Government to do certain things which enabled [Washington] to say that the questions of oil titles could now be left to the ordinary processes of the Mexican Courts," but this simply meant that the dangerous oil controversy had been removed from the arena of international relations and placed in the Mexican legal system,

where it had always belonged.[79] According to Morrow, it was now up to the oil companies themselves to end the long dispute by demonstrating their trust in the Mexican government and exploiting all legal channels with the rights that Calles' new legislation had guaranteed them.

Morrow and the State Department were to be greatly disappointed. As always, the "local oil people" gave their full support to the ambassador and urged their companies to accept the new regulations without delay. H. Walker of the Huasteca Petroleum Company therefore wrote to Morrow on March 29, that "You [have] secured more than I expected even of you, and much more than it was believable [that] our State Department would secure before your appointment."[80] Judge McMahon agreed with this appraisal as early as January 11, adding that

> Of course, many objections will be found to the law and the regulations; that is to be expected. But as we who have been in Mexico well know, it is not the law nor the regulations which count with the industry, but the way they are administered. Unless we are on good terms with those who administer them, it will be next to impossible to operate.

The judge concluded by urging Standard Oil of New Jersey to accept the new petroleum law and its regulations "because we have at hand [an ambassador] who can give us effective aid" in establishing these good relations with the Calles regime.[81] Not even McMahon was ready to trust the Mexican

legal system without Morrow's involvement to insure its proper functioning.

But the oilmen in New York were hardly convinced by this argument. Many agreed with Alexander Weddell that despite Morrow's temporary friendship with those in power, "words mean [nothing] down here" and the new regulations might well be ignored by future governments or neglected when Morrow eventually left for home.[82] Others, including James R. Sloane of Standard Oil, argued that his "clients, while greatly interested in protecting the ownership of their valuable property in Mexico, are much more interested in the effect throughout Latin America" if they accepted anything less than everything they had demanded from Calles.[83] Few oil executives were prepared to trust the Mexican leader or his new legislation, as Morrow had hoped they would, because "the law still required the submission of titles, the proof of a positive act, and the submission to the routine and delay of a government office."[84] Finally, in a step that seemed to prove the futility of trying to satisfy the large oil companies, the Wall Street Journal spoke for the companies when it complained just forty-eight hours after Calles had signed the new regulations that Mexican oil production would never increase as long as Mexican oil taxes remained high.[85] One could appreciate Morrow's frustration with this attitude when he wrote after six months in Mexico

that he had been amazed by "the extent to which responsible oil companies seem to believe that it is the duty of the State Department to run their business in foreign lands. I would not have believed it possible [prior to my appointment as the U.S. ambassador]!"[86] Led by the Huasteca Petroleum Company, the oilmen only grudgingly accepted the new oil legislation and its reglamento in mid-April when they realized that they had no alternative course of action, short of completely abandoning their fields in Mexico.[87] By August, ninety-six per cent of the petroleum companies had conformed to the new law as the Washington Post reported that they were "at least silent, if not satisfied."[88]

Church-State Negotiations: A Beginning

Dwight Morrow was to experience equally mixed results in his attempts to resolve the Church-State conflict in 1928. The ambassador had, of course, become unwillingly involved in this dispute when he was severely criticized for traveling with Calles shortly after the president had ordered the execution of four militant Catholics, including the well-known priest, Father Miguel Pro Juárez.[89] Morrow began to appreciate the complexity of the Church-State conflict and the extreme emotions that it generated as he listened to the pleas of devout Catholics who called on him to intervene and heard Calles' rigid defense of his religious

policy at a December 6 rally in San Luis Potosí. According to Calles, his laws and the Mexican constitution "must be obeyed. The solution of the Religious problem is in the hands of the Catholics. When they accept the decrees and the Constitution, the religious conflict will end."[90] Morrow had only needed to hear Calles speak on this one occasion to accept the validity of Manuel Sierra's statement that the president was "more radical on the subject of religion than on any other matter."[91]

Morrow analyzed the religious situation in Mexico by comparing it to other Church-State conflicts in history. He concluded that in contrast to the Reformation and the religious struggle of sixteenth century England, the conflict in Mexico was "nothing strange."[92] The ambassador nevertheless felt that "the tragic thing about it all" was that Calles judged the church "by the worst type of priest" while those who defended the church judged it "by the best priests." Morrow had no doubts that "ardent spirits among the [clergy] welcome martyrdom in what they believe [to be] a holy cause." He was, moreover, convinced that "roving groups of bandits may at times adopt the cry, and even the garb, of the Church in order to cloak their real identity."[93] But the ambassador was just as certain that "the organized leaders of the Church are not counselling rebellion but, on the contrary, are counselling peaceful opposition." With this peaceful element to deal with

in negotiations, Morrow thought it "not impossible that a modus vivendi could be worked out without loss of dignity to either side if . . . a liberal Catholic . . . were dealing directly with President Calles."[94] A modus vivendi would end the terribly destructive religious war and could, eventually, lead to a permanent settlement when passions finally cooled.[95]

The U.S. envoy had seen no future role for himself in these negotiations because he considered it "our business to strictly keep our hands off" in December, 1927,[96] but his attitude had changed considerably by the following spring. Significant progress in the oil dispute, the rapid development of his own relationship with Calles, and many other factors had combined to convince Morrow that he should become involved when he had originally believed that "I would be doing [more harm than good] to Catholics here . . . if I let them get the impression that the United States could interfere in their difficulty."[97] His decision to intervene was certainly "nurtured by his love of a challenge," his "humanitarian instincts," and his "determination to remove an obstacle" to improved U.S.-Mexican relations relations,[98] but Morrow had had all of these motivations in December, 1927, when he had refused to become involved in the Church-State conflict. What situations had developed or become more important in Morrow's mind to influence his new decision in early 1928?

First, Morrow realized that U.S. investments in Mexico were often damaged or completely destroyed in the fighting. A U.S. vice consul in Guadalajara reported that the Cristeros had entered two American mining camps in September, 1927, and had stolen "a considerable amount of money and supplies."[99] The Cristeros and local bandits so upset mining operations in general that production declined and the sale of mining machinery showed "a decided decrease," although the vice consul wrote that "practically all [of the] mining machinery and equipment sold in this district is American-made."[100] Southern Pacific Railroad operations became equally uncertain and passenger service was drastically reduced when trains were fired at on at least three occasions in September.[101] Similar dispatches had been filed from throughout the war zone during the succeeding months. Foreign capitalists could not be expected to enlarge their investments or increase their productivity as long as the religious war played havoc with the rural economy. In addition, this violence threatened to scare off potential investors and counterbalance the favorable impression that Calles had created in the United States with the oil decision of November 17, his enthusiastic welcome for Lindbergh and Rogers in December, and the new petroleum law of January 3.[102] The ambassador did not seek peace in Mexico only so "the Banking House of Morgan will be able to grant Calles a [huge new] loan," as his critics believed,[103] but he did seek an end to

the war so that American businessmen could invest their money across the border and Mexico could benefit from their renewed business activity.

Second, Morrow became increasingly concerned about the ongoing war because it hindered economic recovery in Mexico itself. Alexander Weddell reported that rebel activity often went "unchecked" in the spring of 1928 and the roads to Puebla, Toluca, Pachuca, and Cuernavaca were "far from safe."[104] As always in Mexican history, the Cristero rebellion had increased banditry in the countryside. American residents in Nayarit complained that federal troops were useless against either the Cristeros or the bandits because they retreated to their barracks when the raiders approached and refused to pursue the enemy into the mountains, although conditions "grew worse every day."[105] As a result, the rural economy stagnated and at least one group of foreigners wrote that "we are so poor from all this [looting that] we have no funds to leave [the town where we had sought refuge, much less return to our ranches in the surrounding region]."[106] In an attempt to isolate the Cristeros and limit these raids, General Amaro began to relocate nearly a million peasants in a military campaign that resembled the creation of "Butcher" Weyler's concentration camps in Cuba.[107] However, this new policy did even more damage to the economy as the looting continued (at the hands of unscrupulous federal troops),[108]

some of the richest farmland lay fallow,[109] and the concentration camps did "more to encourage the rebellion than all the propaganda" produced by the Cristeros themselves.[110] The important textile industry also suffered from "restricted purchases" during the war and many businessmen, experiencing a "shock" in business confidence, chose to deposit their profits in American banks, rather than risk it in their nation's faltering economy.[111] Thousands, meanwhile, fled across the border from the war zone as the number of immigration visas increased over 420 per cent from the third quarter of 1925 to the third quarter of 1927 in Guadalajara alone.[112] Writing in the spring of 1928, two visiting economists concluded that "the deadlock [in Church-State relations] is deplorable, for a solution would perhaps do more than anything else to bring about a revival of confidence, economic recovery . . ., and [an] improvement in the Treasury position."[113] Ambassador Morrow completely agreed with this expert appraisal; as he told Sheffield in April, "I hardly expect any real improvement in the economic situation of the country until this controversy, which has been so distracting to the people, is adjusted."[114]

Morrow also became more directly involved in the Church-State dispute for important political reasons. The government had probably overreacted in executing Father Pro

and his three associates for the attempted murder of Obregón, but Morrow and the Mexicans realized that similar assassination plots were likely to recur until the religious issue was finally resolved. No government official would be safe and political stability would remain an elusive goal as long as the Cristeros remained on the battlefield. Rumors of new Cristero plots to assassinate both Calles and Obregón in Celaya simply underscored the need to take action in the spring of 1928.[115]

The political repercussions of the religious conflict were felt in the United States as well. Washington had been under considerable pressure from all sides in the dispute and it seems that the State Department was criticized for nearly every step it took to help improve diplomatic relations with Mexico. Many of the nation's eighteen million Catholics protested against Morrow's "carousing" with Calles; others insisted that the lifting of the 1927 arms embargo against the Mexican government was clearly detrimental to the Cristero movement.[116] A good many also argued that "a benevolent [U.S.] neutrality would be enough . . . for the faith to triumph; if arms and munitions were allowed to enter [Mexico] without discrimination [and] if money were loaned, the triumph would be rapid."[117] Caught in the middle on this politically sensitive issue, the Coolidge administration searched for a quiet way to help resolve the Mexican dispute

before it became an embarrassing issue in the upcoming U.S. presidential election of 1928.[118]

However, while the crisis had grown more complex since Morrow's arrival, one can argue that the ambassador was as aware of this political and economic situation in 1927 as he was in 1928. It therefore appears that an entirely new factor had developed to influence the ambassador's thinking after the first of the year. This factor involved Calles' relative strength in Mexico. According to Morrow, the president had handled the 1927 revolt "in so strong-armed a way [that] it left Calles supreme in the country." As a result, it had become "easier to get him to recede little by little from some of the [more radical] positions that he felt it necessary to take in the past."[119] Calles was, therefore, able to "recede" in the oil dispute and the religious controversy because he had gained the power to do almost as he pleased for the first time in his political career. This did not mean that he could afford to appease the oil companies, reverse his Church-State policy and halt the land reform in one clean sweep if he hoped to survive as a revolutionary leader. It did, however, mean that with great discretion and the aid of a skillful intermediary like Morrow, Calles could retreat from certain damaging policies during his last few months in office. Having tested his increased power in resolving the oil dispute, Calles was politically prepared to face the Church-State question with Morrow's assistance in the spring

of 1928. The politically astute ambassador appreciated Calles' new advantage and was more than willing to "be of some small assistance in helping to compose this trouble" before it became even more damaging in the United States and Mexico.[120]

President Calles, on the other hand, did not simply want peace with the Cristeros to please or humor Dwight Morrow, as some observers would have us believe.[121] Calles, in fact, sought to end the Church-State conflict for the very same political and economic reasons that had influenced Morrow's decision to intervene in the controversy. The president was particularly disturbed by the economic cost of the war for his government. Military expenditures drained the treasury and represented a 30.9 per cent share of the federal budget in 1926 and 1927.[122] This 30.9 per cent share was a significant improvement over former military budgets,[123] but it was still considered far too large by Calles and his frugal advisors. To make financial matters worse, the Cristero rebellion hindered tax collections outside the Federal District and otherwise reduced government revenue by inhibiting taxable trade.[124] Politically, Calles hoped to settle the Church-State conflict to insure the peaceful transfer of power to his designated successor, General Obregón.

But, as with Morrow, it appears that a new factor had developed since December, 1927, to influence Calles' decision to seek a negotiated peace in 1928. The president had discussed the religious conflict with Morrow in late November, 1927, and had revealed his plans to send many more troops to Jalisco so that "the church question would be settled [on the battlefield] in another month." According to Calles, the army would make it "necessary for the Roman Catholic Church to comply with the law precisely as other churches were required to do."[125]

The army had, nevertheless, failed in its campaign to defeat the Cristeros. The assistant U.S. military attaché reported heavy government casualties and wrote that "the Federal Government barely held its own during . . . [the] months of January and February [,1928]." Rather than destroying the rebels, economic unrest, "distrust of the prevailing Government," and Amaro's concentration camps had caused over a one hundred per cent increase in the number of Cristeros from October, 1927, when Morrow first arrived in Mexico, to February of the following year. Only the Cristeros' inability to exploit government weaknesses had prevented further setbacks for the Mexican army. "Aside from seriously harassing the Federal forces, interrupting communications along certain roads, and perhaps making . . . a bad economic

Table 2-1.

Estimated Number of Active Cristeros,
July, 1927, to July, 1928

July, 1927	7-8,000
August, 1927	7-8,000
September, 1927	9,000
October, 1927	10,700
November, 1927	15,000
December, 1927	17-20,000
January, 1928	23,400
February, 1928	24,650
March, 1928	21,750
April, 1928	15,725
May, 1928	11,500
June, 1928	5,000
July, 1928	4,900

Sources: Memo by Major Harold F. Thompson enclosed in Morrow to Kellogg, Mexico City, July 16, 1928, ADS, 812.00/29215½. This correspondence can also be found in the Morrow Papers; Morrow to Kellogg, Mexico City, August 14, 1928, Morrow Papers.

condition [even worse]," the rebels did little to improve their military position, despite their increased numbers.[126]

Amaro was, therefore, able to recoup his loses and make substantial gains from March to June. The War Minister remained in the field to direct military operations on his own and the eight military zones in Jalisco were consolidated under two "energetic and capable Federal commanders." The "reconcentration" policy was largely abandoned, "conciliatory gestures with certain guarantees" were offered to the Cristeros, and the cutting of supply lines to rebel territory produced "visible evidence of growing control of the situation." By

the end of July, the number of rebels had decreased by 80.1 per cent since February as less than five thousand Cristeros fought on against the government.

Calles had finally gained the upper hand in this military conflict, but he began to realize that a total victory over the Cristeros would create almost as many problems as it would solve. The president may well have remembered Morrow's private warning on "the importance to Mexico of not affronting the feelings of the large number of devout Catholics in the world, and especially in America."[127] Offending these Catholics by totally defeating the Cristeros would, undoubtedly, endanger improved U.S.-Mexican relations, harm Calles' new image in the United States, and destroy the fruits of Peso Diplomacy. Proposing a religious truce while Amaro controlled the military situation would, on the other hand, prevent these losses and allow the government to enjoy a great advantage when negotiations for a new peace agreement began. Political factors had, therefore, influenced Calles' decision to abandon his campaign to defeat the rebels in favor of a campaign to negotiate a peace while his army held a definite military advantage in the war. As always, Calles' decision had been based on realpolitik, rather than on American pressure or Dwight Morrow's persuasiveness in the spring of 1928.[128]

Calles nevertheless relied on Morrow to serve as an important intermediary once the president had decided on his new course of action. Given his own evaluation of the situation,[129] Morrow was very willing to cooperate in the new peace offensive. The ambassador proceeded by arranging a secret meeting between Calles and a "liberal and prominent Catholic" named Father John J. Burke.[130] Morrow had met Burke in October, 1927, and had had two long conversations with the American priest during the Pan American Conference of January, 1928.[131] Impressed by Burke's sincerity, but eager to initiate the negotiations with carefully-worded statements that would please both parties, Morrow went so far as to write the two letters that Calles and Burke would exchange prior to and during their first meeting in Mexico.[132] These letters were significant not only because they arranged for the two men to meet in early April, but also because they would ultimately serve as the basis for a final settlement of the Church-State conflict. Burke's correspondence to Calles therefore proposed that

> If you felt that you could in full accord with your constitutional duties make a declaration that it is not the purpose of the constitution and laws, nor your purpose, to destroy the identity of the Church, and that in order to avoid unreasonable applications of the laws the government would be willing to confer from time to time with the authorized head of the Church of Mexico, I am confident that no insurmountable obstacle would remain to prevent the Mexican clergy from forthwith resuming their spiritual offices.[133]

Morrow presented this letter to the Mexican president on March 29 and learned that Calles "would be glad to see Fr. Burke" at the ancient island prison of San Juan de Ulúa in Veracruz harbor.[134] The priest secretly traveled to the island and spent several hours with Calles and Morrow on April 4.[135] The president seemed impressed with the foreign clergyman and, while he ardently defended his government's stand against the church, he thanked Burke for making the long journey and presented a signed copy of the letter that Morrow had prepared for his approval. In response to Burke's earlier correspondence, this statement attempted to reassure the church that

> I am advised of the desire of the Mexican Bishops to renew public worship, and I take advantage of the opportunity to declare with all clearness, as I have already done on all occasions, that it is not the purpose of the Constitution nor of the laws, nor my own purpose, to destroy the identity of any church, nor to interfere, in any form, in its spiritual functions.[136]

Calles also told Burke of his hope that the religious conflict would be resolved before he left office in November. Encouraged, Morrow and the priest departed as secretly as they had arrived. The press did not learn of Morrow's visit to Veracruz for another four days and then it only suspected that the ambassador had discussed financial matters in his meeting with Calles. Admiring his great efficiency, El Dictamen concluded that Morrow had come to Veracruz, taken care of his urgent business, and returned to Mexico City "like a traveling salesman who has finished covering the market."[137]

Father Burke was to meet with Calles and Morrow on a second occasion, just six weeks after their original conference on San Juan de Ulúa. The president even agreed to see Archbishop Leopoldo Ruíz y Flores during this three-day secret conference and, while little progress was made on specific issues, both sides agreed to forward letters to Rome in the broader spirit of the Calles-Burke correspondence written by Morrow. If Rome approved, Calles and the archbishop would publish their respective letters and the Mexican clergy would be instructed to return to their religious duties.[138]

But the Vatican refused to cooperate. Instead, Pope Pius XI insisted on more specific guarantees regarding amnesty for the Cristeros, protection for the returning bishops, and freedom in the exercise of spiritual functions. Morrow surmised that the pontiff had been persuaded by conservative Mexicans to delay peace negotiations until General Obregón took office later in the year.[139] By mid-June, Morrow's desire to "have the religious question settled [within] five or six months" had been completely frustrated by distant forces far beyond his control.[140]

There is no need to explain the details of Morrow's abortive attempt to resolve the Church-State controversy in 1928. Many historians have rehashed these events with considerable documentation in what is, without a doubt, the most thoroughly rehearsed chapter of the ambassador's career.[141]

It is, however, interesting to compare certain features of the religious dispute to certain features of the oil conflict and to note the remarkable similarities between Calles' several attempts to resolve the issues with Morrow's aid. Both issues had involved the sensitive problem of national dignity, for example. According to the chief of the Foreign Ministry's Diplomatic Department, "the Mexican Government could not yield as a matter of national dignity" as long as the oil companies and the clergy challenged the government's sovereign right to enact any legislation that it considered necessary for the nation's welfare.[142] Calles could never come to terms with the companies or the church if they defied his rule and continued to boast "that they did not need to obey the laws of Mexico."[143] Given this difficult situation, the government, the church, and the companies required an intermediary who could understand all sides of an issue, reduce it to its least offensive form, and express it in the most acceptable terms. Blessed with these special talents, Morrow was called on to perform the ironic task of writing letters of inquiry for the church and the oil companies while replying with reassuring words for the government. Morrow's involvement in this correspondence, moreover, served as an unwritten guarantee, or stamp of approval, by the United States. But, again in both cases, while the local representatives of the church and the oil companies were

willing to accept these carefully-worded guarantees, their superiors in Rome and New York were still skeptical and still worried about possible repercussions in the rest of Latin America. As one official told Arthur Bliss Lane, "the Pope is of the opinion that should he compromise . . . on the religious question [in Mexico], the Vatican would lose face in all of Latin America."[144] The oil executives in New York and the pontiff in Rome made odd bedfellows in their somewhat similar struggles with the federal government, but they remained formidable obstacles to internal peace and renewed prosperity in 1928.

Morrow's Unorthodox Approach to the Agrarian Reform

Next, Morrow considered the agrarian reform in Mexico.[145] Well aware of Calles' strenuous efforts to resolve this issue, the ambassador focused his attention on the program's major weaknesses, as he perceived them in 1928. Morrow was convinced that the Mexicans had attempted to redistribute too much land, with too few resources, in too short a time. In his attempt to create a new rural class of productive small landowners, Calles had only compounded the problems that surrounded the agrarian reform. Credit facilities designed to finance ejidos and small landholders suffered from a lack of funds and a "widescale lack of probity on the part of bank employees."[146] A contemporary reported that "even the simplest kind of credit machinery is still more or less a

mystery for the ejidatarios" who regarded all loans "as matters of personal favor and political intrigue."[147] Most credit went to large landowners who grew commercial crops for export; other loans went to political favorites who seldom spent a peso on agriculture.[148] The production of essential crops, including corn, continued to decline as small farmers often lacked the money and large farmers often lacked the incentive to plant their fields when their property might be confiscated at any time.[149]

In addition, those who benefited from the reform were periodically expected to leave their farms to fight the Cristeros or face rebellious troops in far-off parts of Mexico. Twenty-five thousand agrarians served as a permanent auxiliary force against the Catholic rebels, although they often fought as an ally of an army that exploited their fighting ability, but despised their social class.[150] According to one authority, the agrarians "were made to march . . . in the vanguard . . . as a shield, to face the first shots" of battle, although they were usually abandoned as soon as the army began its retreat.[151] Originally known as Defensas Sociales, thousands of peasants were also armed during the military revolts of 1923 and 1927. As many as 3500 agrarians were recruited from San Luis Potosí alone in 1923, while a total of 7500 peasants were called on to serve in the latter campaign.[152] These men saw action in battle

and kept order in districts that lacked federal troops.[153] Their efforts helped to defeat the insurgents and their presence helped to discourage other revolts, but the agrarians also created grave problems once the smoke of battle had cleared. Returning home to find their crops destroyed or their property threatened by local hacendados, they were often unwilling to disarm and rely on federal troops for their protection.[154] Small running battles between agrarian and hacendado forces plagued the countryside and hampered agricultural growth throughout the decade. Some farmers completely abandoned their plots and took to the hills as bandits,[155] while others committed "agrarian outrages" in their efforts to win more land for their families.[156] Still others fled to the cities or migrated to the United States in search of labor and tranquility.[157] Only a fraction remained at work on their newly-acquired land to benefit from Calles' "integrated solution." A U.S. embassy report concluded that the agrarian reform had, "in most cases, been abused, [so] . . . that the agricultural production of the country has decreased . . ., the peon is no better off than formerly, the landlords have been largely ruined, and aroused class hatred appears to be the outstanding result."[158]

Dwight Morrow sympathized with the rural working class as well as with the threatened upper class in this

crisis, but he showed even greater concern for the loss in agricultural production and the huge financial cost of the land reform itself. In George Rublee's words, the ambassador recognized that the reform was necessary to help solve the "social question" in Mexico, "but he wanted it done in such a way . . . that the production of food would not be [greatly] reduced."[159] Smaller crops meant larger imports and larger imports of food that could normally be grown in Mexico meant the loss of valuable foreign exchange. Morrow believed that the government would have to reverse this disastrous trend before it could benefit from its large investment in agricultural schools, banks, and dams.[160] The ambassador agreed with Rublee's opinion that "the cart [had] been put before the horse" when land had been given "to ignorant peons who neither [had] the intelligence nor the capital for the purchase of agricultural implements with which . . . to [efficiently] cultivate the soil."[161]

Morrow was even more disturbed by the complex problem of financing the agrarian reform. The federal government was legally obligated to pay for confiscated land with agrarian bonds, but few hacendados were willing to accept this form of compensation for their property. Most landowners believed that they would be acknowledging the finality of their loss and the legitimacy of the agrarian reform itself if they accepted the federal bonds.[162] Remembering that

ninety per cent of all amparo hearings were decided in their favor,[163] the hacendados preferred to appeal their cases in time-consuming law suits. In addition, they argued that their property was worth far more than the 110 per cent tax valuation they were offered as compensation because, with the "chaotic and confiscatory" system of taxation in Mexico, they had always underestimated the true value of their own land.[164] Finally, and perhaps most importantly, the hacendados discovered that the market value of agrarian bonds was usually very low and always quite unstable. A dispossessed landholder could not expect to sell his bonds for more than five to ten per cent of their face value in late 1927.[165] Thus, while the government accepted them for certain taxes up to twenty-five per cent of the amount due,[166] officials at the Mexico City branch of the Bank of Montreal wrote that there was "practically no market for the bonds . . . and they could not be made use of for borrowing at local banks."[167] The hacendados concluded "that the payment in bonds of [such] doubtful present value and even more doubtful future value is practically no payment at all."[168] Only eight hundred, or about three per cent, of all affected landowners had petitioned the federal government for agrarian bonds by May, 1928,[169] but even this small minority was forced to wait long intervals because, as one Englishman was told, the Mexican government could not always meet this additional expense.[170]

The press reported that of the 144 foreigners who had petitioned for them, only twenty-eight had been issued bonds by the spring of 1928, while their Mexican counterparts had received even fewer bonds in the period since 1915.[171]

Dwight Morrow was deeply concerned about this situation because although few landowners applied for compensation each year, the federal government could never be sure how much of its annual budget would be needed to pay for the agrarian reform. The ambassador realized that without this important information the Mexican budget could never be balanced and the Calles regime would never be able to afford its other foreign and domestic obligations.[172] He therefore suggested that a fixed sum of money be set aside in the annual budget to pay for newly-confiscated land in cash, rather than in bonds. Morrow explained that this new policy would not only help to stabilize the budget, but would also help to slow the redistribution of land, increase agricultural production, and, indirectly, stimulate the entire economy. With a ceiling on spending, government officials would be forced

> to examine most carefully every application for additional 'ejidos' as they would be weighing the desirability of that particular application of cash against the desirability of an equal expenditure for new roads, agricultural schools or other requirements. From the point of view of the land owner [sic] there would be the assurance that no more land would be taken from him unless it were paid for in cash. This would unquestionably lead to a more active utilization of present holdings . . . .[and, eventually, contribute] to the general prosperity of the country.[173]

The ambassador mentioned his plan to Calles and "responsible members of the Government" on several occasions after April, 1928, and, while they each "informally expressed their general approval," none were prepared to act on the proposal. Calles was particularly interested in Morrow's scheme because it included many of the same conservative economic goals that he had worked to achieve since before his election in 1924. Calles was, nevertheless, unwilling to even consider budgeting the agrarian reform and paying for confiscated land with cash for the very same political reasons that had prevented his slowing down the reform in the years 1924 to 1927. The government could not risk alienating agrarian forces on the eve of a presidential election when the official candidate relied on rural votes as the main base of his political support. General Obregón labeled the ambassador's suggestion "not opportune" and little more was done to implement it in the summer and fall of 1928.[174]

This did not, however, mean that Calles had abandoned his own plans to check the redistribution of land in a much less conspicuous manner. In the largest single-year decline since the outbreak of the Revolution, only 630 million hectares of land were redistributed in 1928 as Calles' attempts to control radical elements and centralize the agrarian reform finally began to show results.[175] The president was particularly anxious to honor his pledge to Dwight Morrow[176]

by settling old land disputes involving U.S. citizens and preventing the expropriation of additional American landholdings. In a significant development, a representative of the American Land and Cattle Company reported that "after all the arrangements had been made for the distribution [of his company's holdings in Oaxaca], the program was suspended immediately following the [oil] decision [by] the Supreme Court, apparently on orders from Mexico City."[177] Another American landowner told of a similar experience in the same state when the redistribution of his property was suddenly suspended in April, 1928, land surveyors were ordered to stop work, and federal officials came by to discuss the value of already-confiscated land.[178] Calles' campaign to control radical elements and protect U.S. property had apparently triumphed in Oaxaca and several other states as the U.S. embassy was able to report in the spring of the following year that "practically no land has been taken <u>by the Government</u> since the 1st of January, 1928."[179]

In an equally important development, the Mexican government took steps to implement the Calles-Morrow plan to station an agrarian official in the Foreign Ministry where he could devote all of his time to the settlement of American land problems.[180] The Mexicans simply asked the embassy to supply them with a list of damaged American interests while keeping the entire operation "in strict confidence" so that

other governments would not demand equal treatment in what might become "an awkward situation" for the Calles regime.[181] Calles, moreover, hoped to sidestep the politically embarrassing charge that he was favoring American landowners and neglecting agrarian demands in the final year of his administration. This political risk had, apparently, grown too large by mid-February when Sierra told Alan Winslow that the project had been suddenly scrapped, although most cases involving American citizens had already been considered and the Supreme Court "had received instructions to expedite the disposal of . . . amparo proceedings [involving U.S. citizens] with the least possible delay."[182] Satisfied with this turn of events, Ambassador Morrow and the State Department instructed American landowners to "exhaust all . . . judicial remedies before involving the aid of their diplomatic or consular representatives" so that official protests or "prompt intervention" would only be made in "special or emergency cases."[183]

Washington failed to explain what it meant by "prompt intervention," but Ambassador Morrow soon developed a plan of his own to handle American problems that could not be settled in Mexican courts. Remembering the French legation's success in dealing directly with Mexican departments,[184] Morrow attempted to investigate individual cases by exploiting the cooperation of agrarian officials in Mexico City. The envoy experimented with this unique approach by

contacting these officials and asking them to accompany him on trips to the countryside. There, Morrow and his traveling companions would collect first-hand information and try to resolve the often complex conflicts that affected American landowners.[185] In the first of many problems that were settled in this manner, the Lewis Lamm case, involving vast holdings in the state of Puebla, was "definitely adjusted" by April, 1928. Morrow, Estrada, Sierra, two agrarian officials, and the governor of Puebla had inspected the property in February and agreed that approximately a third of the land that had been taken in 1923 should be returned to Lamm five years later. The American, for his part, agreed to accept agrarian bonds as compensation for his four thousand hectares of expropriated land, provided that he could use the bonds to pay at least some of the back taxes that he owed to the Mexican government.[186]

It was said that Morrow traveled some ten thousand miles and visited nearly every state in Mexico in his attempts to settle similar conflicts,[187] but the ambassador lacked both the time and the strength to devote so much attention to a single issue, regardless of its importance. Instead, he expected "everyone in the Embassy . . . to become agrarian experts" so that he could send others on these missions while he remained in Mexico City to tackle equally important questions.[188] Morrow relied on Colonel McNab, with his

excellent Spanish and his thorough knowledge of Mexico, to investigate most of these cases in 1928.

In a typical junket of this kind, the military attaché joined Mario de Hoyo and Rubén F. Morales of the National Agrarian Commission on a journey to the state of Tamaulipas in the spring of 1928.[189] The three men investigated five separate cases, but the Hacienda San Juan received their most careful scrutiny because its owner, H.H. Reeder, had voiced loud and persistent protests when his land was redistributed to three Indian villages.[190] The case had, in fact, received so much local publicity that Governor Portes Gil decided to accompany McNab and his party on their fact-finding mission to the Reeder estate. The governor and McNab spent an entire day inspecting individual ejido plots and conferring with both Reeder and the local agrarians. They discovered that one ejido had claimed 183 more hectares of land than it was originally granted, while less than forty-four per cent of all irrigated ejido soil in the area was being cultivated in May, 1928. Only forty-three per cent of the men who had benefited from the reform remained on their plots because many had either moved on or were working as wage earners on other haciendas in the vicinity. In addition, the investigation disclosed that one Indian village had been allotted far too much water from Reeder's irrigation ditch because "the ejido land was flooded and water was

being wasted, while the crops . . . on the land left to Mr. Reeder were in bad shape" for lack of moisture. Finally, McNab learned that members of an agrarian union had seized two fields as tierras ociosas, or idle land, despite the fact that Portes Gil had strenuously disapproved of their action.[191]

The governor, McNab, and the agrarian officials settled the Reeder case with a series of compromises that were more or less typical of the colonel's work in 1928. Portes Gil thus "took [the ejidatarios] to task for not having their fields better cultivated," the agrarian officials completely rejected the provisional grant made to one of the three villages, and the sindicato was given two months to abandon the fields it had recently invaded. In return, Reeder agreed to accept agrarian bonds as compensation for his confiscated land and offered the government "any part" of an unused pasture to help alleviate agrarian pressure on other American landowners in the district. In a final step, the agrarian officials promised to relocate those farmers who had lost their land due to the rejection of their provisional grant.[192] The entire case was settled in three and a half days (May 6-9) as McNab used both tact and his thorough knowledge of the agrarian laws to satisfy all parties without ever challenging either the legitimacy of the land reform or the authority of its leaders.[193]

The U.S. embassy enjoyed the same success in the majority of the cases that it considered in this manner. Morrow's military attaché and several of his colleagues made a total of fifty-two trips to investigate thirty-eight cases in a thirty-month period from 1928 to 1930. Of these, eleven, or twenty-nine per cent, were settled in agreements that favored American citizens, while another twenty-nine per cent were settled in compromises that pleased both the agrarian forces and the foreign landowners. Only six, or sixteen per cent, ended in unfavorable decisions for hacendados born in the United States. The remaining ten, or twenty-six per cent of all cases, had either not been resolved or were still under investigation in 1930.[194] These were certainly impressive statistics in an era of widespread rural conflict, but one must remember that the thirty-eight investigated cases represented only a small minority of agrarian disputes involving American landowners. A total of 135 cases had been reported by June 1, 1927, and Rublee estimated that an additional 115 had surfaced by 1930.[195] Hacendados who had formerly hesitated to protest to the embassy for fear of retaliation suddenly appeared when they heard of Morrow's success so that one observer found that "the material [McNab] clears away in front of him is about equalled by new cases springing up behind him."[196] Other disputes remained unsettled because some landowners refused to accept the return of

expropriated land without additional compensation for lost crops or damaged property,[197] while others, including Reeder, later rejected the compromise arranged by Colonel McNab.[198] Still others, including Lewis Lamm, complained that little had been done to institute their negotiated compromises because the agrarian commission was "indolent" and new officials had replaced the men who had originally made "verbal agreements" with American diplomats and foreign landowners.[199]

These difficulties often discouraged Morrow and his staff, but the ambassador never considered changing his unorthodox style because it had helped to resolve many more problems than it had created. As McNab reported in the spring of 1928, his trips were of great "educational value" because they forced embassy delegates and Mexican authorities to appreciate many of the problems caused by the redistribution of land.[200] In addition, McNab discovered that members of the National Agrarian Commission were "very reasonable and fair-minded." "By no means fanatics on the agrarian question," at least two high-ranking officials asserted that they "strongly favored" the changes that Ambassador Morrow proposed for the reform. These conservatives were, in fact, so eager to modify the ideas of more radical agrarians that McNab had no cause to argue with Portes Gil and others because "the views [that] I might have expressed were adequately presented and defended" by the federal authorities themselves.

The colonel also explained that his "very friendly relations" with the National Agrarian Commission allowed him to discuss and resolve problems on an informal basis without ever having to involve the ambassador or the U.S. State Department.[201] Finally, and perhaps most importantly, McNab believed that his inspection tours helped to slow down the agrarian reform because "all expropriations in the future will be much more carefully studied as to their real necessity." The officer was sure that "the rights of hacienda owners in general will be given more consideration," while few new problems involving American owners would develop in the states that he had already visited.[202]

McNab was hardly disappointed. One can, in fact, argue that the Calles regime exploited Morrow and his staff to help control agrarian forces just as it had exploited the ambassador to help control foreign oilmen and settle the vexatious oil dispute. By cooperating with Morrow's rather unorthodox methods, Calles could settle many American problems and could send conservative representatives into the countryside with McNab to reiterate the plea that "the reckless transfer of land" must end, as he and León had always insisted. Calles also realized that Morrow's success in dealing with even a limited number of cases did much to alleviate the diplomatic tension caused by the agrarian reform. By the spring of 1928, J. Reuben Clark and others in the U.S.

embassy still believed that "what we have accomplished so far [in the oil dispute] is merely ABC to the task of adjusting the agrarian problem,"[203] but Calles hoped to pacify Washington with small victories that would seem to indicate progress. As with the oil decision of November, 1927, one is reminded of Estrada's assertion that Calles had led Morrow "to constantly receive the impression of success and ease in solving problems" so that the friction that separated the United States and Mexico could be dealt with and finally eliminated on a level short of war.

The Problem of Mexican Finances

Morrow therefore continued his officially-encouraged work on the agrarian reform, but he also devoted more and more time to the interrelated problem of Mexican finances in 1928. The ambassador tackled this complex issue in several ways. First, Morrow established close personal ties with Mexican leaders so that he could tactfully "educate" them and influence their decisions on important questions involving the federal budget and the national debt. Morrow acquired "the habit of going to anybody he pleased on official matters" and he usually spent at least two hours with some Mexican leader each day.[204] The envoy established his closest ties to the government through Calles' Finance Minister, Luis Montes de Oca. Educated in finance and accounting at the

National University, Montes de Oca had served as the comptroller in the Ministry of Finance before replacing Pani as the chief of that department in early 1927.[205] Sharing many of the same financial and economic goals for Mexico, he and Morrow soon developed a close relationship based on mutual trust and respect. Montes de Oca gratefully recognized the envoy's kindness and ability to place himself in another's position,[206] while Morrow spoke of his companion as a "clean and honest" man who enjoyed Calles' complete confidence, although he lacked Pani's "imagination [and] experience" in the financial world.[207]

The two men seriously began to discuss the government's financial plight on long, early morning walks, on working weekends at Morrow's home in Cuernavaca, and at the U.S. embassy itself.[208] The young minister explained his government's economic situation in great detail as he worked not only to win Morrow's sympathy, but also to profit from his expert advice.[209] The ambassador's sympathy and advice were very important to the Calles regime as it attempted to pacify Morrow's friends on the Bankers' Committee after Mexico had completely defaulted on its debt payments in 1928. Montes de Oca thus gave the ambassador specific information about government revenues and spending so that Morrow could send this data on to New York where the bankers could, in turn, appreciate Calles' financial predicament.[210] The president

went so far as to send Montes de Oca to the U.S. embassy to solicit Morrow's advice on how to answer the bankers' telegrams.[211] As a result of this important correspondence, Lamont and his colleagues agreed to call a moratorium on Mexican debt payments until a thorough study of Mexico's financial situation could be made in the spring of 1928.[212] As Morrow told a J.P. Morgan partner, a thorough report was essential at this time because Montes de Oca lacked "the ability to put out his figures [so that they were] fully intelligible to the outside world."[213]

The International Committee of Bankers on Mexico sent Joseph S. Davis of Leland Stanford University and Joseph E. Sterrett of Price, Waterhouse and Company to conduct this important eleven-week study from late January to mid-April. Eager to do everything possible to cooperate with these investigators, Calles gave Sterrett and Davis an office in the Ministry of Finance and ordered that they be given any information that they requested.[214] After examining countless government records and interviewing a wide range of individuals, Sterrett and Davis submitted their final report to the Bankers' Committee on May 25, 1928. Their findings were cautiously optimistic. Thus, while Calles' efforts to reform his nation's tax structure, balance the federal budget, cut government spending, and pay government employees on schedule were praised as steps in the right direction,

Sterrett and Davis did not hesitate to describe the serious problems that hampered the president's orthodox economic program. The government could simply not afford to pay its employees, balance its budget, or reimburse its creditors as long as the agrarian reform and periodic military revolts drained the Mexican treasury and as long as foreign interests, led by American oilmen, lacked confidence in the federal regime. Only political stability, the restoration of public credit, the prompt payment of current bills, and the propagation of less economically damaging legislation would create new business confidence in the nation. Once stirred by these measures, Sterrett and Davis concluded, the Mexican economy would be capable of generating new government revenues that would allow Mexico to continue its reforms and still pay its many creditors.[215]

Calles welcomed the Sterrett-Davis report despite its criticism and despite its scattered racist remarks[216] because he agreed with practically everything it said and because the confidential document was never published in either the United States or Mexico. The investigators' goals were his goals and, given Morrow's aid and the Committee's findings, Calles could count on the bankers' approval in his efforts to reinstitute the fiscal reforms that he had had to sacrifice during the economic depression of 1927.

The president had begun this difficult task even before Sterrett and Davis filed their report in May. Morrow could, in fact, write that revenues "kept up amazingly well" in the first four months of 1928 as collected taxes outdistanced estimated income by over 809,000 pesos in this period.[217] The Calles regime could finally afford to pay its current bills and reimburse its employees, as it had done in 1925 and 1926. Thus, while Calles told Morrow that his government owed its employees four million pesos by the end of 1927.[218] the ambassador boasted in April of the following year "we have at last got the Mexicans . . . paying their employees [and current bills] promptly."[219] The government's payroll was, moreover, reduced in a new bureaucratic purge that cut as many as sixty-one per cent of all employees in locations like the port of Salina Cruz where twenty-one of the forty-two workers in the customhouse and twenty of the twenty-five workers on the docks were laid off as of January 1, 1928.[220]

The Ambassador, Tourism, and Peso Diplomacy

Dwight Morrow had, therefore, helped Calles to reinstitute his financial reforms and win the bankers' support in 1928, but the ambassador also worked to improve the Mexican economy in another important project. Aware of the profits and advantages that other nations enjoyed in their

tourist trade with the United States, (see Table 2-2) Morrow actively promoted this industry in Mexico to help solve a long list of economic problems. Tourism promised to prime the Mexican economy with American dollars without exhausting Mexican resources or challenging Mexican sovereignty.

Table 5-2.

U.S. Tourist Dollars Spent Abroad, 1927
(in millions of dollars)

Canada	197.00
France	190.00
England	41.00
Italy	31.25
Germany	20.00
Switzerland	15.00
Cuba	12.50
Mexico	10.00
Other Nations (combined)	212.25
World	729.00

Sources: Excelsior, August 23, 1930; C.D. Hicks, "The Tourists of Mexico," Mexican Commerce & Industry, XI (August, 1929), 11; Mexican Commerce & Industry, XII (August, 1930), 17.

According to one enthusiastic observer, the influx of American dollars into Mexico would

> go a long ways toward the solution of the country's economic problem. Absorbing but a small portion of the flood of tourist trafic [sic] that pours out of the United States each year to all the ends of the world, this single asset should be worth to Mexico --we modestly propose--a cold billion . . . dollars per anum: [sic] much more than all its oil wells and silver mines have ever produced in the same period of time![221]

Others pointed out that Mexican merchants would benefit from increased tourism even after their foreign visitors had gone home because "travelers acquire a desire for foreign merchandise, which results in subsequent imports and, by word of mouth as well as by samples, they advertise the products of the countries that they have visited."[222] Still others noted that tourism would bring thousands of American businessmen to Mexico where they could learn to understand the country and, hopefully, invest in its development. Excelsior identified tourism as "one of the most important steps toward reestablishing confidence in Mexico because it affords visitors an opportunity to witness conditions in the Republic while [also] serving to offset the alarming reports spread by prejudiced propagandists."[223] Finally, Morrow and the Mexicans supported tourism because they believed that travel did "more to promote understanding and world peace than [all the] diplomats and disarmament conferences" combined.[224] As the ambassador told his audience at the Harvard Commencement in June, 1928, "the way to get on with [another] man . . . or [another] nation is to realize that, in the fundamental things of life, they are very much like you and . . . [they deserve] that respect and affection that is their due because they are like you."[225] Tourism would, supposedly, help foster this realization among American visitors to Mexico.

Ambassador Morrow promoted the tourist industry by praising Mexico in his speeches, by extending personal invitations to American leaders, and by traveling through the countryside to publicize its beauty and relative safety. The envoy seldom missed an opportunity to describe the climate, the culture, and the scenery of Mexico. Joining her husband in these efforts, Elizabeth Cutter Morrow returned from a trip to England and "startled" New Yorkers by saying that she felt safer and more comfortable in Mexico City than she felt in London. "It is," said Mrs. Morrow, "like a berry bathed by sunrays and covered with flowers, compared to a dry prune."[226] Not content with simply describing Mexico in this way, Morrow invited a host of leaders from the newspaper and business world because he believed that their coming to Mexico "would have a psychological value of the utmost importance" in U.S.-Mexican relations.[227] Every guest room in the embassy was filled by March as men like Walter Lippmann, Bruce Barton, William T. Dewart, and Silas H. Strawn followed Lindbergh and Rogers as Morrow's guests in Mexico.[228] The ambassador introduced these men to Calles and other Mexican leaders who, in turn, greeted the Americans with kind words and great hospitality.

In addition, Morrow traveled through rural Mexico on his own in order to learn more about the country and in order to demonstrate its relative safety for foreign visitors.

Photographs showed Morrow mixing with the peasants and admiring their handicrafts, although these pictures did not show the military escort that Calles inevitably sent along to protect the ambassador.[229] Thus, while newspapers reported that Morrow journeyed to his house in Cuernavaca like any other traveler,[230] Lindbergh wrote that "along the wilder portions of the road, I noticed rifle-bearing soldiers stationed . . . only a few hundred feet apart" as Calles had ordered "extra precautions" to guard against local bandits and renegade troops.[231]

Stories about Morrow's beautiful retreat in Cuernavaca also drew American tourists to Mexico.[232] The ambassador proudly showed his guests the Indian artifacts that he had collected from nearly every state in the country.[233] With his usual enthusiasm for anything of interest to him,[234] Morrow went so far as to sponsor an exhibit of Mexican art that toured the United States in an effort to increase cultural ties and attract additional tourists to Mexico.[235]

Pleased with Morrow's support and eager to expand the tourist industry on his own, Calles did everything possible to encourage travel in Mexico. The government earmarked one hundred thousand dollars of the federal budget to promote this trade in 1928[236] and, while it was reported that "the regulations imposed on foreigners entering Mexico [in 1927 were] almost as searching as those enforced on the

frontiers of belligerent countries during the [First] World War,"[237] the entire procedure was simplified in the following year. Immigration officers were instructed to issue six-month tourist cards to motorists who simply declared that they were in Mexico "for pleasure and recreation."[238] Tourists who came by train were only required to list the names of those in their party in order to cross at the border.[239] Roads were improved and the National Railways established a quick new service that took visitors from the border to Mexico City in less than a day and a half.[240] A federal commission was created to promote tourism and the Mexican Chamber of Commerce in New York City advertised Mexico as "a new haven in which the bonds of blissless matrimony can be dissolved." After filing their legal papers by mail, a man and his wife could expect the courts to act as soon as the couple arrived in Mexico in a process that was billed as even easier than divorce proceedings in France.[241]

Calles and his top aides became directly involved in these efforts to attract the U.S. tourist dollar in yet another example of Peso Diplomacy. As early as December, 1927, Montes de Oca and E.R. Jones of the Wells Fargo Company had called on the president to stress the desirability of bringing "excursion parties of prominent Americans" to Mexico. Impressed, Calles asked Jones to plan such an excursion and by the end of the year Jones and the Minister of Finance had made arrangements for two "test trips" from New York to

Veracruz on the White Star Steamship Line.[242] Both trips were booked solid with 370 "well-known" New Yorkers on each voyage.[243] Calles eliminated all custom regulations for these incoming guests[244] and even sent a telegram to the White Star Line to welcome the Americans. According to Calles' wire, "The Mexican Government views the arrival of American tourists with great pleasure and I offer them the most cordial feelings and equal consideration to those they have received in any other friendly country."[245]

Reports indicate that no more than a thousand visitors ever came to Mexico City in any one month, although wealthy and influential figures arrived in ever-increasing numbers during Morrow's first full year abroad. One-hundred-and-twenty-eight realtors, with an estimated combined wealth of 140 million dollars, traveled through Mexico on a special train in February,[246] while four to five hundred members of the American Short Line Railway Association accepted Calles' invitation to hold their convention in Mexico City later that spring.[247] Two hundred Rotarians and ninety American Legionnaires formed excursions of their own.[248] Meanwhile, several groups of newspapermen toured the countryside with the "enthusiastic approval and complete cooperation" of the Mexican government.[249] In a standard tour of this kind, eighty-seven Mid-Western editors were shown the sights in and around Mexico City before Dwight Morrow introduced them to President

Calles at Chapultepec Castle. As usual, Calles praised the ambassador's "talent and sincerity" and declared that Morrow was the most important factor in improved U.S.-Mexican relations.[250] Then, with the former banker at his side to add credibility to his words, Calles proceeded to explain his programs in the same way as he had explained them prior to Morrow's arrival.[251] But many more foreigners were willing to listen to Calles now. As one visiting editor put it,

> I am convinced that to know this country, one must come to gather first hand information. . . . I never expected to find so many interesting things in Mexico. Everyone enjoys freedom here, life and property are duly protected, and it is evident that Mexico will soon reach a high level of progress. This trip has served to make me know that countless untruthful reports about Mexico are being circulated abroad.[252]

Encouraged by these reports, many American investors with interests in Mexico visited the country for the first time since the outbreak of the Revolution.[253] By January, Morrow claimed that foreigners believed that Calles was the best Mexican president since Díaz.[254] This feeling became widespread in the United States when visitors returned home to tell of their experiences and when Robert J. Eustace of the Toledo Chamber of Commerce delivered a series of lectures to American business organizations across the country.[255] Having toured fourteen Mexican cities in the spring of 1928, Eustace emphasized Mexico's safety and described its many resources to groups like the Lions Club of Waterbury, Connecticut. Hearing Eustace speak in July, the president of

this club wrote to Alberto Mascareñas that "the enlightenment [we] received [about] Mexico . . . was an agreeable surprise to all, and we greatly appreciated this direct knowledge of the wonderful developments and [economic] possibilities of [your country]."[256] Other business leaders were just as enthusiastic after listening to the speaker from Ohio.[257] However, given his almost fanciful description of what was still a poverty-stricken and war-torn nation, it is hardly surprising to find that Eustace had been the personal guest of the government-owned National Railways during his entire stay in Mexico.[258]

Two Crises: Carranza and Obregón

Calles had, therefore exploited Morrow and Eustace to expand the tourist industry, alter his nation's image in the United States, and increase business confidence in 1928. Eager to foster these same goals and further improve U.S.-Mexican relations, fifteen businessmen and the owners of a major Mexican newspaper developed a plan to send Captain Emilio Carranza on a non-stop flight from Mexico City to Washington, D.C.[259] Known as the "Lindbergh of Mexico," Carranza had made the first non-stop flight from Ciudad Juárez to Mexico City on September 2, 1927,[260] and flew from San Diego to the capital in a record 18.5 hours on May 25, 1928.[261] Greeting the aviator on the latter occasion, Morrow

reportedly "displayed an enthusiasm that vied with the hearty welcome he [had] extended to Lindbergh" less than six months earlier.[262] Learning of Carranza's scheduled flight to Washington and appreciating its international significance, the ambassador did everything possible to help plan and finance the trip. The envoy donated 2100 pesos and arranged a farewell luncheon at the U.S. embassy in an effort to praise Carranza just as the Mexicans had praised Lindbergh.[263]

The young pilot began his journey at 8:10 A.M. on June 11. Forced to leave Mexico in bad weather after several delays, Carranza received valuable aid from the State Department as he flew over the United States.[264] Lights that normally lit the postal route from Atlanta to Washington were turned on to help the Mexican pilot,[265] but conditions were so poor that Carranza was forced to land in Mooresville, North Carolina, only two hundred miles short of his destination. The 23-year-old aviator finished the last leg of his trip within hours, but no one seemed to mind that he had failed to achieve his original goal. Mexico, in fact, experienced a great surge of national pride when news of Carranza's safe landing reached Mexico City on June 12.[266] Most observers in the United States agreed that Carranza's inability to reach Washington in a non-stop flight was "an unimportant detail." According to the Philadelphia Public Ledger, American interest "centered not so much on endurance flying

as on the friendly gesture which the attempt [itself] represented."[267] The pilot's trip was interpreted as a gesture of Mexican good will, rather than as a feat of modern aviation in mid-1928.

Carranza received a hero's welcome wherever he traveled in the United States. Dwight Morrow accompanied the aviator to meet Coolidge and Kellogg in Washington and Mexican headlines told of the pilot's equally warm reception in New York.[268] Carranza's mission was, in fact, considered to be a great success until tragedy struck the young captain exactly one month after his arrival in the United States. Planning to return to Mexico on July 12, Carranza had taken off from Mitchell Field in bad weather and was struck by a bolt of lightning as he flew over southern New Jersey. The pilot plunged to his death as his small plane burst into flames.[269]

The young hero was mourned in the United States and Mexico felt an "insoluble national pain" in the days following his death,[186] but both Calles and the State Department seemed determined to avoid hard feelings as a result of the crash.[270] Ambassador Morrow expressed his sympathy to the Mexican people[271] and the U.S. government assigned a special military detail to accompany the train that took Carranza's body home to Mexico City. Morrow joined the huge crowd that met this train in the capital and, in a comment that sounded very much

like the ambassador himself, the commanding officer of the American military guard declared that his trip to Mexico had done much to "dissipate [his] suspicions [about the country] for with personal contact [one must] come to the conclusion that we are all essentially human beings."[272] Calles responded by presenting high military honors to the visiting officers. The press in both countries concluded that such acts, and their common grief for Carranza, had drawn the citizens of the United States and Mexico even closer in the summer of 1928.[273]

Mexico had not yet recovered from the shock of this tragedy abroad when it was suddenly faced with an even greater crisis at home. Alvaro Obregón had won the presidential election of July 1 by some 1.9 million votes,[274] but while the government had effectively eliminated all opposition candidates in the 1927 revolt, Obregón was still opposed by several powerful forces that could not be so conveniently eliminated in 1928. Agustin Legorretta claimed that Calles and Obregón were divided on key issues as early as October, 1927,[275] and McNab reported unusual military maneuvers in San Luis Potosí just prior to the presidential election. San Luis Potosí was "an illogical place in which to hold maneuvers," according to the American colonel, "but a very logical place in which to center military forces in preparation for a serious campaign" if Calles planned to

prevent Obregón's succession.[276] Morrow and Obregón "place[d] little stock in these reports,"[277] but no one could minimize the danger of Luis Morones' bitter attacks against the general in the spring of 1928. Fearing that labor would be neglected in the new government, Morones spoke of Obregón and his agrarian allies as "the enemy" and vowed never to surrender "the right of the worker to organize and . . . protect his interests."[278] Only Calles and Amaro were able to restrain Morones and prevent his taking "drastic action" to block the general's election.[279] Disturbed by this situation and aware of the unrest caused by militant Catholics, Obregón acknowledged that his life was in danger as he entered Mexico City to the cheers of from fifty to seventy thousand supporters on July 15.[280]

Dwight Morrow was also aware of the risks that Obregón faced in returning to the capital, but the ambassador was still eager to meet with the general in order to gain his confidence and sound out his opinions on several major issues. Morrow had only seen Obregón on a few occasions prior to the general's reelection,[281] but the envoy was usually encouraged by what he heard about the president-elect. Thus, while businessmen claimed that Calles was the better administrator and kept his word more often than Obregón, Morrow heard that the general was "more pliable" and "not as prone to go to [the same] extremes as President Calles."[282]

In regard to specific issues, Obregón told reporters that he would respect the rights of foreigners just as he would respect the rights of Mexicans, although he was "the enemy of the foreigner who comes with a superior attitude, wanting to modify our social laws to have them serve his material interests."[283] In addition, Obregón hoped to resume full payment on the foreign debt and he announced his complete approval of the new oil regulations that had been drawn up in March.[284] The general also hoped to increase business confidence in Mexico by promising to resolve the Church-State conflict and by letting it be known that he would "slowly but effectively put a stop to all radical legislation and Labor agitators" as soon as he took office in November.[285]

Pleased by these developments, Morrow met with Obregón's campaign manager, Aarón Sáenz, and planned a high-level conference with the general himself on July 17. Calling on the ambassador at 11 AM on that tragic day, Sáenz heard Morrow reiterate his proposal that the federal government could balance its budget by paying for expropriated land with cash, rather than with agrarian bonds. Sáenz replied that he had already discussed this idea with the president-elect and had been "agreeably surprised to find that General Obregón's mind was entirely open on the subject," although he expected some "political difficulties" in instituting

such a change in the agrarian reform. Turning to other matters, the political aide told Morrow that Calles and Obregón "were at one [sic] on the religious situation;" the general in fact hoped that the Church-State conflict could be resolved in the remaining few months of the Calles regime so that the nation would be at peace when he took power.[286] Agreeing to meet again at the general's house that afternoon,[287] Sáenz left the ambassador and joined Obregón at a luncheon given in the leader's honor at a local restaurant. Sáenz later told Morrow that he had been discussing U.S.-Mexican relations with the president-elect when a 26-year-old religious fanatic named José de León Toral drew a small pistol and shot Obregón at close range.[288] The fatally wounded general fell to the ground as his startled friends looked on in horror.[289] News of the murder quickly spread through the capital as "the greatest political crisis since the fall of Díaz" shook the foundations of Mexican stability.[290]

Calles reacted to this tragedy in several ways, but it is highly significant that he sought Morrow's aid in maintaining American support and internal order from the very beginning. The president sent Estrada to the U.S. embassy less than seven hours after the fatal shooting took place. The Foreign Minister reported that Calles had already seen the assassin and had heard Toral confess that he had acted "in the name of God."[291] Morrow, Schoenfeld, and McNab met

with Calles himself on the following morning to learn that the president had sent telegrams to every governor and military chief in the nation.[292] Calles concluded that the assassination was an isolated act of violence when these civil and military leaders reported that their districts remained calm, despite the disaster in Mexico City.[293] The ruler admitted that Obregón's death created many new problems, but Calles told Morrow, "I shall know how to perform my duty." 294

Plutarco Calles was eager to reassure Morrow and the United States because he realized that this crisis threatened to destroy much of what he had already accomplished through Peso Diplomacy. Business confidence, oil production, the nation's credit, and the growing tourist trade would suffer if foreigners again thought of Mexico as a violent and unstable country.[295] Those who had been economically tied to Obregón[296] or had hesitated to invest in Mexico until after the general's election[297] would, undoubtedly, be frightened away unless Morrow and the State Department demonstrated their strong faith in the Calles regime.

It was, therefore, no coincidence that Montes de Oca released a detailed financial statement to the press less than three weeks after the assassination. Fearing that "the death of General Obregón . . . is likely to react unfavorably upon government revenues,"[298] the Finance Minister attempted to maintain public confidence in his department by reporting

that revenues for the first six months of the year had totaled 153,000,000 pesos, or ten million pesos more than had been expected. The report also showed that the continued decline in oil revenues was "easily offset" by increased income from other taxes and, because ninety-six per cent of the oil companies had conformed to the new petroleum laws, the government anticipated even greater revenues from this industry as well. The Finance Minister concluded that the Mexican treasury was still quite sound, despite recent political events.[299]

Pleased with this effort, but eager to reassure foreign investors on his own, Calles granted a special interview to an American correspondent named Zoe Beckley on August 2, 1928. The president insisted that U.S.-Mexican relations were excellent, thanks to Ambassador Morrow, and foreign capitalists had no reason to worry about their money in Mexico. Calles declared that American investments were "absolutely secure" because "the protection of North American companies . . . is sanctioned by law" and not even a crisis of this magnitude could alter the law or influence its enforcement.[300]

Calles worked hard to retain American confidence and avert a business panic in mid-1928, but it appears that he desired U.S. support for political as well as economic reasons. Schoenfeld observed that the Mexican press had

published a statement from Washington concerning improved U.S.-Mexican relations just as the Mexican voters were about to cast their ballots on July 1. The chargé d'affaires maintained that the publication of this news represented a "well calculated" attempt to "enhance . . . the prestige of General Obregón and lead . . . the Mexican people to believe . . . that his candidacy had the support of the [U.S.] Government . . . on the very day of the elections."[301] If this support was important on July 1, it was almost crucial in the political crisis that followed. Many believed that ambitious civil and military leaders would exploit the inflammatory situation to start a new revolution unless the United States did something to prove its confidence in Calles' ability to rule. The president therefore turned to Morrow and the State Department to help manage the domestic crisis before it overwhelmed the government and destroyed the fruits of improved U.S.-Mexican relations.

The Ambassador's Role in the Succession Crisis

Dwight Morrow appreciated Calles' difficult position and was more than willing to lend his valuable support in the weeks following Obregón's assassination. The ambassador cooperated with the Mexican government in four important ways. First, Morrow met with a wide range of individuals not only to ascertain their views, but also to express his own

confidence in the Calles regime. Six out of every seven men who were contacted, or more than eighty-five per cent of the total, felt that Calles was the only man with enough strength to lead Mexico through this grave crisis.[302] Most agreed that Calles should enforce the new Mexican law of December, 1927, which extended the presidential term from four to six years, so that he could remain in power until 1930.[303] Montes de Oca presented this argument to Morrow in a typical fashion. Seeing the ambassador on several occasions in July and August, the Finance Minister remained "quite pessimistic" because he believed that the Mexican Congress would dissipate into small political factions, with each faction choosing a general "to attach its fortunes." Montes de Oca warned that there would be civil war among these groups unless Calles accepted "his clear duty to stay in office" and control the political forces unleashed by the assassination. The young minister in fact argued that "there was more sentiment for Calles at the present time than there had been for any [other] man during [Montes de Oca's] lifetime." The worried official reported that twenty-six of the twenty-eight state governors he had contacted agreed that Calles should remain as president, while seven "prominent Generals" agreed that only Calles (or themselves) could lead the country through its most recent crisis. The owners of El Universal and Excelsior also favored the president's

remaining in office for two more years, although the owner of Excelsior was described as "an ardent Catholic" who "had disagreed with Calles' whole Catholic policy." Armed with this evidence to support his case, Montes de Oca concluded that the only real opposition to Calles' staying in power was Calles himself.[304]

Dwight Morrow had heard this argument many times before he finally formed his own opinion of the situation and expressed his ideas to the president on August 9, 1928. Calles and the ambassador traveled to the president's farm outside Mexico City to have breakfast, just as they had done ten months earlier. In a conference that lasted more than five hours, the ruler described the evidence against Toral in "considerable detail." While he was "firmly convinced" that the Cristeros had financed the assassination, he agreed with Morrow that the accused should be given a fair public trial. Turning to the succession crisis, Morrow later recalled that Calles expressed his desire "to talk to me frankly as a friend, forgetting that he was President and that I was Ambassador." Calles then stated "with great earnestness" that he had no intention of remaining in office because

> the bane of Mexican politics for one hundred years had been the belief of the people that it was necessary to rely upon one man [and] . . . if any one man were told a sufficient number of times that he

> was the only [person] that could run the country, he would come to believe it. [The president explained] that he had always objected to this system and that he proposed to get out of office before anybody convinced him that he was essential to the country.

Calles felt that his most important task would be to maintain public order and control the army until a civilian could take office as the provisional president of Mexico on November 30. The ruler vowed that he would fully support the new government as "a citizen and a soldier of the Republic," but he considered his leaving office to be "the first step in substituting government by law . . . for government by [one] man."[305]

Having said this, Calles asked Morrow if he would "speak to him frankly" about the situation in Mexico. The ambassador replied that he understood Calles' desire to set an example by leaving office when he could remain in power without serious opposition, but he doubted if the Mexican Congress could find a "competent man" who could keep order and still run an "economical government." Morrow told his host that many feared that a civil war would result if he left office in 1928. The American envoy concluded that while "from his own personal point of view there was every reason why [Calles] should quit, from his country's point of view I thought that he might remain in office as temporary president" until a new election could be held in 1929. Calles answered this plea by reiterating his firm desire to

leave office. He nevertheless promised Morrow that he had "enough friends" in the Mexican Congress to exercise a "proper influence" on the selection of an ad interim president. Morrow could rest assured that the president would find a "competent man" who would enjoy Calles' complete support during his short term in power.[306]

The two leaders also discussed Church-State relations in the aftermath of the assassination. Morrow discovered that Calles was "firmly convinced" that some of "the more fanatical church people" had been financed by the Cristeros and were "directly responsible for the assassination, [just] as they had been directly responsible for the attempted assassination of General Obregón in October, 1927.[307] The ambassador agreed that "a small group of people with an exaggerated religious complex, were [sic] responsible for the act," but he urged restraint in this new crisis so that Church-State negotiations would not be set back any further than they already were.[308] As Morrow had privately warned Estrada on the very day of the assassination, it was necessary to avoid "sweeping statements" about the church and it was "important to distinguish between misguided individuals and the church as an organization" if the government hoped to salvage at least the possibility of renewed Church-State negotiations from the recent disaster.[309] Calles had originally seemed to appreciate the need for such restraint, but

he later angered church officials by indirectly implicating the church in a July 19 press release[310] and by calling Toral a "blind instrument of the clergy."[311] By August 9, Morrow was particularly worried that some vexatious remarks by Archbishop Ruíz y Flores in Rome[312] and some bitter editorials by the Vatican newspaper, L'Obsservatore Romano, might provoke Calles to make even more harmful remarks about the church. These editorials had accused Calles of complicity in Obregón's murder because he had supposedly recognized the general's assassination as the only way to retain power after his four-year term had legally expired. The ambassador himself was indirectly implicated for at least encouraging Calles to remain as president. On July 22, the Catholic newspaper had even gone so far as to compare Calles' treatment of the Cristeros to Nero's treatment of the early Christians who had served as scapegoats for the emperor's own involvement in the burning of ancient Rome.[313] Calles told Morrow that the pope and his semi-official organ had obviously been "duped" by reactionary Mexicans and, while he now thought of the Vatican in much the same way as he thought of William Randolph Hearst,[314] he referred "very calmly" to L'Obsservatore Romano's comments as simple examples of "how completely misinformed Rome could be on Mexican affairs."[315] The damage had, nevertheless, been done and, as of August 9, Calles held out little hope for renewed peace talks because he considered the

religious question to be a "closed incident" while he remained in office.[316] Morrow was thus forced to "sit tight" on this issue in mid-1928,[317] but Secretary Kellogg acknowledged that by advising the Mexicans against making any stronger statements involving the church "a very sudden explosion was avoided by Mr. Morrow's cool head."[318] Unable to achieve his primary diplomatic objective, the ambassador was still applauded by the State Department for making the best of a poor--and potentially dangerous--situation.

Next, Dwight Morrow cooperated in Calles' efforts to maintain American support and business confidence by delivering the most important speech of his diplomatic career. The ambassador disliked giving speeches and made very few of them during his three years abroad, but he was concerned that "some of the reports that have gone to the American press have unduly emphasized differences in Mexico" so that the American public received the wrong impression of conditions in the country.[319] In an attempt to counterbalance these stories, Morrow agreed to address a U.S. Chamber of Commerce luncheon to be held in Mexico City on August 1, 1928. American business leaders, prominent government officials, members of the diplomatic corps, and reporters from several major newspapers were among the two hundred guests who listened to the ambassador less than two weeks after the murder of Obregón.[320] Morrow's purpose, as he explained it

to Montes de Oca, was "to stress the thought of the tranquility of the Mexican people, and the confidence that foreigners should have in them" during the succession crisis.[321] The envoy emphasized this point by reminding his audience that in business confidence was "the fundamental rock upon which all successful commerce must rest." Applying this business rule to the situation at hand, Morrow declared that "If you are to succeed in Mexico you must have confidence in Mexico, and Mexico must have confidence in you." The ambassador went on to express his sorrow for the loss of Carranza and Obregón, but he stated that "We have been deeply impressed by the fortitude and tranquility with which the Mexican people have withstood a stunning blow." Morrow suggested that his audience remain as calm and as confident as he was in the nation's future because "all peoples are helped by the faith of other people in them." The speaker concluded his remarks by saying that "We who know Mexico and the Mexican people can have a firm faith that they will solve their great problem by the orderly process of law."[322]

Morrow's speech was heralded as a great success in both the United States and Mexico. Montes de Oca was convinced that the address had helped to improve his nation's image in business circles, while Calles' Minister of Education, Puig Casauranc, praised Morrow as the first American ambassador to take a benign interest in Mexico's internal affairs.[323]

Excelsior agreed that such confidence was the greatest aid that foreigners could offer Mexico, although the newspaper warned that all Mexicans would have to obey the law in this crisis if they hoped to maintain foreign support.[324] According to the editors of this daily, "We have had no lack of laws, [but] we have lacked men who knew how to obey them."[325] Newspapers in the United States were equally enthusiastic. Elizabeth Cutter Morrow was able to report from New England that "the papers are full of Dwight's speech before the Chamber of Commerce." [326] In a typical editorial on the subject the Providence Journal applauded Morrow's faith in Mexico and stated that if such faith would help Calles "then assuredly the sooner we give fresh expression to our confidence and trust the more valuable it will be to [the] President . . . and his colleagues in their . . . endeavor to maintain order during this critical period." [327]

Morrow had, therefore, succeeded in his efforts "to stress . . . the confidence that foreigners should have" in Mexico by the time he departed on a tour of Puebla and Oaxaca on August 16. [328] The ambassador had originally planned an informal trip to help "disarm suspicion against him as [Sheffield's successor and as a] former member of J.P. Morgan," but he was completely surprised by the Mexican government's plan to welcome him with "a reception equivalent to that accorded to a chief executive of the country." [329] Morrow

had no sooner entered the state of Puebla when he was met by a large delegation of public officials escorted by motorcycle policemen. These officials accompanied the envoy into their capital city where large crowds lined the streets and church bells rang to call out those who were not already present. A military band played the national anthems of both the United States and Mexico before Governor Bravo Izquierdo honored Morrow at a huge banquet that evening.[330]

The ambassador received an even greater reception when he crossed into Oaxaca on the following day. Governor Genaro V. Vázquez and several other leading citizens met Morrow's train at the border and crowds "with primitive fireworks and little [American] flags" welcomed him at every town along the way.[331] At each of these stops, Morrow mixed with the Indians and paused at the local market place to "show an interest in what[ever] they made in that particular area."[332] Years later, a member of the ambassador's party recalled that "word had gone ahead that [Morrow] was interested in the products . . . of the region" so that "before we had gone very far, they were bringing down all sorts of gifts to him."[333] Traveling on to the city of Oaxaca,[334] Governor Vázquez hailed Morrow as "our real friend and the friendly representative of our great, powerful and friendly neighbor."[335] The ambassador was entertained with Indian dancing, mock bullfights, a dinner in his honor, fireworks,

and a tour to the ruins of Mitla before he returned to Mexico City in what was described as "an even more triumphal journey."[336] According to one correspondent, "Everything that anybody could think of to do to honor the visiting Ambassador was done" as the chief of the National Railways instructed local officials to "render public homage" to the American envoy.[337] Morrow's perfectly orchestrated visit had progressed without mishap because, as always, the ambassador was as anxious as the Mexicans to see that all went well with their plans to improve U.S.-Mexican relations.

The Calles regime did everything in its power to honor Morrow on his trip through the countryside because it hoped to use the ambassador's experience to prove that Mexico not only remained friendly to the United States, but also safe for foreign investors. Alarming reports had noted that from fifteen to fifty soldiers were assigned to each passenger train leaving from Durango in August. In one incident, eighty American tourists had been stopped by bandits, "stripped of every article of value," and forced to walk to the next town after their cars had been totally destroyed.[338] Calles hoped to counterbalance these stories by focusing attention on Morrow's peaceful tour, just as the ambassador had helped to counterbalance similar reports with his speech to the U.S. Chamber of Commerce. The government went so far as to print postcards showing Morrow in Oaxaca and the

National Railways paid the entire bill for Morrow's trip to southern Mexico.[339] Calles judged this publicity to be a great success in alleviating American fears,[340] but he also hoped to use the ambassador's tour to show his internal enemies that Morrow and the United States remained friendly to his government. Few generals would dare to revolt against Calles and his chosen successor as long as they knew that the president could rely on Morrow's sympathy and the American support it guaranteed.[341]

Washington's support became increasingly important in the days prior to Calles' address to the Mexican Congress on September 1, 1928. Calles planned to open Congress on this date by stating that he had no desire to remain in office for an additional two years because the time had come to create a government based on laws and institutions that could survive the loss of even the greatest political leaders. Realizing that he needed the military's loyalty to prevent the rise of a new caudillo, but obviously worried that his generals could not be trusted, Calles ordered Amaro to issue a manifesto five weeks prior to his scheduled address. This manifesto called on all military leaders to express their loyalty to Calles at the height of the succession crisis.[342] Every member of the military, "from the principal chiefs of the army to the last foot soldier," responded by publicly expressing his loyalty to the

president.[343] It was, nevertheless, clear that American support, or the threat of its withdrawal, had a great influence on the generals' position. In an apocryphal story that circulated in Mexico and later surfaced in Washington, Calles supposedly gathered his generals and state governors to warn them that "the United States would intervene with all certainty" if there was a new uprising in Mexico. Reminding them that he had "every reason to be well informed" because he was close to Morrow, Calles claimed that U.S. intervention would destroy the Revolution while "all revolutionaries, besides losing their properties, would [surely] go to the gallows." The only way to prevent this disaster, according to Calles, was "to preserve peace at any cost" and abandon any plans to revolt. Addressing three senior officers in particular, the president declared that "You will hear what I have to say to Congress [on September 1] and you can be sure [that] the program I will outline is the only one acceptable to the United States."[344] There is no evidence to prove just how much of this story is true, although we do know that Morrow never threatened military intervention in Mexico. The story's existence nevertheless demonstrates that American support was considered to be of great importance in 1928 as the government attempted to discourage ambitious generals and defuse revolutionary plots. Unable to rely on the main props of his regime with Morones

discredited and the army's loyalty in doubt, Calles recognized the great value of Morrow's friendship as he faced the danger of more widespread violence. The ambassador had become a formidable obstacle to rebellions in Mexico without ever having to threaten Calles or his political enemies overtly with a battalion of armed Marines.

Morrow, on the other hand, had helped Calles in his efforts to maintain order and prevent rebellions because he honestly shared the president's desire to see Mexico ruled by institutions, rather than by caudillos. Thus, while Morrow privately urged the president to remain in power and wrote that "it is doubtful whether [Calles] and his associates can agree upon the man to take his place,"[345] the ambassador threw his support behind Calles on September 1 because he recognized the president's plan as the best alternative to Calles staying in office and the best long-range solution to the problem of Mexican instability. Anticipating the American reaction that the establishment of government by institutions in Mexico was "a cry in the wilderness,"[346] Morrow persuaded the Mexican government to release English translations of Calles' address to Congress on Friday, twenty-four hours before it was to be delivered on September 1.[347] These translations arrived in time to appear in Sunday papers across the United States where they received maximum coverage and a good deal of favorable commentary.[348]

Dwight Morrow demonstrated his own support for the president by attending the opening of Congress and by listening to Calles' speech with great enthusiasm. In what was described as "the most significant pronouncement made in Mexico for many years," Calles explained his plan to create a government based on institutions and led by a provisional president until new elections could be held in the following year. At the most dramatic moment of his speech, the president turned to the military leaders who sat as a group to the right of the rostrum. Morrow later wrote that these generals "rose in a body and stood at attention" while the chief executive declared that he "could guarantee the discipline and civic spirit of the military instution" in the coming months.[349] The entire hall rang with applause at these words and, while his fellow ambassadors remained seated "with diplomatic impassiveness and immobile faces," Morrow threw the traditional rules of protocol to the wind and rose to his feet in support of the president.[350] Impressed by this highly symbolic gesture and united by Calles' strong leadership, men "of practically all shades of political thought" rallied behind the president.[351] By October 1, Morrow concluded that Calles' speech had been a masterstroke that had given the ruler "a stronger hold on the country than any man has [enjoyed] for a long time."[352] Mexico had apparently weathered its most recent political storm without excessive

damage thanks to Calles' great personal power and thanks, in at least some degree, to Morrow's diplomatic support.

A Provisional President

The succession crisis itself was finally resolved when the nation's top military leaders met in secret sessions to decide which of their number would serve as the next president of Mexico. Calles warned the generals that they would have to choose a civilian to rule because a military candidate would split their ranks and damage the army's reputation, but the officers insisted that any division commander was "[better] able to occupy the presidency than any civilian" in the country.[353] They nevertheless agreed that a civilian would have to serve as at least the provisional president because they could not decide which general was best able to succeed Calles.[354] Faced with this deadlock, Calles and his officers finally turned to Emilio Portes Gil to serve as the provisional ruler of Mexico from December 1, 1928, until February 5, 1930. Congress dutifully elected the 37-year-old Minister of Government without a single dissenting vote.[355]

The Mexicans had chosen Emilio Portes Gil for two main reasons. First, Calles and his generals realized that they would have to satisfy the agrarian forces that had previously supported Obregón if there was to be peace in the countryside.[356] Portes Gil answered this important political

need because he had been known as "a rather extreme radical" on agrarian issues when he served as the governor of Tamaulipas from 1925 to August, 1928.[357] It was commonly known that Portes Gil had redistributed a total of 36,083 hectares of land in his first two years in office, despite the fact that no land had been redistributed in Tamaulipas from the outbreak of the Revolution to 1925.[358] The governor had even gone so far as to use the Agrarian Code as a text to teach peasants how to read and write in his home state.[359] As always, Calles had been willing to abandon his efforts to slow down the agrarian reform when it was politically expedient to do so. Dwight Morrow, on the other hand, hoped that his new responsibilities would "sober" the young president's enthusiasm for the redistribution of land.[360] Somewhat encouraged by McNab's report that Portes Gil had cooperated in the investigation of several cases involving American landowners,[361] the ambassador told a New York correspondent that the president-elect was, in fact, "moving toward the right" by October 1, 1928.[362]

The Mexicans had also chosen Portes Gil as their provisional ruler because, in Morrow's words, "he is devoted to President Calles" and could be expected to follow Calles' policies on most important issues.[363] Portes Gil could, for example, be expected to cultivate Washington's friendship by continuing to exploit Morrow's invaluable support. Calles stressed the importance of this aid by inviting the ambassador

and Portes Gil to his ranch in yet another round of "ham and eggs diplomacy." The three leaders met for five hours on October 11[364] before Morrow returned to the embassy to describe his impressions of Portes Gil in a letter to Thomas Lamont. Morrow called the president-elect "a direct, straightforward man" who had "much more Indian blood than any of the recent heads of the Mexican Government." The envoy added that he was "much more impressed" with Portes Gil than he had been at their first casual meeting and he was confident that the young ruler would be more economical than Obregón because the assassinated hero "was under political obligations that would have led . . . to new extravagances" in government spending.[365] Morrow concluded that Portes Gil was probably the best possible choice for the presidency as long as Calles himself refused to remain in power.

Portes Gil fully realized the importance of settling all diplomatic problems with the United States so that Washington would not be tempted to intervene in the Revolution and American businessmen would have no misgivings about investing their surplus capital in Mexico.[366] The new president therefore praised Morrow in his inaugural address[367] and told American visitors at his inauguration that "Mexico has her doors open for the investment of your capital."[368] Portes Gil undoubtedly agreed with a Mexican editorial that argued that "we must take advantage of the opportunity that improved . . .

diplomatic relations offer so that foreign capital will not doubt our guarantees."[369] Dwight Morrow's confidence in Mexico represented a major guarantee of this kind and, while some "dubbed him a 'soft-peddler'" on conditions south of the Rio Grande,[370] most businessmen and foreign creditors were willing to believe anything that the former banker had to say about the political and economic situation in Mexico. This situation remained unstable at best, but Calles and the Mexicans had every reason to feel that it would have been far worse if Morrow had not been the American ambassador to their country in the tragic days of 1928.

NOTES

Chapter V

1. Quoted in Excelsior, December 7, 1927.

2. Ibid., November 29, 1927. According to former Secretary of State Hughes, there was "not the slightest reason for antagonism between either the peoples or the Governments of the United States and Mexico." Quoted in the New York Times, May 13, 1928.

3. Quoted in Excelsior, April 27, 1928.

4. The series ran from November 14 to December 10, 1927.

5. Swanberg, Citizen Hearst, pp. 467-77; Gregorio Selser, Diplomacia garrote y dólares en América Latina (Buenos Aires: Editorial Palestra, 1962), pp. 183-86. The four senators were William Borah, George Norris, Robert LaFollette, Jr., and Thomas Heflin.

6. Included in Agencia Mexicana de Prensa to Calles, Mexico City, December 6, 1927, 721-I-6, RO-C.

7. Swanberg, Citizen Hearst, p. 474. George Seldes charged that Ávila had been on the U.S. embassy payroll and had been "closely associated" with Ambassador Sheffield. Seldes, Tell the Truth, p. 218.

8. Excelsior, January 4, 1928; Selser, Diplomacia, pp. 184-85; Sheffield to Weddell, New York, December 5, 1927, Box #9, Sheffield Papers.

9. Seldes, Tell the Truth, p. 216; Seldes, Print That, pp. 336-42; Beals, Glass Houses, p. 264. Will Rogers reported that "You cant [sic] hardly land down here till somebody comes up to you mysteriously and wants to sell you some Documents. . . . You can order any paper you want. . . . It's just one form of organized Graft that we don't seem to have up home." Rogers, "More Letters [of June 9, 1928]," 18.

10. Swanberg, Citizen Hearst, pp. 476, 477n; Selser, Diplomacia, p. 185; Excelsior, January 7, 1928.

11. Beals, Glass Houses, p. 264; "Photostats, Lead Pipes and Loaded Dice," editorial in Mexican Life, IV (January, 1928), 34-35; Selser, Diplomacia, pp. 179-82; Spanish Ambassador to Spanish Foreign Ministry, Washington, November 16, 1927, SDR, Dispatch #572 of 1927.

12. Quoted in the New York Times, December 20, 1927.

13. Mexican Life, IV (January, 1928), 35; American criticism of Hearst was summarized in Agencia Mexicana de Prensa to Calles, Mexico City, November 22, 1927, 721-I-6, RO-C. Hearst was never punished because, as Seldes put it, "the Press Lords are always above the law." Seldes, Tell the Truth, p. 218.

14. Quoted in El Universal, November 22, 1927. Also see the State Department Memo on a conversation with Téllez, Washington, [December, 1927], ADS, 711.12 Forged Correspondence/79.

15. Manuel Sorola's FBI Report, San Antonio, November 19, 1927, ADS, 812.00/28999. The documents were offered to the Mexican consul on August 24, 1927.

16. Quoted in Excelsior, January 17, 1928; also see ibid., January 14, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, December 15, 1927, SDR, Dispatch #291 of 1927 for criticism of Hearst in the Mexican press.

17. State Department Memo on a conversation with Téllez, Washington, [December, 1927], ADS, 711.12 Forged Correspondence/79.

18. Olds to Morrow, Washington, December 9, 1927, Morrow Papers.

19. Selser, Diplomacia, p. 86.

20. Morrow to Olds, Mexico City, January 8, 1928, Morrow Papers.

21. The other eight U.S. delegates were: Dr. Leo S. Rowe of the Pan American Union, President Ray Lyman Wilbur

of Stanford University, Judge Morgan G. O'Brien of New York, James Brown Scott (an authority on international law), ex-Senator Oscar W. Underwood, Ambassador J. Brandon Judah, Ambassador Henry P. Fletcher, and former Secretary of State Hughes. Excelsior, February 12, 1928.

22. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers. Also see Morrow to Hilles, Mexico City, December 12, 1927, Box #193, Hilles Papers.

23. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

24. Kellogg to Fletcher, Washington, July 26, 1927. File XIII, Box #19, Frank B. Kellogg Papers, quoted in Jeanne C. Traphagen, "The Inter-American Diplomacy of Frank B. Kellogg" (unpublished Ph.D. dissertation, University of Minnesota, 1956), 300.

25. Excelsior, January 2, 1928.

26. Ross, Grace Coolidge, p. 237.

27. The president's speech was published in Excelsior, January 17, 1928.

28. Quoted in ibid., January 30, 1928. Privately, Morrow wrote that he had a "pleasant but rather hectic time in Havana" as most of his visit was, "unfortunately, . . . taken up . . . with entertainment." Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers. Despite this, the ambassador was able to meet with several representatives from the oil companies and with Father John J. Burke in Havana. Burke was to play a major role as an intermediator in the Mexican Church-State conflict. Lane's Notes on Morrow, p. 2, Folder 91, Box #4, Lane Papers; Olds to Morrow, Washington, January 9, 1928, Morrow Papers. Also see below, pages 286-89. Morrow was gone from Mexico from January 10 to January 29, 1928.

29. Charles Evans Hughes, The Autobiographical Notes of Charles Evans Hughes (Cambridge: Harvard University Press, 1973), p. 276.

30. Ibid., pp. 277-78. On Hughes' role at the conference, see L. Ethan Ellis, "Frank B. Kellogg" in Norman A. Graebner, ed., An Uncertain Tradition: American Secretaries of State in the Twentieth Century (New York: McGraw-Hill, 1961), pp. 162-63; Wood, Good Neighbor, pp. 42-43. According to one oil company executive, "We feel that the non-intervention policy is coming and should come, but that until peace shall be crystallized . . . it is premature and a source of danger to Americans [because it is an] invitation to demolition to excitable natives." Harold Walker to Morrow, Washington, January 8, 1928, Morrow Papers.

31. Excelsior, February 20, 1928.

32. Editorial in El Universal, February 22, 1928; also see ibid., February 16, 1928.

33. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, February 15, 1928, SDR, Dispatch #30 of 1928. The five other Mexican delegates were: Fernando González Roa, Salvador Urbina, Aquiles Elorduy, Genaro Ferández MacGrégor, and Benito Flores.

34. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, February 29, 1928, SDR, Dispatch #41 or 1928.

35. Morrow's Memo for Rublee, Mexico City, April 2, 1929, Morrow Papers. Also see the New York Times, January 7, 1928; J. Fred Rippy, The United States and Mexico (New York: F. S. Crofts, 1931), p. 378.

36. Morrow to McBride, North Haven, Maine, August 30, 1929, Morrow Papers.

37. Wood to William McKinley, February 6, 1900, Leonard Wood Papers, quoted in Robert Freeman Smith, "Cuba: Laboratory for Dollar Diplomacy, 1898-1917," The Historian, XXVIII (August, 1966), 592.

38. Kellogg to Morrow, Washington, December 17, 1927, Morrow Papers. Also see Lane's Notes on Morrow, p. 2, Folder 91, Box #4, Lane Papers.

39. Morrow to Owen D. Young, Mexico City, April 6, 1928; Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

40. J. Reuben Clark, Jr., "The Oil Settlement with Mexico," Foreign Affairs, VI (July, 1928), 610; Taracena, La verdadera revolución, XIII: 152.

41. V. Munroe's Memo on his meeting with A. Legorretta and T. M. Pierce, New York, December 13, 1927, Lamont Papers.

42. Wall Street Journal, December 6, 1927. Also see the editorials in ibid., December 11, 12, 13, 1927.

43. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

44. Morrow to Munroe, Mexico City, December 24, 1927, Morrow Papers; Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers. The oil companies' agents in Mexico City included Harold Walker of the Pan American Petroleum and Transport Company, H. N. Branch of the Huasteca Petroleum Company, Judge W. E. McMahon of the Transcontinental Petroleum Company, and H. K. V. Tompkins of the Mexican Gulf Oil Company. Morrow's admiration was reciprocated by these men; see McMahon to Edward G. Lowry, Mexico City, November 24, 1933, Morrow Papers, and Branch, OHC, pp. 126-127, 145-50.

45. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers; emphasis in the original. Wrote Morrow: "The most encouraging feature of the oil situation is that the oil people down here are in complete disagreement with the lawyers in the States." Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

46. Morrow's opinion is referred to in V. Munroe's Memo on his meeting with A. Legorretta and Pierce, New York, December 13, 1927, Lamont Papers.

47. Morrow to Young, Mexico City, April 6, 1928, Morrow Papers. Also see Morrow to Harlan F. Stone, Mexico City, February 7, 1928, Morrow Papers.

48. Lorenzo Meyer, México y Estados Unidos en el conflicto petrolero, 1917-42 (México: Gráfica Panamericana, 1968), p. 181; Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

49. Ibid.

50. Ibid.

51. Morrow to Kellogg, Mexico City, November 20, 1927, ADS, 812.6363/2429.

52. Clark, "Oil Settlement," 611; L. Meyer, Conflicto petrolero, p. 181; Paul P. Young, "Mexican Oil and American Diplomacy" (unpublished Ph.D. dissertation, University of Texas, 1934), 196-98. Calles' independent action disproves Meyer's contention that "the wording of the new oil law was directly supervised by the ambassador and was considered satisfactory to Washington." L. Meyer, "Desarrollo Político y Dependencia Externa: México en el Siglo XX" in William P. Glade and Stanley R. Ross, eds., Críticas constructivas del sistema político Mexicano (Austin: University of Texas Press, 1973), p. 33.

53. Clark, "Oil Settlement," 611. The new law was promulgated on January 3, 1928.

54. Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

55. Ibid.; emphasis added.

56. Ibid.

57. Ibid.

58. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

59. Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

60. Quoted in Clark, "Oil Settlement," 612. This letter was dated January 9, 1928.

61. Ibid.

62. Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

63. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers. Morones' staff included Ing. Paredes and Margo Soto.

64. Clark, "Oil Settlement," 613; Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers. Morrow claimed that he and Clark "saw the leading Mexico counsel of the oil people almost daily for a month." Morrow to Munroe, Mexico City, April 9, 1928, Morrow Papers.

65. Schoenfeld to Lane, Mexico City, March 9, 1928, Box #1, Lane Papers.

66. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers; Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers.

67. Clark, "Oil Settlement," 613; Morones to Morrow, Mexico City, March 27, 1928, Morrow Papers.

68. The regulations were published in Diario Oficial, March 28, 1928, and in Mexico Commerce & Industry, X (April, 1928), 20-21, 27-28.

69. Quoted in Clark, "Oil Settlement," 615. Also see the New York Times, March 29, 1928, and Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers.

70. New York World, March 28, 1928.

71. Clark, "Oil Settlement," 601, 613; Young, "Mexican Oil," 204.

72. Ibid.; Clark, "Oil Settlement," 613.

73. Ibid.

74. Spanish Ambassador to Spanish Foreign Ministry, Washington, March 28, 1928, SDR, Dispatch #206 of 1928.

75. Editorial in Outlook, CXVIII (April 11, 1928), 575.

	4 per cent Mexican Bonds	5 per cent Mexican Bonds
March 24, 1928	23½	36
April 25, 1928	28½	43 2/3

Source: Excelsior, March 24, April 25, 1928.

76. Washington Sun, March 28, 1928. All other newspapers listed were quoted in Excelsior, March 30, 1928.

77. Ibid.

78. See, for example, ibid., April 7, 1928.

79. Morrow Memo for Rublee, Mexico City, April 2, 1929, Morrow Papers. The State Department agreed with this assessment in a public statement issued on March 28. This statement appeared in the New York Times on the same day and in Clark, "Oil Settlement," 615.

80. Walker to Morrow, New York, March 29, 1928, Morrow Papers.

81. McMahon to Richardson Pratt, Mexico City, January 11, 1928, Morrow Papers.

82. Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers. Also see Schoenfeld to Lane, Mexico City, March 9, 1928, Box #1, Lane Papers.

83. Sloane to Morrow, Havana, January 19, 1928, Morrow Papers; also see above, pages 67-68.

84. Young, "Mexican Oil," 205.

85. Wall Street Journal, March 29, 1928.

86. Morrow to Olds, Mexico City, May 8, 1928, Morrow Papers.

87. Excelsior, April 15, 1928; México Commerce & Industry, X (July, 1928), 10.

88. London Times, August 7, 1928; Washington Post, August 19, 1928.

89. See above, pages 206-208.

90. Quoted in the New York World, February 5, 1928.

91. Quoted in Lane to Olds, Washington, December 13, 1927, ADS, 812.404/845 3/4.

92. Quoted in Branch, OHC, p. 147. Also see Morrow to Rublee, Mexico City, February 2, 1928, and Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

93. Ibid. Morrow provided an example of this practice in Morrow to Kellogg, Mexico City, July 16, 1928, Morrow Papers.

94. Morrow to Olds, Mexico City, December 9. 1927, Morrow Papers.

95. Morrow to Olds, Mexico City, November 30, 1927, Morrow Papers.

96. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers.

97. Ibid.

98. Bailey, Cristo Rey, p. 308.

99. Joseph C. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

100. Ibid. On February 27, 1928, the Christian Science Monitor noted that every revolution in Mexico had brought a "decrease of Mexican purchasing power for American goods" in general.

101. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876. Rublee recalled that "If you went [by] train there was also a carload or two of soldiers on the train to protect it" from Cristero raids. Rublee, OHC, pp. 214, 219.

102. Morrow to A. Leggorretta, New York, January 14, 1927, Morrow Papers.

103. La Prensa (San Antonio), February 10, 1928.

104. Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers.

105. Frances E. Mulhall to William P. Blocker, Amatlán de Cañas, Nayarit, January 3, 1928, and Mulhall to Blocker, Amatlán de Cañas, January 10, 1928, included in Blocker to Kellogg, Mazatlán, March 6, 1928, ADS, 812.00/29141.

106. Ibid.

107. J. Meyer, Cristero Rebellion, p. 164. Meyer argues that McNab convinced Amaro to construct these concentration camps in early 1928.

108. Ibid., p. 165.

109. Ibid., p. 159; Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers; Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

110. J. Meyer, Cristero Rebellion, p. 164. See below Table 5-1, page 284.

111. Sterrett and Davis, "Fiscal & Economic Condition," 99, 104.

112. Satterthwaite to Kellogg, Guadalajara, October 6, 1927, ADS, 812.00/28876.

113. Sterrett and Davis, "Fiscal & Economic Condition," 99.

114. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers.

115. McNab Report for Morrow, Mexico City, August 31, 1928, ADS, 812.00/29302.

116. See above, page 227.

117. Quoted in Morrow to Olds, Mexico City, March 16, 1928, Morrow Papers.

118. Henry K. Norton, "Morrow's Achievement in Mexico," Mexican Life, V (July, 1929), 22.

119. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers. Also see Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

120. Morrow continued to worry that "something may happen any day which would make it impossible for one party or the other to [participate in peace negotiations]." Morrow to Olds, Mexico City, March 16, 1928, Morrow Papers.

121. Taracena, La verdadera revolución, XIII: 217, and see below, page 523.

122. Calculated from Wilkie, Federal Expenditure, Table 5-2, p. 102. Also see J. Meyer, Cristero Rebellion, p. 159.

123. The military's share of the budget had equaled as much as 69.6 per cent in 1917 and 42.6 per cent as recently as 1924. Wilkie, Federal Expenditure, Table 5-2, p. 102.

124. Sterrett and Davis, "Fiscal & Economic Condition," 108.

125. Morrow Memo on his breakfast with Calles, Mexico City, November 29, 1927, Morrow Papers.

126. Memo by Major Harold F. Thompson enclosed in Morrow to Kellogg, Mexico City, July 16, 1928, ADS, 812.00/2921½; this correspondence can also be found in the Morrow Papers.

127. Morrow to Olds, Mexico City, December 9, 1927, Morrow Papers. Also see Morrow to A. Legorretta, New York, January 14, 1927, Morrow Papers.

128. L. Ethan Ellis and others have long argued that Calles' willingness to deal with church officials in 1928 was "doubtless due to Morrow's persuasiveness." Ellis, "Dwight Morrow and the Church-State Controversy in Mexico," Hispanic American Historical Review, XXXVIII (November, 1958), 491. Calles' policy of fighting the Cristeros while seeking a negotiated peace with the church can be compared to Ian Smith's "talk, talk, fight, fight" strategy in Rhodesia and Menachem Begin's policy of attacking the PLO while negotiating with the Egyptians in the Middle East.

129. See above, pages 275-82.

130. Rublee, OHC, p. 220. Also see Williams, OHC, p. 710.

131. Sister M. Elizabeth Ann Rice, The Diplomatic Relations Between the United States and Mexico, as Affected by the Struggle for Religious Liberty in Mexico, 1925-29 (Washington: Catholic University of America Press, 1959), pp. 114-15. Burke served as the Executive Secretary of the National Catholic Welfare Conference and, according to Morrow, "enjoyed the full confidence of the leaders of the Church in America." Quoted in ibid., p. 115.

132. The drafts, labeled "A" and "B", were enclosed in Morrow to Olds, Mexico City, March 16, 1928, Morrow Papers.

133. Burke's letter appears in Rice, Diplomatic Relations, Appendix B, pp. 202-203, and in ADS, 812.404/931-2/12.

134. Morrow Memo on his meeting with Calles on March 29, 1928, Mexico City, March 30, 1928, Morrow Papers.

135. John Q. Woods to Kellogg, Veracruz, April 16, 1928, ADS, 812.001C13/27.

136. Calles' letter appears in Rice, Diplomatic Relations, Appendix B, p. 203, and in ADS, 812.404/931-2/12.

137. El Dictamen (Veracruz), April 8, 1928. Also see Spanish Ambassador to Spanish Foreign Ministry, April 15, 1928, SDR, Dispatch #93 of 1928.

138. Rublee Memo on Religious Controversy, Mexico City, [1929], Morrow Papers. The ambassador asked Rublee to write this summary of events when the controversy was resolved; it is hereafter cited as the Rublee Memo.

139. Ellis, "Church-State Controversy," 492. According to Williams, "there were enough refugees . . . from the days of Díaz still in France [and] . . . Italy . . . to bring counterpressure that for a long time nullified a good deal of Mr. Morrow's negotiations." Williams, OHC, p. 711.

140. Quoted in Weddell to Sheffield, Mexico City, May 7, 1928, Box #9, Sheffield Papers. Williams, for one, felt that the issue would have been resolved in 1928 if Morrow had been able to take his case directly to the pope in Rome. Williams, OHC, p. 711.

141. See, for example, Ellis, "Church-State Controversy"; Rice, Diplomatic Relations, pp. 109-87; Joseph V. Cirieco, "The United States and the Mexican Church-State Conflict, 1926-29" (unpublished M.A. thesis, Georgetown University, 1960), 106-45; Lou Kotler, "Dwight Morrow and the Church-State Problem in Mexico" (unpublished manuscript, Department of Political Science, Bryn Mawr College, 1970); Edward J. Berbusse, "The Unofficial Intervention of the United States in Mexico's Religious Crisis, 1926-30," The

Americas, XXIII (July, 1966), 28-63; Bailey, Cristo Rey; J. Lloyd Mecham, Church and State in Latin America (Chapel Hill: University of North Carolina Press, 1966), pp. 398-402; Brian J. Kelly, "The Cristero Rebellion, 1926-29: Its Diplomacy and Solution" (unpublished Ph.D. dissertation, University of New Mexico, 1974); Walter Lippmann, "Church and State in Mexico: The American Mediation," Foreign Affairs, VIII (January, 1930), 186-207. Given his article on Morrow's role in the Church-State conflict, it is strange to find that Lippmann later claimed credit for the ambassador's work in an interview with Richard Rovere. One must assume that either Lippmann had grown senile at age sixty-one or Rovere was as poor an interviewer as he admitted he was in "Walter Lippmann," The American Scholar, XLIV (Autumn, 1975), 590; the original interview had taken place in 1950.

142. Quoted in Lane to Olds, Washington, December 13, 1927, ADS, 812.404/845 3/4.

143. See above, page 127.

144. Quoted in Lane to Olds, Washington, December 13, 1927, ADS, 812.404/845 3/4. On the oil companies' fear of losing face in Latin America, see above, pages 67-68.

145. J. C. Satterthwaite to the author, Washington, October 25, 1976; New York Times, March 29, 1928.

146. Cardoso, "Mexican Emigration," 97; Sterrett and Davis, "Fiscal & Economic Condition," 158-59; see above, page 210.

147. Simpson, "Mexican Agrarian Reform," 99-100.

148. Simpson, The Ejido, pp. 388, 401, 407-408; Raymond Carr, "Mexican Agrarian Reform, 1910-60" in U. L. Jones and S. J. Woolf, eds., Agrarian Reform and Economic Development (London: Methuen & Company, 1969), p. 158.

149. See, for example, Melesio Díaz to Obregón, April 6, 1923, 818-S-228, RO-C.

150. J. C. Satterthwaite to Kellogg, Guadalajara, November 1, 1927, ADS, 812.00/28932.

151. J. Meyer, Cristero Rebellion, p. 106.

152. See above, page 119; Schoenfeld to Kellogg, Mexico City, October 18, 1927, ADS, 812.00/28906.

153. Schoenfeld to Kellogg, Mexico City, October 7, 1929, ADS, 812.00/28800; Schoenfeld to Kellogg, Mexico City, October 8, 1929, ADS, 812.00/28806.

154. The order to disarm appeared in El Universal, January 9, 1928.

155. Pomian, Retinger, p. 56.

156. See Schoenfeld to Kellogg, Mexico City, October 18, 1927, ADS, 812.00/28906, on these "outrages" in the past.

157. Cardoso, "Mexican Emigration," 98-100; Clark W. Reynolds, The Mexican Economy: Twentieth Century Structure and Growth (New Haven: Yale University Press, 1970), p. 107.

158. [Rublee], "Memorandum Relating to the Agrarian Situation in Mexico," Mexico City, [no date noted], Morrow Papers. Also see Hicks, "Economic Effects" 72-73.

159. Rublee, OHC, p. 213.

160. Rublee, "Memo on the Agrarian Situation," Mexico City, [1930], Morrow Papers.

161. Ibid.

162. Simpson, "Mexican Agrarian Reform," 100.

163. See above, page 115.

164. Simpson, "Mexican Agrarian Reform," 248; Hicks, "Economic Effects," 65.

165. Winslow's Memo on the Agrarian Reform, Mexico City, December 5, 1927, ADS, 812.52/1478; Weddell to Kellogg, Mexico City, December 30, 1927, ADS, 812.52/1481.

166. Morrow to Kellogg, Mexico City, November 15, 1927, ADS, 812.52/1477.

167. Weddell to Kellogg, Mexico City, December 30, 1927, ADS, 812.52/1481.

168. Simpson, "Mexican Agrarian Reform," 112; Sterrett and Davis, "Fiscal & Economic Condition," 89.

169. Hicks, "Economic Effects," 65; El Universal, May 12, 1928.

170. Winslow's Memo on the Agrarian Reform, Mexico City, December 5, 1927, ADS, 812.52/1478.

171. El Universal, May 12, 1928.

172. Morrow to Kellogg, Mexico City, November 9, 1928, ADS, 812.51/1642; Morrow to Lamont, Mexico City, January 3, 1928, and Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers; Schoenfeld to Lane, Mexico City, March 9, 1928, Box #1, Lane Papers.

173. Morrow to Kellogg, Mexico City, November 9, 1928, ADS, 812.51/1642.

174. Ibid.

175. Simpson, The Ejido, Figure 28, p. 194. This decline in land redistribution did not come in "a period when the land hunger . . . [had] about spent itself," as the London Times argued, but in a period when Calles' conservative policies were finally enforced. London Times, May 24, 1928.

176. See above, page 212/

177. Paul H. Foster to Kellogg, Salina Cruz, February 10, 1928, ADS, 812.00 Oaxaca/1.

178. Foster to Kellogg, Salina Cruz, April 15, 1928, ADS, 812.52/783.

179. Morrow's Memo for Rublee, Mexico City, April 2, 1929, Morrow Papers; emphasis in the original.

180. See above, pages 212-13.

181. Schoenfeld to Kellogg, Mexico City, January 26, 1928, ADS, 812.52/1483.

182. Morrow to Kellogg, Mexico City, February 14, 1928, ADS, 812.52/1487.

183. Olds to Edward P. Lowry, Guadalajara, April 16, 1928, ADS, 812.5200/782; Morrow to Kellogg, Mexico City, December 3, 1927, ADS, 812.52/1518; Lane to Modie Harris, Washington, September 14, 1929, ADS, 812.52/1568.

184. See above, pages 185-86.

185. Barton, "Ambassador," 34; Davenport, "With Morrow," 9.

186. Lamm to Sheffield, Mexico City, February 12, 1929, Box #9, Sheffield Papers; Winslow to Lane, Mexico City, April 20, 1928, Box #1, Lane Papers.

187. Davenport, "With Morrow," 9.

188. Winslow to Lane, Mexico City, April 20, 1928, Box #1, Lane Papers; Lane Memo, Washington, July 5, 1928, ADS, 711.12/1142.

189. McNab's memo on his trip to Tamauoipas, Mexico City, May 19, 1928, Morrow Papers. Ing. Mario de Hoyo was the highest official in the National Agrarian Commission; Rubén F. Morales was the member of the National Agrarian Commission in charge of agrarian affairs in the state of Tamaulipas.

190. Portes Gil, Autobiografía, p. 600.

191. McNab's memo on his trip to Tamaulipas, Mexico City, May 19, 1928, Morrow Papers.

192. Ibid.

193. The Reeder case is reviewed in Portes Gil, Historia vivida de la revolución Mexicana (México: Cultura y Ciencia Politica, 1976), pp. 585-86. On other trips by McNab see Schoenfeld to Morrow, Mexico City, June 12, 1928, Morrow Papers.

194. Memorandum Giving [the] Names of American Properties Visited & Made the Subjects of Discussion with Agrarian Autorities During the Years 1928-29 and 1930 with Results of Visits, Mexico City, [1930], Morrow Papers.

195. Rublee, Memo on the Agrarian Situation, Mexico City, [1930], Morrow Papers.

196. Weddell to Sheffield, Mexico City, June 8, 1928, Box #9, Sheffield Papers.

197. Lane Memo, Washington, July 5, 1928, ADS, 711.12/1142.

198. Memorandum Giving [the] Names of American Properties Visited and Made the Subjects of Discussion with Agrarian Authorities During the Years 1928-29 and 1930 with Results of Visits, Mexico City, [1930], Case #30, Morrow Papers; Portes Gil, Autobiografía, p. 601.

199. Lamm to Sheffield, Mexico City, February 12, 1929, Box #9, Sheffield Papers. According to the embassy's memo on American land cases, a "working arrangement" was reached on the Lamm case after two more visits were made to Puebla.

200. McNab's memo on his trip to Tamaulipas, Mexico City, May 19, 1928, Morrow Papers; Schoenfeld to Lane, Mexico City, August 9, 1928, Box #2, Lane Papers.

201. McNab's memo on his trip to Tamaulipas, Mexico City, May 19, 1928, Morrow Papers. Calles helped in this effort by instructing Luis León "to cooperate with our Embassy in the matter of land cases, which he did to the very great satisfaction of the Ambassador. . . . Many difficult cases were settled with reasonable dispatch." Lieutenant Colonel Gordon Johnston to U.S. War Department, Mexico City, May 3, 1929, NOMB, Report No. 2379.

202. McNab's memo on his trip to Tamaulipas, Mexico City, May 19, 1928, Morrow Papers.

203. Clark quoted in Weddell to Sheffield, Mexico City, May 7, 1928, Box #9, Sheffield Papers.

204. Castle to Lane, Washington, December 30, 1930, Box #4, Lane Papers; Morrow to Olds, Mexico City, November 22, 1927; Curtis, Capital Question, pp. 256-57.

205. Morrow to Lamont, Mexico City, January 3, 1920, Morrow Papers.

206. Interview with Montes de Oca, Mexico City, November 18, 1833, Morrow Papers.

207. Morrow to Lamont, Mexico City, November 6, 1927, and Morrow to Arthur Anderson, Mexico City, August, 1928, Morrow Papers.

208. Interview with Montes de Oca, Mexico City, November 18, 1933, and Morrow's memo on his first conference with Montes de Oca at the U.S. embassy, Mexico City, November 11, 1927, Morrow Papers.

209. Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

210. See, for example, Montes de Oca to Morrow, Mexico City, June 17, 1928; Morrow to Kellogg, Mexico City, August 5, 1928; Morrow to Clark, Mexico City, November 15, 1928; Morrow to Lamont, Mexico City, January 3, 1928, Morrow Papers.

211. Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers.

212. Ibid.; Morrow to V. Munroe, Mexico City, January 10, 1928, Morrow Papers; Excelsior, April 15, 1928; Sterrett and Davis,"Fiscal & Economic Condition," 1.

213. Ibid.; Excelsior, April 15, 1928.

214. Sterrett and Davis, "Fiscal & Economic Condition," 2; Morrow to Rublee, Mexico City, February 2, 1928, and Morrow to Lamont, Mexico City, April 2, 1928, Morrow Papers.

215. Sterrett and Davis, "Fiscal & Economic Condition," 225-43.

216. Sterrett and Davis wrote, for example, that foreigners dominated Mexican business because "comparatively few Mexicans have shown the initiative, enterprise,

knowledge, and skill to undertake and carry through large and venturesome projects." This situation was partly due to the Mexicans' "inherent limitation of capacity." Ibid., p. 75.

217. Morrow to Lamont, Mexico City, April 2, 1928, and Montes de Oca, Mexico City, June 17, 1928, Morrow Papers. The largest gains were reported in import duties, income taxes, the federal stamp tax, and consular fees. The tax system nevertheless remained corrupt in many regions of the country. See, for example, Paul H. Foster to Kellogg, Salina Cruz, February 10, 1928, ADS, 812.00 Oaxaca/1.

218. Morrow to V. Munroe, Mexico City, January 10, 1928, Morrow Papers.

219. Morrow to V. Munroe, Mexico City, April 20, 1928, Morrow to Arthur Anderson, Mexico City, April 23, 1928, Morrow Papers; Excelsior, June 2, 1928.

220. Foster to Kellogg, Salina Cruz, February 10, 1928, ADS, 812.00 Oaxaca/1. Foster still complained that the remaining five dry-dock workers were not needed because the dock had only handled two small boats and a dredger in the previous six months.

221. Editorial in Mexican Life, IV (April, 1928), 11.

222. Mexico Commerce & Industry, XII (August, 1930), 17.

223. Excelsior, February 19, May 9, August 8, 1928; Mexico Commerce & Industry, X (January, 1928), 29.

224. Colonel C. D. Hicks, "The Tourist Business," Mexico Commerce & Industry, XII (May, 1930), 9; Excelsior, March 17, 1928.

225. This address was published in the Harvard Alumni Bulletin, June 28, 1928.

226. Quoted in Excelsior, April 28, 1930.

227. Morrow to Arthur Woods, Mexico City, December 12, 1927, Morrow Papers. Woods, a former police commissioner of New York, was associated with John D. Rockefeller in the late 1920s.

228. Morrow to Anne Morrow, Mexico City, February 28, 1928; Morrow to William T. Dewart, Mexico City, February 2, 1928; Dewart to Morrow, Pasadena, California, March 19, 1928, Morrow Papers. Also see Excelsior, March 20, 1928, and J. C. Satterthwaite to the author, Washington, October 25, 1976. Dewart was a newapaper editor with the New York Evening Sun; Strawn was a Chicago lawyer who served on the board of directors of several large companies, including the First National Bank of Chicago and Montgomery Ward and Company.

229. See, for example, the photograph of Morrow (with Rublee in the background) in Nicolson, Morrow, opposite p. 310.

230. New York Evening Sun, August 5, 1930.

231. Lindbergh, Autobiography, p. 125. Also see William Spratling's Memo on Morrow, Taxco, November 27, 1933, Morrow Papers; Edward V. Mitchell, "Guarding Ambassador Dwight Morrow in Mexico, 1929" (unpublished manuscript enclosed in Mitchell to the author, Monterey, California, October 27, 1976). According to Mitchell, Mexican troops escorted Morrow to Cuernavaca and local policemen stood guard outside his weekend retreat twenty-four hours a day in May, 1929.

232. See, for example, Elizabeth Morrow, "Our Street in Cuernavaca," American Mercury, XXIII (August, 1931), 411-18. This article was later published in E. Morrow, Casa Manaña (Croton Falls, New York: [no publisher noted], 1932). Casa Manaña was the name of the Morrows' home in Cuernavaca.

233. Harvey Bashan's Memo on Morrow, [no location noted], November 27, 1933; William Spratling's Memo on Morrow, Taxco, November 27, 1933; Fred Davis to Edward A. Lowry, Mexico City, November 17, 1933, Morrow Papers. Also see Anne Morrow to Constance Morrow, November 5, 1928, in Anne Morrow Lindbergh, Bring Me a Unicorn: The Diaries and Letters of Anne Morrow Lindbergh, 1922-28 (New York: Harcourt, Brace, Jovanovich, 1971), p. 228.

234. Davis to Lowry, Mexico City, November 17, 1933, Morrow Papers; Elizabeth Morrow to her mother, Florence, Italy, Mary 23, 1911, enclosed in

Constance Morrow Morgan to the author, North Haven, Maine, August 24, 1977.

235. New York Times, April 22, 1928; Excelsior, March 11, 1928; Erna Fergusson, Mexico Revisited (New York: Alfred A. Knopf, 1960), p. 309. The ambassador also encouraged the Mexican Typical Orchestra to tour four American cities in the spring of 1928. Excelsior, March 21, 1928.

236. New York Times, November 15, 1927.

237. Isaac F. Marcosson, "Mexico for the Mexicans," Saturday Evening Post, CXCIX (March 26, 1927), 198.

238. Excelsior, May 21, 1928; Mexico Commerce & Industry, X (May, 1928), 10.

239. Excelsior, August 8, 1928,

240. Mexico Commerce & Industry, IX (December, 1927), 12; Agencia Mexicana de Prensa to Calles, Mexico City, December 2, 1927, 721-I-6, RO-C. The trip took approximately thirty-three hours.

241. Excelsior, May 5, 1928; New York Sun, May 4, 1928.

242. Excelsior, March 17, 1928.

243. Ibid.; Excelsior, February 4, 1928.

244. Ibid., March 17, 1928.

245. Quoted in ibid., February 4, 1928.

246. Mexico Commerce & Industry, X (February, 1928), 12; Excelsior, February 4, 1928.

247. Ibid., March 4 and May 4, 9, 1928.

248. Ibid., March 19, August 15, and October 15, 1928. Morrow promised to "do anything for the visiting Legionaires which he properly can." Dawson to Lane, Mexico City, May 8, 1928, Box #1, Lane Papers.

249. Mexico Commerce & Industry, X (March, 1928), 11; Excelsior, March 5, 10 and September 21, 1928.

250. Ibid., March 10, 1928; New York Times, March 10, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, March 15, 1928, SDR, Dispatch #59 of 1928; Taracena, La verdadera revolución, XIII: 238.

251. See above, page 95; Taracena, La verdadera revolución, XIII: 196; Excelsior, October 16, 1928.

252. Walter Brown quoted in ibid., March 5, 1928. Also see Bird M. Robinson's comments in ibid., May 11, 1928. The U.S. Consul General reported that this "spasmodic tourist movement" showed signs of increasing and had, meanwhile, "stimulated retail trade" in Mexico City. Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers.

253. These investors included Marion E. Hay, the former governor of Washington state, and H. C. Dudley of Duluth, Minnesota. Excelsior, February 8, 1928; Mexican Magazine: A Mining Journal, IV (March, 1928), 85.

254. Morrow to Lamont, Mexico City, January 3, 1928, and Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers.

255. Eustace to Kellogg, [no location noted], November 28, 1928, ADS, 711.12/1154. Several of these speeches are included in ADS, 711.12/1143.

256. Frank H. Bailey to Mascareñas, Waterbury, August 9, 1928, enclosed in Eustace to Kellogg, [no location noted], November 28, 1928, ADS, 711.12/1154. Mascareñas was the director of the Bank of Mexico.

257. Mayor F. W. Hartford to Mascareñas, Portsmouth, New Hampshire, August 11, 1928, and Harry Hesselbein to Mascareñas, Johnstown, Pennsylvania, August 8, 1928, enclosed in Eustace to Kellogg, [no location noted], November 28, 1928, ADS, 711.12/1154. Also see Oscar T. Dudley to Mascareñas, Winnipeg, Canada, February 14, 1929, and J. Ellsworth Buck to Mascareñas, New Orleans, December 17, 1928, enclosed in Mascareñas to Eustace, Mexico City, March 27, 1929, ADS, 711.12/1170.

258. See Eustace's speech "About 2700-Mile Ride in Mexico" enclosed in ADS, 711.12/1143. The National Railways invited Eustace to return as its guest in the spring of 1929. Eustace to Kellogg, [no location noted], November 28, 1928, ADS, 711.12/1154.

259. Excelsior, February 12, 1928. Captain Carranza was one of former president Venustiano Carranza's three sons.

260. John W. Dye to Kellogg, Juárez, October 11, 1927, ADS, 812.00/28871. Carranza completed this flight in eleven hours.

261. Excelsior, May 26, 1928.

262. Ibid.

263. Mascareñas to Morrow, Mexico City, April 26, 1928; Schoenfeld to Morrow, Mexico City, June 1, 1928, Morrow Papers; El Universal, June 1, 1928. Morrow was in New York prior to Carranza's departure from Mexico.

264. Excelsior, June 12, 1928; Schoenfeld to Morrow, Mexico City, June 12, 1928, Morrow Papers.

265. Téllez to Lane, Washington, July 9, 1928, Box #2, Lane Papers.

266. Excelsior, June 13, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, June 15, 1928, SDR, Dispatch #157 of 1928.

267. Philadelphia Public Ledger, June 13, 1928; also see the editorial in the New York Herald Tribune, June 13, 1928, and Dewart to Calles, New York, June 13, 1928, Morrow Papers.

268. Excelsior, June 13, 14, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, June 15, 1928, SDR, Dispatch, #157 of 1928; Autobiographical Notes, p. 7, Folder 1610, Box #97, Lane Papers. Morrow, who had been vacationing in Maine, wrote that "the Mexicans had put themselves out so much for Lindbergh that I felt the least I could do was to make a special trip to Washington . . . to help greet the Mexican aviator." Morrow to Gruening, Mexico City, July 10, 1928, Morrow Papers; Excelsior, June 19, 1928.

269. Juan Soto Arruti, "Una Gloria de la aviación mexicana," El Nacional, July 31, 1944.

270. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 16, 1928, SDR, Dispatch #196 of 1928; Augobiographical Notes, p. 7, Folder 1610, Box #97, Lane Papers.

271. Morrow's Speech to the U.S. Chamber of Commerce in Mexico City, August 1, 1928, Morrow Papers.

272. New York Times, July 24, 1928; Colonel Theodore Baldwin, Jr., quoted in Excelsior, August 9, 1928.

273. Ibid., August 8, 1928; New York World, August 7, 1928.

274. London Times, July 1, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 16, 1928, SDR, Dispatch #196 of 1928.

275. Schoenfeld to Kellogg, Mexico City, October 20, 1927, ADS, 812.00/28912.

276. Lane Memo, Washington, July 5, 1928, ADS, 711.12/1142.

277. Ibid. Calles had told Morrow of his "earnest wish to be relieved of the burdens of office at the end of the term for which he was originally elected." See Morrow to Kellogg, Mexico City, March 8, 1928, ADS, 812.00/29138.

278. Quoted in Dulles, Yesterday, p. 356. Also see Carr, Movimiento obrero, II: 131-32; Levenstein, Labor Organizations, pp. 139-43.

279. Carr, Movimiento obrero, II: 140; Schoenfeld to Kellogg, Mexico City, July 3, 1928, ADS, 812.504/942. Morones supposedly said that Obregón "may be elected, but my throat will be cut before he takes office." In response, Obregón reportedly declared: "Very well, we will cut his throat." Schraud to Kellogg, Salina Cruz, July 20, 1928, ADS, 812.00 Oaxaca/2.

280. See Dulles, Yesterday, pp. 356-57, 360-61; Morrow to Kellogg, Mexico City, July 16, 1928, ADS, 812.00/29225,

281. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers. McNab served as Morrow's contact with the Obregón camp as he remained close to the candidate and even went fishing with Obregón in Sonora. Major H. L. Thompson to Lane, [no location noted], January 24, 1928, Box #1, Lane Papers.

282. Morrow to Kellogg, Mexico City, November 8, 1927, Morrow Papers.

283. Henry C. A. Damm to Kellogg, Nogales, October 13, 1927, ADS, 812.00/28877; Quoted in Taracena, La verdadera revolución, XIII: 180.

284. Schoenfeld to Kellogg, Mexico City, July 2, 1928, 812.00/29197; Editorial in Outlook, CXVIII (April 11, 1928), 575.

285. Meyer, Révolution Mexicaine, pp. 149-50; William P. Blocker to Kellogg, Mazatlán, March 6, 1928, ADS, 812.00/29141. These promises had already influenced business confidence by the spring of 1928. As one business executive wrote to Lamont, "I feel very sure that as soon as Obregón becomes President again business in Mexico will begin to revive and the imports from the United States to increase." W. F. Saunders to Lamont, Kew Gardens, New York, May 29, 1928, Lamont Papers.

286. Morrow to Kellogg, Mexico City, July 31, 1928, ADS, 812.00/29265.

287. Ibid.; Notes on Morrow, p. 3, Folder 91, Box #4, Lane Papers; Miguel Alessio Robles, Historia política de la revolución (México: Ediciones Botas 1946), p. 323.

288. Morrow to Kellogg, Mexico City, July 31, 1928, ADS, 812.00/29265.

289. London Times, July 20, 1928; Telegram, Morrow to Kellogg, Mexico City, July 17, 1928, ADS, 812.00/29206; Mario Mena, Alvaro Obregón: Historia militar y política, 1912-29 (México: Editorial Jus, 1960),

pp. 103-28; Interview with Sáenz in Pindaro Uriostegui Miranda, Testominios del proceso revolucionario de México (México: Argrin, 1970), pp. 432-33.

290. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 31, 1928, SDR, Dispatch #206 of 1928.

291. Morrow to Kellogg, Mexico City, July 18, 1928, ADS, 812.00/29215.

292. Morrow to Kellogg, Mexico City, July 19, 1928, ADS, 812.00/29231.

293. Morrow to Kellogg, Mexico City, July 25, 1928, Box #2, Lane Papers.

294. Quoted in Morrow to Kellogg, Mexico City, July 18, 1928, ADS, 812.00/29215.

295. Less than a month after Obregón's murder, a British author called Mexico "a hornet masquerading as a lizard" and described its capital as "a city of strife and revolution, where every man goes armed." Andrew Soutar, "A Thrill a Minute in Mexico," Ideas (August 11, 1928), 7.

296. These interests included Standard Oil of California, Colonel Edgar Smoot (who was to begin construction in Manzanillo on the day that Obregón became president), and the J. G. White Company (which had been "conducting an investigation into the worth of public utilities [on] the West Coast"). Edward H. Mall to Kellogg, Manzanillo, Colima, July 27, 1928, ADS, 812.00/29251; Maurice W. Altaffer to Kellogg, Nogales, August 8, 1928, ADS, 812.00/29279.

297. See, for example, Saunders to Lamont, Kew Gardens, New York, May 29, 1928, Lamont Papers, and the New York Times, January 29, 1928.

298. Morrow to Arthur Anderson, Mexico City, August, 1928, Morrow Papers.

299. Excelsior, August 6, 1928; London Times, August 7, 1928.

300. Excelsior, August 3, 1928; New York Herald Tribune, August 3, 1928.

301. Schoenfeld to Kellogg, Mexico City, July 2, 1928, ADS, 812.00/29197; also see Lane Memo, Washington, July 12, 1928, ADS, 812.00/29197.

302. Those interviewed by Morrow included: Aarón Sáenz, Montes de Oca, Luis Cabrera, Judge MacMahen, Hal L. Mangum, Judge Delbert J. Haff, Manuel Calero, H. N. Branch, Rafael Hernández, and H. Weldon. Morrow to Kellogg, Mexico City, July 31, 1928, ADS, 812.00/29265; Morrow to Kellogg, Mexico City, September 3, 1928, ADS, 812.00/29309; Morrow's memo on his meeting with Rafael Hernández, Mexico City August 8, 1928; and Morrow's memo on his meeting with H. Weldon, Mexico City, August 8, 1928, and Morrow's memo on his meeting with Montes de Oca, Mexico City, August 29, 1928, Morrow Papers.

303. On this amendment to Article 83 of the constitution, see Morrow to Kellogg, Mexico City, December 17, 1927, ADS, 812.00/29050; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, December 31, 1927, SDR, Dispatch #313 of 1927.

304. Morrow to Kellogg, Mexico City, August 14, 1928, and Morrow's Memo on his meeting with Montes de Oca, Mexico City, August 29, 1928, and Morrow to Arthur Anderson, Mexico City, August, 1928, Morrow Papers.

305. Morrow to Kellogg, Mexico City, August 14, 1928, Morrow Papers.

306. Ibid. This evidence refutes the Weyls' contention that "Ambassador Dwight Morrow vainly attempted to persuade Calles to establish an open dictatorship." Weyls, Reconquest, p. 94.

307. Morrow to Kellogg, Mexico City, August 14, 1928, Morrow Papers.

308. Morrow to Walter Douglas, Mexico City, August 30, 1928, Morrow Papers.

309. Morrow to Kellogg, Mexico City, July 20, 1928, ADS, 812.00/29218.

310. Ibid. Estrada insisted that Calles had not intended to offend the church in this instance. Ibid.

311. Quoted in Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 31, 1928, SDR, Dispatch #206 of 1928.

312. Ruiz y Flores reportedly said: "it was natural that the President-elect should perish by violence. He was held responsible for the death of so many people that sooner or later, friends of those whose blood he shed would have killed him." Quoted in Rice, Diplomatic Relations, pp. 144-45.

313. See Kotler, "Church-State Problem," 100.

314. Lane Memo on his telephone conversation with Morrow, Washington, August 14, 1928, Box #57, Lane Papers.

315. Morrow to Clark, Mexico City, October 30, 1928, Morrow Papers. Morrow's own opinion was that someone in Rome had "gone out of his mind." Lane Memo on his telephone conversation with Morrow, Washington, August 14, 1928, Box #57, Lane Papers.

316. Lane Memo on his telephone conversation with Morrow, Washington, August 9, 1928, ADS, 812.404/895 7/9.

317. Quoted in Lane's Notes on Morrow in Mexico, p. 3, Folder #91, Box #4, Lane Papers.

318. Kellogg to Coolidge, Washington, July 19, 1928, Box #2, Lane Papers.

319. Morrow to Montes de Oca, Mexico City, August 1, 1928, Morrow Papers.

320. Excelsior, August 2, 1928; Mexico Commerce & Industry, X (August, 1928), 8.

321. Morrow to Montes de Oca, Mexico City, August 1, 1928, Morrow Papers.

322. Morrow's Speech to the U.S. Chamber of Commerce, Mexico City, August 1, 1928, Morrow Papers; emphasis in the original. This speech was also published in Mexico Commerce & Industry, X (August, 1928), 10, 12; Excelsior, August 2, 1928; Pan Pacific Progress, IX (September, 1928), 96.

323. Montes de Oca to Morrow, Mexico City, August 3, 1928, Morrow Papers; New York Times, August 8, 1928. Also see Mascareñas' comments quoted in Pan Pacific Progress, IX (September, 1928), 96.

324. Editorial in Excelsior, August 4, 1928.

325. Eidtorial in ibid., August 21, 1928. Also see El Universal's editorial of August 10, 1928.

326. E. Morrow, Diary, entry of August 2, 1928, p. 80. See, for example, the New York Times, the New York Herald Tribune, the New York World, and the San Antonio Express of August 2, 1928.

327. Editorial in the Providence Journal, August 5, 1928; also see the editorial in the Providence Evening Bulletin, August 3, 1928. However, not every American correspondent was willing to accept Morrow's appraisal of conditions in Mexico without a dose of skepticism. After failing to arrange an interview with Morrow, Bentley asserted that "I would stake my life . . . that the good Ambassador would deny that there [even] is a situation in Mexico." Quoted in Excelsior, August 11, 1928.

328. Ibid., August 16, 1928. Morrow was accompanied by James T. Williams, Jr., Judge Leonard Hand, Professor Louis Dow, Rublee, McBride, and McNab.

329. Williams, OHC, p. 697.

330. Excelsior, August 17, 1928; New York Times, August 18, 1928.

331. Morrow to Constance Morrow, Mexico City, August 24, 1928, Morrow Papers.

332. Ibid.; London Times, August 20, 1928.

333. Williams, OHC, pp. 697-98.

334. Ibid. According to the correspondent for the New York Times, the Indians "had undoubtedly been told to turn out for Mr. Morrow. But they did it with a spirit no order could have inspired." New York Times, Spetember 3, 1928.

335. Quoted in ibid., August 20, 1928. Also see Excelsior, August 18, 1928, and Morrow to Constance Morrow, Mexico City, August 24, 1928, Morrow Papers.

336. Williams, OHC, p. 698.

337. New York Times, September 3, 1928; Vasconcelos, La flama, pp. 109-110. Also see Current History, XXIX (March, 1929), 932; McBride, Dwight W. Morrow p. 150; E. Morrow, Diary, entry of August 19, 1928, p. 81; London Times, August 20, 1928.

338. Ellis A. Bonnet to Kellogg, Durango, August 8, 1928, ADS, 812.00/29273; El Universal, August 7, 1928. An observer wrote that "ambushed tourists have been held up [for] ransom in a manner that would have provoked . . . open war [by] a less tolerant nation." Soutar, "Thrill a Minute," 7.

339. Morrow to Constance Morrow, Mexico City, August 24, 1928, and Springer Memo, Mexico City, November 14, 1928, Morrow Papers.

340. See Calles' Secretario Particular to Presidente Municipal de Oaxaca, Mexico City, August 30, 1928, 203-0-27, RO-C.

341. Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976.

342. Amaro's manifesto appeared in Excelsior, July 21, 1928.

343. Morrow to Kellogg, Mexico City, July 25, 1928, ADS, 812.00/29245; El Universal, July 25, 1928; Excelsior, July 30, 1928; Lieuwen, Mexican Militarism, p. 100.

344. Quoted in Attorney General to Stimson, Washington, March 22, 1929, ADS, 812.00/29423.

345. Morrow to Kellogg, Mexico City, August 14, 1928, and Morrow to Lamont, Mexico City, July 30, 1928, Morrow Papers.

346. James J. MacGregor-Mills to Sheffield, Mexico City, September 12, 1928, Box #9, Sheffield Papers.

347. Morrow's memo on his meeting with J. M. Puig Casauranc, Mexico City, September 1, 1928, Morrow Papers.

348. See, for example, the editorial comment in the New York World (September 2, 1928), the New York Herald Tribune (September 2, 1928), the Washington Post (September 2, 1928), the New York Evening Post (September 4, 1928), the Philadelphia Bulletin (September 4, 1928), and the Brooklyn Eagle, (September 7, 1928). Many of these editorials were later published in Froylan C. Manjarrez, La jornada institucional: La crisis de la política (México: Talleres Gráficos, 1930), tomo I, apendice, xi-xv.

349. Morrow to Kellogg, Mexico City, September 3, 1928, ADS, 812.00/29309; Rublee, OHC, p. 221.

350. New York Times, September 3, 1928; Vasconcelos, La flama, p. 139. Calles' speech was published in El Universal, September 2, 1928; Excelsior, September 2, 1928; Silva Herzog, Una vida, pp. 98-99; Puig Casauranc, Galatea rebelde, pp. 229-42. Also see Morrow to Kellogg, Mexico City, September 3, 1928, ADS, 812.00/29309, and Alberto Pani, Le changement de régimes politique au Mexique et les pronunciamientos (Paris: Imprimerie de la Sociéte Anonyme de "Progrès Civique," 1929), p. 16, enclosed in Pani to Morrow, Paris, September 25, 1929, Morrow Papers.

351. Morrow to Kellogg, Mexico City, September 3, 1928, ADS, 812.00/29309; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, September 15, 1928, SDR, Dispatch #256 of 1928.

352. Morrow to Dewart, Mexico City, October 1, 1928, Morrow Papers.

353. General Juan Almazán quoted in Lieuwen, Mexican Militarism, p. 101, and Dulles, Yesterday, p. 390.

354. Manjarrez, La jornada institucional, I: 41-69.

355. London Times, September 27, 1928; Portes Gil, Quince Años, p. 64. Morrow authorized a statement for the Mexican press that read: "It is well known in Mexico that Ambassador Morrow has abstained from any interference or even suggestion with reference to Mexico's election. He has made it quite clear to all those who have talked with him that he would consider it as improper for an

American Ambassador to interfere in internal elections in Mexico as it would be for the Mexican Ambassador in Washington to interfere in an American election." Quoted in Morrow to Kellogg, Mexico City, November 9, 1928, ADS, 812.00/29352.

356. Puig Casauranc, Galetea rebelde, p. 170; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, September 27, 1928, SDR, Dispatch #270 of 1928.

357. Morrow to Dewart, Mexico City, October 1, 1928, and Morrow's memo on his lunch with Moisés Sáenz, Mexico City, September 21, 1928, Morrow Papers. Also see Portes Gil, "La Reforma Agraria a través de los regímenes de 1910 a 1930," Boletín de la Sociedad Mexicana de Geografía y Estadística, LXXVIII (Julio-Agosto, 1954), pp. 81-84.

358. Morrow & Morgan's Memo, Mexico City, May 1, 1929, ADS, 812.6363/2742½; see table entitled "Confirmaciones Presidenciales Sobre Dotación y Restitución de Tierras para Ejidos en cada Entidad Federativa Durante el Período Comprendido Entre el 6 de Enero de 1915 y el 31 de Diciembre de 1926," Estadística Nacional, III (May 3, 1927), 56.

359. Interview with Marte R. Gómez, April 16, 1964, in Wilkies, México visto en el siglo XX, p. 89.

360. Morrow to Lamont, Mexico City, October 12, 1928, Morrow Papers.

361. See above, pages 300-301.

362. Morrow to Dewart, Mexico City, October 1, 1928, Morrow Papers.

363. Morrow to Lamont, Mexico City, October 12, 1928, and Morrow's memo on his lunch with Moisés Sáenz, Mexico City, September 21, 1928, Morrow Papers; Morrow's Memo enclosed in Morrow to Clark, Mexico City, September 21, 1928, ADS, 812.00/29321½. Portes Gil had collaborated with Calles since 1916. Portes Gil, Quince Años, p. 82. According to a popular anagram of 1928, C.E.P.G.S.P. meant Ciudadano Emilio Portes Gil Será Presidente, but read backwards meant Pero Seguirá Gobernando Plutarco Elías Calles. Medina Ruiz, Calles, p. 132.

364. Excelsior, October 12, 1928.

365. Morrow to Lamont, Mexico City, October 12, 1928, Morrow Papers.

366. Interview with Portes Gil, May 15, 1964, in Wilkies, México visto en el siglo XX, p. 519.

367. New York Times, December 1, 1928; Portes Gil, Autobiografía, p. 440. Such praise of a foreign envoy in an inaugural address was unprecedented in Mexican history. Current History, XXIX (March, 1929), 932.

368. Quoted in the New York Times, December 6, 1928. American visitors at the inauguration included members of a good will flight sent by the El Paso Chamber of Commerce. Dye to Kellogg, Juárez, December 10, 1928, ADS, 812.00 Chichuachua/19.

369. Excelsior, December 5, 1928.

370. New York Times, December 20, 1928; Weddell to Sheffield, Mexico City, May 7, 1928, Box #9, Sheffield Papers.

CHAPTER VI

Dwight Morrow and the Military Rebellion of March-April, 1929

Dwight Morrow enjoyed tremendous diplomatic power by early 1929. The ambassador enjoyed this power not only because the Mexicans coveted his support, but also because Washington had given him the complete authority to direct its foreign policy in Mexico. As one observer put it, "for all intents and purposes, as regards Mexico, [Morrow is] the Government of the United States."[1] The ambassador's great influence was originally based on his intimate friendship with Coolidge and the President's own desire to shift the responsibility of Mexico to someone who "could be left without constantly dealing with things at arms length from Washington."[2] Morrow, in fact, boasted that "if at any time an instruction came [from the State Department] that he felt was unwise, he would elect to ignore it, and knew the President would back him up."[3]

However, by 1929 there was a new Republican President in Washington and there was even some talk of Morrow becoming Herbert Hoover's new Secretary of State.[4] This idea received considerable support in the United States and

Mexico,[5] but both Hoover and the ambassador agreed that Morrow was still needed in Mexico where he had built up a "splendid record."[6] The envoy therefore returned to the U.S. embassy in February, 1929, to face the problems of the coming year with all of the power and independent authority that he had enjoyed while serving under Calvin Coolidge.

The Radical Agrarian Reform of 1929

The first of these problems involved Portes Gil and the Mexican agrarian reform. News that the young ruler had returned an American landowner's property with interest may have encouraged Morrow early in the new year,[7] but it was soon evident that Portes Gil had lost none of his enthusiasm for the agrarian reform itself. Both Montes de Oca and Calles had urged the president to limit the redistribution of land by limiting the amount of money that would be designated for the reform to ten million pesos in 1929, as Morrow had suggested. Portes Gil completely rejected this proposal. He in fact declared that he would not accept the presidency under these conditions because they were illegal and politically impossible. The plan was illegal, according to Portes Gil, because the constitution stated that expropriated land had to be paid for in agrarian bonds, rather than in cash. The plan was also politically impossible because it would alienate agrarian forces just when their political support was most needed. Calles was "visibly upset" by this argument,

but Portes Gil insisted that he fully expected a military revolt within three or four months "and the only guarantee that the Government would have in this case would be the support of the campesinos, to whom for no reason should we deny the lands they solicit." The president concluded that ten million pesos would not be enough to cover one month of the agrarian reform, much less pay for an entire year of the program while he remained in office.[8]

The president's predictions proved to be quite accurate. A record 139,141 peasants received nearly two million hectares of land in 1929 as more Indians received more land than in any previous year of the Revolution.[9] In addition, Portes Gil announced that any Supreme Court decision favoring large landowners would be ignored when the peasants needed land, "even though the expropriation [was] recognized as illegal by competent judicial authorities."[10] On January 25, the Supreme Court went so far as to block all legal appeals in land cases by unanimously deciding that it would no longer grant amparos to landowners in Mexico.[11] Meanwhile, the agrarians were armed, given official military status as reserve forces, and reminded that "the foundation of patriotism . . . lies in the interest felt by each citizen in defending the piece of ground in which his hopes are centered."[12] The peasants were, therefore, encouraged to defend their interests by defending the government that had

not only given them their land, but had also given them the weapons they needed to protect it.

Greatly alarmed by this trend, Dwight Morrow searched in vain for a way to slow down the revitalized agrarian reform without being accused of interfering in Mexican affairs. No one doubted that American landowners would be affected by the new burst of agrarian activity because a "considerable part" of Calles' former control of the situation had been sacrificed with the rearming of peasant forces.[13] The ambassador continued to send members of his staff to investigate the remaining one hundred to one hundred and sixty cases involving American hacendados, but he was disturbed by the Supreme Court decision regarding amparos because it hindered these on-going negotiations and "definitely shut off" the possibility of American citizens exhausting all judicial channels before turning to the U.S. embassy for help.[14] The embassy's official involvement in these cases would undoubtedly create new diplomatic friction, just as it had done in the years prior to Morrow's arrival in Mexico. Most importantly to Morrow, the agrarian reform was recognized as "the great weakness" in government finances for 1929.[15] This constant drain on the treasury made balancing the budget and paying the foreign debt an impossible task.[16] Only 2.75 per cent of the agrarian bonds owed to former landowners had been issued by May 1, 1929, but even these bonds were valued as low as twelve cents on the dollar.[17] Morrow reasoned

that the twenty million pesos in bonds that were owed to American citizens would be "practically worthless" if the government actually issued the total four hundred million pesos worth of bonds that it owed to all former landowners.[18] The ambassador's trepidation only increased when the new Minister of Agriculture told a member of the U.S. embassy staff that Portes Gil intended to "finish" the agrarian reform by granting land to the 2900 villages that were still eligible to benefit from the program.[19] Morrow concluded that the reform that had showed signs of slowing down in 1928 had "entered an acute stage" by the spring of 1929.[20]

The envoy responded to this crisis in several ways. In addition to sending Edward P. Lowry and other American diplomats to investigate individual cases, Morrow sent "Sandy" McNab to northern Mexico to discuss the agrarian reform with several governors, including Abelardo Rodríguez of Baja California and Arturo M. Elias of Sonora. The military attaché met with Rodríguez for an entire day and reported to Morrow that his host was "absolutely in accord with our point of view" on the reform. Encouraged by this news and aware of the governor's political ties to Calles, McNab made every effort to convince Rodríguez that he should express his ideas to a "higher authority" so that they could "do some good."[21]

Morrow also attempted to alter the course of the agrarian reform by meeting with national leaders, including Calles and Marte R. Gómez, although the latter official was

said to have "even more radical tendencies than the President."[22] The ambassador nevertheless hoped to use his negotiating skill to "educate" the Minister of Agriculture and enlist Calles' aid in influencing Portes Gil.[23] Morrow failed in both attempts as Gómez refused to budge and Calles still recognized the political need for agrarian support while Portes Gil remained in office. All hope of slowing the reform seemed to vanish when Calles fell ill and eventually sailed for Europe in July, 1929.[24] Unable to produce a "general solution of the problem as it affected Americans," the ambassador was forced to limit his work on the agrarian reform to defending individual cases with the same proven techniques that he had relied on during his first year abroad.[25]

Dwight Morrow was frustrated in his attempts to check the pace of the agrarian reform, but it would be a serious mistake to argue that he had lost his influence on all important issues in 1929. The ambassador remained in close contact with Montes de Oca at the Ministry of Finance and he frequently visited Plutarco Calles to discuss specific issues on an informal basis.[26] Morrow in fact developed "the habit of going to anybody he pleased on official matters" as he exploited valuable contacts in nearly every department of the Mexican government.[27] The envoy kept a small address book that not only listed the names of every major leader in the country, but also included a brief biographical sketch of their public careers so that Morrow would know something

about them even before he was introduced to these important men.[28] In addition, the ambassador reportedly collected the world's largest library on Mexican laws that affected American citizens. Members of the embassy staff searched every bookstall in the capital and returned with enough volumes to fill two large rooms; these books were read, summarized, and translated "for the Ambassador to digest with the least loss of time."[29] Finally, Morrow attempted to cultivate his contacts in the government and flatter the Mexican people in general by learning to speak Spanish.[30] He failed miserably in this effort, but at least one correspondent observed that "the fact that he tries to talk to them in their own language has probably done more to popularize Mr. Morrow in Mexico than anything else."[31] It is, nevertheless, interesting to note that American diplomats were normally criticized for their linguistic blunders when they were unpopular in Latin America, although they received great praise for their halting Spanish when their sympathy and support were in great demand. Thus, while the U.S. governor in Puerto Rico was ridiculed for introducing a brigadier general in Spanish as "a tapeworm,"[37] Morrow's mistakes were quickly forgiven and his efforts were "heartily congratulated" by "fawning" Mexican leaders.[33]

The Escobar Revolt

The ambassador's sympathy and support were never more in demand than in March and April of 1929. The military revolt that Portes Gil had confidently predicted finally broke out in the early spring as nearly a third of the officer corps led thirty thousand troops into battle against the government.[34] Commanded by General José Gonzalo Escobar, the disgruntled officers issued their Plan of Hermosillo that charged Calles with "imposing" Portes Gil and becoming "the Judas of the Mexican Revolution."[35] More selfishly, the rebels resented being passed over for positions in the new government.[36] Neglected by Calles and Portes Gil, but not yet willing to accept their political demise, the generals saw no alternative to violence on March 3, 1929. Calles responded to this challenge by abandoning private life and replacing Joaquín Amaro as the Minister of War on the following day.[37]

The insurgents coveted American aid from the outset and it was no accident that they chose to rebel just twenty-four hours before Herbert Hoover took office in the United States. Hoping to enlist the new president's support,[38] Escobar dispatched rebel agents to Washington, New York, Houston, San Antonio, El Paso, Douglas, St. Louis, Chicago, and New Orleans.[39] According to their propaganda against Calles, the March 3 revolt was launched to defeat "the

unfaithful man who, transformed [into a] bandit, twists and soils the institutions [of Mexico], squeezing the taxpayers . . . and [enterprises] of the country [for] his own private benefit."[40] Amilcar Zentella worked to prevent American arm sales to loyalist forces by telling reporters in New Orleans that it was "well known" that Calles had sent fifteen hundred rifles to Nicaragua where they were used to kill American Marines, although these were the same weapons that the United States had sent to Mexico to help defeat de la Huerta in early 1924.[41] Zentella argued that Calles had exploited the United States and kept "on good terms with Ambassador Morrow" simply to win U.S. support when he secretly hated all Americans. The rebels, on the other hand, promised to protect foreign property while faithfully paying their nation's foreign debt on schedule.[42] The insurgents in fact exaggerated the force of their army by some twenty thousand men and confidently predicted that they would topple the Mexican government within ninety days.[43]

Unimpressed by this propaganda, the State Department completely refused to recognize rebel agents when they came to Washington or made plans to establish official consulates in the United States.[44] The Hoover administration declared that the rebels were legally "in no better position than ordinary outlaws and bandits."[45] The United States refused to grant belligerent status to the insurgents and Washington reminded Escobar that the U.S. arms embargo against Mexico

was still in force.[46] Rebel assets were frozen in American banks and the State Department warned U.S. citizens that they could not expect diplomatic assistance from Washington if they were captured while fighting under Escobar's command.[47] American mercenaries could no longer count on their government to defend them if they were accused of high treason in Mexico.

Washington's decision to reject rebel overtures was based on the carefully tailored information that Dwight Morrow relayed to the United States from Mexico City. Despite his concern for the agrarian reform, the ambassador had decided to help Portes Gil in this conflict for three main reasons. First, Morrow argued that although many wealthy Mexicans "would be glad to see the present government fall," they usually admitted that conditions would be much worse without Portes Gil in power because his defeat would be followed by "a contest amongst the leading rebels to determine which was the strongest man of the group." Mexico would be faced with a devastating civil war that would undoubtedly destroy whatever progress had been made since 1920 and undoubtedly worsen U.S.-Mexican relations as nothing could prevent the Indian masses from "swarming" onto foreign landholdings. Morrow concluded that "the only solution" was "to help Mexico back to peace and order" before rural chaos and military strife recreated the terrible conditions of the previous decade.[48] The envoy declared that "in the event that the present

administration should fall, our troubles in . . . Mexico [will] have just begun."[49]

Next, Morrow decided to throw his support behind Portes Gil because he hoped that Escobar's defeat would serve as an example to other politically ambitious generals. Always willing to draw historical parallels to the situation in Mexico, the ambassador compared the 1929 revolt to the War of the Roses in fifteenth century England and argued that "in order to have a central government function, it must be able to control its generals."[50] Morrow never denied that the military was needed to maintain order in Mexico, but he recognized the urgent need to curb military spending and prevent periodic revolts in the interest of financial and political stability.[51] The envoy reported that these goals were "uppermost" in Calles' mind; Montes de Oca was even heard to say that the 1929 revolt "would be worth all that it would cost if all of the generals could be brought under the budget."[52] Morrow added that Escobar's defeat would represent the third such debacle in the last five years and "even those who believe that the Mexicans never learn anything must believe that they will learn a little from this fact."[53] U.S. aid would definitely contribute to this "education" by hastening the rebels' defeat and proving for the third time since 1924 that Mexican insurgents could no longer rely on Washington to support their nefarious schemes.[54]

Finally, Morrow helped Portes Gil in 1929 because he realized that "the profits to be made by selling munitions to Mexicans to destroy each other were, as a mere matter of business, of little value compared with the trade which America might do in a country at peace with itself."[55] The ambassador therefore opposed the insurgents of 1929 for the same economic reasons that business leaders had opposed a U.S. war with Mexico in early 1927.[58] It was no secret that American investments in Mexico were heaviest in four of the five states involved in the revolt.[57] Armed conflict would probably damage these interests, but it would also "decrease . . . Mexican purchasing power for American goods, and [represent a] fresh hazard to American loans," according to the Christian Science Monitor.[58]

Other newspapers agreed that Washington should help Portes Gil,[59] although at least one chain of newspapers did so for economic reasons of its own. William Randolph Hearst published editorials favoring U.S. aid to Portes Gil during the revolt of 1929 because Dwight Morrow had let him know that "some editorials in the Hearst papers would be very helpful" and because the newspaper magnate appreciated "what Mr. Morrow had done for him" when his property in Chihuahua was threatened in 1928.[60] Thus, while his editorials in favor of Portes Gil received considerable criticism from Catholics in the United States,[61] the Babicora Ranch remained intact through 1929 as Hearst officially "divided"

his land among nine friends and relatives with the tacit approval of the Mexican government.[62] Dwight Morrow had called in a political debt, but William Randolph Hearst had clearly benefited in yet another example of "Capitalist Journalism."

Obviously pleased with Morrow's cooperation, Calles and Portes Gil did everything possible to court the ambassador's friendship and keep him well informed during the military crisis of 1929. The ambassador received daily briefings from government officials, high-ranking officers, and Portes Gil himself.[63] The president met with Morrow between five and seven o'clock each evening to report on the military campaign and share his "confidential messages from . . . military leaders in the field."[64] Morrow became totally involved in the course of the war and it was said that his rooms in the U.S. embassy looked more like a military headquarters than an ambassador's chambers in the spring of 1929. Military maps lined the walls of his office as Morrow followed Calles' steady advance against the rebels.[65] In addition, the envoy gathered his own news about the campaign by exploiting his contacts in the capital and by sending McNab to the front as a military observer in Calles' army.[66] Supplied with this abundant information, Morrow sent "reassuring advice" to Washington that produced an "appreciable lessening of tension" about the new revolt less than ten days after its outbreak on March 3.

The Mexican government was willing to brief Dwight Morrow and share its military secrets with a foreign envoy for three very important reasons. First, the Mexicans confided in Morrow because they hoped that American aid would discourage those officers who were thinking of joining Escobar in the north or had thoughts of turning against the federal government in the future. General Calles told a U.S. consul in Mazatlán that he was "especially pleased with the action taken by the American government" during the crisis of 1929 because it served as "an example to future disgruntled military commanders" and because it meant that his chiefs "were standing 100% behind the recognized government of Mexico."[68] Even an opposition newspaper in San Antonio, Texas, agreed with this assessment. According to La Prensa, many officers were ready to pronounce against Portes Gil "but the knowledge that the United States sustains [his] Government, destroys the project of insubordination."[69] Few men were willing to sacrifice their lives or their military careers in a cause that lacked Washington's "indispensable" support.[70]

Next, Calles and Portes Gil confided in Morrow because they hoped to defeat Escobar before his troups damaged the Mexican economy and shook business confidence in the country. A quick, decisive victory with American aid would prove that revolutions were "becoming a thing of the past in Mexico."[71] A short conflict would, moreover, do less

damage to the Mexican budget, while eliminating forty-odd generals who drew huge salaries from the nation's treasury. With the average general receiving twelve thousand pesos each month, it was said that Mexico possessed "enough officers to supply the armies of the world, provided that one does not consider military technique."[72]

Perhaps most importantly, the Mexicans confided in Morrow because they trusted him by early 1929 and realized that he would be more responsive to Mexican military needs if he was fully aware of the Mexican military situation. Portes Gil spelled out these war needs within twenty-four hours of the outbreak of the revolt. The president let Morrow know that he wanted the United States to enforce its arms embargo against the insurgents, blockade ports held by the rebels, sell war materiel to the federal army, and offer "some expression" of public support for his provisional government.[78]

American Aid in Suppressing the Revolt

Portes Gil was not to be disappointed. The Mexican leader could, in fact, expect American support to be prompt and absolute because his reasons for confiding in Morrow were almost identical to Morrow's reasons for siding with him in his fight against the insurgents. United by a common interest in this struggle, the United States and Mexico worked hard to defeat Escobar before his rebel army could set back

Mexican development and damage improved U.S.-Mexican relations.[74]

The Hoover administration began its campaign against the insurgents by announcing that the U.S. arms embargo would be strictly enforced in accordance with a resolution passed at the Havana Conference that banned the international sale of weapons to rebel forces in Latin America.[75] The arms industry in the United States was, therefore, carefully observed, while custom officials and FBI agents kept a "sharp watch" against arms shipments and rebel activity at the border.[76] Not satisfied with this system of surveillance, Secretary of the Treasury Mellon went so far as to ask the Secretary of War for assistance at a cabinet meeting held in Washington on March 22, 1929. The War Department responded to this request by stationing troops at various points along the border and by sending six observation and two pursuit planes to El Paso to guard against the illegal transport of arms by air.[78] Over 55,000 rounds of ammunition, hundreds of rifles, and at least 108 horses were intercepted before they crossed the border,[79] but it was impossible to stop the illicit trade completely; according to one U.S. consul, it was an "open secret" that large shipments of war materiel were sent to the rebels each day.[80] American agents were just as frustrated in their efforts to block the sale of arms in 1929 as they had been in 1927.[81] The FBI could only conclude that

the "moral effect" of the arms embargo "may be helpful," but its physical effect was less than satisfactory.[82]

The United States enjoyed far more success in helping Portes Gil by selling surplus war materiel and modern fighter planes to the federal army.[83] A total of 3200 bombs, 5000 rifles, 69 machine guns, 2500 grenades, and more than 3,000,000 rounds of ammunition were sold to the Mexicans for $480,908.94 in March and April of 1929.[84] With an additional million dollars spent on planes and other supplies, the federal government spent over 1.5 million dollars or at least 211,000 more dollars than it had spent in the United States during the military revolt of 1924.[85] The State Department answered federal requests for these supplies "with dispatch"[85] and Dwight Morrow went so far as to have Colonel McNab fly to Texas with several Mexican officers to arrange for the shipment of important weapons to Calles' army.[87] At least thirty-two airplanes were eventually sent across the border[88] after American experts had given Mexican officials their advice on the advantages and disadvantages of different models made in the United States.[89] These same experts briefed Mexican pilots and mechanics, while Charles Lindbergh flew demonstration flights in fighter planes over Mexico City.[90] In addition, several American pilots volunteered to actually fly for Calles' army; the Mexican consul in New Orleans reported that he had received "am infinite number of requests" of this kind from every part of the United States.[91]

American mercenaries also flew for the rebels in 1929, although poor pay, poor planes, and their limited numbers hindered their effectiveness against Calles' superior air force. Led by a 29-year-old adventurer named E.D. Barber, these five young pilots called their group the Yankee Doodle Squadron and agreed to fly for Escobar for $250 a flight. Their pay was, however, reduced to $250 a day by late March and the rebels owed Barber and his colleagues a total of $18,000 by the first week in April. The Americans were, moreover, at a great disadvantage in their dogfights with federal aviators because most of Calles' planes were equipped with two mounted machine guns that were timed to fire straight ahead through their propellers. In contrast, a rebel pilot had to hold his machine gun in one hand while using his other hand to steer his antiquated aircraft. The Squadron nevertheless continued to fight (because "it was so much fun bombing Calles") until Escobar offered to double their back pay if his army won, or pay them nothing if his troops lost the war. Not willing to accept this double or nothing wager, Barber and his friends deserted the insurgents, commandeered their planes as compensation for their back pay, and left Escobar with an air force of only one plane and one pilot by April 10, 1929.[92]

Given its many advantages over the insurgents, Calles' air force proceeded to harass the rebels as they retreated northward along the west coast of Mexico in mid-April. Air power was, in fact, so important and so devastating in this

campaign that the U.S. consul at Mazatlán wrote that its use by the government had "revolutionized revolutions in Mexico." William P. Blocker went on to describe how federal planes had chased rebel troop cars from La Cruz to Masiaca where the insurgents finally dug in and attempted to camouflage their position. Undaunted, Calles' air force continued its attack by dropping two thousand pounds of bombs on the insurgents in a forty-eight hour period. Completely demoralized and hopelessly defeated, the rebels broke ranks and either surrendered to General Cárdenas or fled through the Yaqui Valley "throwing away insignias, rifles, leggings, caps, and any other wearing apparel that might betray them as soldiers."[93] Learning of this disaster, rebel forces to the north of Masiaca "turned federal" or, in some cases, escaped across the border to the United States.[94] Air power had had a "profound effect" on the revolution, according to Ambassador Morrow, as modern aircraft purchased in the United States helped to crush Escobar and his followers in the last major revolt of the post-1920 era.[95] As one Mexican officer had told Lindbergh, "Whoever controls the air controls Mexico."[95]

American planes and supplies represented Washington's major contribution to the war effort, but it would be wrong to believe that Washington's aid was limited to the enforcement of the U.S. arms embargo and the sale of war materiel to Calles. Morrow and the State Department were, in fact, willing to help Portes Gil in four additional ways. First,

Washington helped the Mexican government when thirty-seven officers and 267 federal troops were pinned down by rebel forces under General Marcelo Caraveo and outnumbered by a four to one margin in Ciudad Juárez.[97] General George V.H. Moseley allowed these troops to retreat across the border and seek refuge at Fort Bliss, Texas, rather than surrender to the enemy. The Mexicans remained in the American garrison for several days before they were finally returned to federally-controlled territory near Piedras Negras, Coahuila.[98] In a similar incident, General Moseley allowed two Mexican pilots to land their aircraft at Fort Bliss when they were chased across the border by rebel fighter planes on April 8.[99] Two weeks later, a group of wounded federal soldiers were given medical aid when they crossed the border at Sasabe, Arizona, although nineteen rebels had been arrested, by order of the State Department, when they crossed at the same point on April 19.[100] The United States was, therefore, willing to offer its territory as a haven for distressed government troops in at least three emergencies, while denying this privilege to Escobar's men; only Mexican requests to transport federal troops through U.S. territory in flanking maneuvers were rejected by an otherwise tolerant and cooperative administration in Washington.[101]

Second, the U.S. helped Portes Gil in his war against the rebels when the First National Bank of New York lent the Mexican government thousands of dollars for the purchase of

war materiel in the United States. In one instance, General Benigno Serratos received a total of $35,000 in loans from the First National Bank for the purchase of five hundred horses to be used in Calles' cavalry.[102] Other loans were used to purchase gunpowder, arms, and sundry military equipment manufactured in the United States.[103] It was rumored that Ambassador Morrow helped to negotiate these financial transactions[104] and, given his ties to Wall Street, it is highly probable that he did help with these small, short-term loans. However, it is important to remember that while he may have assisted the government in this way, he did not encourage excessive borrowing or spending simply to increase the volume of business for American firms. On the contrary, Morrow hoped to check wartime expenditures that would play havoc with the Mexican budget and further limit the government's ability to meet its other international obligations; the ambassador emphasized thrift, rather than prodigality, during the war.[105] Aware of Morrow's concern, the government actually canceled several requests for American supplies as early as the second week of the revolt.[106] Montes de Oca prepared a war budget and the ambassador later reported that

> by following this [plan] closely, by economizing, by limiting purchases to the smallest amount possible and by withdrawing appropriations from the peace budget, [the Minister of Finance was] . . . able to keep the total net decrease in budget surplus down to about 4,000,000 pesos as compared with the original budget estimates.[107]

Morrow was, therefore, prepared to help Mexico negotiate small loans when they were needed, but he was never willing to sacrifice the financial recovery of 1928 by condoning inordinate military spending in 1929.

Third, the United States helped Portes Gil by sending three American destroyers to the west coast of Mexico in April, 1929.[108] The U.S.S. Robert Smith, the U.S.S. Moody, and the U.S.S. Selfridge sailed for the coast to protect American interests as reports warned that the rebels were "incensed to the point that raids are liable to occur on American property . . . in retaliation" for U.S. aid to Portes Gil.[109] An American official observed that the three destroyers had served their purpose by late April when the insurgents acquired "a more wholesome respect for American property" and when American citizens felt confident that they would be rescued in the event of an emergency.[110] More importantly to the Mexican government, the American ships represented a clear sign of U.S. support during the last month of the revolt. Commander Francis J. Comerford of the U.S.S. Robert Smith went so far as to compliment Mexican military leaders for their strategy at Mazatlán after several generals had led him on an inspection tour of the front lines and the governor of Sinaloa had honored the naval officer with an "elaborate dinner."[111] These civil and military leaders were just as eager to flaunt American support against their enemies in the spring of 1929

as Calles had been eager to display Dwight Morrow's support for domestic consumption in 1927 and 1928.

Washington had sent its ships to Mexican waters to defend American interests against the rebels and demonstrate its support for Portes Gil, but the Hoover administration was also concerned about possible damage to American property inadvertently caused by federal bombing raids. A vice consul in Guaymas wrote that a stray bomb had exploded in the U.S. consulate even while he was preparing a report for Washington. Doors were smashed and debris filled the building, although no one was physically injured.[112] The State Department sent a mild note of protest to General Calles on this occasion,[113] but it also let the Mexican government know of its deep concern over the planned bombardment of rebel positions in the railroad center at Empalme, Sonora, on the following day. The administration hoped to save the three million dollars worth of Southern Pacific Railroad property in Empalme by asking if the bombing was absolutely necessary in the military campaign.[114] Washington took great pains to respect Mexican sovereignty by stating that it was hardly "in a position to substitute its judgement for that of the regularly constituted Mexican authorities as to the wisdom, propriety, or effectiveness of legitimate military . . . operations," but it sincerely hoped that American property could be spared in this instance.[115] The Mexicans responded to this request by bombing only carefully selected targets that "accelerat[ed] the already rapid

retreat of the rebels" and hindered the repair of already damaged rebel trains.[116] According to the U.S. consul in Guaymas, the Mexicans "thus maintained their technical claim to the legal correctness of their [operation, while] at the same time adher[ing] in spirit to our request that no harm be done" to Southern Pacific interests in Empalme.[117]

Finally, the United States was able to help Portes Gil through the work of two of Morrow's closest advisers. After serving with the ambassador in an unofficial capacity in late 1927 and early 1928, J. Reuben Clark had been appointed the U.S. Under Secretary of State in August of the latter year.[118] His appointment to this high-level position was intrepreted as yet another attempt to improve U.S.-Mexican relations while Dwight Morrow continued his diplomatic work in Mexico City.[119] The Mexicans were never disappointed in Clark's performance because he was, in fact, able to favor Mexico on many occasions during the ten months that he served in Washington. Clark was in close contact with Morrow at the height of the military crisis in 1929 and was able to honor the ambassador's request that Mexican petitions for American war materiel be given "preferential treatment over any and all other claims."[120] These petitions to buy American tents, blankets, uniforms, saddles, bridles, rifles, and many other types of equipment were normally granted by Clark on the same day that they were sent to the State Department by Ambassador Téllez in Washington.[121] Clark was, moreover, involved in

the important decisions to protect Mexican troops at Fort Bliss, deny official status to rebel agents in the states and tactfully protest the bombing of Southern Pacific interests during the final days of the war.[122] Given his cooperation in these and other matters, Morrow was able to tell Calles that Clark shared the general's strong desire to reestablish peace in Mexico by quickly defeating the insurgents under Escobar.[123]

"Sandy" McNab proved to be just as helpful in his role as the U.S. military attaché in Mexico City. In addition to his work as a military observer and his efforts to facilitate army purchases in the United States, McNab served as the ambassador's interpreter during many of Morrow's briefings with Portes Gil.[124] In a far different capacity, the colonel reportedly visited General Juan Andreu Almazán in late March to assure the commander "that the North American government [sic] was determined to give the Mexican regime as much help as was necessary to defeat the rebels." Almazán resented the notion that he needed the promise of American aid to perform his duty, but the general was even more outraged by reports that McNab had visited his camp to test his loyalty to the federal government on the eve of battle.[125] Still later, Morrow recalled that McNab "rendered services of a quite unusual character in the North" when he met with four rebel leaders, including Fausto and Ricardo Topete, General Eduardo García, and Governor Ligarga of Sonora.[126] The American

colonel had known Fausto Topete for years and, with the revolt about to collapse in late April, McNab was able to convince his old friend to finally "give up the useless struggle and thus save further loss of life and property." Accompanied by a "cowboy friend" named Les Waddell, McNab and the four insurgents found "an old rattle-trap automobile that no one would suspect of containing a Mexican general" and headed for exile in the United States on April 26. Shots rang out as rebel troops attempted to prevent this last minute escape by their leaders, but McNab sped on and literally shot his way across the border at Nogales, Arizona.[127] McNab thus helped to end the revolt by convincing several of its most important leaders to abandon the field, rather than fight on in the north. Ambassador Morrow concluded that his military attaché had been "of the utmost value" in this crisis, although his activities may well have been "looked upon as indiscretions . . . in normal times."[128]

American aid was, therefore, of great importance in 1929 as the rebels' early defeat was "decisively" caused by the United States, according to the Spanish ambassador to Mexico and the Mexican intellectual leader, José Vasconcelos.[129] Recognizing Ambassador Morrow as the key figure in this drama, Escobar attacked the famous American envoy in a long and bitter telegram "to the American people." In a futile attempt to win U.S. public approval, the rebel general accused Morrow

of "invading the exclusive jurisdiction" of Mexico while serving as a "propaganda agent" for Calles and his "puppet," Portes Gil. Escobar went on to say that the ambassador had "obvious business connections" with General Calles and was far more concerned about the House of Morgan and "his own . . . financial standing" than about the rights of foreign interests in Mexico. In conclusion, the rebel called for an investigation into Morrow's activities before the former banker and the "tyrant" Calles finally crushed the "popular" movement led by Escobar and his followers.[130]

This personal attack on Morrow fell on deaf ears in the United States, although it would be wrong to believe that there was no opposition to U.S. aid in either the United States or Mexico.[131] Several major newspapers, including the New York Times, the New York Evening World, the Wall Street Journal, the Providence News, the Brooklyn Eagle, and the Washington Post, raised strong objections against Washington's policy in Mexico even before they received word of Escobar's telegram in early April.[132] In a typical editorial of this period, the Wall Street Journal argued that the State Department was betting "on the wrong horse" in Mexico because American interests had been "robbed" by Calles and ignored by an administration whose only concern was "to get something out of the fire for the holders of Mexican bonds." The Journal declared that "we have few friends in Mexico now,

outside the cemeteries, and we shall have not a single one left [if the present government is overthrown]."[133]

A handful fo business interests agreed with this assessment. The former director of the Association of Producers of Petroleum in Mexico wrote to the State Department that "the antithesis of happiness is the unfortunate lot of most of the Mexican people [and] by our attitude [in support of Portes Gil] we assume direct responsibility for a continuation of these conditions." According to Guy Stevens, U.S. aid in the revolt of 1923-24 "merely gave the Mexican government a feeling of assurance that it could safely ignore . . . the rights of our citizens" without reproach by Washington. U.S. aid in the revolt of 1929 would only reenforce this erroneous conclusion and further damage American interests south of the Rio Grande.[134]

James Sheffield took this argument one step further. Reporting to Schoenfeld that he received "literally dozens" of letters from disgruntled foreigners in Mexico, the former ambassador stated that he saw no difference between Escobar's revolt and the revolts led by Carranza, Calles, and Obregón. All were equally reproachable, but Sheffield looked forward to the day when a rebellion would break out led by "a very considerable portion of the better elements . . . approaching the Limantour-De La Bare [sic]-Yturbide-Riba [sic] type." Morrow's predecessor argued that when this movement began

there should be no U.S. arms embargo to impede its progress because he did "not believe that the redemption of Mexico will come merely through a balancing of the budget and the payment of her immediate debts," as Dwight Morrow seemed to think. Sheffield therefore opposed U.S. aid to Portes Gil and a continuation of the arms embargo because these policies only postponed the day when a truly reactionary revolt could begin.[135]

In Mexico, on the other hand, criticism of U.S. aid to Portes Gil was seldom limited to rebel broadsides directed against Dwight Morrow. The "radical element" in Mexico City had been "openly . . . attacking Ambassador Morrow" since the fall of 1928 when an unsigned circular charged the envoy with "taking over the economic resources of the country" with the help of J.P. Morgan and "the connivance of Mexican leaders."[136] The left never sympathized with Escobar and his movement, but it still chose to demonstrate against the United States by organizing a May Day celebration in Mexico City and chanting "Death to the Gringoes" outside the U.S. consulate just as the insurgents were beating their last retreat in the north.[137] However, the vast majority of Mexicans were neither concerned about the revolt nor upset about U.S. aid in the spring of 1929. An American agent, in fact, reported that "the great mass of the Mexican people recognized the movement for what it was--a military revolt sponsored by ambitious men."[138]

Most still agreed with a worker who had informed a U.S. consul in October, 1927, that

> in every revolutionary movement, we have been told that it was for the benefit of the poorer classes, yet, after each one, we find ourselves worse off than before. What little the soldiers, of both sides, do not take during the revolution, the politicians take from us afterwards. So I leave the revolutions to the soldiers and the politicians.[139]

The masses had obviously grown tired of revolutionary promises in Mexico and were no longer willing to risk their lives and few belongings in a new revolt under Escobar. As for U.S. aid to the government, the Diario del Norte of Saltillo, Coahuila, expressed the popular view in an editorial that appeared on April 29. The Diario recognized the United States as the Colossus of the North, but argued that as long as Mexico lacked the means to oppose and destroy the colossus, the country must try to live in peace with it, while exploiting its power and influence whenever possible. Advocating Peso Diplomacy during the revolt of 1929, this semi-official organ urged Mexico to "derive from the industries and the integrity of the United States the good which it will be impossible to obtain by purely visionary means."[140]

Agrarian Support and Exploitation

American support and public apathy therefore contributed to Escobar's early defeat, but the debacle of March and April must be attributed to at least one other major force at

work in Mexico. The provisional government's plan to exploit agrarian support by distributing land and weapons to the peasants proved to be just as important as Portes Gil had predicted it would be. Having armed some forty thousand agrarians in the first three months of his administration,[141] Portes Gil called on these men to fight the Cristeros in the west so that his loyal troops would be free to pursue the rebels in the north.[142] The president later claimed that the peasants were responsible for his victory over Escobar and his final "triumph" over the Cristeros,[143] but there is evidence to prove that the agrarians created almost as many problems as they resolved for the government. The peasants were mistreated by the army, badly supplied by the government, and often ineffective in combat on strange terrain.[144] In the words of one authority, the agrarians "suffered severely and were annihilated as a fighting force."[145] Demoralized by their experience, many peasants either deserted to the other side or "devoted themselves to looting" ranches and near-by towns.[146] Four peasants were executed for such crimes on April 11, 1929.[147] Thousands of others refused to disarm when the rebels finally surrendered in May. Only thirteen of the two hundred rifles issued in the president's own district in Tamaulipas were recovered by state authorities and agrarian forces led May Day riots in at least five local towns.[148] Many declared that they no longer needed "official

assistance in taking land," while others simply took to the hills as armed bandits.[149]

The central government struggled to regain order in this new rural crisis. However, Portes Gil can be accused of also exploiting the situation to purge or physically eliminate radical agrarian leaders who could not be controlled by the new official party, known as the Partido Nacional Revolucionario.[150] In the most sensational case of this era, José Guadalupe Rodríguez and Salvador Gómez were executed without trial for the crime of hiding arms and ammunition in a Communist plot against the government.[151] Others shared a similar fate as they were denied even the semblance of justice given to the last important rebel chief captured in Veracruz; Portes Gil reportedly told his men to give this last insurgent a "fair trial and take photographs of him [both] before and after [his] execution."[152] Those who escaped the firing squad were often forced into the regular army or coopted with land confiscated from rebel leaders.[153] The speed of the agrarian reform therefore continued at a fervid pace, although the government worked hard to control the force it had created by providing land to the peasants before they seized it on their own or with the help of more radical elements.[154] As always, the land reform was largely designed to control the Indian masses and benefit the federal government, rather than help the desolate peasants of Mexico.

Morrow and Post-War Recovery

Portes Gil also benefited from Dwight Morrow's support in the months following the aborted military revolt of 1929. First, the ambassador helped in economic matters. The total cost of the war equaled 13.9 million pesos for the government and at least 55 million pesos for the rest of the economy.[155] Fifty thousand head of cattle had been destroyed, industry experienced a "sharp slump," mining suffered, trade declined, and bank deposits dropped 17 million pesos during the first month of the revolt.[156] The United Sugar Company, owned by American interests, lost fifteen thousand dollars during the war, while the Southern Pacific Railroad lost 1.5 million dollars in property and an estimated 3.5 million pesos in receipts.[157] This destruction was, of course, serious, but U.S. aid and Escobar's early defeat helped to prevent more lasting damage to the Mexican economy as a whole. The federal government kept within its war budget without resorting to higher taxes or excessive loans and federal revenue from the oil industry was not affected because the oil fields were nowhere near the center of the war zone.[158] Bank deposits actually increased by 64 million pesos in April when reports of federal victories reached the major cities and enhanced business confidence in the government.[159] With the exception of the United Sugar Company and the Southern Pacific Railroad, few American firms were damaged because, as a U.S. consul in Sonora

reported, the rebel leaders "were anxious not to antagonize the United States" as long as they coveted Washington's valuable support. Henry Damm in fact wrote that

> American interests in the State were singularly exempt from losses. Threatened demands for money contributions to the Rebel cause were not exacted, [and] most cases of minor confiscations were adjusted satisfactorily. The Rebel leaders . . . met all representations by the Consulate on behalf of Americans in a most conciliatory and accomodating manner.[160]

The insurgents' restraint, moreover, helped the central government after the revolt had ended because the federal regime was not faced with a long list of complex foreign claims, as it had been following almost every other armed conflict in Mexican history. Finally, foreign trade recovered quickly and, while the United States retained a favorable balance of trade in Mexico, Mexican exports to the U.S. decreased by only six per cent from 1928 to 1929.[161]

Table 6-1.

U.S.-Mexican Trade
(in 000s of dollars)

	1928	1929	% change
U.S. exports to Mexico	115,652	133,977	+15
Mexican exports to U.S.	124,523	117,706	- 6

Sources: Excelsior, February 8,1930; New York Times,April 23,1930.

Dwight Morrow helped in this effort to minimize the economic impact of the war by encouraging Montes de Oca to limit government spending and by encouraging foreign businessmen to remain confident in Mexico, just as he had done in the weeks following Obregón's assassination.[162] The ambassador

privately wrote that it would probably take "several years of political tranquility" before the Mexican government would realize "a substantial improvement" in its finances.[163] He was, nevertheless, anxious to help stimulate economic recovery after the war by telling opinion makers, like Will Rogers, that "Your old friend Calles put this revolution down in the most businesslike way that any revolution has ever been handled in Mexico."[164] Rogers and other speakers relayed this message to audiences across the United States.[165] In a more spectacular effort, Morrow also spoke to two thousand guests at seven different banquets in New Jersey by using a long-distance telephone from his office in the U.S. embassy. These civic and business leaders had gathered to celebrate the fiftieth anniversary of the installation of the first telephone in their state, but the ambassador used the occasion to promote Mexican tourism and emphasize the need for foreign confidence in Mexico. Although a thousand rebel troops were still trapped under heavy government fire at Reforma, Morrow told his distant audience that he would like to see all his friends in New Jersey vacationing in Mexico. Using his own phone as an example, the envoy pointed out that "you can come [to Mexico] and still feel close to your home [because] . . . . you may talk directly to your business associates or to your family . . . at any hour of the day or night."[166] Reassured by these words and by Morrow's other reports from

the field, the State Department helped the ambassador by urging American firms to continue buying their raw materials in Mexico. Arthur Bliss Lane thus told the Euston Lead Company of Scranton, Pennsylvania, that the revolt in Mexico was confined to Sonora, Chihuahua, and Sinaloa by April 10 and that two of these three states were "now practically out of control of the rebels" as the federal army was "making rapid progress in its efforts to suppress the insurrection."[167] Morrow, in fact, convinced the State Department to allow the shipment of coal and explosives into rebel territory so that the Southern Pacific Railroad could transport the Mexican vegetable crop to its market in the United States and the Cananea mines could continue their operations, despite the arms embargo that remained in force against the rebels.[168]

Next, Morrow supported the federal government in the months following the rebellion by urging Washington to completely eliminate its five-year arms embargo against Mexico. This embargo had proven helpful to the Mexican government during the rebellions of 1923 and 1929,[169] but it had also represented a dangerous source of friction between the United States and Mexico in the intervening years.[170] The State Department had, for example, been willing to enforce the arms embargo against Calles in 1927 as a diplomatic weapon in the oil dispute. But instead of gaining leverage in this conflict, the embargo only increased European business competition and brought the United States to the brink of war in Mexico.[171]

Domestically, the embargo had also become politically embarrassing to Washington because it allowed the Mexican army to purchase its weapons in the United States while denying this privilege to the Cristeros in their fight to defend the Church. American Catholics were outraged by this discrepancy.[172] Other groups were angered by Washington's refusal to back the rebels in 1923, 1927, or 1929. These elements recognized each Mexican revolt as "something in the nature of a Presidential election" or at least as "genuine" an election as Mexico "has had since the death of Porfirio Díaz."[173] Lifting the arms embargo would help to eliminate this political hostility in the United States so that the State Department could no longer be accused of "keeping a particular Government in power" or taking sides in each new Mexican revolution.[174]

Most importantly to Dwight Morrow, lifting the arms embargo would represent a vote of confidence in Mexican political stability which would, in turn, "greatly increase the prestige of this Government at home and abroad."[175] Encouraged by this bold move, American businessmen might be more willing to risk their money in Mexico and tourists might be more willing to "risk" their vacations in that previously unstable country. Washington nevertheless realized that the embargo would have to be eliminated in the summer of 1929 so that its termination would not be misinterpreted as an unfriendly act on the eve of the fall elections or as an invitation for dissatisfied generals to revolt in the aftermath of

the spring rebellion.[176] Anxious to avoid this misunderstanding, Morrow met with Calles, Estrada, and Portes Gil to convince them that the Mexican government should initiate the request to lift the embargo because it was no longer needed to maintain order in their country. The Mexicans quickly recognized the political and economic advantages of this move and on July 16 Estrada formally requested that the U.S. arms embargo be terminated in Mexico.[177] Secretary of State Stimson relayed the Mexican request to Herbert Hoover who finally lifted the troublesome embargo on the same day that it appeared on his desk in the White House.[178]

Morrow later told Lionel Curtis of his experience with the arms embargo in mid-1929. Having listened to the ambassador for several hours, the British author concluded that

> What impressed me in this incident was the influence [that Morrow] must have acquired with the Mexican Government. In accepting such advice the Mexican Government showed infinite confidence not only in the judgement but also in the friendship of this foreigner.[179]

Curtis was quite right in his conclusions. But, like all those who have perpetuated the Morrow myth, Curtis chose to emphasize the ambassador's influence in Mexico, rather than the advantages that Mexico reaped from Morrow's strategic support. Portes Gil and the Mexicans could afford to show "infinite confidence . . . in the judgement . . . [and] friendship of this foreigner" because they usually shared his political and

economic goals both during and after major crises, such as the assassination of Obregón and the rebellion of 1929. Their demonstrations of confidence in Morrow only served to reenforce their alliance with the ambassador and their assurance of his ongoing support in Mexico. Few assets were of greater value to the revolutionary leaders of the late 1920s.

NOTES

Chapter VI

1. Arthur Schoenfeld quoted in Weddell to Sheffield, Mexico City, May 7, 1928, Box #9, Sheffield Papers. Also see Pearson, Washington, p. 159.

2. Quoted above, page 166.

3. Williams, OHC, p. 700.

4. New York Times, January 21, 1929.

5. Senator William E. Borah, Senator Walter E. Edge, and Ambassador Hugh Gibson were among those who urged the new administration to nominate Morrow. Excelsior, January 8, 19, 1929; Gibson to Lane, Brussels, December 6, 1928, Box #2, Lane Papers. Also see the Philadelphia Public Ledger, November 10, 1928; Excelsior, November 8, 9, 1928, and January 10, 28, and February 3, 1929.

6. Ibid., January 14, 25, 26, 1929. Morrow and Hoover met in Miami on January 24 to discuss the ambassador's role in the new administration. E. Morrow, Diary, entry of January 24, 1929, p. 119. Estrada had also encouraged Morrow to remain in Mexico until at least the end of Portes Gil's term in office. Estrada to Morrow, Mexico City, January 23, 1929, Morrow Papers.

7. Dr. John W. Purnell's property, expropriated in the early 1920s and valued at $23,000, was returned in January, 1929. Excelsior, January 19, 1929.

8. Portes Gil, Autobiografía, p. 425; Portes Gil, Quince Años, pp. 41-42; Portes Gil Interview, May 7, 1964, in Wilkies, México visto en el siglo XX, p. 512. It is interesting to note that Morrow thought that six million pesos would be enough to

pay for expropriated land in 1929. See his memo for Rublee, Mexico City, April 2, 1929, Morrow Papers.

9. Portes Gil, Quince Años, pp. 220-21

10. Schoenfeld to Kellogg, Mexico City, January 28, 1929, ADS, 812.00/29393.

11. Ibid.; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, January 29, 1929, SDR, Dispatch #18 of 1929.

12. Schoenfeld to Kellogg, Mexico City, January 28, 1929, ADS, 812.00/29393; Excelsior, February 6, 1929; El Universal, December 29, 1928.

13. Schoenfeld to Kellogg, Mexico City, January 28, 1929, ADS, 812.00/29393.

14. Edward P. Lowry, the Third Secretary of the embassy, had assumed most of the responsibility for these investigations by the spring of 1929. See Morrow to Stimson, Mexico City, May 8, 1929, ADS, 812.52/1546.

15. Morrow's memo for McBride, Mexico City, March 19, 1929, Morrow Papers.

16. Morrow to McBride, North Haven, Maine, August 30, 1929, Morrow Papers.

17. Memo by Morrow and S. W. Morgan for Olds, Mexico City, May 1, 1929, ADS, 812.6363/2642½.

18. Ibid.; Morrow to Clark, Mexico City, May 7, 1929, Morrow Papers.

19. Memo by Morrow and S. W. Morgan for Olds, Mexico City, May 1, 1929, ADS, 812.6363/2642½. Ing. Marte R. Gómez served as Mexico's Minister of Agriculture under Portes Gil.

20. Ibid.

21. McNab to Morrow, [no location noted], May 12, 1929, Morrow Papers.

22. Memo by Morrow and S. W. Morgan for Olds, Mexico City, May 1, 1929, ADS, 812.6363/2642½.

23. Morrow to Clark, Mexico City, May 7, 1929, Morrow Papers.

24. Morrow to Stimson, Mexico City, July 19, 1929, ADS, 812.001C13/34; Excelsior, July 27, 1929.

25. Rublee's memo for Morrow, Mexico City, [1930], Morrow Papers.

26. Young, "Mexican Oil," 192; Pearson, Washington, p. 283.

27. Castle to Lane, Washington, December 30, 1930, Box #4, Lane Papers; Portes Gil, Autobiografía, p. 398.

28. This address book can be found in the Morrow Papers.

29. New York Times, May 13, 1928.

30. Ibid., October 26, 1927; E. Morrow, Diary, entry of March 27, 1928, p. 53; Morrow's Speech to Herring Seminar, Mexico city, July 16, 1930, Morrow Papers.

31. New York Times, July 4, September 3, 1928.

32. Excelsior, November 23, 1929.

33. Marcelo Villegas, "The Soviet System, Mexican Style," Outlook, CL (October 17, 1928), 968. William Spratling recalled that Morrow "would invariably terminate an interview [by] sending [his] regards to his visitor's 'sonora.'" Spratling's Notes on Morrow, Taxco, November 27, 1933, Morrow Papers.

34. The rebels included: Jesús M. Aguirre, Marcelo Caraveo, Roberto Cruz, Francisco Urbalefo, Claudio Fox, Fausto Topete, and Francisco R. Manzo. Lieuwen, Mexican Militarism, p. 103.

35. Quoted in Dulles, Yesterday, p. 438. Also see Attorney General to Stimson, Washington, May 13, 1929, ADS, 812.00 Sonora/937; Attorney General to

Stimson, Washington, June 3, 1929, ADS, 812.00 Sonora/978; Henry C. A. Damm to Stimson, Nogales, August 15, 1929, ADS, 812.00 Sonora/998.

36. Morrow to Stimson, Mexico City, October 25, 1929, ADS, 812.00 Presidential Campaign/80; Lane to Richard Boyce, Washington, March 16, 1929, Box #57, Lane Papers. Escobar was disturbed by the fact that he had not been named the Minister of War. Lieuwen, Mexican Militarism, p. 103.

37. Excelsior, March 5, 1929. Amaro was unable to serve as the War Minister because he had recently been injured in a polo game and was seeking medical attention in Rochester, Minnesota. Dulles, Yesterday, p. 441.

38. Ambassador Silva Herzog's interview in Pravda (Moscow), March 7, 1929, included in AREM, L-E-815, Leg. 18, p. 68; Editorial in Excelsior, March 12, 1929; Autobiographical Notes, p. 8, Folder 1610, Box #97, Lane Papers.

39. San Antonio Light, March 21, 1929; New Orleans Times-Picayune, April 9, 1929; Gus T. Jones's Memo on Amilcar Zentella, San Antonio, April 5, 1929, ADS, 812.00 Sonora/637; Attorney General to Stimson, Washington, May 27, 1929, ADS, 812.00 Sonora/978.

40. Quoted in Jones's Memo on Amilcar Zentella, San Antonio, April 5, 1929, ADS, 812.00 Sonora/637.

41. See above, pages 48-49.

42. New Orleans Times-Picayune, April 6, 11, 17, 1929.

43. Ibid., April 9, 1929; San Antonio Light, March 21, 1929.

44. Téllez to Secretaría de Relaciones Exteriores, Washington, March 8, 1929, AREM, L-E-815, Expediente: (73)513(72)/1929, Leg. 16; Téllez to Secretaría de Relaciones Exteriores, Washington, March 22, 1929, AREM, L-E-693, Expediente H/513"910-20/1, Leg. 2, p. 563; Téllez to Secretaría de Relaciones Exteriores, Washington, March 24, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4, pp. 40-42.

45. Clark to Morrow, Washington, April 25, 1929, ADS, 812.00 Sonora/833; Morrow to Stimson, Mexico City, April 30, 1929, ADS, 812.00 Sonora/870.

46. New York Times, March 12, 1929; Taracena, La verdadera revolución, XIV: 31.

47. Excelsior, April 4, 1929. Morrow nevertheless asked Estrada to try Americans captured as rebels under international law, rather than under the Mexican law of treason. Morrow to Estrada, Mexico City, April 15, 1929, ADS, 812.00 Sonora/676. Moreover, when an American was actually captured by federal troops north of Jiménez, Chihuahua, the ambassador sent McNab to Portes Gil "to tell the President that he should see that this American prisoner is well treated." Reported in Clark's memo on his telephone conversation with Morrow, Washington, April 5, 1929, ADS, 812.00 Sonora/540.

48. Morrow's memo for Rublee, Mexico City, April 2, 1929, Morrow Papers.

49. Morrow to Stimson, Mexico City, March 5, 1929, ADS, 812.00 Sonora/71.

50. Morrow's memo for Rublee, Mexico City, April 2, 1929, Morrow Papers.

51. Ibid.; Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976.

52. Morrow's memo for Rublee, Mexico City, April 2, 1929, Morrow Papers. Also see William P. Blocker to Stimson, Mazatlán, May 8, 1929, ADS, 812.00 Sonora/943.

53. Morrow to Douglas, Mexico City, March 28, 1929, Morrow Papers.

54. See above, pages 48-49.

55. Curtis interview with Morrow reported in Curtis, Capital Question, p. 255.

56. See above, pages 40-65.

57. New York Times, March 6, 1929.

58. Christian Science Monitor, February 27, 1928.

59. These newspapers included: the Troy Times, the New York Evening Post, the Baltimore Sun, the Providence Journal, the New York World, the Los Angeles Express, the Chicago Tribune, the Chicago Daily News, and the Seattle Times. See "Taking Sides Against the Rebels in Mexico," The Literary Digest, C (March 23, 1929), 8-9.

60. Williams, OHC, pp. 711-12. See, for example, Hearst's New York American quoted in "Taking Sides," 7.

61. Williams, OHC, p. 712.

62. Dye to Stimson, Juárez, September 6, 1929, ADS, 812.00 Chichuachua/35; Fernando Medina Rúiz, Calles: Un destino melancólico (México: Editorial Jus, 1960), p. 101.

63. New York Times, March 6,1929; Morrow to Stimson, Mexico City, April 7, 1929, ADS, 812.00 Sonora/539; Morrow to Stimson, Mexico City, March 5, 1929, ADS, 812.00 Sonora/71; Montes de Oca also supplied Morrow with the following list of rebels, as determined from Mexican military payrolls:

	Generals	Field Officers	Officers	Troops
Sonora	19	91	554	7198
Chichuachua	8	44	182	2435
Laguna	9	72	179	2250
Veracruz	11	62	268	3516
Durango	7	40	130	1555
TOTAL	54	309	1313	16954

Morrow to Stimson, Mexico City, March 18, 1929, ADS, 812.20/75.

64. Morrow to Secretary of War Patrick J. Hurley, Mexico City, May 24, 1930, Morrow Papers; Morrow to Stimson, Mexico City, April 6, 1929, ADS, 812.00 Sonora/531; New York Times, June 22, 1930.

65. Ibid.

66. Lynn W. Franklin to Simson, Saltillo, May 16, 1929, ADS, 812.00 Sonora/954; Vasconcelos, Obras completas, II: 1432; Meyer, Révolution Mexicaine, p. 152; Morrow to Stimson, Mexico City, April 11, 1929, ADS, 812.00 Sonora/714.

67. Excelsior, March 10, 17, 1929.

68. Blocker to Stimson, Mazatlán, April 19, 1929, ADS, 812.00 Sonora/772; also see Damm to Stimson, Nogales, August 15, 1929, ADS, 812.00 Sonora/998.

69. La Prensa (San Antonio), April 8, 1929.

70. See Arthur Constantine, "Morrow's Achievement: An Honest Policy in Mexico," New York World, September 21, 1930.

71. Blocker, to Stimson, Mazatlán, May 8, 1929, ADS, 812.00 Sonora'943.

72. Ibid.

73. Morrow to Stimson, Mexico City, March 4, 1929, ADS, 812.00 Sonora/48.

74. See Hoover's remarks to Congress noted in Excelsior, December 4, 1929.

75. Téllez to Secretaría de Relaciones Exteriores, Washington, March 5, 1929, AREM, L-E-693, Expediente H/513"910-20/1, Leg. 2, p. 37; Washington Post, March 6, 1929.

76. F. C. Guerrero's report from New York in Attorney General to Stimson, Washington, June 3, 1929, ADS, 812.00 Sonora/978; Jones' Memo, "Mexican Revolution, March, 1929," April 9, 1929, ADS, 812.00 Sonora/715; Excelsior, March 16, 1929.

77. Clark Memo, Washington, March 22, 1929, ADS, 812.113/10479.

78. Denette to Director of Federal Bureau of Investigation, El Paso, April 5, 1929, ADS, 812.113/10514; Excelsior, March 6, 1929.

79. Ibid., March 16, 1929. See, for example, Attorney General to Stimson, Washington, April 10, 1929, ADS, 812.113/10527.

80. Dye to Stimson, El Paso, April 1, 1929, ADS, 812.113/10500.

81. See above, pages 56-57.

82. Denette to Director of FBI, El Paso, April 5, 1929, ADS, 812.113/10514.

83. Excelsior, March 6, 1929; Taracena, La verdadera revolución, XIV: 31.

84. See, for example, Téllez to Kellogg, Washington, March 14, 1929, ADS, 812.24/731; Liekens to Portes Gil, El Paso, April 12, 1929, AREM, L-E-700, Expediente H/513"910-20/1, Leg. 14.

85. Portes Gil, Autobiografía, p. 482.

86. Excelsior, March 10, 16, 1929; Henry L. Stimson and McGeorge Bungy, On Active Service in Peace and War (New York: Harper & Brothers, 1948), p. 187.

87. Morrow to Stimson, Mexico City, March 6, 1929, ADS, 812.00 Sonora/699; Téllez to Kellogg, Washington, March 16, 1929, ADS, 812.24/744; Clark memo on his telephone conversation with Morrow, Washington, March 11, 1929, ADS, 812.00 Sonora/724.

88. New York Times, April 7, 1929; Excelsior, April 12, 1929; Morrow to Stimson, Mexico City, March 6, 1992, ADS, 812.00 Sonora/103; Mexican Consul to Consul General de Mexico, Dallas, April 15, 1929, AREM, L-E-815, Expediente (73-11)/513.

89. Liekens to Portes Gil, El Paso, [April 15, 1929], AREM, L-E-701, Expediente H/513"910-20/1, Leg. 13; Liekens to Portes Gil and Calles, El Paso, April 17, 1929, AREM, L-E-701, Expediente H/513"910-20/1, Leg. 16. Major Harold Thompson also reported that a Mexican airplane factory in Tijuana had completed one plane and was constructing another for the Mexican War Department by April 8. See Thompson's Report No. 2018, April 8, 1929 (with photos of the plant and assembled plane), NOMB.

90. Liekens to Portes Gil, El Paso, April 11, 1929, AREM, L-E-700, Expediente H/513"910-20/1, Leg. 13. New York Times, April 9, 1929.

91. A. P. Carrillo to Secretaría de Relaciones Exteriores, New Orleans, March 28, 1929, AREM, L-E-814, Expediente (73-31)/513 3/4, Leg. 3, p. 53; New Orleans States, March 28, 1929.

92. Philadelphia Record, April 10, 1929; Dallas News, April 11, 1929; Attorney General to Stimson, Washington, April 17, 1929, ADS, 812.00 Sonora/726. The rebels later recruited at least two other American pilots, but these mercenaries had also deserted Escobar by April 27. Attorney General to Stimson, Washington, May 7, 1929, ADS, 812.00 Sonora/922.

93. Blocker to Stimson, Mazatlán, May 8, 1929, ADS, 912.00 Sonora/943. Also see Eaton to Stimson, Ciudad Obregón, April 27, 1929, ADS, 812.00 Sonora/976; Vasconcelos, Proconsulado, p. 145.

94. Blocker to Stimson, Mazatlán, May 8, 1929, ADS, 812.00 Sonora/943.

95. Morrow to Stimson, Mexico City, May 21, 1929, ADS, 812.00 Sonora/968.

96. Quoted in Lindbergh, Autobiography, p. 207.

97. Excelsior, March 9, 1929; New York Times, March 9, 1929; Oberlitner, "United States and Mexico," 260, 282. Sixty-three women and children were also included in this group.

98. Denette to Director of FBI, El Paso, March 9, 1929, ADS, 812.2311/514; Jones's Memo, "Mexican Revolution, March, 1929," April 9, 1929, ADS, 812.00 Sonora/715; Estrada to Téllez, Mexico City, March 8, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Estrada to Portes Gil, Mexico City, March 12, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Estrada to Téllez, Mexico City, March 14, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Téllez to Estrada, Washington, March 19, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Estrada to Téllez, Mexico City, March 22, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Téllez to Estrada, Washington, March 24, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4.

99. Liekens to Téllez, El Paso, April 8, 1929, AREM, L-E-700, Expediente H/513"910-20/1, Leg. 1.

100. Oberlitner, "United States and Mexico," 282.

101. Frank Bohr to Stimson, Mexicali, March 6, 1929, ADS, 812.2311/513; Lane Memo, Washington, March 9, 1929,

ADS, 812.2311/513. Kellogg reported that from 1911 to 1924 the Mexican government had sent requests to transport its troops through U.S. territory on thirteen occasions; eight of these requests had been granted while five had been refused. Kellogg to Hoover, Washington, March 10, 1929, ADS, 812.2311/520a.

102. Liekens to Portes Gil, El Paso, April 13, 1929, AREM, L-E-701, Expediente H/513"910-20/1, Leg. 4.

103. See, for example, Liekens to the Mexican Consul in Tucson, El Paso, April 15, 1929, AREM, L-E-701, Expediente H/513"910-20/1, Leg. 12.

104. Taracena, Mi Vida, p. 613.

105. Clark's memo on his telephone conversation with Morrow, Washington, March 11, 1929, ADS, 812.00 Sonora/724.

106. Téllez to Stimson, March 12, 1929, ADS, 812.00 Sonora/725.

107. V. Munroe's memo on his conversation with Morrow, New York, December 11, 1929, Lamont Papers.

108. Lane to Captain J. K. Taussig, Newport, May 20, 1929, Box #57, Lane Papers; Clark to Morrow, Washington, April 18, 1929, ADS, 812.00 Sonora/731.

109. Jones's Memo, "Mexican Revolution, March, 1929," April 9, 1929, ADS, 812.00 Sonora/715.

110. Eaton to Stimson, Ciudad Obregón, April 27, 1929, ADS, 812.00 Sonora/976.

111. Blocker to Stimson, Mazatlán, March 28, 1929, ADS, 812.00 Sonora/559.

112. Reported in Clark to Morrow, Washington, April 26, 1929, ADS, 812.00 Sonora/829.

113. Clark to Morrow, Washington, April 26, 1929, ADS, 812.00 Sonora/830.

114. Bursley to Stimson, Guaymas, May 4, 1929, ADS, 812.00 Sonora/931.

115. Clark to Morrow, Washington, April 25, 1929, ADS, 812.00 Sonora/833.

116. Bursley to Stimson, Guaymas, May 4, 1929, ADS, 812.00 Sonora/931. Calles' report to Portes Gil referred to in Dulles, Yesterday, pp. 452-53.

117. Bursley to Stimson, Guaymas, May 4, 1929, ADS, 812.00 Sonora/931.

118. Washington Post, August 19, 1928; Billman, "Backgrounds," 185-89; Lee H. Burke, "J. Reuben Clark, Jr.: Undersecretary of State" in Hillan, Clark, pp. 166-74.

119. Ibid., p. 167.

120. Clark memo on his telephone conversation with Morrow, Washington, March 11, 1929, Washington, ADS, 812.00 Sonora/724.

121. See, for example, Téllez to Kellogg, Washington, March 14, 1929, ADS, 812.24/731, and Clark to Téllez, Washington, March 14, 1929, ADS, 812.24/731.

122. See Téllez's memo on his telephone conversation with Clark, Washington, March 19, 1929; Téllez to Secretaría de Relaciones Exteriores, Washington, March 4, 1929, AREM, L-E-816, Expediente H/513"910-20/1, Leg. 4; Clark to Morrow, Washington, April 26, 1929, ADS, 812.00 Sonora/829.

123. Reported in Morrow to Clark, Washington, December 16, 1929, Morrow Papers.

124. Morrow to Hurley, [no location noted], May 24, 1930, Morrow Papers.

125. Juan Andreu Almazán, "Memorias," El Universal, September 26, 1958. The State Department had informed Téllez of its suspicions regarding Almazán during the second week of the rebellion. Téllez to Secretaría de Relaciones Exteriores, Washington, March 12, 1929, AREM, L-E-693, Expediente H/513"910-20/1, Leg. 2.

126. Morrow to Hurley, [no location noted], May 24, 1930, Morrow Papers.

127. McNab to Morrow, Los Angeles, May 4, 1929, Morrow Papers.

128. Morrow to Hurley, [no location noted], May 24, 1930, Morrow Papers.

129. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, April 15, 1929, SDR, #108 of 1929; Vasconcelos, Ulysses, pp. 234-35; Vasconcelos, Proconsulado, p. 56.

130. Quoted in the San Antonio Light, April 2, 1929; New York Times, April 3, 1929; La Prensa, April 8, 1929. Also see Altaffer's interview with Escobar reported in Altaffer to Stimson, Nogales, April 18, 1929, ADS, 812.00 Sonora/787. The rebel governor of Sonora, Fausto Topete, made "bitter verbal attacks" against the federal government on March 20 and warned that if the rebellion failed "Ambassador Morrow should be well protected." Quoted in Attorney General to Stimson, Washington, March 22, 1929, ADS, 812.00/29423.

131. Autobiographical Notes, p. 8, Folder 1610, Box #97, Lane Papers.

132. See the Literary Digest, C (March 23, 1929), 8-9.

133. Wall Street Journal quoted in ibid., 8.

134. Stevens to Stimson, New York, March 25, 1929, ADS, 812.00/29438. Also see Herbert W. Pudan to State Department, Carmel, California, March 6, 1929, ADS, 812.00/29413; Richard Kerns Kenna to Stimson, New York, March 4, 1929, ADS, 711.12/1163.

135. Sheffield to Schoenfeld, New York, April 4, 1929, Box #9, Sheffield Papers.

136. Jones's Memo, "Mexican Revolution, March, 1929," April 9, 1929, ADS, 812.00 Sonora/715. The ambassador also "came in for a goodly dose of foul-mouthed denunciations" at a pro-Sandino rally held in Mexico City on December 2, 1928. Abraham Rudy to State Department, Mexico City, December 4, 1928, ADS, 812.00/29373; El Machete, December 8, 1928.

137. Attorney General to Stimson, Washington, May 13, 1929, ADS, 812.00 Sonora/937.

138. De Nette quoted in ibid.

139. Quoted in Paul H. Foster to Stimson, Salina Cruz, October 9, 1927, ADS, 812.00/28878.

140. Included in Lynn W. Franklin to Stimson, Saltillo, May 16, 1929, ADS, 812.00 Sonora/954.

141. Interview with Portes Gil, May 7, 1964, in Wilkies, México visto en el siglo XX, p. 513.

142. Excelsior, March 12, 1929; Meyer, Révolution Mexicaine, p. 142; Meyer, Cristero Rebellion, p. 106; Ellis A. Bonnet to Stimson, Durango, April 12, 1929, ADS, 812.00 Sonora/736; Portes Gil, Quince Años, pp. 220-21.

143. Ibid.; Portes Gil Interview, Wilkies, México visto en el siglo XX, pp. 505, 514; Portes Gil in New York Herald Tribune, April 15, 1929.

144. Bonnet to Stimson, Durango, April 12, 1929, ADS, 812.00 Sonora/736; Meyer, Cristero Rebellion, p. 106.

145. Ibid.

146. Ibid.; Bonnet to Stimson, Durango, April 12, 1929, ADS, 812.00 Sonora/736.

147. Ibid.; "The Terror Against the Peasant Leaders in Mexico," Inprecorr, XLIV (May 29, 1929), 629.

148. Harnden to Stimson, Tampico, May 6, 1929, ADS, 812.52/1544. For similar cases see Bonnet to Stimson, Durango, April 12, 1929, ADS, 812.00 Sonora/736; Heather Fowler Salamini, Agrarian Radicalism in Veracruz, 1920-38 (Lincoln: University of Nebraska Press, 1978), pp. 88-89; Meyer, Révolution Mexicaine, p. 245.

149. Harnden to Stimson, Tampico, May 6, 1929, ADS, 812.52/1544. As long ago as the sixteenth century Machiavelli had observed that "as soon as you disarm your subjects you start to offend them, showing whether through cowardice or suspicion that you mistrust them; and on either score hatred is aroused against you." Machiavelli, The Prince (London: Penguin Books, 1961), p. 115.

150. Beals called the new party "merely a governmental bureau of political control" but misinterpreted this purge as part of Morrow's plan to stop the agrarian reform. Carleton Beals, "The Shifting Scene in Mexico" in Samuel D. Schmalhausen, Recovery Through Revolution (New York: Covici Friede, 1933), p. 170; Beals, Glass Houses, p. 280. On Portes Gil's purge against labor, see Carr, Movimiento obrero, II: 155-56.

151. Meyer, Révolution Mexicaine, pp. 142, 245; Silva Herzog, Interview of May 5, 1964, in Wilkies, México vista en el siglo XX, p. 653.

152. Autobiographical Notes, p. 8, Folder 1610, Box #97, Lane Papers.

153. Morrow to Stimson, Mexico City, April 17, 1929, ADS, 812.52/1538.

154. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, May 15, 1929, SDR, Dispatch #161 of 1929. Sandy McNab believed that "a real local guard could be made out of the agraristas, but they should be under trained army officers who would drill them once or twice a month, their arms being kept in an armory and given to them at the time of drilling, and . . . at the time they were needed in defense [of the government]. He thinks that in this way [the government] might gradually reduce [its] army." Morrow's memo for Rublee, Mexico City, April 2, 1929, Morrow Papers.

155. Excelsior, September 2, 1929; Dulles, Yesterday, p. 457; New York Times, May 25, 1929; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, May 15, 1929, SDR, #160 of 1929.

156. El Nacional (Mérida), May 28, 1977; Wall Street Journal, August 15, 1929, ADS, 812.00 Sonora/998.

157. Ibid.; Wall Street Journal, July 18, 1929; Eaton to Stimson, Ciudad Obregón, May 4, 1929, ADS, 812.77/1079.

158. Excelsior, September 1, 1929; Wall Street Journal, July 18, 1929.

159. Ibid.

160. Damm to Stimson, Nogales, August 15, 1929, ADS, 812.00 Sonora/998.

161. Ibid.

162. V. Munroe's memo for Lamont on his conversation with Morrow, New York, December 11, 1929, Lamont Papers, and see above, pages 332-34.

163. Morrow to Professor Jerome Davis, Mexico City, March 19, 1929, Morrow Papers.

164. Morrow to Rogers, Mexico City, June 18, 1929, Morrow Papers.

165. See, for example, Samuel G. Inman, "The Present Crisis in Mexico," an address delivered to the Eastern Regional Savings Conference of the Savings Bank Division, American Bankers Association, published in The Bankers Magazine, CXVII (May, 1929), 805-807. Also see Alberto Mascareñas' letter thanking Robert J. Eustace for his words of confidence in Mexico. Mascareñas to Eustace, Mexico City, March 27, 1929, ADS, 711.12/1170. On Eustace's role as a publicist, see above, pages 316-17.

166. Quoted in Excelsior, April 5, 1929.

167. See the Euston Lead Company to the U.S. Department of Commerce, Scranton, Pa., April 4, 1929, ADS, 812.00 Sonora/545; Lane to the Euston Lead Company, Washington, April 10, 1929, ADS, 812.00 Sonora/545.

168. Excelsior, March 14, 1929; Damm to Stimson, Nogales, August 15, 1929, ADS, 812.00 Sonora/ 998.

169. Stimson, "The United States and the Other American Republics: A Discussion of Recent Events," an address delivered to the Council on Foreign Relations, New York, February 6, 1931, published in Publications of the Department of State, Latin American Series, No. 4 (Washington: Government Printing Office, 1931).

170. See Téllez's remarks referred to in Excelsior, July 20, 1929.

171. See above, pages 52-55.

172. See above, page 227.

173. The Wall Street Journal quoted in "Taking Sides," 7.

174. Lane to Cotton, Washington, June 26, 1929, ADS, 711.122/16; J. P. C. [Cotton] to Stimson, Washington, July 1, 1929, ADS, 812.113/10567a.

175. Memo by Morgan and Morrow, Mexico City, May 1, 1929, ADS, 812.6363/2642½; also see Curtis, Capital Question, p. 256. There is no evidence to prove Sheldon Liss' contention that the State Department hoped to link its lifting of the arms embargo to a settlement of the U.S.-Mexican boundary dispute. Liss, A Century of Disagreement: The Chamizal Conflict, 1864-1964 (Washington: The University Press, 1965), p. 58.

176. Stimson to Hoover, Washington, July 18, 1929, ADS, 812.113/10572. Memo by S. W. Morgan and Morrow, Mexico City, May 1, 1929, ADS, 812.6363/2642½; Lane to Cotton, Washington, June 26, 1929, ADS, 711.122/16.

177. Morrow to Stimson, Mexico City, July 16, 1929, ADS, 812.113/10572.

178. Stimson to Morrow, Washington, July 18, 1929, ADS, 812.113/10572; Hoover's Proclamation No. 1885 is included in ADS, 812.113/10580a.

179. Curtis, Capital Question, p. 256.

CHAPTER VII

A Meddling Yankee?: 1929

The military rebellion of March and April represented the major crisis of 1929, but it was only one of the several great problems that confronted Portes Gil and his provisional government in that critical year. Other problems, ranging from a plot to assassinate the president in February to the need to hold new elections in November, plagues the central government and threatened to upset the nation's political stability before it was firmly reestablished. Ambassador Morrow became directly involved in at least three ot these major issues as the Mexicans continued to exploit the American diplomat in an effort to solve their domestic problems and, meanwhile, enjoy the rich rewards of American support.

The Sandino Affair in Mexico

First, Dwight Morrow turned to a sensitive diplomatic problem that involved the ongoing revolution in Nicaragua led by General Augusto Cesar Sandino. Suffering from malaria and short on military supplies, Sandino had searched for foreign aid to help fight the fifteen hundred Marines who still occupied his country in early 1929. Turning to Mexico as a

possible source of aid, the rebel leader wrote to Portes Gil on January 6 and asked if he could come to Mexico to discuss certain "highly important projects" with the president.[1] Sandino sent a young captain names José de Paredes to deliver this urgent message and await the chief executive's reply.[2] Portes Gil read Sandino's letter with great interest and at least some degree of trepidation. Eager to avoid renewed conflict with the United States on an issue that had nearly led to war in 1927,[3] Portes Gil went so far as to ask Dwight Morrow's opinion of Sandino's request to visit Mexico.[4] The ambassador assured Portes Gil that Washington would not object to Sandino's trip as long as the rebel chief remained in a "remote state," did not enter Mexico City, and did not attempt to direct the war in Nicaragua from his new residence in Mexico. Anxious to remove a thorn from its side in Central America, the State Department gladly arranged for the rebel's journey through Honduras and Guatemala.[6] Washington "would much prefer to have Sandino in Mexico under surveillance," wrote Kellogg, "than in Costa Rica, Guatamala, or Honduras, where he might otherwise go."[7]

Two months later, Morrow returned to the National Palace with new instructions from Washington regarding the political crisis in Nicaragua. The envoy had been instructed to ask Portes Gil if Mexico would follow the example of every other country in Latin America and finally recognize the U.S.-backed regime of José María Moncada. The president refused.

After tactfully complimenting Morrow as "a person who works against all forms of injustice," Portes Gil asked the ambassador how he would feel if foreign troops invaded the United States and had created a puppet regime in Washington as the Marines had done in Nicaraugua. No, his government would never recognize Moncada while American soldiers remained on Nicaraguan soil.[8] The chief executive nevertheless suggested that he and Morrow could help end the war in Central America by launching a new peace offensive in the spring of 1929. According to his plan, Portes Gil would privately urge Moncaca to have the United States withdraw its troops if the Mexican president could convince Sandino to lay down his arms and "put himself at Moncada's command." Morrow, on the other hand, could help by obtaining U.S. support in a project that would undoubtedly save American lives in Nicaragua and salvage American prestige in Latin America.[9]

The president's plan was based on a proposal that had been presented by Sandino's personal representative in Mexico, Dr. Pedro José Zepeda.[10] Given Morrow's support and Zepada's alleged authority to speak for Sandino, Portes Gil sent a Mexican agent to begin negotiations with Moncada in the last week of April, 1929. Moncada reportedly listened to the Mexican scheme and rejected it in no uncertain terms. It would be impossible to maintain internal order without the Marines, according to the president, because Sandino's word could not be trusted. Moncada declared that it would be nothing short

of political suicide for him to ask Washington to withdraw its troops while Sandino remained alive.[11] Hearing this, the Mexican agent returned home to tell Portes Gil that his plan had failed because in Nicaragua "the hero, the sustainer of the national honor and independence, is Sandino, while Moncada is only the imposed traitor of the invaders who seek to make the nation a North American colony."[12] Disheartened, the president relayed the news of his abortive peace plan to Ambassador Morrow.[13]

Meanwhile, Sandino had remained in Nicaragua where he received Captain de Paredes' report on his important mission to Mexico. However, the overzealous young officer had misinterpreted what Portes Gil had had in mind for Sandino. Thus, while the Mexican president simply offered Sandino political asylum with Washington's blessing, the insurgent leader was led to believe that Portes Gil was ready to furnish both arms and ammunition for his fight against the Americans. The rebel chief was, in fact, so sure of Mexican aid after hearing de Paredes' report that he told an old friend that he was on his way to conclude an arms deal with Portes Gil and would return to Nicaragua aboard a Mexican military airplane by November, 1929.[14]

Sandino was to be sadly disappointed. The rebel was protected by Mexican guards during his trip through Central America and was made an honorary general by the Mexican military as he entered the country on June 25,[15] but he was not allowed

to enter the capital for many months, no less see Portes Gil himself. Instead, the rebel was told to wait in a small villa on the outskirts of Mérida on the Yucatán peninsula.[10] Sandino waited for half a year. Gradually, he began to suspect that Portes Gil had conspired with Morrow and the Americans to lure him from the battlefield and make him a prisoner under virtual house arrest in Merida.[17] When he was finally allowed to see Portes Gil in the last week of the president's term, it was without fanfare, as the Mexicans had promised Morrow, and it was, conveniently, too late to receive any aid from the departing government.[18]

Still determined "not to abandon my mountains while even one Gringo remains in Nicaragua,"[19] Sandino began to plan an escape from his makeshift prison as early as December, 1929. This was no easy task as Dwight Morrow had told the Mexican government that "it would be helpful in furthering good will between the United States and Mexico" if Mexican agents could prevent Sandino's direct return to Nicaragua.[20] As a result, the ambassador received several reports on the insurgent's activities in Mexico.[21] Aware of this tight surveillance in Mérida, the rebel chief let it be known that he was planning to buy a fram in the countryside so that it would appear that he was preparing to stay on in Mexico.[22] Instead, Sandino and his aides went on a long car ride in late April, 1930, and never returned to their villa; the rebel leader had evaded his

guards and was finally returning to Nicaragua after nine futile months abroad.[23]

Portes Gil can, therefore, be accused of leading Sandino on in an effort to end the war in Nicaragua and main tain American support at home. Politically unable to recognize Moncada, as washington had requested, Portes Gil had asked for Morrow's opinion of Sandino's visit to Mexico and had developed a peace plan of his own because "he wished, if possible, to use this occasion . . . to improve the relationship between his country and [the United States]."[24] The president's peace plan had failed in the spring of 1929 and he never intended to supply Sandino with Arms, but Portes Gil had still encouraged the rebel leader to come to Mexico because for nine months, or until the end of his term in office, Portes Gil could keep Sandino out of action and, in the process, win American favor. The rebels' war against the Marines in Nicaragua was set back almost a year, despite Portes Gil's allegged opposition to U.S. intervention in that country, but the president had reenforced a major prop for his government as officials in Washington appreciated his efforts in dealing with Sandino almost as much as they would have appreciated his official recognition of the Moncada regime itself. Unable to force this recognition or obtain it with Morrow's tactful style of diplomacy, the State Department had had to be satisfied with Sandino's temporary exile from Nicaragua as a partial payment for U.S. assistance in crushing the Escobar revolt.[25]

A Church-State Settlement at Last

The Mexicans were also indebted to Morrow and the State Department for their assistance in finally resolving the Church-State conflict in 1929. Negotiations with the church had, of course, been stalemated since Obregón's assassination by a religious fanatic in July, 1928.[26] However, Calles, Morrow, and Portes Gil still hoped to make peace with the Cristeros for many of the same political and economic reasons that had originally motivated their peace initiative prior to the general's assassination. The bombing of the president's train on the very day of Torral's execution only reemphasized the fact that Mexican leaders would never be safe and political stability would never be possible while the war raged on.[27] A peaceful election in November and a peaceful transfer of power in 1930 would be highly unlikely if the defeated candidate could appeal to the Cristeros to join him in a new revolt against the federal government.[28] Meanwhile, a religious truce would increase the provisional president's strength so that he could face other pressing issues with far greater political authority.

Dwight Morrow was particularly worried that new incidents and political crises would endanger whatever progress had already been made in Church-State negotiations. On May 10, the ambassador went so far as to talk to Portes Gil in "an informal and personal way" about the well-being of the

thirty-nine Catholic women who had been arrested as suspects in the February 10 bombing incident and were reportedly mistreated in Mexican jails. The president reassured Morrow that the Catholic prisoners were fine, but the envoy still worried about how the arrests would affect peace negotiations because "in view of the faulty administration [of justice] in Mexico" he was sure that many of the prisoners had not even been involved in the crime.[29]

Morrow was even more concerned about the effect of increased military operations in Jalisco and Guanajuato during the spring of 1929. Twelve thousand federal troops and many thousand agrarians were reportedly "clearing the situation up" in these states,[30] but the worried ambassador urged Portes Gil "to move only against the bandits who were committing depredations . . . and to call [the enemy] bandits and not Cristero rebels" so that the violence would not adversely affect negotiations with church officials and the Vatican. Anxious "to forestall any untoward incident" that would further damage peace talks, Morrow insisted that "it would be wise to move as quickly as possible" toward reaching a Church-State agreement.[31]

Although he has largely denied the fact,[32] Portes Gil did everything possible to cooperate with Morrow's attempt "to move as quickly as possible" in 1929. In fact, to appreciate the extent of the president's willingness to cooperate with Morrow it is only necessary to consider a memo prepared

by Captain McBride in Mexico City. According to the naval attaché, Morrow had called on the provisional president and suggested that Portes Gil grant a special interview to an Associated Press correspondent on April 20. The president could express his satisfaction that the church had refused to become involved in the recent military revolt led by Escobar and a small group of disgruntled officers. Portes Gil could, moreover, express his hope that after the military revolt was over he and the church might "better understand each other's aims" and work for a new Church-State accord. The president agreed to this interview and, in fact, accepted a memo from Morrow that outlined exactly what he should say to the AP reporter. With Morrow in Querétaro on April 20, McBride and Allan Dawson had accompanied the American correspondent to see Portes Gil and, incidentally, to listen to what was said. The president went so far as to have a stenographer record the entire interview so that the ambassador could review all that went on in his absence. Returning to Mexico City on April 22, Morrow read the carefully orchestrated interview and rejected it because, in his opinion, "the interview as given would probably not create publicly as good an impression as had been hoped." Leaving the decision on what to do with the interview "to the Ambassador's discretion," Portes Gil accepted Morrow's verdict and the piece was never published in the United States or Mexico.[33]

However, eleven days later, while students demonstrated outside the U.S. consulate with cries of "Death to the Gringoes,"[34] Portes Gil issued a public statement that included many of the same points that Morrow had urged the president to make on April 20. The president therefore praised the church for not becoming involved in the military revolt and declared that the priests were free to resume their spiritual activities as long as they strictly obeyed the federal laws of Mexico.[35] Replying to this statement on the following day, Archbishop Ruíz y Flores praised the president's attitude and concluded that the religious controversy "was not motivated by any cause that may not be corrected by men of sincere good will."[36] Grasping at this opportunity to reopen direct negotiations with the church, Morrow urged Portes Gil to give his public approval to the archbishop's message in yet another statement prepared by the ambassador himself.[37] Portes Gil agreed and, with only two slight changes in Morrow's draft, he dutifully told the press that "if Archbishop Ruíz should desire to discuss . . . the method of securing the cooperation in the moral effort for the betterment of the Mexican people, I shall have no objection to conferring with him on the subject."[38] After nearly a year of stalemated ngeotiations, the peace talks were finally about to resume.

This was, of course, a major breakthrough. However, one must ask why the president of Mexico had been so willing to bow to the demands of a foreign envoy in this particular

instance. We have already considered the political and economic crises that had created the need for a diplomat with Morrow's special talents, but there seems to be at least two other important reasons why Portes Gil agreed to follow the ambassador's instructions so closely in April and May.

First, the president was apparently eager to please his predecessor and political benefactor, General Calles. According to one report, Calles told Portes Gil that "we have finished with Escobar, but we [are] not finish[ed] with the Cristeros, so find a way to come to an arrangement with the priests and put an end to this war which is annihilating us."[39] Portes Gil may be exonerated of the charge that he was Calles' "puppet president" on issues such as the agrarian reform, but it appears that he was obediently following the strongman's instructions when he cooperated to the letter with Morrow's plan to end the religious warfare.

Second, Portes Gil cooperated with Morrow because there was serious talk of a Cristero plot to assassinate the ambassador himself in April, 1929. There had been many rumors of this kind during the previous two years. Angered that Morrow still refused to support their cause in September, 1928, for example, the Cristeros had circulated a handbill that warned "Mr. Morrow" to be extremely careful because "an enraged population is a terrible thing . . . . Fear the wrath of the people; fear the wrath of God."[40]

A month later, the British vice consul in Guadalajara reported that the Cristeros in his district planned to create an international incident, such as murdering Morrow, to force American intervention and cause the downfall of the despised federal regime.[41] The ambassador passed this information on to Estrada "informally,"[42] but seldom took these threats very seriously. As he wrote to a friend after an alleged attack on his life in the fall of 1928, "the only [gun]fire that we know anything about is what we read about in the press."[43]

These threats were, however, taken far more seriously by J. Reuben Clark and the State Department in the spring of the following year. On April 11, or just six days before Morrow arranged for the Associated Press interview with Portes Gil, Clark told church officials that "Catholic elements" were plotting against Morrow's life in Mexico City. Referring to intelligence reports by General Lassiter on the border and Colonel Starling of the White House Secret Service, Clark asked if "the Catholic Church [could] do anything to protect the life of Ambassador Morrow." A church spokesman replied that although this seemed to be a problem for the police rather than the clergy, he "had no doubt but that [the religious] authorities [in] Mexico would denounce . . . any plot to assassinate Ambassador Morrow as an offense against the teaching of the Church."[44]

Not satisfied with this promise alone, the State Department appealed to Portes Gil to allow several American

agents to guard Morrow on a twenty-four-hour basis. Answering that he was equally concerned for Morrow's safety, Portes Gil authorized the unprecedented entry of four U.S. sergeants into Mexican territory, although this would normally be considered an affront to Mexican sovereignty.[45] The entire mission was, therefore, kept secret from the press and the public. Reporting to Fort Sam Houston in San Antonio, Texas, the four sergeants were each given civilian clothes to wear, a bag filled with money for expenses, a .45 automatic pistol with twenty-one rounds of ammunition, and instructions to tell their friends and families that they were simply going to Mexico on a vacation.[46] Once in Mexico, these guards never let Morrow out of their sight, except when he slept and when the ambassador went into Calles' private office during his "many trips" to see the general.[47] The threats nevertheless continued as menacing notes addressed to the ambassador and his family were either tied to rocks and hurled over the embassy's wall or plastered on buildings in various parts of the capital.[48] Still anxious for Morrow's safety in late May, Portes Gil assigned 180 troops to an advance train and another hundred troops to Morrow's own train when the envoy traveled to the United States to attend his daughter, Anne's, celebrated marriage to Charles Lindbergh.[49]

Thus aware of the grave danger to Morrow's life in April and May, Portes Gil was eager to cooperate with the ambassador and resolve the Church-State conflict before a

religious fanatic like Toral could find an opportunity to attack the well-guarded envoy. Morrow's death would represent a great loss to the United States, but an even greater loss to Mexico. Church-State negotiations would, undoubtedly, be broken off indefinitely, while U.S.-Mexican relations would deteriorate, Peso Diplomacy would fail, and the threat of U.S. military intervention would become as ominous a possibility as it had been in early 1927. Portes Gil risked severe criticism for bowing to a foreign envoy's demands and one can argue that he compromised Mexican sovereignty in several ways, but his actions are at least understandable given the political and economic crises of his time as well as Calles' political instructions and the urgent need to protect Morrow's life in 1929.

Events therefore moved quickly following the diplomatic breakthrough of early May.[50] In an effort to expedite negotiations, Morrow drew up a new proposal and won Calles' approval of it before showing the draft to either Portes Gil or the Mexican prelates, led by Bishop Pascual Díaz and Archbishop Ruíz y Flores. The president and the clergy soon accepted the document (with only minor changes) and the matter was referred to the Vatican in a long telegram dated June 15. The proposed draft hardly differed from Calles' letter to Burke in 1928. As in the earlier document, Portes Gil stated that "it is not the purpose of the Constitution, nor of the laws, nor of the Government . . . to destroy the

identity of the Catholic Church . . . or to interfere in any way with its spiritual functions." The president, moreover, declared his willingness "to hear from any person, be he a dignitary of some church or merely a private individual, any complaints in regard to injustices arising from undue application of the laws." However, unlike the Calles letter, which ended "with no other particulars," the correspondence of June, 1929, made "reference to certain provisions of the Law" to clarify their meaning. Portes Gil therefore agreed that the required registration of priests did "not mean that the Government can register those who have not been named by the hierarchical superior of the religious creed in question." Also, while the law prohibited religious instruction in public or private schools, this did "not prevent ministers of any religion from imparting its doctrine [to adults or their children] within church confines." Finally, the president wrote that "the members of any church may apply to the appropriate authorities for the amendment, repeal or passage of any law" that was of special interest to them.[51]

Despite this list of particulars, Rome hesitated to approve the proposed modus vivendi and, in effect, left it to Archbishop Ruíz y Flores (as the recently-appointed Apostolic Delegate) to reach a final decision on this question. Willingly accepting this responsibility, the prelate only requested a minor change in phraseology before he finally signed the agreement on June 21 and ordered the Mexican

clergy to "resume religious services pursuant to the laws in force."[52] The churches of Mexico could reopen at last.

The vast majority of Mexicans welcomed this news with great enthusiasm. Describing the joyous celebration in the capital, Mrs. Morrow's social secretary recalls that she had driven

> into the Zócalo just at the moment [when] the Cathedral bells began to ring for the first time in years. All traffic came to a standstill . . . and people fell to their knees in prayer. The bells were echoed by every Church in the City.

Returning to the embassy, Catherine Sills found it surrounded by hundreds of jubilant Mexicans who shot small firecrackers into the air and called out Morrow's name over and over again.[53] This wild celebration went on for days.[54] Priests offered prayers for Morrow, telegrams and callers expressed their gratitude to the ambassador, and his popularity, which was described as "great" before, was now characterized as "almost overwhelming."[55] Eight-hundred-and-fifty-eight churches were soon reopened for the first time in three long years.[56] Awakened at dawn by church bells in Cuernavaca, Morrow reportedly laughed and facetiously told his tired wife: "I have opened the churches [in Mexico]. Now perhaps you will wish me to close them again."[57]

The ambassador was clearly pleased with his diplomatic achievement, but it is interesting to note that, as with the oil settlement of the previous year, he considered the new

Church-State pact to be a means to an end, rather than an end in itself.[58] Thus, while he told a former classmate at Amherst that "the adjustment of the religious controversy was a great relief to all of us," he recognized the pact as a "peace without victory" or simply a temporary agreement on general principles pending the future settlement of specific issues.[59] This future settlement would depend on the good will that the new modus vivendi had established between the Church and State. Morrow, in fact, wrote that it "is going to require good will on both sides in order to avoid . . . trouble, but . . . the recognition of the [need] for such good will, and the practice . . . of it, may incidentally help to solve some other questions here."[60] Still filled with optimism about the religious situation in September, the envoy went so far as to tell Fr. Burke that "as I read Mexican history I am sure such a [Church-State] policy has not been tried heretofore under as favorable auspices as now exist."[61]

The Mexican Presidential Election of 1929

Morrow's growing involvement in Mexican affairs was clearly evident in both the Church-State settlement of June 21 and the nine-month exile of Augusto Sandino, but it was never more evident than in the Mexican presidential election of late 1929. In a three-man race, Pascual Ortiz Rubio represented the newly-formed official party, while José Vasconcelos ran for the Partido Nacional Antirreeleccionista

and Pedro Rodríguez Triana represented a Communist coalition of workers and peasants.[62]

The battle lines were clearly drawn early in the campaign. Ortiz Rubio enjoyed the enormous wealth and organizational strength of the PNR as well as the political "enthusiasm" of government officials who hoped to retain their lucrative jobs in the next administration.[63] Dwight Morrow went so far as to say that "it is probable that a better party organization has been [put] together [for Ortiz Rubio] than has heretofore existed in Mexican politics."[64] This powerful organization drew on funds "solicited" on the local, state, and national levels. In Sonora, for example, Governor Francisco S. Elías ordered every municipality in the northern part of his state "to use all funds coming into their possession until election day" for the Ortiz Rubio campaign. Companies who did business with the government went unpaid until after the election on November 17 as all available cash poured into the PNR's campaign coffers.[65] In Guaymas, the state tax collector and the municipal president told their employees "that any [worker] who failed to vote for Candidate Ortiz Rubio would be dismissed" soon after the election was held. Bus companies and taxi drivers were, meanwhile, required to paint the PNR insignia on their vehicles or face losing their licenses in retaliation.[66] Special trains were placed at Ortiz Rubio's disposal and the

PNR was accused of "hiring peasants and public women to stage demonstrations" for its politically unappealing candidate.[67] According to the U.S. consul in Chihuahua, only government officials, party members, and mounted agrarians, "who had been rather plentifully supplied with . . . the local intoxicating beverage," met Ortiz Rubio when he arrived in that state's capital on August 23, 1929. Similar reports, with only slight variations, were filed by other American observers from across northern Mexico as the election day drew near.[69]

Illicit campaign practices were, therefore, common in 1929, but few cities or states could match Tampico for its corruption and unfair conduct on Ortiz Rubio's behalf. Tampico was, of course, the major city in Portes Gil's home state of Tamaulipas and local politicians were eager to deliver their several thousand votes so that the president would not be politically embarrassed by anything short of a landslide victory for Ortiz Rubio. It was, in fact, reported that Portes Gil told Governor Castellanos to take all "necessary measures to insure the casting of a majority of votes for Ortiz Rubio in this city."[70] Campaign posters for Vasconcelos were banned in Tampico, while those for Ortiz Rubio were plastered on every available wall and at every street corner.[71] As much as ninety per cent of the population was said to oppose the official candidate, but a U.S. consul wrote that "retaliatory acts . . . leave no

doubt in the public's mind that the government is doing everything possible to discourage enthusiasm for the popular Vasconcelos."[72] The opposition candidate experienced "great difficulty" in even finding a hotel to stay in when he campaigned in Tampico and the hotel that finally took him in was notified that its taxes had suddenly been increased by one hundred pesos a month. Similar threats of increased taxes were made against theater owners who considered letting Vasconcelos use their buildings for his political rallies. Employing yet another form of coercion, the municipal president ordered his fire department to break up an open-air rally for Vasconcelos by pouring water on the candidate's supporters.[73] Finally, Governor Castellanos "requested" political contributions from members of the Tampico Chamber of Commerce so that several thousand peasants could be brought to the port city to "vote as instructed" by the PNR. Business leaders were reminded that in view of "the concessions [and] tax reductions . . . now pending . . . and desired during the coming year, local industries would be expected to contribute largely" or face the "retaliatory measures [that] would be taken against all firms refusing to contribute." Hearing this, most businessmen bowed to the inevitable and provided funds for the room and board as well as the transportation of these "visitors" in an effort to keep peace with the authorities and the new PNR.[74]

José Vasconcelos was, in sharp contrast, burdened with a poorly organized and impoverished political party in the election of 1929.[75] The candidate nevertheless traveled widely and received considerable support from students, intellectuals, workers, and, according to Morrow, all "those whose material interests have suffered [under] . . . the present regime."[76] Reports verified that Vasconcelos' rallies were often less crowded than his opponent's, but those who came to hear him speak were generally more sincere in their support of their candidate.[77] Most of these followers were centered in northern Mexico where one U.S. consul estimated that eighty per cent of the population favored Vasconcelos, but feared government reprisals if they were too politically active in his campaign.[78] The majority of voters could, therefore, be described as apathetic or disillusioned as they openly expressed the view that Vasconcelos would lose on November 17, regardless of the number of ballots in his favor, because Ortiz Rubio would surely win the election when the votes were "recounted" in Mexico City.[39] Others predicted that if Vasconcelos actually won a fair election "twenty-four hours would not pass before General Amaro would rise in rebellion" to nullify the results.[80]

José Vasconcelos fought a hard campaign, despite this political pessimism and despite the many disadvantages he faced in his battle for the presidency. The former Minister of Education argued that the forty million pesos that had

been spent on schools in 1923 had dwindled to twenty million pesos by 1927 as more and more money was lost on graft and spent on military expenditures in Mexico.[81] Turning to the land issue, Vasconcelos reacted to the uncertainty of land ownership and the political problems of the reform by declaring that "what Mexico lacks is an agrarian plan that guarantees property and is divorced from politics."[82] In addition, the candidate criticized the tyranny and political plunder of recent regimes which, he claimed, were typical of the "everlasting orgy of barbarism" in Mexican history.[83]

Vasconcelos criticized nearly every government policy of the late 1920s,[84] but the famous philosopher leveled his most bitter attacks against a foreign envoy, rather than against Ortiz Rubio or Portes Gil or General Calles. In the words of one supporter, "the real enemy of democracy in Mexico . . . is not [Vasconcelos'] apparent rival, Pascual Ortiz Rubio, . . . it is not even Calles himself, but the representative of capitalism who interferes in our domestic affairs: the American Ambassador Dwight Whitney Morrow."[85] Vasconcelos charged that Morrow had used his diplomatic post to increase his personal wealth and influence in Mexico, while making the country an "imperial colony" of the United States.[86] The candidate complained that, thanks to Morrow, the oil and land issues "had been resolved in favor of the United States,"[87] while the Church-State conflict had been

resolved with disastrous results for the Cristeros.[88] The ambassador was falsely accused of raising funds for Protestant schools and promoting Protestant charities so that the Catholic Church would be denied its traditional role in these social activities.[89] Politically, Morrow had become the "Proconsul of Mexico" by making Calles his personal "tool" and by manipulating events following Obregón's assassination in July, 1928.[90] Economically, the ambassador was accused of organizing a huge company to exploit the sugar industry in Tamaulipas, while dividing the state of Morelos with his business partner, General Calles.[91] The leader of Vasconcelos' party concluded that foreigners like Morrow were beginning to monopolize the Mexican economy just as they had done under Porfirio Díaz and the old regime.[92]

Reportedly eager to maintain his increasing political and economic control of the country, Morrow was said to favor Ortiz Rubio in a plot to "fool the people" with a change of puppet leaders that would "make the prolongation of [his corrupt] system more bearable."[93] Vasconcelos claimed that Morrow had, in fact, urged Calles to create the PNR as "the secret [weapon] to keep you in power" and control the warring political factions in Mexico.[94] Identified as "Wall Street's candidate," Ortiz Rubio was said to enjoy American support because Morrow and his friends in New York had helped to suppress news about Vasconcelos, while focusing American

attention on the official candidate, regardless of the stories that were originally filed by correspondents in Mexico.[95]

Vasconcelos repeated these charges at political rallies across the country, but he admittedly raised the intensity of his criticism against Morrow to a "higher pitch" in his speeches to "pure-blooded Indians and people of old European stock."[96] In a typical campaign address, delivered on March 31, 1929, the philosopher declared that

> While others get support for their candidacy in obscure and cowardly alliances with the representatives of our enemy, . . . we seek the support of the real people, . . . scorning Mr. Morrow, to whom I have sent word that . . . I ask him for nothing, and that after the Mexican people have triumphed, I will give him twenty-four hours to pack his suitcases [and leave Mexico forever].[97]

Vasconcelos' Search For American Support

Vasconcelos therefore shunned American support and attacked Dwight Morrow in public, but there is evidence to prove that he privately sought Washington's aid and the ambassador's approval on at least five occasions in 1929. The candidate had spent a good deal of time and had made a great many friends in Washington when he visited the United States on confidential missions for presidents Madero, Carranza, and Obregon.[98] Eager to exploit these contacts in his race for the presidency, Vasconcelos sent a political representative to arrange a private meeting with Herbert Hoover in

Washington. Evaristo Paredes nevertheless failed to schedule a conference with the president and was generally frustrated in his several attempts to win American support.[99] Later, Vasconcelos "spoke frankly" to a "famous California Senator" in an effort to gain his support in Congress. The candidate referred to several of the major problems in Mexico, but he emphasized the point that Calles and his followers were "handing over the country to the bankers of Mr. Morrow . . . [and] foreigners were gaining title to the most valuable farm lands of the [nation]."[100] Again, Vasconcelos' criticism fell on deaf ears in the United States.

In a third attempt to influence American thinking in 1929, the candidate granted an interview to several foreign reporters and denied the charge that he opposed all foreigners in Mexico. Vasconcelos declared that he only opposed those who came to his country to exploit its resources or to conspire against the Revolution. Vasconcelos vowed to protect American property and he announced a plan to "promote an invasion of Mexico by American professors" who might help to "develop our civilization." The candidate concluded that U.S.-Mexican relations would "be more cordial than in many years" if he became president because he would be the first Mexican leader who could negotiate with Washington in English.[101]

Finally, Vasconcelos sought to win U.S. support, or at least neutralize Morrow's position, by meeting with the ambassador on two occasions during the campaign.[102] The first of these two sessions was arranged by a painter named Adolfo Best who accompanied Vasconcelos to a luncheon at George Rublee's home in Mexico City. The philosopher later recalled his first impression of Dwight Morrow by describing the ambassador as "puny in appearance . . . almost 'undersized,' short sighted and bow-legged. In vain I searched his face for the flame of intelligence which was supposed to characterize him."[103] The two men were left alone to talk after lunch was served, but "we discussed only general subjects," according to Vasconcelos, as he and the ambassador used the occasion to get acquainted before they began more serious discussions.[104]

The candidate's second meeting with Morrow was held at the U.S. embassy itself. Vasconcelos was ushered into the ambassador's office where he immediately noticed that "the books on [Morrow's] desks did nothing to suggest a refined taste, but were works of colleagues in law or banking [written] in the commercial jargon of capitalism."[105] Despite this, Vasconcelos launched into a discussion of Mexican politics by describing "his bad opinion of General Calles" in "no uncertain terms."[106] Morrow quietly listened to this attack and replied by reminding Vasconcelos that "this was not the

first time in history that a band of well-armed gangsters had imposed itself on an entire nation for one or more generations."[107] The ambassador nevertheless argued that Vasconcelos should not follow the traditional route in Mexican history and rebel against the government either before or after the election. Morrow admitted that it was almost impossible for either of the opposition parties to win on November 17, but he told Vasconcelos that

> You are doing something important; you are educating the people in democracy; you will teach them to vote and although you will lose this election--since the government is very strong--in the next one . . . your triumph is sure unless you make the mistake of stirring up a rebellion [now].[108]

Morrow was, evidently, far more interested in creating political stability and establishing a precedent for future elections than in altering the corrupt campaign practices of 1929.[109] It was, therefore, essential for Vasconcelos and his followers to accept defeat and allow a peaceful transfer of power as a lesson in democracy for Mexico. Vasconcelos made no promises to Morrow.[110]

The ambassador was, however, persistent in his efforts to educate both sides in the campaign of 1929. Morrow went so far as to have a member of the U.S. Embassy staff read certain sections of Stubbs' Constitutional History of England to Genaro Estrada so that the Foreign Minister could compare the development of democracy in Mexico to the slow, but

steady, growth of the modern form of government in England.[111] Five weeks later, Morrow sent the entire three volumes of Stubbs' history to Estrada and to Luis Cabrera, a Vasconcelos sympathizer.[112] Even more significantly, the ambassador sent a copy of Anson Morse's Parties and Party Leaders to Vasconcelos just one week after Morrow's second visit with the candidate.[113] Morse had been the ambassador's history professor at Amherst and had published his book on political parties after years of encouragement by Dwight Morrow.[114] Morrow had, in fact, written the book's introduction when it appeared in mid-1923 and he had had Estrada translate this 35-page section into Spanish for Vasconcelos.[115] In Morrow's words, "the fundamental idea in Morse's theory of party is that historically party is a substitute for revolution."[116] Using examples from ancient Greece and the Middle Ages, the envoy had explained that the outbreak of periodic revolts was prevented in history by the creation of parties or groups that were willing to play the role of the loyal opposition until they were given the opportunity to rule the state on their own. Vasconcelos read these words with interest and recalled that Morrow's argument "that salvation lay in organizing the opposition" was the same plea that the ambassador had made to him at their meeting in the U.S. embassy.[117]

The ambassador only hoped that Vasconcelos would accept his role as an opposition leader who was prepared to accept the possibility of a future victory, rather than disrupt Mexican political progress with yet another revolt in late 1929.

Vasconcelos could hardly expect the ambassador's support under these circumstances, but many observers believed that the philosopher could not have counted on Morrow's aid even if the election was fair and even if there was the possibility of victory at the polls. As Eyler Simpson told Vasconcelos,

> you have public opinion on your side, but something very important is missing at present--the good will of the American Embassy. [This is missing because] the United States is . . . an industrial country that needs markets [and its] natural market . . . is Latin America. . . . Any government that [therefore] guarantees the United States a policy of rational economic cooperation, . . . which promises to respect the recently signed [oil and church agreements] will be an acceptable government. And I doubt that you, with your ambitions to build an independent Mexico, can count on the sympathy of the Embassy.[118]

La Prensa agreed with this appraisal in an article that appeared on October 25, 1929. According to this newspaper, there had been "some sympathy" for Vasconcelos in Washington until Dwight Morrow visited the U.S. capital between September 30 and October 3. The ambassador had apparently convinced the Hoover administration that its remaining problems in Mexico would be more easily resolved with Ortiz Rubio in power than with Vasconcelos in command. Thus, while the

philosopher was held in "great esteem" in Washington, his election was seen as "a kind of experiment" that Mexico could not politically afford in the late 1920s.[119] Four days later, La Prensa editorialized that the news of Washington's support for Ortiz Rubio had fallen on the Antirreeleccionistas "like a cold shower that was enough to drown all their enthusiasm and all their hopes for victory" either at the polls or on the battlefield.[120]

Morrow never went so far as to endorse Ortiz Rubio officially and the U.S. embassy claimed that there were no "reasonable grounds" for anyone to think that the ambassador "had a candidate or even a preference for one."[121] It was, however, an open secret that Morrow favored Ortiz Rubio for the very reasons that Simpson and the press had thought he would. The official candidate could be expected to honor the oil and church agreements and could be expected to follow a conservative course on nearly every other issue. Ortiz Rubio was, for example, eager to resolve the question of his nation's foreign debt by signing a new pact with the International Committee of Bankers on Mexico soon after his inauguration in February, 1930.[122] The former ambassador to Germany and Brazil also welcomed foreign capital to Mexico by offering to protect all investors who "comply honorably with the laws of [my] country."[123] Ortiz Rubio went on to promise the construction of more roads, more dams, and more

irrigation projects to help stimulate the economy and alleviate unemployment.[124] The politician declared that construction, and not change, was "the magic word of our epoch."[125]

Most importantly, the official candidate promised to follow a conservative course on the agrarian reform. Ortiz Rubio only promised to consider requests for new land that had already been filed with the government;[126] instead of offering more land to the Indians, he announced that "I shall work that the peasants might have water."[127] Ortiz Rubio, in fact, recognized the economic need for large landowners in Mexico by declaring in Toluca that

> Just as I am ready to continue the labor of the social emancipation of our rural population, I also recognize the fact that large-scale agriculture should not be deemed essentially contrary to the general interests of the country, since, when intelligently directed and carried out by modern methods, it contributes substantially to the meeting of our prime economic necessities. . . . Therefore I am pleased to proclaim that I cherish the belief that large-scale agriculture is a powerful factor of equilibrium in our economy and for that reason it will receive my decided support.[128]

True to this philosophy, the candidate only chose to divide the land on his own estate when peasants forced him to do so by filing a public claim to the property in October, 1929.[129] Finally, in a statement that Morrow welcomed with unabashed enthusiasm,[130] Ortiz Rubio proposed a new law that would create "a special fund [in the budget] destined to pay landowners for the value of lands expropriated in the interest

of the Nation."[131] The ambassador's plan to pay for confiscated property with cash from a limited budgetary fund had, at last, been supported in public by a major politician. Morrow could hardly oppose Ortiz Rubio or remain neutral when an issue of such "fundamental importance" was clearly at stake.[132]

Morrow's Attempt to Prevent a Post-Election Revolt

The presidential election of 1929 was held on schedule and without major incident, if we are to believe reports from the U.S. embassy. George Rublee told the press that the voting that led to Ortiz Rubio's landslide victory was "the fairest ever held" in Mexico,[133] while Morrow congratulated Portes Gil on the orderliness of the election and noted that it represented "as free an expression of popular will as could have been expected."[134] Five days after the election, the ambassador reported to the State Department that the voting "was relatively free from disorder, if one may judge by the standard which has been generally prevalent at Mexican elections in the past."[135]

These were, of course, rather optimistic appraisals, but one must question just how fair and how peaceful the voting was on November 17. Put another way, one must ask if Morrow and his aides chose to ignore the violence and corruption of the election in order to focus attention on Mexican stability after two years of political crises. Had

the ambassador become involved in a political cover-up in an effort to "educate" the Mexicans in democracy, prevent a popular revolt led by Vasconcelos, and forestall a new economic crisis based on a lack of business confidence in Mexican stability?[136]

Contemporary reports as well as Morrow's own actions force one to answer in the affirmative. The historian need only read U.S. consular dispatches, as Vasconcelos had urged,[137] to learn the full extent of the corruption and violence that characterized voting in the north and in Mexico City itself. Herbert S. Bursley therefore wrote from Guaymas that busloads of voters were brought into the city on Saturday, November 16, so that the total number of ballots cast equalled more than two thousand in a district that usually counted only seventeen hundred votes.[138] On election day, the municipal president's car was used to bring citizens "from voting place to voting place" where each voter cast as many as six to eight ballots for Ortiz Rubio.[139] Federal troops and local police surrounded the polls and one election judge was seen stuffing the ballot box "with the muzzle of his pistol."[140] Citizens who drove through the streets shouting "Viva Vasconcelos" were "promptly arrested" and held in jail until after the election was over.[141] Those who supported Vasconcelos were allowed to vote in the early hours, but later arrivals "were informed [that] there was no ballot box for them." Hardly discouraged, Vasconcelos' followers set

up a polling place of their own until soldiers arrived to stop the proceedings.[142] It came as no surprise that Ortiz Rubio carried Guaymas by a huge majority, although Bursley neglected to report everything that took place in the city for fear of his own imprisonment by the "official element."[143]

The situation was no better in other parts of the north. Richard Boyce wrote that the air was tense in Nuevo Laredo where the police joined federal troops on patrol and most citizens chose to remain at home, rather than risk their safety in the streets. High government officials drove their employees to the polls with the understanding that the latter would lose their jobs if they refused to vote as instructed. The PNR, moreover, seized the polling booths by force in areas dominated by Vasconcelos' followers. At least one election judge was seen depositing several ballots for the official candidate for every vote cast for his opponents as Ortiz Rubio collected 3030 votes (82.2 per cent) to Vasconcelos' 636 (17.0 per cent) and Rodríguez Triana's 29 (.8 per cent) on election day. The opposition's protests to Portes Gil were to no avail.[144]

In Tampico, Robert Harnden called the situation "farcical" as federal troops refused to allow Vasconcelos' supporters into the city, but let six thousand peasants enter the port in trucks provided by the municipal government. At least half of these "peasants" were said to be soldiers

in civilian attire because they responded to army bugle calls and military commands on the city streets. These same individuals took control of the voting booths on November 17, although they were heavily armed with metal clubs supplied by the local authorities. Harnden wrote that "from daylight until the [polls were] closed these men were drawn up before the booths and indulged in abuse of the Vasconcelistas, daring them to approach and cast their votes." Few Vasconcelistas, took the risk. Federal troops set up their machine guns at strategic points and armed guards peered down from the roofs of many municipal buildings. The entire city had, in fact, been placed under martial law twenty-four hours before the election was held. Thus, while the U.S. consul believed that Vasconcelos would have received as many as ten thousand votes "at a conservative estimate" in a fair election, the official results showed six thousand votes for Ortiz Rubio and only one for Vasconcelos.[145] Portes Gil may have been spared the embarrassment of a close contest in Tampico, but he was not spared the embarrassment of a corrupt election with blatantly lopsided results.

Maurice Altaffer filed a similar report from Nogales. The U.S. consul told of five thousand soldiers who patroled the streets and maintained martial law in "an atmosphere of extreme tension." Two thousand supporters had attended "an enthusiastic demonstration" for Vasconcelos on the previous Sunday, but few dared to vote after sixteen prominent

Vasconcelistas were arrested for attacking a PNR leader on election eve. Those who were bold enough to vote on the seventeenth were forced to pass by heavily armed guards before they were each handed two ballots by the government officials who controlled the booths. According to Altaffer, "It took a hardy individual indeed who, in front of such a gallery of onlookers, dared to tear up . . . the National Revolutionary Party ballot" and drop the remaining card in the ballot box. Few PNR cards were, in fact, destroyed as "the majority of the electorate . . . [was] . . . in effect disenfranchised." Ortiz Rubio carried Nogales by a huge nine to one margin.[146]

Conditions were almost as bad in cities like Veracruz, where "the holding of an election was impeded . . . in as many ways as possible."[147] However, no city or state experienced as much violence and disorder as the capital city itself. The "vast majority" of the three hundred voting booths in Mexico City were controlled by the PNR, regardless of Vasconcelos' strong support in many precincts and regardless of protests filed by the Vasconcelistas.[148] The military patrolled the streets "with orders to maintain peace at all costs."[149] The capital, in fact, resembled a city under siege, according to the Spanish ambassador, as troops surrounded the polling booths with enough weapons for a major military campaign.[150] Despite this, several riots and three major street fights broke out between partisans in the

Federal District. These battles were described as "fast and furious" by the press,[151] although a high government official told Ambassador Morrow that "the election passed . . . in an unusually quiet manner."[152] By nightfall, eight to ten people had been killed, while nineteen to twenty lay wounded in hospitals around the city.[153] Intimidated by the army and frightened by the violence in the streets, most Vasconcelistas refused to vote on election day. Predictably, Ortiz Rubio won the contest in Mexico City with 117,149 votes, or ninety-seven per cent of the total, while Vasconcelos polled 607 fewer votes than even the third party candidate, Rodríguez Triana.[154]

The Mexican Chamber of Deputies officially declared Ortiz Rubio the victor with a total of 1,820,732 votes to Vasconcelos' 105,655 and Rodríguez Triana's 19,665 on November 28, 1929.[155] Vasconcelos immediately cried fraud and blamed Dwight Morrow for much of the corruption that characterized the election in cities like Tampico, Guaymas, Nuevo Laredo, Nogales, Veracruz, and Mexico City.[156] The defeated candidate charged that Morrow had "converted [the army] into a constabulary of the Yankee Embassy" and ordered the military to disenfranchise ninety-five per cent of the electorate that would have normally voted against the unpopular Ortiz Rubio. The ambassador's friends on Wall Street had even gone so far as to declare Ortiz Rubio the winner

Table 7-1.

State and Territorial Votes
in the Presidential Election of 1929

	Ortiz Rubio	Vasconcelos	Rodríguez Triana
Aguascalientes	16,558	1,051	0
Baja California	10,869	998	0
Campeche	12,027	431	305
Coahuila	58,859	11,689	2,684
Colima	10,532	437	0
Chiapas	59,170	247	0
Chihuahua	52,582	10,450	3,616
Federal District	117,149	1,517	2,124
Durango	30,222	5,663	45
Guanajuato	144,509	13,219	0
Guerrero	40,855	216	0
Hidalgo	120,735	152	4,943
Jalisco	121,859	7,914	0
México	131,117	0	0
Michoacán	137,025	11,457	379
Morelos	14,224	585	1,520
Nayarit	26,605	0	0
Nuevo León	36,114	587	1,114
Oaxaca	138,319	394	0
Puebla	90,019	1,847	0
Querétaro	16,913	819	0
Quintana Roo	1,300	120	0
San Luis Potosí	90,012	315	0
Sinaloa	33,211	10,522	0
Sonora	20,142	8,400	715
Tabasco	18,049	230	1,114
Tamaulipas	59,813	3,247	0
Tlaxcala	24,627	524	0
Veracruz	144,243	13,948	3,400
Yucatán	91,077	0	0
Zacatecas	80,112	4,000	1,320
TOTAL	1,948,848	110,979	23,279

Source: Herschel V. Johnson to Secretary of State, Mexico City, December 10, 1929, ADS, 812.00 Presidential campaign/10. (Note the unexplained discrepancy between the totals listed here and the official totals given by the Mexican Chamber of Deputies.)

three hours before the polls had closed in Mexico and days before a nationwide tabulation of votes could possibly be concluded.[157]

Most of these accusations can be dismissed as political rhetoric uttered in the aftermath of a bitter campaign, but there is at least one charge against Morrow that can not be dismissed so easily. The envoy was, of course, eager to help prevent a popular revolt in late 1929 so that the presidential election could serve as a lesson in democracy for Mexico.[158] In a final effort to discourage such a revolt by the defeated party, Morrow actually sent a representative to negotiate with Vasconcelos as the philosopher traveled through northern Mexico on his way to the United States. The Associated Press correspondent in Mexico City, John S. Lloyd, thus flew to Guaymas and requested a private meeting with Vasconcelos on a very urgent matter. The two men met for more than an hour. During this meeting Lloyd told the philosopher that Dwight Morrow was happy with the "democratic effect" of the recent election, but the ambassador hoped that Vasconcelos would concede his defeat and issue a public statement in support of the new government. Morrow was, in effect, asking the defeated candidate to renounce publicly any plans he had had to lead a rebellion against Ortiz Rubio. In exchange for this show of support, Morrow had arranged for Vasconcelos to become the rector of the Universidad Autónoma, while one or two of his supporters would be offered high posts in the new cabinet. If this did not appeal to the former Minister of Education, Morrow was prepared to "open

many doors" for Vasconcelos in the United States so that he could enjoy a prosperous retirement abroad.[159]

Vasconcelos refused all this and instructed Lloyd to "tell Morrow [that] I am not his kind" and would never "betray my cause in exchange for public office."[160] Lloyd nevertheless persisted by following Vasconcelos and his escort of forty government soldiers as they traveled north from Guaymas. Thus, while the reporter "made promises, formed arguments, . . . [and] offered a pleasant future [for the philosopher], . . . all was useless," according to Miguel Alessio Robles.[161] Vasconcelos was not about to retire from the field and compromise his personal ethics when he still hoped to rally his followers and lead a revolt from the north patterned after Madero's rebellion of 1910.

Dwight Morrow's third attempt to intervene in Mexican politics had failed in its primary objective, but the State Department and its ambassador in Mexico still helped to prevent a new revolt in at least three other ways. As stated above, the Church-State pact of June, 1929, had led to the surrender of some fourteen thousand Cristeros who might otherwise have followed Vasconcelos into battle after his defeat at the polls.[162] Disarmed and abandoned by the Church hierarchy, the last remnants of the Liga Defensora de la Libertad Religiosa could do little more than issue a manifesto that criticized the fall election as a "masquerade" and denounced

"urchins like Morrow" who supported Calles' "gang of thieves."[163] Having helped to eliminate this radical element five months before the election,[164] Morrow was able to tell Calles and Portes Gil that the Church "had maintained an attitude of absolute correctness" both during and after the voting of November 17.[165] The ambassador had, in short, deprived Vasconcelos of a ready-made fighting force even before the philosopher's fate was sealed in the election itself.[166]

Morrow also deprived Vasconcelos of whatever military leadership he may have recruited from the federal army. According to his own memoirs, Vasconcelos contacted several dissident officers who had expressed an interest in leading a new rebellion. Without exception, these men asked the defeated candidate if he enjoyed American support for his planned insurrection. Commanders such as General Vicente Dávila in Saltillo had no desire to repeat Escobar's mistake of fighting a government supplied with vast amounts of American arms and ammunition. Victory would be impossible, even with the lifting of the U.S. arms embargo, as long as Washington refused to help their cause from the outset. Vasconcelos nevertheless reported that "we can hope for nothing good from the North" because "the United States will be against anybody they [sic] cannot manipulate."[167] Rather than be discouraged by this fact, the philosopher told his contacts in the military that "this is the reason why you

should support me, not why you should abandon me [in the present crisis]."[168] The nation's sovereignty and the army's institutional self-interest were at stake if Morrow was left to control the government and transform the military into another "Philippine constabulary . . . subjected to [a] suave but efficient proconsul."[169] Many officers agreed with this appraisal, but none were willing to risk their necks to expel Morrow and eliminate all foreign influence in Mexican politics. As General Dávila lamented when he heard of Morrow's stand, "it is too bad . . . because in that case we are lost!" 170

More directly, Washington helped to prevent the outbreak of a new revolt by taking several important steps to discourage its organization in the United States. American immigration officers therefore offered Vasconcelos a limitless and unconditional visa so that the defeated candidate could retire to the U.S. and be watched in much the same way that Sandino had been watched in Mérida for an extended period of time.[171] Meanwhile, the Department of Justice announced that it would not tolerate the organization of Mexican rebels on the U.S. side of the border. The residences of General Marcelo Caraveo and other important exiles in the states were surrounded by vigilant spies with strict orders to arrest all Mexican suspects at the first sign of rebellious activity.[172] Finally, Herbert Hoover refused a Vasconcelista request for aid by reportedly saying that "if the

Mexican people don't cry out against their government's having violated and made a farce of its [sic] vote, I am not going to be the one to do so."[173] All official channels to U.S. aid were, therefore, cut off as Vasconcelos' great scheme to lead a new revolt had collapsed without so much as a single gun blast.[174] This failure to mount a popular revolt can be attributed to several causes,[175] but the disarming of fourteen thousand Cristeros, the common fear of U.S. opposition to a rebellion, and Washington's strict refusal to tolerate rebel activity in the United States represented the major reasons for Vasconcelos' total frustration in late 1929. In short, one must conclude that Morrow need not have sent John Lloyd or any other intermediary to see Vasconcelos after November 17 when other measures had accomplished what the ambassador had hoped to achieve without meddling in Mexican affairs and without dealing in sordid political bribes.

Ortiz Rubio's Good Will Visit to the United States

Ortiz Rubio hardly complained about American intervention in 1929 and, in fact, went to visit the United States soon after his victory at the polls. The president-elect made this homage to the United States for five important reasons. First, Ortiz Rubio hoped to rest and receive medical treatment for a stomach ailment at Johns Hopkins

Hospital in Baltimore.[176] Second, the new ruler hoped to avoid the political pressure and the danger of life in Mexico in the days following his election.[177] Never known for his personal courage, Ortiz Rubio reportedly feared for his life when he recalled that Obregón had been assassinated just sixteen days after his election in mid-1928;[178] Ortiz Rubio prudently left Mexico fifteen days after his own "triumph" in late 1929.

Third, the president-elect traveled to the United States in order to strengthen diplomatic relations with Washington and attract additional foreign capital to his country.[179] The ruler hoped to achieve these goals by meeting with American statesmen in Washington, reassuring American capitalists in six major cities, and "displaying the inexhaustible curiosity of a zealous tourist." Ortiz Rubio was, in effect, promoting his country in business circles by creating a conservative, business-like image of himself that could be transferred to Mexico in the same way that Dom Pedro II had influenced American thinking about Brazil during his celebrated visit of 1876.[180] Ortiz Rubio was, apparently, quite eager to practice Peso Diplomacy and enjoy its rich rewards on his own.

Next, the president-elect came to the United States to exploit Washington's support as a positive deterrent against his enemies at home. Well aware of the great advantage of

U.S. aid in the crises of mid-1928 and early 1929, Ortiz Rubio coveted American support to help prevent yet another assassination attempt or military revolt in 1930. The new ruler hoped that the United States and Morrow would add credibility to a regime that came to power by notoriously corrupt and highly questionable means.

Finally, Ortiz Rubio went to New York City to greet Calles on his return from a five-month stay in Europe. The former president had resigned his post as the Minister of War and had sailed for Europe on the Ile de France following Escobar's defeat.[181] After several weeks of medical treatment at the Frumusan Clinic in Paris, Calles had rested with Alberto Pani and General Almazán on the French coast.[182] These two men undoubtedly reenforced Calles' already conservative ideas and, although he remained in constant contact with his followers in Mexico,[183] the strongman finally decided to return home in early December. As Calles told reporters in Europe, "I've devoted my whole stay in France to rest and now I am ready to get back in harness."[184] Learning of Calles' plans, Ortiz Rubio and a "formidable delegation" of other Mexican leaders traveled to New York to welcome the general and court his favor.[185] Thus, while Portes Gil had enjoyed at least a degree of independence with Calles abroad, it was evident that Calles was to be the real power behind the throne while Ortiz Rubio served in the National Palace.

Judged by these five goals, Ortiz Rubio's trip to the United States was an enormous success. The president-elect recuperated for nine days in Baltimore[186] and avoided the first attempt on his life until the very day of his inauguration in Mexico City. In addition, he obediently rushed off to New York when Calles changed his plans and arrived in that eastern port, rather than in New Orleans.[187]

Ortiz Rubio spent nearly an entire day with Calles on Saturday, December 14. The two men met in the general's room at the Pennsylvania Hotel and walked through Central Park for an hour and a half as they discussed important issues and chose the members of Ortiz Rubio's new cabinet.[188] The president-elect did not always agree with Calles' selections, but he bowed to the strongman's wishes on all but a few, less significant posts.[189] Mohammed had gone to the mountain and received his instructions in the final days of 1929. Ortiz Rubio reportedly declared that it was "a wonderful thing for Mexico to have a former President . . . available for consultation; as long as General Calles lived, Presidents of Mexico were bound to seek his advice and guidance."[190]

Ortiz Rubio was not, however, the only important leader to visit Calles during his short stay in New York. Dwight Morrow, along with George Rublee and Captain McBride, met with the general for approximately two hours after Ortiz Rubio had left Calles' hotel on December 14. The ambassador

referred to several major issues during this, his first conversation with Calles in nearly half a year. After expressing his satisfaction with the Church-State settlement and the "fair election under difficult conditions" in November, Morrow focused his attention on questions involving the oil industry, the land reform, and the federal budget of 1930.

According to the envoy, the oil agreement of 1928 had been "substantially carried out" while Calles remained in office, but "things had slipped backward very decidedly" while Ramón P. de Negri had served as the Minister of Industry, Commerce, and Labor under Portes Gil. No one believed that de Negri himself was corrupt, but many felt that his ministry was poorly organized and staffed with individuals who were known "to run around to the [oil] interests promising to get rights confirmed or decisions made for a money consideration." Portes Gil and Estrada had attempted to rectify the situation, but Morrow was forced to conclude that "the net result was that the office of Mr. de Negri always found some excuse which prevented them [sic] from doing anything." Eager to resolve the few remaining cases involving oil concessions, Morrow turned to Calles for help and found the general to be "most sympathetic." Calles, in fact, agreed to discuss the matter with J. Reuben Clark soon after his return to Mexico.[191]

The general was equally sympathetic to Morrow's point

of view on the agrarian reform. The ambassador referred to Ortiz Rubio's campaign promise to pay for newly expropriated land with cash, rather than with bonds, and Morrow reminded Calles that "this was exactly in accord with the position we had worked out in the spring of 1928."[182] Morrow therefore proposed that a limit of six million pesos be placed on the agrarian reform in the budget of 1930 so that the program could be slowed and the federal budget could be balanced. Calles agreed with this idea, just as he had agreed with it before, although he could now afford to act on the proposal because the political problems that had prevented its implementation on the eve of the presidential election of 1928 and in the first months of 1929[193] had been largely resolved. The general even spoke of "finishing up the [agrarian] question" once and for all by raising the proposed limit on spending to ten million pesos and satisfying all remaining petitions for land "as soon as possible." Morrow welcomed this news with cautious optimism.[194]

Finally, the ambassador turned to the larger question of the Mexican budget and the nation's foreign debt. Morrow hoped that certain reductions could be made in the budget so that a larger amount would be available for the payment of foreign obligations. Calles "seemed to agree thoroughly," but the politically astute general foresaw the difficulty of sacrificing certain politically popular programs so that Wall

Street could benefit from a larger share of federal revenues. This problem could, nevertheless, be resolved with a budgetary sleight of hand that Calles had perfected while he served as president. As Calles explained it to Morrow, the trick was to overestimate expected government revenues for a given year so that although a certain item in the budget had been allotted "x" number of pesos, "the President could . . . delay some of the expenditures until [he was] sure that the receipts as estimated were going to be available." In other words, the increased amount available for debt payments "could be made secure" because even if the money for that item "did not come in as estimated, you could simply let some [other] expenditure . . . wait" while the debt was taken care of. According to Calles, "it was easier sometimes to simply assent to a Congressional authorization of an expenditure and then actually hold the expenditure up if you did not have the money."[195] Calles was therefore able to spend 3.4 per cent more money on his favored economic programs from 1925 to 1929, while spending 3.1 per cent less than his projected expenditure on administrative costs in the same period.[196] Morrow left his meeting with Calles with the promise that the oil problem would be investigated, the agrarian reform would be slowed, and the foreign debt would be paid during at least the coming year. The ambassador could not have asked for more from either

Calles or Ortiz Rubio as he boarded his train for Washington late that same afternoon. As always, there had been no need to convince Calles of these needs because the strongman had believed in Morrow's conservative ideas for years. Only political and economic conditions had prevented or postponed their implementation in Mexico. However, as Ortiz Rubio put it, "the Mexican Revolution has [now] entered upon a clearly constructive phase [and] the forces which opposed the final triumph of this ideal have been completely overcome."[197]

Ortiz Rubio was, moreover, satisfied with the diplomatic success of his trip to the United States. The president-elect spent very little time in the nation's capital, but he received every possible honor during his three-day visit to Washington.[198] Secretary of State Stimson and the director of the Pan American Union joined Ambassador Téllez and the entire Mexican embassy staff in greeting Ortiz Rubio's train on December 26.[199] Soon after his arrival, the president-elect went to meet President Hoover and, in an unprecedented move, Hoover returned the visit by seeing Ortiz Rubio at the Mexican embassy on that same afternoon.[200] Dwight Morrow honored the foreign dignitary with a state dinner and George Washington University presented him with an honorary law degree on December 29.[201] Ortiz Rubio, in turn, visited the tombs of Washington and the Unknown Soldier and invited President Hoover to visit Mexico in 1930.[202] Most importantly,

Ortiz Rubio was willing to promise Hoover that he planned to pay his nation's foreign obligations and pay for all expropriated land with cash, rather than with bonds, while he served as the president of Mexico.[203] Having told the Americans what they had wanted to hear, Ortiz Rubio declared that he was "sure that the administration over which I will preside will be marked by constant cooperation and understanding between Mexico and the United States."[204] On another occasion, the Mexican was heard to say that "My attitude towards the United States will be one of magnificent understanding redounding to the benefit of both countries."[205] Morrow and the State Department were more than willing to believe these words as long as Ortiz Rubio kept his conservative promises and respected foreign property rights during his anticipated four years and eight months in office. As the former head of the Pan American Union told Hoover, "I feel certain that [Ortiz Rubio's] visit to Washington will serve strongly to influence his general attitude toward the United States."[206]

American business leaders were also impressed with the newly-elected ruler and his public utterances in the United States. Ortiz Rubio had specifically asked to inspect large-scale farming operations as well as dredging activities and road building machinery in this country.[207] Encouraged by the Mexican's interest in large farms, rather than small family plots, the Hoover administration drew up a long list

of possible places that the foreign dignitary could visit during his two-month stay. This list included "the largest dairy establishment in [the] country," the "up-to-date orchards owned by Governor Byrd of Virginia," a thirty-thousand acre wheat farm in Washington state, and the King Ranch in Texas, which was described as "probably the largest cattle ranch" in the nation.[208] Ortiz Rubio inspected several of these huge farms and ranches during his visit, but he went out of his way to visit many large industrial centers as well. In Detroit, the president-elect spent most of his time in the factories, had lunch with Henry Ford, and declared that he had not come to the city as a political leader, but as a former engineer who was eager to learn more about mass production methods.[209] Elsewhere, he saw the stockyards and meat packing plants of Kansas City, the giant hydroelectric plants at Niagara Falls, and the modern road building techniques of Chicago.[210] In New York, he was honored at a business luncheon given by the president of the Union Pacific Railroad, Carl A. Bickel. Addressing the large assembly, Bickel compared Ortiz Rubio to Herbert Hoover because both men had been engineers and because the people of both the United States and Mexico had turned to them "to secure out of democracy greater efficiency at a lower cost."[211] When it was his turn to speak, Ortiz Rubio told his audience of news

magnates and business leaders that the struggle for "political and economic freedom" had ended in Mexico and "the sky is finally clearing." It was time, according to the leader, for businessmen to have confidence in Mexico and newsmen to report her progress fairly so that she could grow and prosper in peace.[212]

The president-elect reiterated this message in a radio address broadcast from New York City later that same day. After declaring that his "work is one of reconstruction," the new ruler expressed his hope that American prosperity might continue "because it contributes to the prosperity of all the Americas and ultimately determines the prosperity of Humanity."[213] The bottom had already fallen out of the stock market on October 29, but few realized the long-range consequences of the crash and Ortiz Rubio was still willing to increase his nation's economic ties to the United States on December 12, 1929.

Finally, Ortiz Rubio attempted to attract American investments and American tourists by telling reporters that businessmen and travelers would receive all necessary protection in his country as "Mexico is one of the safest countries in the world." Employing his own form of Peso Diplomacy, Ortiz Rubio urged his listeners to simply "Ask Ambassador Morrow. Ask Colonel Lindbergh. Ask Will Rogers."[214] There was, however, no need to ask Morrow or Lindbergh or

Rogers because most New Yorkers were impressed with the president-elect's "dignified personality" and were quite willing to believe his conservative words and optimistic predictions. They had the feeling, according to Excelsior, that "his regime will have clear sailing and will establish a new order of things in Mexico."[215]

The Valls Affair in Texas

Ortiz Rubio's trip was, therefore, judged to be a great success in the eyes of most observers, but there were at least four attempts to sabotage his good will visit to the United States. A Catholic leader named Rodolfo Uranga had telegraphed Herbert Hoover and asked the president not to honor Ortiz Rubio in Washington because he had been elected in a corrupt and illegal election.[216] Hoover, of course, ignored this request. Later, in Detroit, Ortiz Rubio encountered a group of Communist demonstrators who joined Moscow in calling Mexico "an instrument of American imperialism and the bourgeois."[217] Ortiz Rubio casually dismissed this criticism and accepted Detroit's official apology for the incident.[218] More significantly, José Vasconcelos attempted to embarrass the president-elect by releasing the story of Dwight Morrow's secret offer to provide him with certain "advantages" if he would publicly accept his defeat in the election of November 17. Still hoping to win American support

and lead a popular revolt against Ortiz Rubio, Vasconcelos denounced Calles and Morrow in violent terms, although his severe criticism never produced the desired results in either the United States or Mexico. The Mexican consul in Los Angeles described Vasconcelos' charges as "absurd and ridiculous," despite the fact that the story of Morrow's impertinent offer rang true.[219]

The fourth, and most serious, attempt to sabotage Ortiz Rubio's trip and damage U.S.-Mexican relations was launched by a little known district attorney in Laredo, Texas. John A. Valls had opposed Calles and his followers for years and had helped ship thousands of rounds of ammunition to the Cristeros during the protracted Church-State conflict of 1926 to 1929.[220] Calling Calles "the greatest exponent of Bolshevism in the Western Hemisphere,"[221] Valls threatened to arrest the former president as he traveled home to Mexico after his five-month stay in Europe. The district attorney charged Calles with the murder of General Lucio Blanco in June, 1922. Blanco, who had conspired with Francisco Murguía and other exiles in Texas, had been found dead in the Rio Grande, but while Calles and Obregón were indicted as co-conspirators in the crime, neither man had ever been detained by authorities in the United States.[222]

The threat of such action against Calles caused an indignant uproar in Mexico. The Verbo Libre of Nuevo Laredo

predicted a dangerous clash between the United States and Mexico if Calles was in fact taken into custody.[223] Others recognized a political motive in the affair and noted that Valls was up for reelection in July, 1930.[224] Ignoring this criticism, the attorney referred to Calles as the "arch conspirator" in Blanco's murder and publicly declared his intention to "defy the [entire] Mexican government and [all of] its allies."[225]

Calles traveled through Texas under the protection of diplomatic immunity on December 16, [226] but the Mexican government was still not satisfied with the situation in Laredo. In protest, the Foreign Ministry actually closed down its consulate in the border town and warned that it would remain closed until "respect and comfort are guaranteed to Mexican officials passing through Laredo."[227] Laredo's merchants were "thoroughly aroused" by this news.[228] As much as three million dollars worth of American merchandise reportedly passed through the town each month[229] as many considered it to be the principal economic gateway between the United States and Mexico.[230] Threatened with economic ruin, Laredo's businessmen held two mass meetings "to get Valls out of office" and to inform Calles and Portes Gil that Laredo remained friendly to Mexico, despite recent events.[231] These same business leaders wired Governor Moody for help[232] and sent two representatives to Austin to "paint . . . a desolate

picture of conditions in Laredo." Armed with a sixteen-hundred-name petition, the businessmen told Moody that three to four thousand workers were now jobless as industries and stores had been forced to either reduce their activity or close down completely. Only Valls' dismissal could prevent bankruptcy and further disaster on the border.[233]

Unwilling and legally unable to fire Valls, Moody turned to Washington for help in this cause célèbre.[234] The State Department responded with caution in an effort to maintain its good relations with Mexico while Ortiz Rubio still traveled through the United States and Dwight Morrow prepared to leave for London as a U.S. delegate to the Naval Disarmament Conference of early 1930.[235] Negotiations continued into the new year. Finally, the Hoover administration announced that an understanding had been reached on January 14, 1930. According to this agreement, Washington promised to guarantee the safety of Mexican citizens in the United States so that they would "not be molested in the communities involved."[236] Merchants on both sides of the border welcomed this news with "considerable relief," while American officials were obviously pleased that this "delicate internal crisis" had been resolved without damaging Morrow's diplomatic work of the previous two years.[238]

The Mexican consulate was, therefore, reopened after nearly a month and a half of squabbling, but while Valls'

motives may seem clear, one must question why Calles and Portes Gil chose to close their consulate and endanger U.S.-Mexican relations while Ortiz Rubio remained abroad and continued his many efforts to win American support. In other words, why would the Mexicans jeopardize the success of their Peso Diplomacy over a seemingly minor issue?

There are several possible answers to this question. First, it appears that Calles was only the most recent and the most famous Mexican to be harassed by state and federal officials in the United States. Pushed by the political and economic chaos of Mexico and pulled by the opportunities for employment in the United States, over 661,000 Mexicans had legally migrated to the U.S. since the outbreak of the Revolution, while countless others chose to enter the country illegally.[239] Many of these illegal aliens were captured, imprisoned, fined up to a thousand dollars, and finally deported back to Mexico.[240] American authorities in California and Texas were said to be particularly violent and arbitrary.[241] The critical situation became even worse in the later half of 1929 when the United States stepped up its efforts to deport illegal aliens as part of a larger campaign to cut Mexican immigration into the United States.

A great many of the 25,782 workers deported in 1929 arrived at the border in rags and told of their abuse at the hands of U.S. officials.[242] Anti-American sentiment had,

therefore, been fanned to a high temperature when John Valls threatened Calles with imprisonment in December. National pride had been seriously wounded and few Mexican leaders were willing to miss this opportunity to protest unfair deportations while also proving their loyalty to the returning general.[243] More than a hundred leaders accompanied Calles from the border, while thousands of admirers waited to greet him with great fanfare in Mexico City.[244] The decision to close the Mexican consulate in Laredo, Texas, was, therefore, designed to win safeguards not only for Calles, but also for the thousands of Mexican nationals who remained in the United States and were threatened with harsh treatment or deportations. It is significant to note that Ortiz Rubio urged these nationals to return to Mexico on their own before they were deported and before this sensitive issue could cause further diplomatic problems for the newly-elected president.[245]

Trouble Ahead

Nineteen-twenty-nine had, therefore, passed with relatively few major incidents to disrupt normal diplomatic relations between the United States and Mexico. The year could, in fact, be judged a diplomatic success for both countries as (1) the United States helped crush the military revolt of March and April, (2) Ambassador Morrow helped

resolve the long Church-State conflict in June, (3) Washington finally raised its controversial arms embargo in July, (4) César Sandino was kept waiting in the Yucatán for nine months, (5) the official candidate "won" the presidential election of November, (6) Ortiz Rubio toured the United States on a good will visit in December, and (7) the Valls incident was settled without seriously affecting the diplomatic achievements of the previous two years.

There were, however, some disturbing trends as well. Dwight Morrow had claimed that it was often wise to do nothing on a particular issue because the Mexicans would only be antagonized and would only be forced to act against American interests if the ambassador intervened. Morrow therefore refused to interfere when a new and supposedly radical labor law was drafted in 1929 because "I did not think the labor law had much chance of passing unless I protested against it."[246] The ambassador's prudent policy worked in this instance, but it appears that Morrow was growing less and less willing to follow his own advice just when the Mexicans were growing more and more resentful when he did attempt to meddle in their affairs. Mexican leaders became particularly sensitive to this kind of interference after José Vasconcelos had made it a central issue in the presidential campaign of 1929. Vasconcelos certainly exaggerated Morrow's influence, but his accusations became

something of a self-fulfilling prophecy and few leaders were willing to risk the stigma of association with a foreigner who was even suspected of such impropriety. Ortiz Rubio's attitude was more or less typical. The president-elect coveted American support and actually called Morrow the best foreign envoy ever sent to Mexico,[247] but it was clear that Ortiz Rubio hoped to establish his own political and economic contacts during his trip to the United States so that he would not have to rely on the ambassador for American support and he would not have to face the charge of collaborating with meddling foreigners. Morrow had always predicted that his effectiveness as an ambassador would diminish after three years in Mexico;[248] events in late 1929 and 1930 were to prove that his prediction was quite accurate.

NOTES

Chapter VII

1. Sandino to Portes Gil, January 6, 1929, quoted in Neill Macaulay, The Sandino Affair (Chicago: Quadrangle Books, 1967), p. 146.

2. Ibid., p. 147; Portes Gill, Autobiografía, p. 596.

3. See above, pages 27-28.

4. Morrow to Kellogg, Mexico City, February 21, 1929, ADS, 711.12/1160.

5. Ibid.

6. See Ambassador Summerlin to Stimson, Tegucigalpa, Honduras, April 10, 11, 1929; Chargé d'affaires Hawks to Stimson, Guatemala, April 24, 1929; Stimson to Morrow, Washington, May 8, 1929, in Papers Relating to the Foreign Relations of the United States, 1929, III: 584-86; hereafter cited as Foreign Relations.

7. Kellogg to Morrow, Washington, February 25, 1929, ibid., III: 583-84.

8. Portes Gil, Autobiografía, pp. 592-93; Portes Gil, Historia, pp. 573-74.

9. Ibid., pp. 574-75; Portes Gil, Autobiografía, p. 593.

10. Ibid.

11. The Marine brigade in Nicaragua was, nevertheless, reduced in the spring and summer of 1929 as "Washington had discarded the policy of sending in the Marines to wipe out the Sandinistas." Macaulay, Sandino, p. 151.

12. Portes Gil, Autobiografía, pp. 594-95; Portes Gil, Historia, pp. 575-78.

13. Portes Gil, Autobiografía, pp. 595-96.

14. Macaulay, Sandino, pp. 148-49.

15. Portes Gil, Historia, pp. 581-82; Portes Gil, Autobiografía, p. 597.

16. Morrow to Stimson, Mexico City, April 30, 1929, Foreign Relations, III: 585-86.

17. Macaulay, Sandino, p. 156; Excelsior, September 5, 1929.

18. Morrow to Stimson, Mexico City, June 28, 1929, Foreign Relations, III: 588. The two men met on January 29, 1030; Portes Gil left office a week later on February 5.

19. Quoted in Macaulay, Sandino, p. 159.

20. Morrow to Stimson, Mexico City, December 4, 1929, Foreign Relations, III: 589.

21. H. Johnson to Stimson, Mexico City, December 19, 1929, Foreign Relations, III: 589-90.

22. Ibid.

23. Macaulay, Sandino, pp. 159-60.

24. Morrow to Kellogg, Mexico City, February 21, 1929, Foreign Relations, III: 581-82.

25. These actions seem even more remarkable when one recalls that Portes Gil had declared that he was "astonished by the improper meddling" of a U.S. consul who had attempted to negotiate a truce with Escobar and his followers during the Mexican rebellion of 1929. Portes Gil to Enrique Liekens, Mexico City, March 18, 1929, AREM, Expediente H/513"910-20/1, Leg. 2, p. 489. Also see Liekens to Portes Gil, El Paso, March 18, 1929, and Estrada to Portes Gil, Mexico City, March 19, 1929, in ibid.; Téllez to Secretaría de Relaciones Exteriores, Washington, April 14, 1929, AREM, Expediente H/513"910-20/1, Leg. 3, p. 2. The "meddling" consul was David J. D. Meyers of Chihuahua.

26. See above, pages 330-32.

27. For details on this bombing incident see Morrow to Kellogg, Mexico City, February 12, 1929, ADS, 812.00/29400; Excelsior, February 12, 1929; Rice, Diplomatic Relations, p. 165n.

28. J. Meyer, Révolution Mexicaine, p. 152; Morrow Memo on his late afternoon meeting with Portes Gil, Mexico City, March 19, 1929, Morrow Papers.

29. Morrow to Kellogg, Mexico City, May 21, 1929, ADS, 812.00/29451.

30. Clark Memo on his telephone conversation with Morrow, Washington, March 29, 1929, ADS, 812.00 Sonora/546. Portes Gil described this operation in an interview of May 7, 1964, in Wilkies, México visto en el siglo XX, p. 505.

31. Clark Memo on his telephone conversation with Morrow, Washington, March 29, 1929, ADS, 812.00 Sonora/546.

32. Portes Gil, Autobiografía, pp. 574-75; Portes Gil interview of May 7, 1964, in Wilkies, México visto en el siglo XX, p. 505.

33. McBride Memo, Mexico City, May 18, 1929, Morrow Papers, and Morrow Memo for Portes Gil, Mexico City, April 19, 1929, Morrow Papers.

34. See above, page 406.

35. New York Times, May 2, 1929.

36. Quoted in Rublee Memo.

37. Ibid.

38. New York Times, May 8, 1929.

39. Quoted in J. Meyer, Cristero Rebellion, p. 169.

40. Quoted in Alberto María Carreño, El Arzobispo de México: Pascual Díaz y el conflicto religioso (México: Ediciones Victoria, 1943), p. 585; Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 295-96; Morrow to Kellogg, Mexico City, September 19, 1928, ADS, 711.12/1147.

41. Morrow to Kellogg, Mexico City, October 1, 1928, ADS, 711.12/1149

42. Ibid.

43. Morrow to William T. Dewart, Mexico City, September 25, 1928, Morrow Papers.

44. Quoted in Carreño, Pascual Díaz, pp. 590n. These authorities later told the press that any plots against Morrow "are absolutely repudiated by Christian morality." Excelsior, May 3, 1929; also see Morrow to Stimson, Mexico City, May 4, 1929, ADS, 812.00/29450.

45. Téllez to Secretaría de Relaciones Exteriores, Washington, April 14, 1929, AREM, L-E-693, Expediente H/513"910-20/1, Leg. 3; Téllez to Secretaría de Relaciones Exteriores, Washington, April 30, 1929, AREM, L-E-694, Expediente H/513"910-20/1, Leg. 3. The four sergeants were: Edward Mitchell, Harry Lins, Lewis Lucnu, and George Hohensteine.

46. Mitchell, "Guarding Ambassador Morrow," 2. To keep this mission a secret, no orders were issued to the men and, as Mitchell notes, "no one had any records on any [American] troops being sent to Mexico in 1929." Ibid., 6.

47. Ibid., 3-4. One sergeant recalls the almost comical procession when Morrow took long walks in Chapultepec Park. According to Mitchell, the well-guarded ambassador "was short-legged, but he kept me moving to keep up with him. I stayed about thirty paces behind him, the embassy car followed at about a hundred yards, and the [Mexican] police escort followed at about three hundred yards." Ibid., 5.

48. Ibid.; E. Morrow, Diary, entry of April 19, 1929, p. 136.

49. New York Times, May 24, 1929; Excelsior, May 24, 1929; Mitchell, "Guarding Ambassador Morrow," 5.

50. Again, with so much written on the subject, it is hardly necessary to review the course of these negotiations in great detail. See, especially, Rice, Diplomatic Relations, pp. 168-86; Ellis, "Church-State Controversy," 496-503; Lippmann, "American Mediation," 201-204.

51. The document appears in Rice, Diplomatic Relations, Appendix D, pp. 205-206, and Ellis, "Church-State Controversy," 503n-504n.

52. See Rice, Diplomatic Relations, Appendix D, p. 206, and Ellis, "Church-State Controversy," 504n; Rublee, OHC, pp. 218-23. The Liga Defensora de la Libertad Religiosa also issued a document which instructed its followers to use peaceful tactics in pursuing their religious goals. This document was enclosed in Morrow to Stimson, Mexico City, July 30, 1929, ADS, 812.00 Sonora/997.

53. Catherine Sills to Constance Morrow Morgan, London, September 1, 1977; Mrs. Morgan was kind enough to forward a copy of this correspondence to the author.

54. Mitchell, "Guarding Ambassador Morrow," 4, 6; Washington Post, July 4, 1929.

55. McBride, Dwight W. Morrow, p. 150; Taracena, La verdadera revolución, XVI: 256; E. Morrow, Diary, entry of July 7, 1929, pp. 142-43.

56. See Portes Gil's address to the Mexican Congress of September 1 reported in Excelsior, September 2, 1929.

57. Quoted in Rublee, OHC, p. 223. Referring to the Church-State settlement, Mrs. Morrow wrote: "I don't believe anyone but George Rublee and I know how hard [Dwight] has worked for this. The press is giving him credit but it doesn't know half." E. Morrow, Diary, entry to June 22, 1929, p. 140.

58. On Morrow's opinion of the oil settlement in 1928, see above, pages 271-72.

59. Morrow to Professor Charles T. Burnett, Mexico City, July 26, 1929, Morrow Papers. According to the Spanish ambassador, Bishop Pascual Díaz considered Portes Gil's declaration on the right to petition for the repeal of Article 130 to be the most important part of the new settlement. The prelate nevertheless realized that it was not yet opportune to act in mid-1929. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, J-ne 30, 1929, SDR, Dispatch #224 of 1929.

60. Morrow to Burnett, Mexico City, July 26, 1929, Morrow Papers.

61. Morrow to Burke, North Haven, Maine, September 18, 1929, Morrow Papers.

62. Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 313-14; Dulles, Yesterday, p. 422.

63. Morrow to Stimson, Mexico City, November 14, 1929, ADS, 812.00 Presidential Campaign/929; Morrow to Stimson, Mexico City, October 25, 1929, ADS, 812.0 Presidential Campaign/80; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, November 30, 1929, SDR, Dispatch #417 of 1929. For example, the municipal president of Nogales, Sonora, reportedly resigned his office to devote all his time and energy to the campaign because he had been "promised an important post" if Ortiz Rubio won the election. See Maurice W. Altaffer to Stimson, Nogales, October 26, 1929, ADS, 812.00 Sonora/1008.

64. Morrow to Stimson, Mexico City, October 25, 1929, ADS, 812.00 Presidential Campaign/80.

65. Altaffer to Stimson, Nogales, October 26, 1929, ADS, 812.00 Sonora/1008.

66. Bursley to Stimson, Guaymas, November 18, 1929, ADS, 812.00 Presidential Campaign/118.

67. E. R. Pineda,"The Mexican Presidential Election, November 17, 1929," a pamphlet distributed by the Non-Partisan Mexican Election Committee [favoring Vasconcelos], included in 812.00 Presidential Campaign/97; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, September 30, 1929, SDR, Dispatch #352 of 1929.

68. W. J. McCafferty to Stimson, Chihuahua, August 31, 1929, ADS, 812.00 Chihuahua/34.

69. See, for example, Douglas to Stimson, Saltillo, September 9, 1929, ADS, 812.00 Coahuila/25; William P. Blocker to Stimson, Juárez, November 6, 1929, ADS, 812.00 Presidential Campaign/87.

70. Robert Harnden to Stimson, Tampico, October 30, 1929, ADS, 812.00 Presidential Campaign/82.

71. Harnden to Stimson, Tampico, September 5, 1929, ADS, 812.00 Presidential Campaign/70.

72. Ibid.

73. Only the department's refusal to act without written instructions prevented this incident. Ibid.

74. Harnden to Stimson, Tampico, October 30, 1929, ADS, 812.00 Presidential Campaign/82.

75. Ellis A. Bonnet to Stimson, Durango, November 20, 1929, ADS, 812.00 Presidential Campaign/117; Morrow to Stimson, Mexico City, November 14, 1929, ADS, 812.00 Presidential Campaign/92.

76. Ibid.; Morrow to Stimson, Mexico City, October 25, 1929, ADS, 812.00 Presidential Campaign/80. Mauricio Magdaleno, Manuel Gómez Morín, and Adolfo López Mateos were among the intellectuals who worked in the Vasconcelos campaign. Michaels, "Nationalism," 13.

77. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, September 30, 1929, SDR, Dispatch #352 or 1929. McCafferty to Stimson, Chihuahua, October 4, 1929, ADS, 812.00 Presidential Campaign/41.

78. Blocker to Stimson, Juárez, November 6, 1929, ADS, 812.00 Presidential Campaign/87. Also see Altaffer to Stimson, Nogales, October 26, 1929, ADS, 812.00 Sonora/1008.

79. Henry H. Balch to Stimson, Monterrey, November 5, 1929, ADS, 812.00 Presidential Campaign/85; Edward S. Maney to Stimson, Agua Prieta, August 22, 1929, ADS, 812.00 Sonora/999; Blocker to Stimson, Juárez, November 6, 1929, ADS, 812.00 Presidential Campaign/87.

80. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, September 18, 1929, SDR, Dispatch #326 of 1929. Also see Richard F. Boyce to Stimson, Nuevo Laredo, November 20, 1929, ADS, 812.00 Presidential Campaign/115; Blocker to Stimson, Juárez, November 6, 1929, ADS, 812.00 Presidential Campaign/87; Bursley to

Stimson, Guaymas, November 9, 1929, ADS, 812.00 Presidential Campaign/95; Altaffer to Stimson, Nogales, October 26, 1929, ADS, 812.00 Sonora/ 1008.

81. Vasconcelos, ¿Qué pasa en México?" Paris-Madrid, November 23, 1927, as noted in Sheldon Whitehouse to Kellogg, Paris, November 23, 1927, ADS, 812.00/ 29009; Vasconcelos, Obras completas, II: 1431; Vasconcelos, Ulysses, p. 223.

82. Quoted in Excelsior, September 5, 1929.

83. Quoted in Pineda, "Election"; Vasconcelos, Ulysses, p. 224.

84. Vasconcelos' views were summarized in ADS, 812.00/ 29460.

85. Quoted in Vasconcelos, Ulysses, p. 229.

86. New York Times, July 7, 1929.

87. Quoted in Fernando Medina Rúiz, Calles: Un destino melancólico (México: Editorial Jus, 1960), p. 101.

88. Vasconcelos, Ulysses, p. 238; Vasconcelos, La flama, p. 199; Vasconcelos, Obras completas, II: 1433.

89. Vasconcelos, Proconsulado, pp. 109, 112, 176; Vasconcelos, Ulysses, p. 224; Vasconcelos, Obras completas, II: 1433.

90. Vasconcelos, Ulysses, p. 270.

91. Taracena, La verdadera revolución, XIII: 316.

92. Vito Alessio Robles quoted in the New York Times, May 25, 1929.

93. Vasconcelos quoted in Dulles, Yesterday, p. 472.

94. Vasconcelos, La flama, p. 107.

95. Vasconcelos, Proconsulado, p. 330; Vasconcelos, Ulysses, p. 235.

96. Ibid., p. 236.

97. Ibid.

98. Excelsior, October 4, 1939.

99. Portes Gil, Autografía, p. 482; H. Johnson's Memo, Mexico City, October 4, 1929, Morrow Papers.

100. Vasconcelos, Ulysses, p. 223. This "famous California Senator" may well have been Hiram Johnson.

101. John W. Dye to Stimson, Juárez, October 4, 1929, ADS, 812.00 Chihuahua/39.

102. Taracena, La verdadera revolución, XIII: 292; Portes Gill, Autobiografía, pp. 483-84.

103. Vasconcelos, Ulysses, p. 239.

104. Ibid., p. 240.

105. Ibid.

106. Morrow told Portes Gil of these remarks in his conversation with the president on December 3, 1929. See Morrow's memo on this meeting, dated the same day, in the Morrow Papers.

107. Vasconcelos, Obras completas, II: 170.

108. Quoted in Vasconcelos, Ulysses, p. 230. H. Johnson reiterated this message to a Vasconcelista on October 3, saying that "real democratic government would come only when defeated candidates peacefully accept the results of an election even if [its] results were brought about by unpraiseworthy methods or even by fraud." Johnson Memo, Mexico City, October 4, 1929, Morrow Papers.

109. See Morrow to Stimson, Mexico City, November 22, 1929, ADS, 812.00 Presidential Campaign/122.

110. See H. Johnson to Lane, Mexico City, November 20, 1929, Box #2, Lane Papers.

111. Morrow's Memo on his meeting with Estrada, Mexico City, March 19, 1929, Morrow Papers.

112. Morrow to Estrada, Mexico City, April 23, 1929; Morrow to Cabrera, Mexico City, April 18, 1929, Morrow Papers. On Morrow's penchant for sending books to influence others' thinking, see above, page 61 & 82n.

113. Vasconcelos, Ulysses, p. 241.

114. See, for example, Morrow to Morse, [no location noted], October 7, 1910, Morrow Papers. Parties and Party Leaders was reviewed in the American Historical Review, XXIX (January, 1924), 341-42, the New York Times Book Review, August 12, 1923, and the Philadelphia Public Ledger, October 20, 1923.

115. A copy of this translation can be found in the Morrow Papers.

116. Morrow's Introduction to Anson Daniel Morse, Parties and Party Leaders (Boston: Marshall Jones Company, 1923), xv; italics in the original.

117. Vasconcelos, Ulysses, p. 241.

118. Quoted in ibid., p. 238.

119. Included in Judge John Barton Payne to Stimson, Washington, November 4, 1929, ADS, 812.00 Presidential Campaign/83.

120. La Prensa (San Antonio), October 25, 1929.

121. H. Johnson to Lane, Mexico City, November 20, 1929, Box #2, Lane Papers. Also see Morrow to Kellogg, Mexico City, November 9, 1928, ADS, 812.00/29352; J. Reuben Clark to Morrow, Washington, November 11, 1929, ADS, 812.00 Presidential Campaign/86.

122. Excelsior, September 1, 1929.

123. Ibid.

124. Ibid.

125. Quoted in Dulles, Yesterday, p. 469.

126. Gómez, Reforma agraria, p. 32.

127. Quoted in Dulles, Yesterday, p. 469; also see Dye to Stimson, Juárez, September 6, 1929, ADS, 812.00 Presidential Campaign/35.

128. Speech of June 1, 1929, quoted in Stokeley W. Morgan to Stimson, Mexico City, June 2, 1929, ADS, 812.00/1549; italics added.

129. New York Times, October 10, 1929.

130. Morrow to Stimson, Mexico City, October 15, 1929, ADS, 812.52/1576.

131. Quoted in Excelsior, September 1, 1929. Also see Gómez, Reforma agraria, p. 39; Excelsior, October 15, 1929; Luis L. León, La doctrina, la táctica y la política agraria de la revolución (México: Bloque de Obreros Intelectuales, 1930), p. 16.

132. Morrow to Stimson, Mexico City, October 15, 1929, ADS, 812.52/1576.

133. Excelsior, December 8, 1929; New York Times, December 8, 1929.

134. Morrow Memo on meeting with Portes Gil, Mexico City, December 3, 1929.

135. Morrow to Stimson, Mexico City, November 22, 1929, ADS, 812.00 Presidential Campaign/122.

136. Morrow had written of his concern about "the uncertainty and lack of confidence which would probably exist in business circles [due to] the possibility of serious disturbances during an election year." Morrow to Stimson, Mexico City, May 21, 1929, ADS, 812.51/1499.

137. See Vasconcelos' interview in the El Paso Herald, December 19, 1929, included in Bursley to Stimson, Guaymas, December 21, 1929, ADS, 812.00 Sonora/1017; Vasconcelos, Ulysses, p. 250.

138. Bursley to Stimson, Guaymas, November 19, 1929, ADS, 812.00 Presidential Campaign/119.

139. Bursley to Stimson, Guaymas, November 18, 1929, ADS, 812.00 Presidential Campaign/118; E. W. Eaton to Bursley, Guaymas, November 20, 1929, ADS, 812.00 Presidential Campaign/120.

140. Ibid.

141. Ibid.

142. Ibid.

143. Bursley to Stimson, Guaymas, November 19, 1929, ADS, 812.00 Presidential Campaign/119.

144. Boyce to Stimson, Nuevo Laredo, November 20, 1929, ADS, 812.00 Presidential Campaign/115.

145. Harnden to Stimson, Tampico, November 18, 1929, ADS, 812.00 Presidential Campaign/113.

146. Altaffer to Stimson, Nogales, November 17, 1929, ADS, 812.00 Presidential Campaign/99; Altaffer to Stimson, Nogales, November 20, 1929, ADS, 812.00 Presidential Campaign/116.

147. El Dictamen (Veracruz), November 19; also see Dulles, Yesterday, pp. 474-75.

148. Morrow to Stimson, Mexico City, November 22, 1929, ADS, 812.00 Presidential Campaign/122; Excelsior, November 18, 1929.

149. Ibid.

150. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, November 30, 1929, SDR, Dispatch #417 of 1929.

151. Excelsior, November 18, 1929.

152. Morrow to Stimson, Mexico City, November 17, 1929, ADS, 812.00 Presidential Campaign/100.

153. Ibid.; Excelsior, November 18, 1929. A picture of a wounded Vasconcelista on election day appears in Taracena, La verdadera revolución, opposite XIII: 284.

154. H. Johnson to Stimson, Mexico City, December 10, 1929, ADS, 812.00 Presidential Campaign/10.

155. Morrow to Stimson, Mexico City, November 29, 1929, ADS, 812.00 Presidential Campaign/4.

156. Excelsior, December 3, 1929.

157. Vasconcelos, Ulysses, pp. 247, 270-71.

158. Altaffer reported that Vasconcelos had encouraged political exiles in the United States to begin

organizing a new revolt as early as November 2. Altaffer to Stimson, Nogales, November 2, 1929, ADS, 812.00 Presidential Campaign/81. Vasconcelos told Altaffer that he "would be greatly surprised and disappointed" if a revolt did not break out following his defeat at the polls. Altaffer to Stimson, Nogales, November 5, 1929, ADS, 812.00 Presidential Campaign/9.

159. Vasconcelos, Ulysses, pp. 247-48; Taracena, La verdadera revolución, XIII: 292; Miguel Alessio Robles, "Cuenta Usted Con Todo Para Triunfar," El Universal, June 26, 1939. Morrow told Portes Gil that Lloyd had gone to see Vasconcelos "at my insistence . . . in an endeavor to induce him to issue a public statement accepting the result of the election." See Morrow's Memo on his meeting with the president, Mexico City, December 3, 1929, Morrow Papers.

160. Vasconcelos, Ulysses, p. 248.

161. Alexxio Robles, "Triunfar."

162. Dulles, Yesterday, p. 463.

163. Quoted in Alvarez Sepúlveda, "Relaciones de México y los Estados Unidos," 315-16.

164. Meyer, Révolution Mexicaine, p. 152. Morrow had expressed his desire to settle the Church-State conflict before the November election in a conversation with Portes Gil on March 19, 1929. According to the ambassador, Portes Gil "answered 'muy bien.'" Morrow's Memo on his meeting with the president, Mexico City, March 19, 1929, Morrow Papers.

165. Morrow's Memo on his meeting with Portes Gil, Mexico City, December 3, 1929, and see Morrow's comments to Calles reported in Morrow to Clark, [Washington], December 16, 1929, Morrow Papers.

166. Vasconcelos, Ulysses, p. 238.

167. Ibid., p. 246.

168. Ibid.

169. Ibid.

170. Quoted in ibid., p. 243. The British also let Vasconcelos know that he could not rely on their help in a new rebellion. See ibid., p. 242.

171. Vasconcelos, Proconsulado, p. 318.

172. Taracena, La verdadera revolución, XIII: 315-16. Caraveo had been a leading officer in the Escobar revolt. See above, page 397.

173. Quoted in Vasconcelos, Ulysses, p. 250.

174. Vasconcelos had, nevertheless, drawn up a proclamation, as was the tradition in Mexican revolts. On Vasconcelos' Plan of Guaymas see Dulles, Yesterday, pp. 475-76.

175. Many Vasconcelistas had been arrested, tortured, and, in fact, hung by the federal authorities. Ibid., pp. 487-88.

176. Excelsior, December 5, 10, 17, 1929; Portes Gil, Autobiografía, p. 787.

177. Excelsior, December 4, 1929.

178. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, December 31, 1929, SDR, Dispatch #460 of 1929.

179. Taracena, La verdadera revolución, XIII: 300; Memo by Lane [who was traveling with Ortiz Rubio] on his conversation with the president-elect, Hot Springs, Arkansas, December 6, 1929, ADS, 812.001 Ortiz Rubio/46.

180. On the emperor's trip to the United States, see C. H. Haring, Empire in Brazil: A New World Experiment with Monarchy (New York: W. W. Norton, 1968), pp. 70-71, and Mary W. Williams, Dom Pedro the Magnanimous (Chapel Hill: University of North Carolina Press, 1937), pp. 189-213.

181. Excelsior, July 27, 1929.

182. Calles suffered from frayed nerves and a stomach ailment. See Excelsior, August 3, 4, 11, and September 4, 17, 18, and October 21 and November 7, 8, 15, and December 6, 1929.

183. Ibid., September 26, 1929.

184. Quoted in ibid., December 6, 1929.

185. Ibid., December 4, 1929. This "formidable delegation" included: Saturnino Cedillo, Adalberto Tejeda, Pablo Sidar, Filiberto Gómez, Manuel Riva Palacio, Arturo Bernal, Deputies Pedro Palazuelos, Ignacio Gómez, Enrique Hernández, and Senator Alcides Caparroso. Ibid., December 5, 1929.

186. Excelsior, December 17, 1929.

187. Ibid., December 7, 9, 13, 1929. Ortiz Rubio was guarded by secret servicemen in the United States; this was the president-elect's fifth visit to New York.

188. Ibid., December 15, 1929. The Spanish ambassador maintained that Calles and Ortiz Rubio planned the new government "with the sanction of the United States and in good view of Ambassador Morrow." Spanish Ambassador to Spanish Foreign Ministry, Mexico City, December 15, 1929, SDR, Dispatch #431 of 1929.

189. Dulles, Yesterday, pp. 478-79.

190. Morrow to Clark, [Washington], December 16, 1929, Morrow Papers.

191. Ibid.

192. Ibid.

193. See above, pages 296 & 379-80.

194. Morrow to Clark, [Washington], December 16, 1929, Morrow Papers. Calles' conservative ideas on the agrarian reform had only been reenforced in France where he saw many family farms that were too small to use modern machinery and too inefficient to increase food production. See Galvan Duque's interview with Calles en route to New York, New York Times, December 27, 1929.

195. Morrow to Clark, [Washington], December 16, 1929, Morrow Papers; italics added.

196. Calculated from Wilkie, Federal Expenditure, Table 2-1, p. 32.

197. Quoted in Excelsior, December 1, 1929.

198. Ibid., December 27, 1929.

199. Taracena, La verdadera revolución, XIII: 313.

200. Ibid., XIII: 314; Department of State, Press Release, December 24, 1929; New York Times, December 27, 1929; Excelsior, December 27, 1929; Autobiographical Notes, p. 8, Folder 1610, Box #97, Lane Papers.

201. Taracena, La verdadera revolución, XIII: 317; Excelsior, December 28, 29, 1929; E. Morrow, Diary, entry of December 28, 1929, p. 178.

202. Excelsior, December 28, 1929, and March 19, 1930.

203. New York Times, December 27, 28, 1929; El Universal, December 27, 1929; Marte R. Gómez interview, May. 11, 1964, in Wilkies, México visto en el siglo XX, pp. 104-105.

204. Quoted in the New York Times, January 17, 1930.

205. Quoted in H. Johnson to Stimson, Mexico City, December 9, 1929, ADS, 812.001 Ortiz Rubio/47; italics added.

206. Leo N. Rowe to Hoover, [no location noted], January 3, 1930, quoted in Thomas B. Oberlitner, "The United States and Mexico, 1921-32" (unpublished Ph.D. dissertation, Stanford University, 1950), p. 289.

207. Telegram, Lane to Stimson, Houston, December 5, 1929, ADS, 812.001 Ortiz Rubio/18.

208. Thomas McDonald (Chief of the Bureau of Agricultural Economics, U.S. Department of Agriculture) to Hall, Washington, December 11, 1929, ADS, 812.001 Ortiz Rubio/39.

209. Excelsior, January 2, 3, 1930.

210. Ibid., December 30, 31, 1929, and January 5, 7, 1930.

211. Quoted in ibid., December 13, 1929; El Nacional, December 13, 1929.

212. Excelsior, December 13, 1929; Taracena, La verdadera revolución, XIV: 301.

213. Quoted in Excelsior, December 13, 1929; New York Times, December 13, 1929.

214. Quoted in Excelsior, December 11, 1929. When asked about banditry in his country, the president-elect replied, "Do you control yours in Chicago and elsewhere?" Quoted in ibid.

215. Ibid., December 16, 1929; also see the editorial in El Universal, December 30, 1929.

216. Taracena, La verdadera revolución, XIV: 301-302.

217. Excelsior, January 3, 1930. On Mexico-Soviet friction in this period see Dulles, Yesterday, p. 480; Taracena, La verdadera revolución, XV: 13.

218. Excelsior, January 3, 1930.

219. Taracena, La verdadera revolución, XIV: 315.

220. Mexican Consul to Secretaría de Relaciones Exteriores, San Antonio, Texas, February 28, 1927, AREM, L-E-853, Expediente H/513"910-20/1.

221. Valls to Stimson, Laredo, December 15, 1929, ADS, 812.001C13/81.

222. Calles had not experienced any problems when he traveled through Laredo in July, 1929. See Richard Boyce to Stimson, Nuevo Laredo, July 23, 1929, ADS, 812.001C13/41; Stimson to Calles, Washington, July 24, 1929, ADS, 812.001C13/39. On Blanco's murder, see Mario Mena, Alvaro Obregón: Historia militar y política, 1912-1929 (México: Editorial Jus, 1960), pp. 140-41; Dulles, Yesterday, p. 115.

223. Verbo Libre, December 9, 1929.

224. Excelsior, December 19, 1929.

225. Quoted in ibid. Also see Spanish Ambassador to Spanish Foreign Ministry, Mexico City, December 15, 1929, SDR, Dispatch #431 of 1929.

226. Stimson to Valls, Washington, December 15, 1929, ADS, 812.001C13/86; Excelsior, December 17, 1929.

227. Estrada quoted in ibid., December 22, 1929.

228. Boyce to Stimson, Nuevo Laredo, December 17, 1929, ADS, 812.00.C13/92.

229. Excelsior, December 19, 1929, and January 9, 1930.

230. Ibid., January 15, 1930.

231. Boyce to Stimson, Nuevo Laredo, December 17, 1929, ADS, 812.001C13/92; Excelsior, December 19, 1929.

232. Ibid., December 18, 1929.

233. Ibid., January 2, 1930.

234. Ibid., December 20, 1929.

235. On Morrow's role at the conference, see below, page 556n.

236. Department of State, Press Release, January 14, 1930.

237. Excelsior, January 15, 1930.

238. Ibid.

239. Many chose to enter the United States illegally because they either lacked the eighteen dollar entry fee and were thus considered paupers or they were unable to pass the literacy and medical exams. Cardoso, "Mexican Emigration," 106; Howland, Survey, p. 473.

240. El Universal, May 29, 1929; González Navarro, "Efectos Sociales," 537; Excelsior, July 9, 1929.

241. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 20, 1929, SDR, Dispatch #261 of 1929 and October 15, 1929, SDR, Dispatch #367 of 1929. On the hardships experienced by a typical Mexican emigrant see G. Rodríguez Carréón to Calles, San Antonio, January 1, 1928, 104-C-126, RO-C.

242. González Navarro, "Efectos Sociales," 537-39; Cardoso, "Mexican Emigration," 159; Excelsior, August 17, 1929; El Universal, August 17, 1929; Dawson to Stimson, Mexico City, August 17, 1929, ADS, 812.52/1567. U.S. consuls denied that the Mexicans were abused in Paul H. Foster to Lane, Piedras Negras, August 2, 1930, and Arthur R. Williams to Lane, Nuevo Laredo, August 5, 1930, and Blocker to Lane, Juárez, August 5, 1930, and H. Leonard to Lane, Matamoros, August 5, 1930, Box #4, Lane Papers.

243. Mexican leaders were eager to prove their loyalty to Calles because they realized that he was to be the true power behind the throne in the new administration. See Dulles, Yesterday, p. 482.

244. A photograph of Calles' welcome in Mexico City appeared in Excelsior, December 19, 1929.

245. Ibid., January 7, 10, 22, 1930.

246. Morrow's Speech to Herring's Seminar, Mexico City, July 16, 1930, Morrow Papers; italics added. The proposed labor law was printed in El Universal, July 29, August 5, 10, 16, 1929.

247. See below, page 627.

248. Morrow to E. T. Clark, Mexico City, April 10, 1928, Morrow Papers.

CHAPTER VIII

The "Backfire of Resentment:" 1930

Pascual Ortiz Rubio was inaugurated as the twenty-fourth ruler of independent Mexico on February 5, 1930, just three weeks after his return from the United States. As many as 2500 American businessmen and political leaders demonstrated their confidence in the new president by traveling to his inauguration in what was described as the largest "invasion" of foreign visitors since before the Revolution.[1] Hotels were filled to capacity with guests, including Governor Huey Long of Louisiana, Governor Richard C. Dillon of New Mexico, the mayor of Kansas City, business representatives from as far away as New York, and forty newsmen from the Chicago area alone.[2] These foreigners were treated royally by the Mexican government as the head of the Federal District conducted special tours through the capital, assigned the Americans to excellent seats for the inauguration ceremony, and instructed his police force to aid the visitors in every possible way.[3] Reflecting the general optimism of the

occasion, the president of El Paso's United Import and Export Company declared that "business conditions in Mexico are better now than at any time in the last twenty-five years."[4] Not even a violent attempt on Ortiz Rubio's life on the very day of his inauguration could dampen the foreigners' enthusiasm about the political and economic outlook for the coming year.[5]

The new president encouraged this business optimism by granting a special interview to American reporters to prove that his conservative ideas had hardly changed since his return from the United States. As usual, Ortiz Rubio insisted that the "constructive phase" of the Revolution had begun as "peace prevails throughout the Republic." With peace as "the best guarantee to attract foreign capital," American interests "with honest commercial intentions" would be welcomed in Mexico and would be given "all the protection available within the law," according to Ortiz Rubio. Posing for pictures with reporters, the still-bandaged ruler concluded that "the Mexican social movement is a consummated fact. It remains only to develop Mexico as a modern state to enable Mexico to take her proper place among the civilized countries of the world."[6] Reassured by these works, two American capitalists went so far as to meet with the Minister of Communications and Public Works and offer to invest sixty

million dollars in Mexican highway construction.[7] Other offers followed and by July the editors of Excelsior were forced to ask their readers if the United States had more faith in Mexican progress than the Mexicans had in themselves.[8]

Dwight Morrow was pleased with this wave of confidence in Mexico not only because he had helped to create it,[9] but also because he recognized foreign investment as the key to Mexican growth and improved U.S.-Mexican relations.[10] Unfortunately, the ambassador was not able to enjoy this era of good feeling in business circles for very long. Popular resentment against Morrow and the United States had, in fact, increased in 1930 from its early beginnings in 1929. There are several major reasons for this tragic situation.

The New Jersey Primary of 1930

First, many Mexicans believed that Dwight Morrow had used his diplomatic post as a convenient stepping stone for his own political career in the United States. Rumors that Morrow was about to be appointed to a high-level cabinet post had, of course, circulated since Calvin Collidge had become president,[11] but these rumors only increased in volume and number in the months following Morrow's initial success abroad. In June, 1928, it was said that Morrow would be the new Assistant

Secretary of State or the next Secretary of Commerce when Herbert Hoover left that post to run for the presidencey.[12] Later, a great many observers felt that Morrow would serve as Hoover's Secretary of State, [13] while others believed that he was destined for the Court of St. James in England.[14] By May, 1929, reporters spoke of Morrow as Andrew Mellon's probable replacement in the Treasury Department[15] and by November Thomas Lamont led a group that claimed that "D.W.M. would make an excellent Secretary of War."[16] It was even rumored that Morrow would be the first U. S. ambassador to the Soviet Union because only "another Morrow" could handle the sensitive diplomatic problems that still divided Washington and Moscow in 1930.[17] Few men had ever been rumored to fill so many top posts in so short a time in American history. Even more significantly, Morrow was considered "presidential timber" as early as December, 1927, when a former colleague at J. P. Morgan planned "nothing less than the presidency" for the ambassador after his success in Mexico.[18] Rumors of Morrow's possible candidacy persisted until the last days of his mission abroad,[19] and, while they usually only amused the ambassador, [20] many Mexicans were quite willing to accept their validity by the spring of 1930. A great many were convinced that Morrow had used his diplomatic post to launch his political career with

little real concern for Mexico and its problems. As one author put it, Morrow had not gone to Mexico to protect American interests or permanently resolve international disputes, "but to prepare his own presidentail campaign" in the United States.[21] His mission to Mexico was but the first stage in a "master plan" that would ultimately place Morrow in the White House by 1936.[22]

Mexican resentment spread with alarming speed when the ambassador decided to run for the U. S. Senate in 1930. Morrow had always hoped to avoid "the stormy arena of practical politics,"[23] but George Rublee and others convinced him that the Senate seat left open by Walter E. Edge of New Jersey represented a golden opportunity in his career.[24] According to Rublee, "J. Reuben Clark and I both thought that his work in Mexico . . . was finished and that perhaps if he went on . . . there would be disappointments . . . that would . . . cloud [his past accomplishments]" and damage his future plans.[25] Persuaded that he would enjoy "useful influence" in the Senate[26] and eager to "do what President Hoover and the Secretary [of State] want me to do, regardless of my personal wishes,"[27] Morrow finally announced that he would run in the Republican primary to be held in New Jersey on June 16, 1930.[28]

The ambassador began his campaign in the spring of 1930 after completing his long and arduous labor at the

naval disarmament conference in London.[29] Promising a dignified campaign devoid of all "bunk,"[30] Morrow chose to make prohibition the major issue in his race for the Senate. Delivering a carefully-written maiden speech in Newark, the candidate attacked prohibition as an unrealistic and unworkable policy that caused as many problems as it attempted to solve.[31] His remarks "created a nation-wide sensation," according to one observer,[32] and the New York Times went so far as to editorialize that Morrow's "New Jersey address makes him not merely the outstanding figure in that State, but the sort of pathbreaker to whom the eyes of the whole nation will be turned."[33] Even the more liberal Baltimore Sun "could scarce forbear to cheer" Morrow's words and acknowledge that he was "the first major figure of the dominant political party to stand up in public and deal with the realities of this business" on prohibition.[34] The candidate had obviously struck a responsive political chord and was about to enjoy what Excelsior described as a "a wave of favorable publicity that has seldom if ever been equaled in the United States."[35]

Morrow also benefited from a large campaign fund and a long list of important political endorsements. The ambassador reportedly spent $49,541.54 in the primary[36] and, while this figure appears quite low by current standards, Morrow had so many contributions that he was able to return $1,110.82 to Thomas Lamont alone.[37] Rublee, McNab,

Congressman Oscar de Priest of Chicago," a clever young Washington lawyer" named Dean Acheson, and Vice President Charles G. Dawes were among the many who helped to draw national attention to the election in New Jersey.[38] Former president Coolidge even told those who urged him to run for the Senate on his own that Morrow "can provide more talent than I could and exercise it in a more effective way. A sound businessman, a scholarly lawyer, a wise statesman, he is eminently qualified to discharge the duties of _any_ public office."[39] Will Rogers also endorsed his friend in radio broadcasts,[40] but the most valuable support of all came from Morrow's new son-in-law, Charles A. Lindbergh. The Lone Eagle was still enormously popular and, while Morrow had tried to keep him out of the political picture,[41] Lindbergh's recent marriage to Anne Morrow only served to increase public interest in the young hero and his new in-laws.[42] After watching Lindbergh and his bride fly up and down New Jersey to attend political rallies for Morrow, the ambassador's enemies in the temperance movement made the political observation that "there is more than a little reason to suspect that half of those constituting [Morrow's] majority [in the primary] were, in fact, voting for Lindy and the other half for Anne."[43] As Robert M. LaFollette, Jr., put it, "you might beat Morrow, but you could not beat Morrow and Will Rogers and Anne and Lindy _combined_."[44]

Other, more serious charges, were also leveled on the candidate. LaFollette noted that Morrow "talked on every subject but politics . . . and left the rest to his publicity manager," although most of his publicity consisted of pictures showing Morrow "hobnobbing" with the president or sitting with Charles Dawes as he smoked his famous pipe.[45] Another contemporary also complained of the lack of substance in Morrow's campaign and described the ambassador's speeches as "strikingly noncommittal and uninteresting." Edmund Wilson wrote that Morrow usually praised Hoover, discussed the recently negotiated naval treaty, and referred to the general prosperity of the Republican-dominated 1920s.[46] The candidate reportedly recognized the problems caused by the Great Crash of October, 1929, but told the voters of New Jersey that the economic crisis would solve itself if they remained confident in capitalism and realized that depressions were not necessarily bad because "there is something about too much prosperity that ruins the fiber of the people."[47] Wilson was astonished by these remarks and pointed out that despite Morrow's faith in capitalism, two thirds of the population did not share in the prosperity of the 1920s and few men on the bread lines of 1930 were reassured by the knowledge that they were "having their fibers hardened" for the good of the country.[48] Wilson concluded that Morrow relied on "meaningless catchwords and

exhortations" to inspire his listeners and vainly attempt to salvage a dying form of American capitalism.[49]

But few voters were willing to listen to this criticism of Morrow. The eighteenth amendment had never been popular in New Jersey,[50] the public was "more sentimental than logical"when it came to Lindbergh,[51] most people identified Morrow with J. P. Morgan (who remained a symbol of prosperity), and a good many Catholics planned to vote for the ambassador because they appreciated his work on the Church-State settlement in Mexico.[52] Exuberant with the prospect of victory at the polls, his supporters made "screaming speeches" and described Morrow "as a paragon of virtue, George Washington and Abraham Lincoln mixed [into one]!"[53] Several of these supporters can, in fact, be accused of being overzealous, of exaggerating Morrow's attributes and accomplishments to the point that they offended others and did more harm than good. Unfortunately, this was particularly true of Sandy McNab and his comments about Morrow's two and half years in Mexico.

Sandy McNab had been transferred from his post as the military attaché in the U. S. embassy shortly after Escobar's final defeat. The colonel was serving as the senior military instructor for the New York National Guard when Morrow announced his candidacy in late 1929. Always a loyal friend, McNab made several political speeches for

the ambassador, despite the fact that army regulations prohibit all political activity by military personnel.[54] On April 23, 1930, for example, McNab appeared at the Robert Treat Hotel in Newark and addressed a small gathering of Morrow supporters. The colonel told his audience of his "wonderful experience" as the ambassador's "interpreter, his mouth-piece [sic] . . . .and. . .his confidant in everything [the ambassador] was attempting to do" in Mexico. NcNab recalled that Morrow had informed him that "Our first task . . .is to put Mexico on its feet financially and to give it a strong government, because no matter what [else is agreed upon] . . .our difficulties will continue. . .as long as this country has a weak government and is financially insolvent." The officer boldly asserted that the ambassador had "gone a long way toward accomplishing this first task" by taking Montes de Oca "under his wing" and coaching him in finance during lunches at the embassy and during weekend excursions to Cuernavaca. Morrow, in fact, "put Mexico on a budget system for the first time [in] its history" and was very influential in having <u>his</u> Secretary of the Treasury reappointed" by both Portes Gil and Ortiz Rubio. Using the force of his unique personality, the ambassador had even convinced Montes de Oca <u>not</u> to pay the interest on Mexico's foreign debt because the country needed to use its surplus funds to develop its resources and "get on its feet"

before it could afford to pay the Bankers' Committee on a regular basis.

Turning to the task of strengthening the federal government in Mexico, McNab told how Morrow had "brought constant pressure to bear on both sides [in the Church-State conflict] for over a year." While neither side had had "any hope of reaching a settlement," they went along with the negotiations "merely because they wanted to please Mr. Morrow as they liked him personally." Exploiting this important advantage, the ambassador "finally brought about a reconciliation whereby the religious fights were ended, the churches [were] opened and religious peace [was re-established] in Mexico."[55] According to McNab's interpretation, Morrow had rescued the Mexicans from their religious and financial chaos when they proved completely unable and unwilling to save themselves. The Morrow myth, with all its insults and blatant disregard for Mexican sovereignty, had never been presented in such absolute and potentially dangerous terms before.[56]

The disastrous speech caused a "great sensation" and a "painful impression" in Mexico.[57] Montes de Oca was able to prevent the publication of the address in his country, but copies from American newspapers had "received quite a bit of circulation" in Mexico City within a month of their appearance in the United States.[58] Captain McBride reported that there was always a small degree of anti-American

sentiment "lurking under the surface down here," but talk of limiting Mexican immigration and the news of McNab's "diplomatic blunder" only "added fuel to the flames" of resentment.[59]

This resentment was clearly reflected in several bitter editorials that appeared in the Mexican press. In a typical commentary, La Prensa wrote that McNab had attempted "to convince the citizens of New Jersey of the high executive, financial and even political talents of the [ambassador]" by "revealing" Morrow's ability to manipulate the Mexican government and resolve its most pressing problems. In the process, McNab had not only insulted "our dignity as Mexicans," but also presented the Mexican government in "an erroneous and unpleasant light" that could "shatter the official inclination toward harmony" with the United States. Unwilling to accept the incident as an "error of indiscretion," La Prensa concluded that McNab's speech was "absurd and malicious;" only a public apology could redress the "shameful slander."[60]

El Gráfico was of the same general opinion,[61] but El Hombre Libre demanded much more than a mere apology from McNab and Morrow. The labor newspaper demanded that Montes de Oca reply to the offensive charge that he was little more than Morrow's pawn because his silence implied guilt and his guilt implied a serious threat to Mexican sovereignty.

"To become subject to the financial direction of the crafty conqueror. . .is to give up the stomach of a nation," according to El Hombre Libre, "and whoever gives up his stomach is in danger of giving up his soul" as well. Montes de Oca would either have to defend his honor as a Mexican patriot or resign his high post in disgrace.[62]

The Minister of Finance refused to even acknowledge this demand. Instead, Montes de Oca and General Calles secretly requested that Morrow make a speech or issue a statement that "would serve as a refutation of the statements in Sandy's speech" without directly referring to McNab or his diplomatic blunder of April 23.[63] Morrow's aides agreed. Clark and McBride even argued that "unless [the ambassador] can succeed in saying something which can be given wide publicity in Mexico and can be interpreted as a complete denial of Sandy's remarks, we fear that he will find himself very much handicapped in trying to accomplish much" during his final two months in Mexico.[64] Time would heal the wounds caused by McNab, but there was too little time and too many important issues at stake for Morrow to ignore the urgent need to do something soon.

Morrow nevertheless failed to act in this crisis. The ambassador mentioned his "high regard" for the Mexican people in a speech on June 10[65] and went so far as to draft a more thorough statement on June 12, but the former was not

acceptable to the Mexicans[66] and the latter was never released to the press in the United States or Mexico. This unpublished statement may well have settled the entire affair because it was exactly what Clark and McBride had had in mind when they urged Morrow "to smooth the matter over" with some kind of direct action.[67] Morrow's never-released statement had mentioned that "certain statements in regard to my activities as [the Americans] Ambassador to Mexico" had created "an impression so misleading that I feel it should be corrected." Morrow emphasized the fact that diplomatic problems had been resolved through the "sympathetic cooperation" of both sides, rather than through his underhanded manipulation of government officials like Montes de Oca. Montes de Oca was, in fact, praised for his work and Morrow declared that "in matters of purely Mexican concern [the Minister of Finance] did not ask for my ideas or advice nor did I offer to give them." The envoy argued that anyone who believed that he had meddled in internal affairs "is incorrect, for quite obviously I would have no more privileged position and would have no more right to intervene in. . . Mexico than a foreign Ambassador would have in Washington." Morrow concluded that he was innocent of all wrongdoings because he had worked hard to improve diplomatic relations between the United States and Mexico for

the "mutual benefit" of both countries and not simply for the benefit of the United States alone.[68]

There is no evidence to suggest why Dwight Morrow refused to release this carefully-worded statement after he had gone to the trouble of drafting it during the busiest days of his campaign. His advisors in New Jersey may well have considered it politically damaging on the eve of the primary election, but it appears that their "solution" to the crisis was nearly as offensive and as insulting to the Mexicans as McNab's original indiscretion of April 23. On the day after Morrow's landslide victory at the polls,[69] McNab finally went to the Mexican embassy in Washington and told Ambassador Téllez that his speech had been misquoted and misinterpreted in the press. The colonel reportedly said that "the incident had pained him profoundly, inasmuch as he entertained a very sincere sympathy for Mexico and a genuine admiration for its people."[70]

McNab therefore apologized for the entire mishap, but many Mexicans were still unwilling to believe the officer because he had waited until all the ballots had been cast in New Jersey before he had found time to make amends for his original mistake.[71] El Nacional reflected Mexican public opinion when it published a political cartoon that depicted McNab as a country bumpkin who carried the diminutive Morrow in his hand. The caption for this cartoon told how McNab

had employed the "Mexican Method" of exaggerating his candidate's achievements in an effort to win votes at any cost. The PNR organ concluded that having "obtained the triumph" for Morrow, NcNab had attempted to "rectify the matter" with a conveniently timed apology that fooled no one with any intelligence in Mexico.[72]

Mexican leaders had thus become quite sensitive to the Morrow myth and, while they had ignored it in the past,[73] they resented it with growing fervor by the summer of 1930. In one instance, Ambassador Téllez went so far as to underline certain parts of a feature article on Morrow and send it to his superiors in the Foreign Ministry. The article, which appeared in the New York Times on June 22, 1930, focused on the ambassador's work in Mexico and seemed to accept the validity of McNab's earlier remarks without question. Angered, Téllez underscored a sentence that told how Morrow and McBride had "quietly . . .proceeded to show [the young] Montes [sic] how to solve his problems" with the federal treasury. Referring to the military revolt of 1929, the same article told of Calles' daily reports to the ambassador and Portes Gil's desire to "lay all [his] cards on the table" so that he could benefit from Morrow's sagacious advice. Just as offensively, the article claimed that Morrow had helped win the war against the rebels when he insisted that all federal employees be paid in advance to

insure their loyalty to the government. Téllez chose to underscore the assertion that Montes de Oca had followed this sound advice and had thus won "the biggest victory of the campaign," thanks to Morrow. The Mexican ambassador and his superiors in Mexico City were, understandably, upset by this increasingly typical story on Morrow's success in Mexico. It came as no surprise to them that the Times' article described Morrow as "one of the four or five best known men in the United States" and a definite presidential contender in 1936.[74] Henry Norton's great fear of mid-1928 had finally materialized by mid-1920. " I have a feeling," wrote Norton to Morrow, "that if the press in [the United States] is too frank in praising you for what you have. . .done [as our ambassador], there might be a backfire of resentment. . .which will [only] add to your difficulties" in Mexico.[75]

Emigration to the United States: The Mexican View

Many Mexicans had also come to resent Morrow and the United States when the question of Mexican immigration received widespread attention in the aftermath of the great stock market crash of 1929. The State Department's communique of January 14, 1930, had guaranteed the safety of Mexican citizens in the United States,[76] but it had not settled the problem of how the flood of Mexican immigrants could be controlled without further damaging Mexican pride

and U. S.-Mexican relations. The deluge of immigrants continued, despite the crackdown against illegal aliens in 1929, because working conditions in Mexico had hardly improved since the outbreak of the Revolution in 1910. Wages had increased in several regions of the country, but prices rose three hundred per cent faster than wages in rural districts and the average industrial worker only brought home a third of what was considered enough money to maintain a level of "minimum comfort" in the cities.[77] Families who "benefited" from the redistribution of land often fell victim to the chaos caused by the agrarian reform[78] or suffered from the prolonged droughts that created extrememly poor farming conditions in the late 1920s.[79] Others suffered from the chronic unemployment of the period. From 250,000 to 300,000 men[80] could sympathize with a worker depicted in a political cartoon that appeared in December, 1929. Responding to a colleague's question about his occupation, the worker replied with the bitterly ironic statement that his job was to look for jobs.[81] As many as twenty thousand agricultural workers in the area of Torreón, or nearly a quarter of the population in that cotton growing region, were said to "have no possibility of employment" by late 1929.[82] Thousands of others fled to escape the danger of Mexico's periodic revolts,[83] the violence of Mexico's Church-State conflict,[84] and the political purges of the

new official party.[85] Many of the refugees who crowded into the third-class railroad cars heading north could recall the horror of seeing trees covered with the bodies of hung Cristeros even after the truce of 1929 had been signed.[86] A single town in Jalisco lost as many as thirteen hundred Catholic residents who feared reprisals at the hands of vengeful federal troops.[87] These emigrants were fully aware of the hardships they would face in the United States, but they continued to choose "the lesser of two evils," according to the American Consul General in Mexico City.[88] Countless men literally voted with their feet because, as one newspaper put it, there was "no pulque, no politics, and no revolution" to threaten their lives and few belongings in the United States.[89]

Those who remained in Mexico had mixed feelings about their countrymen who fled across the border. Some believed that this exodus actually benefited Mexico and its economy. As early as August, 1920, El Universal editorialized that Mexicans who returned home after a stay in the United States brought back new skills that helped to increase productivity and raise the standard of living in Mexico.[90] A decade later, Ortiz Rubio's Minister of Government told reporters that repatriates were "bringing new and better habits and methods of work" back to their mother country.[91] Excelsior

also noted that 83,500 Mexican immigrants in the United States sent an average of thirty dollars a month, or $30,060,000 a year, to their families back home;[92] few could deny that this was an important source of foreign exchange for the nation. Government officials appreciated this fact and, moreover, realized that the thousands of Mexicans in the United States represented a large and potentially powerful pressure group that might yet influence U. S. foreign policy in Mexico.[93] Finally, these same officials acknowledged that Mexican emigration to the United States served as an important political and economic safety valve for Mexico. Economically, emigration helped to alleviate unemployment and helped to solve the problem of what to do with so many people on so little good land.[94] Politically, emigration helped to decrease the number of potential rebels and bandits who could cause trouble for the government and play havoc with political stability.[95] Mexican leaders could never admit that they wanted even a small segment of the population to cross the border for these reasons, but they could not ignore the fact that the emigration of thousands of nationals had definite advantages while Mexico suffered through its economic depression and political disorder of the 1920s.

However, the vast majority of Mexican nationalists had an entirely different view of the situation. By mid-

1927, El Universal had changed its attitude about emigration and went so far as to call it "sterilizing and prejucicial" for Mexico.[96] Excelsior agreed by observing that "this current of emigration. . .represents one of our greatest problems because it signifies the depopulation of Mexico."[97] Most emigrants were in the prime of their lives and were among the best workers in the nation.[98] Nationalists argued that these valuable men and women were needed at home where they could help rebuild the Mexican economy before it deteriorated any further.[99] Those who shunned this responsibility and went to the United States to become American citizens were denounced as nothing less than traitors by national leaders, including Moisés Sáenz of Calles' Ministry of Education.[100] Perhaps most importantly, national pride was wounded by the fact that thousands of Mexicans chose to leave their mother country in search of peace and steady employment in the United States. As one author has put it, the loss of these nationals "was an open admission to the world that Mexico. . .could not yet take care of her own people" after some twenty years of revolutionary change.[101]

Eager to placate all sides in this dispute, the Mexican government attempted to at least discourage those who had thoughts of leaving the country in the late 1920s. Government agents rode northbound trains in an effort to stop those who lacked the proper documents to enter the

United States legally or warn others of the "penalties and miseries" they would probably experience once they had crossed the border.[102] Government publications also warned the emigrants of what they could expect in the United Statas,[103] but few of them could read and most had learned not to trust government agents of any kind.[104] The steady stream of emigration continued and, to make matters worse, many of the same officials who had been hired to discourage emigration actually became contact men for labor recruiters and coyotes in the United States.[105]

In a far more serious attempt to reverse this trend and alleviate the diplomatic tension it created, Portes Gil offered to sell newly irrigated land to repatriates who were willing to return to Mexico in 1929.[106] Mexican consuls in the United States were instructed to inform the Mexicans in their districts that the government was willing to pay for most of their transportation home if they simply accepted the challenge and proved that they had the skills to farm on irrigated soil.[107] From six to one hundred hectares of land could be purchased for as little as forty-five pesos per hectare, with five per cent of the cost due after the first harvest and the rest due in payments spread over ten to twenty-five years.[108] But not even these liberal terms could draw many Mexicans home from the United States. Few emigrants were able to complete the "exhaustive questionnaire" required by the National Irrigation Commission[109] and ninety-

five per cent of all repatriates chose to resettle in their former villages or move to urban centers, rather than face the hardships of life in the newly-opened regions of the north.[110] Some preferred to petition for expropirated land from Portes Gil and, in a rare case, the government actually redistributed 17,500 acres of an expropirated hacienda in Tamaulipas to 205 repatriates from Texas.[111] It was, however, estimated that only five per cent of all repatriates purchased land from the government or benefited from the stepped-up land reform of 1929.[112] By 1930, even high government officials were forced to admit that all attempts to discourage emigration or draw Mexican nationals home had proven to be dismal failures.[113]

Emigration to the United States: The American View

A great many Americans were seriously alarmed by this inability to check Mexican immigration. Convinced that the Mexican government could not do the job on its own, several U.S. Congressmen proposed legislation that would limit immigration from Mexico just as the National Origins Act had limited the movement of immigrants from certain parts of Europe after 1924. The quota system was favored by a wide range of interests in the United States, but those who sought to limit Mexican immigration usually employed a common tactic in presenting their case to the public. Even the most diverse interests, such as the American Federation

of Labor and the revitalized Immigration Restriction League, argued that Mexican immigration was bad for the United States because the Mexican people represented an inferior race that could only damage the democratic institutions and superior racial stock of the country. Mexicans were generally described as lazy, disease-infected, and violent individuals who were capable of creating a new racial problem not unlike the racial problem caused by the emancipation of thousands of blacks after the Civil War of 1861-65. In typical fashion, the American Legion Monthly argued that there were two kinds of immigrants: the "pioneer" and the "fly-by-night Mexican." The pioneer brought "clean customs" to the country, fathered offspring who valued education, and married "our children . . .with a good biological result." In sharp contrast, the "fly-by-night Mexican" only brought "indecencies" to the country, fathered hordes of children who "carried automatic pistols," rather than books, and could not marry "our children. . .without producing a biological monstrosity." Striking a note of urgency, the Monthly concluded that Mexican immigration would have to be limited before these "undesirables" would permanently "corrupt our crop of useful human beings."[114]

Others agreed and attempted to provide "scientific" evidence to prove their point. According to C. M. Goethe, the Mexican "peon" was a "superstitious savage" who resisted

all health rules and was "eugenically as low-powered as the Negro." Describing these "coolies" as both lazy and immoral, Goethe claimed that "it is common to find a Mexican sitting outside [a brothel] until [his] daughter, forced therein, has earned enough for his coming spree of pulque." Referring to the Mexicans as "menacingly prolific," Goethe estimated that the average family of immigrants included nine children who would produce eighty-one grandchildren and 729 great-grandchildren, or three times the average number of Anglo-Saxon offspring, within two generations. The "peons' northward trek" would have to be stopped before it became a true "menace to the old American seed stock."[115] Put in even stronger terms, the Chicago Tribune stated that the Mexican people would have to be excluded from the United States just as the inferior races of eastern and southern Europe had had to be excluded after 1924 because what was true of the undesirable races of the Old World was ten times as true of the undesirable races of Mexico.[116]

Many "experts" and at least thirty patriotic organizations used this same type of propaganda,[117] but the vast majority of those who favored a quota system used the racial argument to camouflage their real political and economic interests in the controversy. Judge John Box of Texas, for example, based his entire political career in Congress on this single issue. A long-time member of the House

Committee on Immigration and Naturalization, Box referred to the Mexicans as "illiterate, unclean,[and] peonized masses" who accepted lower wages, took jobs from American citizens, and sympathized with radical labor unions like the infamous Industrial Workers of the World.[118] Box authored several bills to establish a quota system against Mexico and was consistently reelected to Congress as long as the controversy regarding Mexican immigration remained a lively issue in the United States.[119].

The American Federation of Labor was also guilty of this practice. The national trade union had planned a major organization drive in the Southwest, but labor leaders in Arizona and New Mexico told William F. Green that "continued immigration from Mexico presented a major obstacle and made the success of [our] plans doubtful."[120] Immigrants were willing to work for extremely low wages and often refused to join a union because they feared deportation or the loss of their jobs if they offended the conpanies that hired them.[121] Many were, in fact, willing to work as scabs during labor disputes involving union recognition or labor contracts with the A.F. of L.[122] Green and his followers had attempted to limit Mexican immigration by enlisting Luis Morones' official aid, but the A.F. of L. and CROM could agree on very little in their conference of August, 1925, and an agreement to help discourage Mexican immigration made little impact on

the problem after it was signed in 1927.[123] By February, 1929, Green had abandoned his efforts to limit immigration with unenforceable pacts and ineffective pleadings. The labor leader announced in Cincinnati that his union had decided to endorse Judge Box's most recent bill to enforce a quota against Mexico because he hoped "to minimize unployment [in the U.S.] and maintain a higher standard of living for American workers."[124] Organized labor had hesitated to support such a bill in the past, but, as the Saturday Evening Post put it, "every. . .industrial depression has helped to teach [the unions] that there is a direct connection between lax immigration policies and light dinner pails"[125] Now a devoted advocate of the quota system, Green went so far as to send a union representative to testify before the House Committee on Immigration and Naturalization in early 1930.

This witness began his testimony by declaring that "I want it understood that [the A.F. of L. has only] the kindest feeling toward the Mexican people."[126] The union representative nevertheless described the Mexicans as a lawless people who lacked "foresight, ambition, and initiative." Immigrants were said to work for as little as a dollar a day on the huge sugar beet farms of Colorado. Firms, like the Great Western Sugar Company, were willing to hire these men and women as "a necessary evil," although

many Americans attempted to segregate the Mexicans because "they view them in the same light that the southerner looks upon the negro [sic]." The labor official also asserted that, given their peculiar characteristics, "it would be very difficult to assimilate these peons into our American life." The witness concluded his testimony with the broad generalization that "unless barred,[these immigrants] will soon supersede Americans in every industrial plant, on every railroad section, and on [every] farm. . .[of] the Southwestern and Western Central States [sic]."[127] Adding this appeal to its racial argument against the "peones" of Mexico, the A.F. of L. was able to mask its true interest in the controversy and help persuade the House Committee to recommend the Box Bill of March, 1930.[128]

The third, and perhaps most powerful, interest group to use the racial argument against Mexican immigration included the large cotton growers of the southern agricultural states. Represented by politicians like "Cotton Tom" Heflin of Alabama and William J. Harris of Georgia,[129] these growers resented the "unfair competition" of Southwestern farmers who could draw from an almost unlimited source of cheap labor in Mexico.[130] Never willing to reveal their regional economic interest in the heat of national debates on immigration quotas, the southerners resorted to racial

slurs against Mexicans in much the same way as the A.F. of L. had used these charges to disguise their own ulterior motives. William Harris therefore told his colleagues in the U. S. Senate that although "I have no criticism to make of the Mexican people or of the [Mexican] Government . . ., it is known by all that they do not send their best class of people here." It was, according to Harris, the "lowest," most diseased, and "least capable" "peon class" of workers who crossed the border to take American jobs and infect American citizens.[131]

Not to be outdone in racial slurs of this kind, Thomas Heflin referred to a resolution passed by both houses of the Arizona state legislature. The legislators complained that Mexican immigrants were "afflicted with . . .loathsome diseases and . . .saturated with Bolshevik doctrines" that represented a real "menace. . .to our [political] institutions and [democratic] Government." Aliens were, moreover, taking valuable jobs in the United States so that "many of our native-born citizens" were forced to become "beggars and tramps" in the aftermath of the Great Crash of 1929.[132] The resolution concluded that with the urgent need "to adequately protect our own people and institutions" Mexican immigration and its harmful effects would have to be controlled with strict new laws passed in Washington.[133]

Others made the same point in even cruder terms. The author of the famous Revolutionary novel, Rabble in

Arms, wrote of "the brown flood of Mexican peon immigration that worked for slave wages on the cotton farms of the Southwest." Implying that Mexicans were no better than monkeys, Kenneth L. Roberts argues that "50,000 chimpanzees a year would . . .be highly acceptable" to the selfish cotton growers of the Southwest as long as the animals "knew how to pick cotton"[134] Roberts, of course, never mentioned the fact that the cotton growers of the South were just as guilty of protecting their selfish interests in this controversy, although they preferred to conceal their economic motives with offensive racial arguments that only wounded Mexican pride and damaged U.S.-Mexican relations.

It is, however, ironic to find that even those who opposed the quota system resorted to equally offensive statements in presenting their side of the issue.[135] Howard T. Oliver's testimony before the House Committee on Immigration and Naturalization was typical. A leader of the Society of Mexican Pilgrims,[136] Oliver argued against the quota in March 1928, not because he respected the Mexicans and was concerned for their well-being, but because he described Mexico as a nation of three million human beings and ten million "beasts of burden." With hardly enough food to feed these "beasts" if they remained in Mexico, the United States would inevitabley have to send the Red Cross and tons of badly needed food to alleviate the desperate situation. The only alternative, according to Oliver, was to leave the border

open to Mexican immigration so that this food crisis, and the costly U.S. aid it would necessitate, could be prevented.[137]

Other groups, led by cotton growers, sugar beet farmers, mine operators, and the major railroads of the Southwest, were only slightly less blatant in their description of Mexican workers.[138] Eager to retain their readily-available source of cheap labor, these interests claimed that Mexicans were docile, obedient workers who were willing to perform the menial stoop labor that whites refused to do under <u>any</u> circumstances.[139] As one witness put it, Mexicans were "the kind [of people] that. . .will work all day and night and the next day without ever making a kick."[140] Another witness testified that in the Southwest "there are climatic conditions which do not permit a white man to adjust himself, and . . .the only people who can live there are Mexicans or people of Mexican descent."[141] When asked if "what you really want is. . .a class of people who have [no] ability to rise, who have [no] initiative, who are children, who do not want to own land, [and] who can be directed by men in the upper stratum of society," a Southwestern sugar beet farmer was forced to admit that yes, that was what he had wanted all along.[142] Few statements, short of Frank Kellogg's remarks of June 12, 1925,[143] and Colonel McNab's speech of April 23, 1930,[144] could be more careless and harmful during this important era of generally improving U.S.-Mexican relations.

Even Protestant missionaries offended Mexican pride in their efforts to defeat legislation that would limit Mexican immigration to the United States. Many Protestants believed that God had purposely sent thousands of immigrants across the border so that they could be converted from the Catholic religion and could learn to accept American values of the early twentieth century. The Reverend Edwin Brown spoke of the Mexicans as "a harvest field . . . ready for the reaping,"[145] while a second missionary spoke of the need to "set the American flag flying in their hearts" and "lift them up to our standards and ideasl" so that the Mexicans could return home "as the evangels of [a] new and larger life" in their mother country.[146] Protestant missionaries seldom thought to ask the immigrants if they were prepared to reject their Catholic faith as well as their traditional culture when these were often the only stabilizing forces in their dismal, unstable lives.

The Hoover Administration Steps In

State Department officials listened to both sides in this on-going debate, but as early as July 21, 1927, Secretary Kellogg had urged President Coolidge to take a strong stand against <u>any</u> legislation that would establish a quota system against <u>any</u> Latin American nation, including Mexico.[147] Wisely avoiding the racial issue, State Department officials used two main arguments in their battle against restrictive legislation. First, Kellogg explained

that he had received "many hundred letters" from American businessmen who warned of the "unfavorable effect" that a quota system would have on their transactions in Latin America. Trade would, undoubtedly, suffer and many thought that a quota would bring reprisals against American technicians at work in these countries.[148] By September, 1929, a businessman had worried that "the passage of this foolish [quota] Bill will enrage all Latin American Countries [to the extent that they] will give over a billion dollars annual business to European manufacturers." Colonel Samuel A. Robertson was, moreover, convinced that "the loss of this business to our American manufacturers will throw out of work two or three million . . .industrial workers" in the United States.[149] The U. S. Chamber of Commerce in Mexico City was of the same opinion. Referring to "the present cordial. . .relations between [the] United States and Mexico," the president of this organization told Dwight Morrow that "the proposed legislation restricting immigration from Mexico would . . .be most unwise" because it would "be inimical to trade and friendly relations" in the future;[150] few merchants could afford to alienate their customers in Mexico with discriminatory legislation when foreign markets had already begun to shrink in the first months of the new depression.[151]

Next, the State Department decided to oppose the establishment of a quota against Mexican immigration because

it did not want this legislation and the racial innuendoes that characterized its debate to harm U.S. relations with Latin America in general and with Mexico in particular. As Secretary of State Kellogg told Coolidge in early 1928. "it seems . . .inconceivable that for the sake of preventing a relatively insignificant migration from Mexico, the undesirability of which is at least questionable, we should endanger our good relations with . . . all of Latin America."[152] Later, Arthur Bliss Lane made the same point from Mexico City when he warned Morrow that if the quota bill was passed "there will be a reaction at this capital which will be so keen as not only to lead to retaliation, but also to destroy some of the good will. . .built up by [your diplomacy]."[153] Well aware of this fact, Dwight Morrow had met with Portes Gil and had assured the Mexican leader that President Hoover considered restrictive legislation to be totally unjustifiable in 1929.[154] Many Mexicans were willing to believe the ambassador's promise because they still felt that Morrow and the State Department could devise an alternative plan that would, somehow, solve the problem of immigration without hurting Mexican pride or jeopardizing improved U.S.-Mexican relations.

In a major effort to develop such a plan, the State Department called a meeting for all American consuls in Mexico. Ambassador Morrow had expressed an interest in this conference

as early as April, 1928,[155] but Obregón's assassination and the chaos it created had forced Washington to postpone the session for almost an entire year.[156] Finally, in the first such conference in Mexican history, forty-two American diplomats met at the U.S. embassy for three consecutive mornings in mid-February, 1929.[157] Several issues were discussed behind closed doors, but the question of Mexican immigration to the United States received top priority on the agenda. The consuls were given special instructions to enforce all regulations vigorously when they issued immigration visas to Mexican nationals. According to this plan, no new laws would be needed to limit Mexican immigration if current legislation was simply enforced by the consuls in the same way as it was enforced by American diplomats in Europe and other parts of the world.[158] Given the vagueness and contradictory nature of these laws, almost any Mexican applicant could be excluded for one reason or another. If, for example, a Mexican worker said that he had a job waiting for him in the United States, he could be denied a visa because there was a federal law that banned the recruitment of contract labor in Mexico. If, on the other hand, a worker admitted that he did not have a job waiting for him in the states, he could still be denied a visa because American consuls could enforce a twelve-year-old law that excluded all those who were considered "likely to become a public charge"

when they crossed the border.[159] Other laws could be manipulated in a similar fashion in what became the Catch-22 of legal immigration to the United States. Satisfied with these new policies, Morrow and the State Department were convinced that they had finally discovered a plan that promised to control Mexican immigration, soothe Mexican pride, and end all debate on a quota system that could permanently damage U.S.-Mexican relations.

These efforts produced some impressive results. Less than four months after he had attended the conference in the U.S. embassy, John W. Dye could report to Washington that he had denied many visas to would-be immigrants at the border, despite the fact that cotton growers in the Rio Grande Valley vehemently complained about the lack of cheap Mexican labor for their farms.[160] By September, a State Department memo noted that only 1,604 visas had been granted by U.S. consuls in August, 1929, compared to the 5,938 visas granted in August, 1928. The total number of Mexican applicants had, in fact, decreased by over forty-six per cent and while 98.7 per cent of the Mexican applicants had received visas in August, 1928, only 51.5 per cent received their documents in August of the following year.[161]

The State Department presented equally impressive figures in the spring of 1930 when the U.S. Congress appeared ready to pass restrictive legislation sponsored by Senator Pat Harris of Mississippi. According to a press release

of March 12, 1920, the number of visas issued to Mexican nationals during the first eight months of the fiscal year 1929 to 1930 showed a 74.7 per cent decrease compared to the average number of visas issued during each fiscal year in the period 1925 to 1929. The press release also stated that of the 9,765 visas issued from July, 1929, to February, 1930, only 1,125, or 11.3 per cent, were issued to "common laborers without previous residence in the United States."[162] Two months later, the State Department announced that not one common laborer without previous residence in the United States had received a visa from American consuls in April, 1930, despite the fact that April was "usually one of the heaviest months in the year for the movement of Mexican labor to this country."[163] Ready to use these statistics to prove that a law to limit Mexican immigration was unnecessary and dangerous, several State Department officials appeared before Congressional committees to testify that the previous flood of immigrants had been reduced to a mere "trickle over the border" by 1930.[164]

But Congress was not convinced by the weight of this statistical evidence. Observers could argue that the consuls' efforts to stop Mexican immigration would eventually backfire when those who were denied legal entry into the United States resorted to illegal means to accomplish their goal of leaving Mexico. The State Department's plan was only a stopgap measure designed to appease the Mexicans,

although the proponents of restrictive legislation insisted that "Mexico would kick no more violently or attempt no more retaliation than have the countries affected by the existing quota law."[165] Determined to find a scapegoat for the mass unemployment of early 1930,[166] the U.S. Senate finally passed the Harris Bill by a huge majority (52-16) on May 13. As expected, Southern senators voted 19-0 for the bill, while nine of the sixteen opposing votes came from the Far West.[167] Alarmed by reports that the House of Representatives would pass this legislation by an equally wide margin, the Hoover Administration worked hard to prevent such a vote before Congress adjourned in June.[168]

This was no easy task. The administration's strategy was to tie up the proposed bill in the House Rules Committee and let it be known that President Hoover would veto any legislation that established a quota against Mexican immigration.[169] Hoover's desperate attempt to stop the quota bill in committee involved more than the usual amount of political arm bending by the White House because eighteen of the twenty-one members of the Rules Committee were said to favor the Harris Bill by the spring of 1930. The battle was, nevertheless, won and, while this bill had gone further than any previous legislation of its kind in the 1920s, it never reached the House floor for a showdown vote with the president.

It is, therefore, ironic to find that despite this eleventh hour political maneuvering and the U.S. consuls' efforts of 1929 and 1930, the major deterrent to Mexican immigration was not government action, but unemployment in the United States itself. With thousands of Mexicans losing their jobs in the states and thousands of others deported as illegal aliens,[170] few men were drawn across the border to find employment and security, as they had been in the past. Life in the United States no longer represented the "lesser of two evils"[171] when unemployment here was nearly as bad as it was in Mexico and entire industries, such as the automotive industry in Detroit, laid off Mexican workers so that American citizens could benefit from the few jobs that survived the Great Crash of 1929.[172] The problem of Mexican immigration had thus been "solved" without establishing a new quota system, but the Valls incident, and the offensive remarks made by many political leaders in Washington had combined to damage U.S.-Mexican relations just as Dwight Morrow was about to return to Mexico after his overwhelming victory in the New Jersey primary of June 16. The ambassador had had nothing to do with this unfortunate situation, but he was left to face the anger of the Mexican people because he was still the major U.S. diplomat in Mexico and because he was now identified with a U.S. Senate that had passed the infamous Harris Bill by a three to one margin.

The Mexicans expressed their anger in several ways. As early as March, 1928, General Obregón had referred to the racial slurs in the debate on immigration as "morally offensive" and "injurious to national sentiment." The former president warned that American business interests in Mexico might face retaliatory acts if the American public continued to think of Mexicans as inferior human beings.[173] Others warned that improved U.S.-Mexican relations, based on Morrow's diplomacy, would not survive the jolt of racist legislation against the Mexican people.[174] It would, in any case, be impossible to enforce a quota system, according to Ambassador Téllez, because a quota would be no more effective in stopping immigration than a piece of paper that was meant to stop the "natural mixing of two fluids in a glass."[175] Mexican leaders were no less guilty of practicing racial discrimination against foreign immigration to <u>their</u> country,[176] but by 1930 the racist testimony of many witnesses and the passage of a restrictionist bill in the Senate had combined with McNab's damaging remarks of April 23 to seriously hinder Morrow's work when he returned to his post at the U. S. embassy.

It would, however, be a serious mistake to argue that these were the only reasons why Dwight Morrow eventually lost favor in 1930. There were, in fact, three other major issues that disturbed Mexican leaders even more than racial slurs and political boasts during this, the first year of

the Great Depression. Understandabley, these problems involved the complex economic issues of the day as Mexican nationals began to react against enlarged American investments in their country, the recently-enacted Smoot-Hawley Tariff in the United States, and Morrow's views on the newly-drafted debt agreement of mid-1930. Thus, while one might suspect that a former Wall Street banker would be well suited to help resolve the Mexican economic crisis of 1930, it appears that political circumstances and a rapidly changing economic world had conspired to completely frustrate Morrow at this most critical juncture.

NOTES

Chapter VIII

1. Excelsior, February 4, 1930.

2. Excelsior, December 21, 1929; January 28, 30, 1930; February 3, 4, 1930.

3. Ibid.

4. Ibid., February 5, 1930.

5. On Daniel Flores' aborted assassination attempt see Excelsior, February 6 and September 2, 1930; H. Johnson to Morrow, Mexico City, February 7, 1930, Morrow Papers; Dulles, Yesterday, Chapter 55.

6. Excelsior, March 8, 19, 1930. Ortiz Rubio repeated these ideas in Samuel Crowther, "Mexico and American Industry: An Interview with President Rubio [sic]," LX, World's Work (February, 1931), 57-61.

7. The first page headlines "Millions of Dollars Offered to Mexico" appeared in Excelsior, April 21, 1930.

8. Editorial, Excelsior, July 5, 1930.

9. See above, pages 223-25.

10. See above, page 263.

11. See above, pages 169-70.

12. Excelsior, June 5, 28, 1928.

13. See above, page 378; U.S. Ambassador Hugh Gibson to Lane, Brussels, December 6, 1928, Box #2, Lane Papers.

14. Excelsior, February 1, 1929.

15. Excelsior, May 18, 1929; New York Times, August 26, 1929; Téllez to Secretaría de Relaciones Exteriores, Washington, August 26, 1929, AREM, Expediente III/323(73)/1, #4853.

16. Lamont Memorandum to Martin Egan, New York, November 19, 1929, Lamont Papers; Excelsior, November 27, 1929.

17. New York Times, August 3, 1930; Beals, Glass Houses, p. 354; Taracena, La verdadera revolución, XIII: 162-63; Excelsior, August 7, 1930.

18. Thomas Cochran's comment noted in Rublee to Morrow, New York, December 31, 1927, Morrow Papers; also, see above pages 13-14.

19. Excelsior, September 12, 22, 1930; New York Herald Tribune, September 14, 1930.

20. Morrow to Roy W. Howard, Mexico City, April 6, 1928, Morrow Papers; Excelsior, November 27, 1929.

21. Nemesio García Naranjo, "El 'Poinsettismo' del Gral. Calles," La Reacción, October 12, 1939.

22. Excelsior, December 15, 1929; Téllez to Secretaría de Relaciones Exteriores, Washington, September 19, 1930, AREM, Expediente III/323(73)/950(73-0)/1, #03928.

23. New York Times, August 26, 1929; J. C. Satterthwaite to the author, Washington, October 25, 1976. Satterthwaite had been with the ambassador "during a long telephone conversation [with] Washington on the subject" of entering politics.

24. E. Morrow, Diary, entries of November 26, 27, 1929, p. 168.

25. Rublee, OHC, p. 224.

26. Ibid.

27. Quoted in Harvey Bashan's notes on Morrow, November 27, 1933, Morrow Papers.

28. E. Morrow, Diary, entry of December 1, 1929, p. 170; New York Times, December 1, 18, 1929, and June 22, 1930.

Many hoped that Morrow's "name would restore confidence in the Republican Party as the ark of prosperity." Tucker, Mirrors, p. 113.

29. Morrow attended the London Conference from January 9 to April 21, 1930. On Morrow's role at the conference, see Rublee, OHC, pp. 224-25; Salter, Personality, p. 163; Robert H. Ferrell, American Diplomacy in the Great Depression (New Haven: Yale University Press, 1957), pp. 87-105; Pearson, Washington, p. 288; "The Reminiscences of Harold C. Train" OHC, pp. 179, 182, 185-89, 192-94; McManus, "New Legend," 260; Excelsior, November 21 and December 17, 1929, and April 16, 1930.

30. New York Times, December 24, 1929, and July 1, 1930; Excelsior, December 25, 1929.

31. For the text of this speech, see McBride, Story of Dwight W. Morrow, pp. 168-83; Rublee, OHC, pp. 227-28.

32. Dean Acheson, Morning and Noon (Boston: Houghton Mifflin, 1965), p. 158; Drew Pearson claimed that Acheson wrote this important speech for Morrow. Pearson, Washington, pp. 275-76.

33. Quoted in Acheson, Morning, p. 158.

34. Quoted in ibid., p. 159. On the New York World's enthusiasm for Morrow's speech, see Edmund Wilson, The American Earthquake (Gardon City: Doubleday, 1958), pp. 171-72.

35. Excelsior, July 4, 1930; on the course of the campaign, see E. Morrow, Diary, entries of May 8 to June 19, 1930, pp. 230-42.

36. Excelsior. July 8, 1930.

37. D. G. Thomson to Lamont, Englewood, N. J., September 11, 1930, Lamont Papers.

38. Rublee, OHC, pp. 227-28; Pearson, Washington, p. 275; New York Times, June 16, 1930.

39. Quoted in the New York Times, April 21, 1930; italics added. Privately, Coolidge told Morrow that

"I think on the whole you are wise in retiring from Mexico. It would be unfair for you to stay there the rest of your life and any time that you might wish to come away there would always be many unsolved problems." Coolidge to Morrow, Northampton, December 7, 1929, Morrow Papers.

40. The Progressive (June 21, 1930) enclosed in Reed Gumberg to A. H. Springer, New York, July 11, 1930, Morrow Papers. The Progressive also noted that "the local Morrow radio was saturated with speeches in every foreign language spoken hereabouts." Ibid.

41. Tucker, Mirror, p. 109.

42. The announcement of Lindbergh's marriage made front page headlines in Mexico City. Excelsior, February 13, 1929. On the marriage itself, see Excelsior, May 28, 1929; Cleveland Plain Dealer, May 28, 1929; Morrow to Will Rogers, Mexico City, June 18, 1929, Morrow Papers.

43. The Methodist Clipper, July 13, 1930.

44. The Progressive, June 21, 1930; italics added. Also see Tucker, Mirror, p. 109, and William R. Castle, Jr., to Lane, Washington, September 12, 1930, Lane Papers. According to Castle, "Having Charles Lindbergh for a son-in-law certainly makes a man great, even if there are no other reasons for that greatness."

45. The Progressive, June 21, 1930; a picture of Morrow and Dawes appeared in the New York Times, June 16, 1930.

46. Wilson, Earthquake, p. 170.

47. Ibid., p. 171.

48. Ibid., pp. 170-71.

49. Ibid., p. 173.

50. Ibid., p. 171.

51. The Progressive, June 21, 1930.

52. Ibid. It would be naive to agree with Nicolson's appraisal that Morrow's election was mainly "due to an increasing consciousness in the minds of millions of men and women that here was a man who possessed disinterested qualities of character and intelligence." Nicolson, Morrow, p. 380.

53. E. Morrow, Diary, entry of May 8, 1930, p. 230.

54. Morrow noted that McNab's "talks . . . make a wonderful impression on the small audiences to which he speaks." Morrow to McBride, Englewood, May 31, 1930, Morrow Papers.

55. The text of McNab's speech appeared in the Newark Evening News, May 5, 1930, and in Taracena, La verdadera revolución, XIII: 87-89; italics added.

56. See Vasconcelos, Obras Completas, II: 1432; Vasconcelos, Proconsulado, pp. 186-87, 484-85; Vasconcelos, Flama, p. 204.

57. Rublee, OHC, p. 225; McBride to Springer, Mexico City, June 11, 1930, Morrow Papers.

58. Ibid.; McBride to Morrow, Mexico City, June 7, 1930, and H. Johnson to Rublee, Washington, June 16, 1930, Morrow Papers.

59. McBride to Springer, Mexico City, June 11, 1930, Morrow Papers.

60. Editorial, La Prensa, May 31, 1930.

61. El Gráfico, June 18, 1930.

62. Editorial, El Hombre Libre, June 9, 1930.

63. McBride to Lane, Mexico City, June 6, 1930, Lane Papers.

64. McBride to Springer, Mexico City, June 11, 1930, Morrow Papers. McBride told the ambassador that "[we] fear that you may not seriously realize how seriously this incident seems to be taken down here and the extent of irritation which apparently exists." McBride to Morrow, Mexico City, June 10, 1930, Morrow Papers.

65. Quoted in El Universal, June 11, 1930; also see Morrow to McBride, Englewood, May 31, 1930, Morrow Papers, on a proposed letter to Montes de Oca.

66. Document labeled "Paraphrase of Telegram No. 118, Dated June 11 [1930], 1 PM, From the American Embassy at Mexico City Addressed to the Secretary of State," Morrow Papers.

67. McBride to Lane, Mexico City, June 6, 1930, Lane Papers.

68. Memorandum by Morrow, [no location noted], June 12, 1930, Morrow Papers; also see H. V. Johnson to Springer, Washington, June 12, 1930, Morrow Papers.

69. See above, pages 14 & 25n.

70. El Universal, June 18, 1930.

71. Taracena, La verdadera revolución, XIII: 128.

72. El Nacional, June 19, 1930.

73. On January 26, 1929, for example, Excelsior noted that the ambassador "never interferes with Mexico's affairs, although his advice is frequently sought by Mexican leaders." Five days later, the Spanish ambassador wrote that even the most patriotic Mexicans recognized Morrow as a kind of "tudor benévolo" (benevolent teacher). Spanish Ambassador to Spanish Foreign Ministry, Mexico City, January 31, 1929, SDR, Dispatch #22 of 1929. Also see above, page 15.

74. The Times' article was sent in Téllez to Secretaría de Relaciones Exteriores, Washington, June 27, 1930, AREM, Expediente III/323(73)/1, #02762. Téllez sent other laudatory articles on Morrow in Téllez to Secretaría de Relaciones Exteriores, Washington, September 25, 1930, AREM, Expediente III/(73)/950 (73-0)/1, #03928. Editorials that mentioned Morrow as a possible presidential candidate include the New York Times, May 31, 1930, and the Chicago Tribune, June 29, 1930.

75. Norton to Morrow, Irvington, N. Y., June 9, 1928, Morrow Papers. Even Morrow had felt that his reception

in Mexico was "so cordial that I have a right to worry lest there will not be a big reaction." Morrow to Rublee, Mexico City, November 3, 1927, Morrow Papers.

76. See above, page 489.

77. Cardoso, "Mexican Emigration," 97-98.

78. This cause of emigration was noted in an editorial that appeared in El Universal, August 6, 1927.

79. Mexico Commerce & Industry, XIII (September, 1931), 28; New York Times, October 26, 1930; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, August 31, 1929, SDR, Dispatch #306 of 1929. Col. Sam A. Robertson to K. C. Roberts, Monclova, Coahuila, September 9, 1929, ADS, 812.5511/77. Calles even failed in his attempt to colonize fifty Jewish families from Europe when these farmers joined the flood of emigrants who disappeared into the United States. The National Review, XC (October, 1927), 206.

80. Commerce Reports (November 18, 1929), 452; William Dawson to Stimson, Mexico City, August 17, 1929, ADS, 812.52/1567; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, October 15, 1929, SDR, Dispatch #367 of 1929.

81. Excelsior, December 10, 1929. Several emigrants wrote to their government to explain that economic hardships had forced them to flee to the U.S. See, for example, Abraham Lima to Calles, November 25, 1925, RO-C, 724-L-1.

82. Commerce Reports (November 18, 1929), 452.

83. See above, page 407.

84. New York World, February 5, 1928.

85. See above, page 409.

86. Meyer, Révolution Mexicaine, pp. 159-60.

87. Paul S. Taylor, A Spanish-American Peasant Community: Arandas in Jalisco, Mexico (Berkeley: University of California Press, 1933), p. 39.

88. Weddell to Kellogg, Mexico City, October 7, 1927, ADS, 812.00/28852.

89. Excelsior, October 31, 1927. Cardoso also notes that many Mexicans went to the U.S. in search of adventure, to join their families, or to live in a more modern cultural environment. Cardoso, "Mexican Emigration," 101-102.

90. Editorial in El Universal, August 13, 1920.

91. Carlos Riva Palacio quoted in Excelsior, September 26, 1930.

92. Editorial in Excelsior, January 22, 1930.

93. Unsigned Memo, June 10, 1922, RO-C, 711-M-30.

94. Cardoso, "Mexican Emigration," 135, 173.

95. Ibid.

96. Editorial in El Universal, July 6, 1927.

97. Editorial in Excelsior, November 23, 1927; also see Weddell to Kellogg, Mexico tity, December 6, 1927, ADS, 812.00/29034.

98. Excelsior, March 4, 1928. Seventy-three per cent of the emigrants were between the ages of fourteen and forty-five in the 1920s. Cardoso, "Mexican Emigration," 102.

99. Ibid., 132; Lane Memo, Washington, July 5, 1928, ADS, 711.12/1142; Excelsior, March 10, 1928; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, April 15, 1928, SDR, Dispatch #93 of 1928.

100. Excelsior, October 14, 1927, as noted in Schoenfeld to Kellogg, Mexico City, October 14, 1927, ADS, 711.12/1106.

101. Cardoso, "Mexican Emigration," 131.

102. Excelsior, August 27, 1930; Calles to U.S. Secretary of the Interior, Mexico City, January 26, 1928, RO-C, 822-L-5.

103. Excelsior, April 22, 1929; Kenneth L. Roberts, "The Docile Mexicans," Saturday Evening Post, CC (March 10, 1928), 39. On conditions in the U.S. see Alfonso Fabila, El problema de la emigración de obreros y campesinos mexicanos (México: Talleres Gráficos de la Nacion, 1929).

104. Cardoso, "Mexican Emigration," 140-41.

105. Ibid., 146. Coyotes were professional smugglers who brought illegal aliens across the border for a fee of from five to ten dollars. Ibid., 106-107.

106. By January 16, 1929, Excelsior reported that Mexican emigration to the United States "has become a subject of paramount importance to the Government, coupled with the debate now going on in . . . Washington."

107. John Ramón Martínez, "Mexican Emigration to the United States, 1910-30" (unpublished Ph.D. dissertation, University of California, 1957), 144. Bulletins "urging [Mexicans in the U.S.] to apply for colonization on lands newly opened through irrigation projects" were reported in Louise Funston Shields to Hoover, Redondo Beach, California, October 14, 1929, ADS, 812.5511/82.

108. González Navarro, "Efectos sociales," 538; Mexico Commerce & Industry, XI (March, 1929), 22.

109. Ibid., 23.

110. González Navarro, "Efectos sociales," 541; Martínez, "Emigration," 144.

111. Excelsior, July 23, 24, and August 8, 1929; Dawson to Simson, Mexico City, August 17, 1929, ADS, 812.52/1567; Dawson to Stimson, Mexico City, September 4, 1929, ADS, 812.52/1570.

112. González Navarro, "Efectos sociales," 541.

113. Martínez, "Emigration," 144-45.

114. Richard W. Child, "Our Open Back Doors," The American Legion Monthly, V (October, 1928), 55.

115. Goethe, "Mexican Amerinds," 6-9.

116. Chicago Tribune, May 13, 1925. Also see Glenn E. Hoover, "Our Mexican Immigrants," Foreign Affairs, VIII (October, 1929), 103; Editorial in the Saturday Evening Post, CCI (June 22, 1929), 26; Paul H. Foster to Stimson, April 6, 1929, ADS, 812 Sonora/635.

117. Excelsior, November 22, 1928, and April 14, 1930; Robert A. Divine, American Immigration Policy, 1924-52 (New Haven: Yale University Press, 1957), pp. 55-56.

118. Quoted in ibid., p. 57; Excelsior, March 1 and April 6, 1928. Also see John Box, Imported Pauper Labor (Washington: Government Printing Office, 1921).

119. Box served in the House of Representatives from 1920 to 1930.

120. Referred to in Green to Clarence Idar, April 23, 1925, quoted in Levenstein, Labor Organizations, pp. 116-117.

121. Ibid., p. 97.

122. However, as Levenstein notes, the A. F. of L. was notoriously discriminatory against Mexicans in the Southwest; the immigrants and unions were said to mix "like oil and water." Ibid., p. 98.

123. Ibid., pp. 117-25. Also see Charles P. Howland, ed., Survey of American Foreign Relations (New Haven: Yale University Press, 1929), p. 474; Current History, XXVIII (December, 1927), 418.

124. Excelsior, February 13, 1929. Also see ibid., October 17, 1929.

125. Editorial in the Saturday Evening Post, CCII (April 19, 1930), 32.

126. "Immigration from Countries of the Western Hemisphere," Majority Report of the House Committee on Immigration and Naturalization on H.R. 10343. 71st Congress, 2d Session, Report #898, March 13, 1930, p. 10.

127. Ibid., pp. 25-29.

128. Other labor organizations, including the railroad unions, also testified in support of a quota. See Excelsior, March 4, 1928.

129. On Heflin's close ties to the Southern cotton interests, see Solomon Juneau, "The Senator from Alabama," The Commonweal, V (February 9, 1927), 374-75. Juneau claimed that with the outbreak of World War I, Heflin had even urged Washington to use "specially constructed ships packed with cotton, which would keep afloat after being torpedoed." Ibid., 374.

130. Excelsior, April 7, 1928; Howland, Survey, p. 473.

131. Congressional Record, LXXII, Part 7, 71st Congress, 2d Session, 6843.

132. Ibid., 7226.

133. Ibid.

134. Kenneth L. Roberts, "Mexicans or Ruin," Saturday Evening Post, CC (February 18, 1928), 145.

135. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, March 15, 1928, SDR, Dispatch #59 of 1928.

136. See above, page 38.

137. Taracena, La verdadera revolución, XIII: 234. Oliver appeared before the committee in March, 1928.

138. Those who opposed the quota included: the California Farm Bureau Federation, the Southwestern Cattle Raisers Association, the Arizona Cotton Growers Association, the U.S. Chamber of Commerce, the American Mining Congress, the American Railway Association, the Atchison-Topeka & Santa Fe Railroad, the Farm Board, the Central Chamber of Agriculture and Commerce, and the Great Western Sugar Company. Excelsior, February 25, 26, 1928; January 25, 29 and February 11, 1930; Roberts, "Ruin," 14.

139. William Kirkbridge, "Mexican Migration," The Commonwealth, XXI (March 23, 1926), 14-15; "Immigration

from Countries of the Western Hemisphere," Minority Report of the House Committee on Immigration and Naturalization on H.R. 10343. 71st Congress, 2d Session, Report #898, March 13, 1930, 4-5; Excelsior, February 25 and March 1, 1928, and January 16, 1930.

140. "Restriction of Western Hemisphere Immigration." Majority Report of the Senate Committee on Immigration, 70th Congress, 1st Session, 30.

141. J. C. Canales in Minority Report on H. R. 10343, 4-5.

142. "Seasonal Agricultural Laborers from Mexico," Hearings before the House Committee on Immigration and Naturalization, 69th Congress, 1st Session, 112.

143. See above, pages 121-22.

144. See above, pages 521-23.

145. Edwin Brown, "The Challenge of Mexican Immigration," The Missionary Review of the World, XLIX (March, 1926), 192-94, 196.

146. Quoted in the Pittsburgh Post, June 4, 1923. The U.S. Catholic Church also opposed a quota against Mexican immigration because it wanted the United States to remain a haven for religious refugees. Cardoso, "Mexican Emigration," 166.

147. Kellogg to Coolidge, July 21, 1927, File 133, Coolidge Papers, referred to in Divine, Immigration Policy, p. 60.

148. Ibid., p. 61; Excelsior, January 11 and February 2, 1929.

149. Col. Sam A. Robertson to K. C. Roberts, San Benito, Texas, September 9, 1929, ADS, 812.5511/77.

150. Telegram, L. Emery to Morrow, Mexico City, May 23, 1930, Morrow Papers.

151. Kellogg had testified that 34 per cent of all U.S. trade was with nations of the Western Hemisphere. Divine, Immigration Policy, p. 61.

152. Kellogg to Coolidge, February 13, 1928, File 133, Coolidge Papers, as quoted in ibid., p. 60.

153. Lane to Morrow, Mexico City, May 27, 1930, Box #57, Lane Papers.

154. New York Times, May 20, 1929.

155. Weddell to Lane, Mexico City, April 19, 1928, Box #1, Lane Papers.

156. Téllez to Secretaría de Relaciones Exterirores Washington, February 7, 1929, AREM, L-E-693, Expediente H/513"910-20/1; Dawson to Lane, Mexico City, October 30 and December 7, 1928; Kellogg to Lane, Washington, December 31, 1928, Box #2, Lane Papers.

157. Notes for Autobiography, p. 7, Folder 1610, Box #97 and Notes on Morrow, p. 3, Folder 91, Box #4, Lane Papers; Excelsior, February 19, 1929.

158. Téllez to Secretaría de Relaciones Exteriores, Washington, February 7, 1929, AREM, L-E-693, Expediente H/513"910-20/1; New York Times, January 16, 1929; Excelsior, January 18, 1929.

159. Divine, Immigration Policy, p. 62.

160. Dye to Stimson, Ciudad Juárez, June 4, 1929, ADS, 812 Sonora/980.

161. Calculated from Dawson to Stimson, "Memo on Immigration Work of Consular Officers in Mexico during August, 1929," Mexico City, September 19, 1929, ADS, 811.111 Mexico/273.

162. State Department, Press Release, March 12, 1930.

163. State Department, Press Release, May 13, 1930.

164. Under Secretary of State Joseph P. Cotton quoted in Excelsior, April 6, 1930. On other testimony by State Department officials see ibid., January 21 and April 14, 1930.

165. Roberts, "Ruin," 154.

166. Excelsior, April 7, 1930.

167. Ibid., June 13, 1930; Divine, Immigration Policy, p. 65n.

168. Excelsior, April 14, 1930.

169. Cardoso, "Mexican Emigration," 191-92; New York Times, April 26 and May 21, 26, 28, 1930; Excelsior, April 14, 1930.

170. Excelsior, July 6, 1930 and see above, page 490.

171. Weddell quoted above, page 531.

172. Cardoso, "Mexican Emigration," 126. A labor leader recalls that although Mexican miners had been recruited from Mexico in the early 1920s, they were fired from the Phelps Dodge coal mines in Dawson, New Mexico, loaded on railroad box cars with their families, and "dumped" at the border in 1929. Author's interview with Sylver Lorenzo, Denver, Colorado, November 18, 1978.

173. Quoted in Spanish Ambassador to Spanish Foreign Ministry, Mexico City, March 15, 1928, SDR, Dispatch #59 of 1928. El Universal, March 5, 1928; New York Times, March 6, 1928; also see editorials in El Universal, December 18, 1928, and Excelsior, March 3, 1928.

174. Ibid.; also see editorial in La Nación (Buenos Aires), April 11, 1930.

175. Excelsior, March 4, 1928; also see Mexico Commerce & Industry, XI (January, 1929), 25.

176. On Mexican discrimination against Chinese immigrants see Carr, Peculiarities, pp. 7, 11; Meyer, Révolution Mexicaine, pp. 138, 145; Michaels, "Nationalism," 5; Lane to Morrow, Mexico City, October 2, 1930, Box #58, Lane Papers; Leo Dambourges Jacques, "The Anti-Chinese Campaigns in Sonora, Mexico, 1900-31" (unpublished Ph.D. dissertation, University of Arizona, 1974); Spanish Ambassador to Spanish Foreign Ministry, Mexico City, July 21, 1930, SDR, Dispatch #225 of 1930.

CHAPTER IX

Cordially Detested: The Economic Crisis of 1930

President Calles had originally welcomed Dwight Morrow to Mexico because he had hoped to enlist the ambassador's support in solving his nation's political and economic problems of the late 1920s. With his skillful use of Peso Diplomacy, Calles had won Morrow's early support and was, in fact, able to exploit the ambassador's financial expertise, while tapping many of th envoy's most valuable contacts in the business world.

The Ambassador and Growing U. S. Investment

Dwight Morrow, on the other hand, was more than willing to cooperate with Calles' plan because he shared a common economic philosophy and a common set of goals with the president. Both men recognized the urgent need for foreign investment in Mexico, but they also agreed that only "humane capital," that respected Mexican laws and stayed out of Mexican politics, would be welcomed. As the new Mexican consul in New York City put in July, 1929, American businessmen who were "willing to abide by Mexico's

laws" would receive "every cooperation" from the Mexican government, but the "foreign grabber" would receive a cold reception and no consideration from those in power.[1] An American executive expressed this same view from a different perspective after twenty-three years of successful operations in Mexico. The leader suggested that

> If the business in which you plan to engage is sound and there is a good market for the products which you intend to produce, forget about politics [in Mexico] and start your business in the same manner in which you would at home. . .[because] the less you think about politics the more you are apt to succeed [in this growing nation].[2]

Corporations like Ford, J.G. White, and ITT had already learned this lucrative lesson before Dwight Morrow ever stepped foot in Mexico,[3] but the ambassador was now able to share this information with many of his former business assciates, while discouraging others who seemed less willing to cooperate with Calles and his successors. In a typical case, the United Fruit Company let Ambassador Morrow know of its interest in developing the El Hul district of Mexico.[4] George Rublee replied that "if the United Fruit Company wishes to develop a banana business in Mexico, it might be advisable. . .for them [sic] to send. . .a leading official of the Company [so that he could]. . .establish good relations with the Mexican Government." Having demonstrated its desire to cooperate in this manner, United Fruit would receive "any assistance" that the ambassador could offer short of directly

meddling in Mexican affairs.[5] Taking this wise advice to heart, the huge company reportedly invested more than five million dollars in the states of Veracruz and Oaxaca by February, 1930.[6] Morrow made similar suggestions to the Colgate Company of New York,[7] the Mexican Pacific Company of Seattle,[8] and the Raymond & Whitcomb Company of Boston[9] when these firms solicited the ambassador's advice on business conditions in Mexico. President Gerrit Fort of Raymond & Whitcomb went so far as to thank the State Department for "smoothing our way" during his "instructive" trip to Mexico in 1928. The business executive wrote of his "extended interview with Ambassador Morrill [sic]" in the U. S. embassy and concluded that "I think we shall be able to commence operations in Mexico before [too] very long."[10] Officials of the Pennsylvania Railroad came to the same conclusion when they established a branch office in Mexico City after staying as Morrow's personal guests at the embassy.[11]

In a far more significant case, the president of the National City Bank of New York asked the ambassador "if it were safe to establish a branch in Mexico, and if the establishment of a branch would be welcomed by the authorities." Morrow replied that yes, it would be safe to open such a branch and he "would be very glad to bring the representatives of the Bank in touch with the

responsible leaders of the Government and . . .the financial community in Mexico."[12] After some discussion between these parties, the world's largest privately-owned bank decided to open its one hundredth foreign branch in Mexico City in a move that "was received with [great] favor in official and business circles."[13] The new branch opened its doors with considerable fanfare and 550,000 pesos in capital on August 5, 1929.[14] Three hundred members of the local business community gathered that evening to celebrate the event and hear a banking executive declare that the establishment of the new branch was a tribute to Dwight Morrow and his great faith in Mexico.[15] Speaking in fluent Spanish, Harry E. Henneman added that the bank's main goals were to facilitate international commerce and contribute to Mexican prosperity, while also respecting the laws and customs of Mexico.[16] The National City Bank had, in essence, promised to respect Mexican sovereignty and help rebuild the nation's crippled economy. The bank had considered building a branch in Mexico City since 1919,[17] but Dwight Morrow's optimism and the total defeat of the rebel forces under Escobar had, apparently, convinced the bankers to open their branch finally in mid-1929. They were not to be disappointed in their business venture. Within a month and a half of its opening, the new bank had accumulated 4,698,729.69 pesos in total deposits and 5,265,195.85

pesos in total resources; only four other banks could report higher deposits in all of Mexico.[18] The Mexicans, on the other hand, had benefited from the new bank because its opening symbolized American confidence in Mexican political stability and economic growth.[19] The bank represented a vote of confidence, according to Excelsior, because "bankers are usually the most cautious and conservative of all investors" in the business community.[20] National City Bank officials were to express their great confidence in Mexico on at least two other occassions in the coming year[21] and it was not long before several other New York banks showed an interest in opening new branches of their own in the capital.[22]

It appears that Dwight Morrow was also involved in the tremendous expansion of U.S. investments in Mexican public utilities.[23] In mid-1928, the Electric Bond & Share company of New York purchased twenty-eight electric generating plants in Mexico and replaced the major British and Canadian investors in this important field. [24] By 1930, the company had invested between ninety and one hundred million dollars[25] as it acquired nearly all of the light and power resources in several Mexican cities.[26] The Electric Bond & Share Company nevertheless qualified as "humane" foreign capital because it trained Mexican nationals in technical and managerial skills so that these

men could run the company's local operations with only general supervision from Lyman P. Hammond and his home office in New York City.[27] Calles demonstrated his enthusiasm for this arrangement by taking an executive of the Electric Bond & Share Company on a tour of northern Mexico almost a year after he had accompanied Ambassador Morrow on a similar trip through the countryside.[28] Calles and Alberto Mascareñas of the Bank of Mexico showed N. Wearhers many of the same dams and irrigation works that the president had shown Morrow and his aides in December, 1927. Happy with the success of their tour in 1928, Mascareñas expressed the hope that Wearhers and the other American businessmen who met with Calles would return to the United States with a much-improved image of Mexico. According to the banking official,

> The presence of several representatives of foreign business had an immense moral significance. . .. since the companies which they represent will have unquestionably favorable reports on all that these gentlemen have seen and particularly on the work of national reconstruction which our president has been carrying on with such ability.[29]

Borrowing a technique that Porfirio Díaz had skillfully developed to court foreign capital before the Revolution,[30] Calles and his followers worked hard to attract American investors who could help rebuild their nation's economy and respect their nation's sovereignty in ways that Díaz had never considered necessary during the heyday of his dictatorship.

The American aviation industry was also drawn to Mexico by the possibility of tourist flights, air trade, air mail contracts, and the actual sale of airplanes across the border. A great deal of this new business was, of course, stimulated by Charles Lindbergh's good will flight of December, 1927. One trade journal in Mexico had, in fact, foreseen Lindbergh's economic influence some four months before the pilot landed at Balbuena Airfield. According to the editors of Mexico Commerce & Industry, Lindbergh's flight to Paris had "sold America to the old world" by "selling" Europe our friendship and by selling "the world on aviation possibilities." The editors concluded that although many had nicknamed him the Lone Eagle, Lindbergh could just as well be known as the "Master Salesman" for his contribution to the aviation industry.[31] Few observers could disagree. The U. S. Assistant Secretary of Commerce for Aeronautics predicted that the scheduling of regular commercial flights between the United States and Mexico would begin within six months after Linbergh's landing on December 14,[32] while the U.S. Postmaster General foresaw the possibility of establishing regular air mail routes across the border within a very short while.[33] Bids for these air mail contracts were made in February, 1928,[34] and Lindbergh personally flew the first air mail flight from Brownsville, Texas, to Mexico

City less than three months after he first touched down in the capital.[35] This new service was considered a boon to American business leaders who argued that with increased competition their companies had to "employ every device afforded by science to eliminate time and space."[36] By November, 1928, a letter could be sent from New York to Mexico City in "just" fifty-four hours and twenty-five minutes or in about a third of the time that it took a letter to travel the same distance when more conventional vehicles were used to carry the mail.[37]

Passenger service between the United States and Mexico began in 1928 and 1929 when as many as seven private airlines announced plans to schedule regular flights across the border.[38] The general manager of Scenic Airways found Mexican officials to be "very cordial and anxious to cooperate with us" when his company scheduled chartered flights to Los Mochis, Sinaloa, in February, 1928.[39] J. Parker Van Zandt wrote that General Obregón had even invited company agents to visit his ranch in Cajeme after his son and the governor of Sonora had accompanied American pilots on survey flights over the west coast of Mexico.[40] Eager to maintain his good relations with the Mexicans and also win Morrow's support for his business venture, Van Zandt told the ambassador that Scenic Airways would

"appreciate advice from you as to how we may best co-operate in advancing the policies [that you are] sponsoring in Mexico."[41] There is no record of Morrow's reply to this request,[42] but there is every reason to believe that the ambassador was pleased with such developments when they promised to benefit American investors and stimulate the Mexican economy without creating new diplomatic friction between the neighboring nations. By May, 1929, the U.S. Consul General in Mexico City could report that fifty per cent of all government concessions to commercial airlines had been granted to American business interests in Mexico.[43]

But this hardly meant that the Mexicans had abandoned the field of avaiation to foreign companies like Scenic Airways or the Robertson Aircraft Corporation. Despite Emilio Carranza's tragic crash of July 19, 1928,[44] 313 Mexican novices began flight instruction in August of that year and publications, such as the monthly Aviación, were read by an increasingly large audience throughout the nation.[45] In the fall of 1929, a Mexican colonel named Pablo Sidar made a triumphant good will flight through Latin America, stopping at several capitals, including Lima, La Paz, Buenos Aires, and Havana.[46] Sidar returned to Mexico City on November 8, 1929, where he was greeted by Portes Gil, Dwight Morrow, and more than twenty thousand spectators in a scene that resembled Lindberg's arrival at

the same airfield in late 1927.[47] Experiencing a great surge of nationalism,[48] the Mexican people honored their "conquering birdman" in much the same way that they had honored Charles Lindbergh when he had visited their capital city.[49].

One month after Sidar's return, the Mexican Aeronautical Association went so far as to sponsor an Aerial Week with the enthusiastic support of the federal government.[50] Portes Gil attended the air show and the U.S. Army sent four of its most modern planes to be displayed at the exhibition. It is significant that the Mexican government also invited representatives from Washington and from each of the major airplane manufacturers in the United States.[51] More than willing to comply, the U.S. Department of Commerce sent Raymond Cooper and American manufacturers sent at least twenty different airplane models to be shown in Mexico City.[52] The Mexican market for airplanes and airplane parts had already produced huge dividends for these manufacturers, just as Julius Klein had predicted it would in September, 1927.[53] In 1928, Mexico's purchase of twenty U.S. planes for $190,133 represented the third largest foreign market for the American aircraft industry. By 1929, Mexico had become the plane builders' best customer as eighty-five new planes were purchased for $1,624,501 in response to the need to crush the most recent military revolt with the most

modern and sophisticated weapons available.[54] Money spent on the purchase of American planes and parts had increased 754 per cent in a single year! The Mexican market leveled off in 1930 when thirty-nine planes were brought in the United States for $366,876,[55] but even this figure represented a 125 per cent increase in funds spent on U.S. planes since 1928. In fact, when the cost of replacement parts is added to the cost of the 144 new airplanes purchased between 1928 and 1930, one discovers that the Mexicans spent a total of $2,618,066 while Dwight Morrow served in the U.S. embassy and actively encouraged every phase of Mexican avaiation.[56]

The aviation industry, the Electric Bond & Share Company, and the National City Bank were, therefore, among the largest new American interests in Mexico during the late 1920s, but they were not alone in this officially welcomed "invasion" of foreign capital. Other American companies were just as willing to share Morrow's confidence in Mexico, despite Obregón's assassination in 1928, Escobar's revolt in 1929, and a serious attempt on Ortiz Rubio's life in 1930. General Electric, Westinghouse, and Frigidaire were, for example, willing to set up huge displays at an Electrical Exposition in Mexico City on October 19, 1929. Dwight Morrow attended the opening ceremonies of this show and delivered a radio address

on Thomas Edison and the development of electricity in an effort to stimulate Mexican interest in the foreign products on display.[57] New foreign investments in Mexican sugar, timber, fruit, and tobacco were also reported in this period of growing business optimism.[58] Rather than being scared off by political assassinations and military revolts, some foreign companies, including General Motors, simply exploited the unstable situation in Mexico for their own advantage. In July, 1929, General Motors even ran an advertisement showing General Calles aboard a GM troop transport truck; the company claimed that it had "rendered [a] valuable service to the government" by supplying an important means of transportation for Calles and his federal troops during "the recent military campaign."[59]

Other car manufacturers were less blatantly conniving, but they were no less anxious to exploit the growing Mexican market. Harry Chandler of the Los Angeles Times therefore spoke to Sandy McNab as the representative of a group of car manufactureres who felt that they had reached "the saturation point" on car sales in the United States. These businessmen believed that Mexico was an ideal foreign market for their surplus goods, although they realized that increased sales in Mexico would necessarily depend on the construction of far better roads in that country.[60] The manufacturers offered to

underwrite a new bond issue for "the immediate construction" of these roads[61] and although Ortiz Rubio was "willing and anxious" to develop the plan,[62] it appears that Dwight Morrow's objections and the initial shock of the great stock market crash had combined to frustrate the scheme before it was ever launched in the spring of 1930.[63]

Despite this setback, car sales continued to grow in the late 1920s as the Mexicans continued to build roads on their own with the help of American technology and modern American machinery.[64] The total number of registered vehicles in Mexico in fact climbed from 45,000 in 1926 to 81,475 in 1930.[65] Most of these new cars and trucks were purchased in the United States and shipped through Laredo, Texas, on as many as two thousand railroad flatcars in a single year.[66] 44,881 vehicles, valued at $30,152,735, were transported across the border from 1928 to 1930 as the sale of cars, truck, and replacement parts consistently represented the number one American export to Mexico in these years.[67] Encouraged by these statistics and eager to maintain his large share of the Mexican auto market,[68] Henry Ford revealed his plans to build a new assembly plant in Mexico City with an investment of more than a million dollars.[69] The new factory would double the production of automobiles assembled at the old Ford plant[70] and would utilize only Mexican labor and materials

Table 9-1

The Value of U.S. Cars, Trucks, & Parts
Exported to Mexico, 1928-30

	1928	1929	1930
CARS	$7,935,346	$8,004,556	$6,080,912
TRUCKS	2,595,580	2,848,424	3,244,761
PARTS	2,039,100	2,729,437	2,687,917
TOTAL	12,570,026	13,582,417	12,013,590

Source: U.S.Department of Commerce, Bureau of Foreign & Domestic Commerce, as reported in Mexico Commerce & Industry, XIII (November, 1931), 8-11 & 19-20.

in its operations.[71] Not even the first labor strike against any Ford plant in the world could discourage the car manufacturer. After a short, non-violent strike, the Mexican government kept its earlier promise to prevent labor trouble[72] by reopening Ford's original assembly plant with police protection on November 12, 1929.[73] Seeing his business decline in every other Latin American nation except Mexico after 1929,[74] Ford was, understandably, willing to risk his capital in a country that kept its promises regarding labor and retained its market, despite troubled times.

Eighteen other American firms had followed Henry Ford's example and established branch factories of their own in Mexico by 1930. These companies were attracted not only by the low cost of labor and materials, but also by the protective tariffs and perferential treatment given to Mexican enterprises, even if they were controlled by foreign interests.[75] Foreign interests were, in fact,

favored in several states where legislation was specifically designed to encourage the establishment of branch factories.[76] In Oaxaca, for example, the state legislature enacted a law that reduced state taxes on foreign investments by as much as fifty to ninety per cent for a five year period.[77] In Durango, the governor offered equally liberal concessions to investors who would build fruit and vegetable canning factories in his state.[78] Drawn by legislation of this kind, a subsidiary of the du Pont and Hercules powder companies established a large new plant in Durango; the plant was already producing half of all Mexican explosives by the spring of 1928.[79] The British-American Tobacco Company (with three large factories), Palmolive, S.A., Colgate, the International Match Company, Simmons, Barclay & Company, the Adams Chicle Company, and eight smaller firms soon joined this movement across the border in search of equally lucrative opprtunitities.[80] By 1930, Mexico could claim to have the largest number of U.S. branch factories in all of Latin America.[81]

Many new foreign enterprises were, therefore, established in the late 1920s, but companies with longer histories of involvement in Mexico were just as active and just as successful as these newcomers. The J.G. White Engineering Company continued its construction of huge dams in the north with the help of approximately

seventeen hundred Mexican laborers;[82] the new dams brought an average of twelve hundred new hectares of land under irrigation each year during the period 1926 to 1930.[83] The Mexican Telephone & Telegraph Company, meanwhile, expanded its operations with the construction of "a vast network of telephone circuits" throughout the nation.[84] At least ten new telephone plants were constructed in 1928 and 1929 as the number of telephones controlled by MTT nearly doubled from 20,500 units in 1926 to 39,000 units in 1930.[85] Long-distance telephone service had been extablished with Europe as well as the United States by July 1, 1928,[86] and was so much in demand that the cost of long-distance calls to certain parts of the world was actually cut by twenty-two per cent in the spring of 1930.[87] Given this rapid rate of expansion by companies like Ford and MTT, one observer has gone so far as to claim that "with the exception of the agrarian sector, the Mexican economy was more firmly under the control of foreign. . . capitalists during the [period 1928 to 1934] than [it had been during the years immediately] preceding the outbreak of the revolution."[88] Only Cuba ranked higher in total U.S. investments among the twenty nations of Latin American.[89]

Few could deny that Dwight Morrow had played a major role in attracting much of this foreign capital into Mexico. The ambassador had often expressed his business

confidence in the nation, had met with foreign visitors at the U.S. embassy, had counseled American capitalists on how to get along with the Mexicans,and had, on a rare occasion, even appeared with a mariachi band in an advertisement for Mexican music recorded by Columbia Records.[90] New investments in Mexico could, well be called the "fruits of Morrow's work, " as the Los Angeles Times put it, because improved U.S.-Mexican relations were recognized as "principally responsible for such developments" by September, 1928.[91] However, it is important to remember that while the ambassador did a great deal to stimulate business interest in Mexico, Calles and his cohorts were even more active in this campaign to attract American dollars across the border. Indeed, if Mexico was "more firmly under the control of foreign. . . capitalists" in 1930 than it had been in 1911, it was largely because foreign investments were "encouraged and abetted" by local businessmen and government officials just as they had been during the Porfiriato.[92] Calles was somewhat more concerned about the legal behavior of foreign capitalists, but he and his friends were no less willing to practice Peso Diplomacy by accompanying foreign leaders on tours of the countryside, negotiating lucrative deals with multinational corporations, staging industrial exhibits, controlling labor unrest, passing legislation to encourage the building of branch factories, and, of course, exploiting the confidence of a

major representative of U.S. capitalism, the ambassador himself. Porfirio Díaz may not have understood the concept of "humane capital" if he had returned to Mexico in the late 1920s, but he would have been completely familiar with the economic policy and financial goals of his country's newest dictator, Plutarco Calles.

The Practice of Peso Diplomacy in Monterrey

These conservative economic policies were instituted in many regions of Mexico while Calles dominated the federal government, but they were nowhere as evident nor as successful as in the northeastern city of Monterrey, in the state of Nuevo León. There, Governor Aarón Sáenz practiced Peso Diplomacy with all the skill and devotion of a worthy disciple. It was, in fact, significant that Sáenz was the first high government official to welcome Dwight Morrow to Mexico as the ambassador traveled through Monterrey in October, 1927.[93] A month and a half later, the governor's state legislature passed an Industrial Development Law in an attempt to stimulate additional American interest in the business development of Nuevo León. This important law gave new industries a fifty per cent tax break for twenty years, while granting an equally large ten-year tax break to older firms that planned to expand their operations in the future.[94] Later, a 168-mile highway from the border to Monterry was completed in an effort

to draw American tourists and facilitate international commerce with the United States.[95] Visiting businessmen who traveled down the new road were often greeted by Sáenz and given extensive tours through Monterrey and its many factories. These businessmen included representatives of the American Short Line Railroad Association, members of the Laredo Chamber of Commerce, "prominent businessmen" from San Antonio, and the itinerant publicist, Robert J. Eustace.[96] In a typically enthusiastic speech delivered to several business organizations in the United States, Eustace described his visit to Monterrey and told of seeing the largest brewery in the Western Hemisphere, the largest steel mill south of Pittsburg, and more than three hundred factories of every kind.[97] Other sources described Monterrey as a manufacturing center where seventy-five per cent of the businessmen spoke fluent English and most companies were "not adversely affected by . . .unsettled political conditions" in the country.[98] According to these optimistic reports, "fresh capital from outside" would always find "an opprtunity" and would always be "heartily welcomed" in Monterrey.[99]

These many efforts to stimulate foreign interest in the city produced remarkable results, when judged by Calles' and Morrow's standards. The new road from Laredo to Monterrey brought as many as five thousand tourists a month by October, 1929,[100] and as many as nine thousand

a month by March, 1931.[101] Buses brought thousands of other tourists to the city[102] as Monterrey began to profit from the "intense propaganda" produced by Sáenz and his business allies in the United States.[103]

Monterrey also experienced rapid industrial growth during Morrow's three years in Mexico. Sáenz reported that twenty-three new industries, with a total investment of five million dollars, had begun operations between November, 1927, and November, 1928.[104] By mid-1931, sixty-six new plants, valued at more than fifteen million pesos, had been attracted to the city by the liberal concessions offered to entrepreneurs, regardless of their nationality.[105] A good many of these plants were owned by "revolutionary-leaders-turned-industrialists," like Almazán and Sáenz himself, [106] but many others were controlled by American interests, including the General Electric Company of New York. GE built an electric light bulb factory in July, 1930, and was soon manufacturing 25,000 bulbs a day.[107] In addition to light bulbs, the city's factories produced alcohol, steel, copper and lead bars, textiles, glass, furniture, cement, tobacco, flour, bricks, shoes, and crackers, in that order of importance. [108] By 1930, Monterrey was known as the nation's leading manufacturing center and was regarded as proof that Calles' economic policies could produce enormous profits if they were put into practice by conservative, business-minded leaders Aarón Sáenz.[109]

A New Wave of Xenophobia in Mexico

Regional economic growth, based on foreign tourism and foreign investments, may have pleased Calles and his followers in the late 1920s, but it also created a new wave of anti-American sentiment that inevitable affected Dwight Morrow and his diplomatic work in Mexico. American tourism, for example, was criticized by a Mexican national in H. L. Menchen's sardonic American Mercury. According to this article, the majority of American tourists were "nervous Babbitts" characterized by "organized noise, tactlessness, . . .and a disposition to sponge liquor and meals." These foreigners were typically rude from the outset of their journey, but

> as the expedition advances and strange diets, climates and beverages get in their dirty work, digestions falter, tempers sharpen, fatigue increases and the [good will] speeches get worse, while the untoward incidents grow more frequent.

A "really climatic scandal" usually ended the already-disastrous tour as someone either started a fight in a notorious brothel or attempted to sell his company's wares to the president of Mexico himself at an embassy reception.[110]

Far more seriously, La Opinión of Los Angeles reported that over a thousand Mexican students had marched through the principal streets of Mexico City on February 22, 1928. Stopping at the St. Regis Hotel where hundreds of American visitors were staying, the students shouted "Death

to the Americans. Let us all go to kill the gringos." The ugly scene was repeated inside the American-owned Sanborn Restaurant as the demonstrators voiced their protest against American interests in general and Washington's policy against Sandino in particular.[111]

This student demonstration of early 1928 was followed by other acts of protest and violence against U.S. foreign policy and the appearance of new American investments in Mexico. Seven months after the incident at the St. Regis Hotel, El Liberal of Colima published a bitter poem that was more or less typical of the nationalist literature of this period. The poem asked why the United States, with all of its fabulous wealth, was still willing to "practice her arrogance against the weak and support grave offenses in the strong?" Answering his question, the poet replied

> Because in so much strength and power,
> There is a vacancy in her treasures,
> There is only one thing that she lacks: SHAME![112]

Nationalists also distributed circulars and later demonstrated against the United States at a May Day rally in 1929,[113] but they soon focused their resentment on the two most visible symbols of American capitalism in Mexico, Dwight Morrow and the National City Bank. Many Mexicans began to suspect that the ambassador had only come to Mexico to lay the groundwork for U.S. investors like National City. Reflecting this opinion, the Spanish

ambassador to Mexico wrote that Morrow had purposely resolved many diplomatic problems "so that the American policy of pentratión pacífica might facilitate the entrance of bankers" and the economic dominance of the United States.[114] Vicente Lombardo Toledano agreed with this interpretation and denounced the National City branch as a symbol of foreign imperialism only ten days after its opening in Mexico City.[115] By June of the following year, Lombardo Toledano and several educators went so far as to speak out against "the implantation of American customs. . . in Mexico to the detriment of the rising generation." These critics pointed to the abundance of American engineers in Mexico, the establishment of YMCAs in rural districts, the teachings of American missionaries in Oaxaca, the use of ethnocentric books in American-owned schools, and the opening of the National City Bank as examples of harmful foreign influences in their country. Disturbed by these trends, the University of Council at the UNAM issued a strongly-worded manifesto "as a sign of protest. . .against the Americanization of [Mexico]."[116]

This new wave of xenophobia was demonstrated in violent acts as well as in university manifestoes and public speeches. In the most violent protest of this period, American textbooks were actually seized from the American School in Mexico City.[117] The Minister of Education attempted to mitigate the effects of this most

recent incident, but the National Teachers Association continued to demand stricter supervision of schools run by foreign citizens in Mexico.[118] Anti-American sentiment in Mexican schools had been consciously suppressed since Morrow's arrival in 1927,[119] but this form of Mexican nationalism threatened to reappear with increased fury as teachers and students reacted against new American influences in their country.[120]

Two weeks after the University Council issued its manifesto against "Americanization," a second meeting was held on campus with several establishment figures in attendance, including Lic. Manuel Gómez Morin, the chairman of the board of directors at the Banco de México. Gómez Morin spoke of Dwight Morrow's involvement in opening the National City branch in Mexico and referred to the ambassador's previous connection with "the establishment of an identical branch in Cuba" during the early 1920s. The Mexican banker claimed that National City had ruined the majority of Cuban banks because it had offered loans at low interest rates that prevented any real competition on the island. Gómez Morin went so far as to suggest that National City made loans to sugar plantation owners "in such large amounts that it was obvious [that] the money could never be returned." Defaulting on these huge loans, the Cuban plantation owners were forced to sacrifice their land to National City, which was what the New York bank and, by

implication, Dwight Morrow had wanted all along. The speaker concluded that this "is not the kind of business which benefits Mexico" because a similar alienation of its land would make Mexico "the father of foreigners and the stepfather of Mexicans," just as it had been during the ancien régime.[121]

Even those who clamored for more foreign capital and more American tourists warned of the hazards of too much American influence and power in Mexico. The usually conservative Excelsior pointed out that the United States was the only nation in the world that actually reaped a financial profit from the First World War. As a result, American businessmen had been in a position to buy out European interests in Latin America so that the governments of that continent were forced to rely on the United States for their economic well-being in the 1920s. Noting that the total sum owed to the U.S. by Latin American govenments had increased from fifteen million dollars in 1914 to 1,400,000,000 dollars in 1927, Excelsior warned that the United States could very well establish a financial tyranny in the region if the trend continued in this dangerous direction.[122]

A second editorial also reflected this growing concern about American expansion by discussing trends in the Mexican tourist industry. On this occasion, Excelsior urged Guadalajara and other major cities to follow

Monterrey's example by providing locally-owned facilities for their foreign guests. Mexican entrepreneurs would have to take the initiative to build better hotels and finer restaurants before American interests dominated this new industry as they had begun to dominate other sectors of the national economy. According to Excelsiour, "It is not enough that great excursions arrive in Mexico; the important thing is that the tourists buy [our goods] AND THAT THE PROFIT REMAINS IN MEXICO." The nation could attract millions of tourist dollars each year, but this trade would be of little real value to Mexico if the foreigners who profited from the business took their money out of the country just as quickly as the tourists had brought it in.[123]

Finally, a young Mexican businessman spoke for those who sought American capital, but feared the expansion of American values and customs in their country. Addressing a group of U.S. investors, the Mexican explained that

> we want your help in our progress,. . .but to indulge in a few minutes of plain speaking. . .we do not propose that you should tell us what to eat, how to dress and how to think. Gentlemen,. . . we ask you to remember that whatever processes of civilization we voluntarily borrow from you, we also insist on remaining Mexicans.[124]

Mexicans welcomed vacationing tourists and U.S. investors in the late 1920s, but Mexican nationalists hoped that in bringing their valuable capital and foreign exchange, the foreigners would leave their cultural baggage and crass

materialism at home. Many Mexicans still agreed with Isadro Fabela's earlier remark that "every American dollar that crosses our frontiers has not only the American eagle stamped on it, but also carries in its hard soul the flag of the stars and stripes."[125]

Dwight Morrow was unjustly accused of many of these objectionable business practices during his three years in Mexico. In one instance, the ambassador supposedly masterminded a plan to flood the United States with propaganda about Mexican political stability so that he (along with Calles and Ortiz Rubio) could sell a tremendous amount of Mexican securities and realize a tremendous profit in the illicit transaction.[126] In addition to charges involving the National City Bank, Morrow was accused of secretly buying up half the sugar plantations and a great deal of the water rights in the state of Morelos.[127] Nationalists, like David Siqueiros, charged that the ambassador owned so much of Morelos that the state should have been renamed "Morrow-elos."[128] Many observers were, in fact, convinced that Morrow and Calles had profited from every new U.S. investment in Mexico in one way or another.

The ambassador was outraged by these accusations. Morrow described reports that he planned to profit from the sale of Mexican securities as "perfectly ridiculous" and suspected that the author of this rumor had only hoped "to forward certain financial plans of his own."[129]

Even more disturbed by Gómez Morin's speech on the National City Bank, Morrow told the Mexican banker that

> It is difficult for me to believe that any banking institution of experience could adopt the policy of loaning money where it expected not to have the money repaid, but to acquire the collateral. Certainly no banking institution could prosper by such a course.[130]

In reply to charges that the ambassador controlled half of Morelos, the U. S. embassy informed reporters that Morrow owned less than an acre of land at his weekend retreat in Cuernavaca and "the nearest thing to water power [that] he owned in Mexico was the swimming pool in [his] back yard."[131] In a telling remark in a private conversation, the ambassador supposedly said:

> I would be an utter fool to invest a single penny here. It would jeopardize my whole effort. As a matter of fact, I would not be in the least interested--even if I were not the Ambassador--in investing anything in Mexico. I can make far sounder investments elsewhere.[132]

Dwight Morrow could well be accused of duplicity (if this quotation is accurate), but he could never be accused of taking unfair advantage of his position to profit from U.S. investments in Mexico. American capital was recognized as a means to an end (Mexican recovery), rather than as an end in itself for Morrow's personal profit.

The ambassador had, of course, realized the danger of adverse publicity involving his financial interests in Mexico as early as August 31, 1927, when he had resigned from J.P. Morgan in an effort to dispel rumors that he was only going to Mexico to collect that nation's enormous

foreign debt.[133] Later, when similar rumors began to circulate despite his insistent denials, Morrow attempted to counterbalance their effect with a new, far more esthetic plan of action. The envoy had known Diego Rivera since an evening in 1928 when he and the radical muralist had spent nearly three hours in a "very animated" conversation concerning everything from the Soviet Union to early American architecture. The two men had become close friends, despite their political differences. In December, 1929, Morrow attempted to off-set rumors concerning his financial interests in Mexico and his political ambitions at home by commissioning Rivera to paint a huge mural at the Palace of Cortés in Cuernavaca. The artist was notorious for his anti-American murals, including one of John D. Rockefeller, Henry Ford, and J. P. Morgan that covered a large wall at the Mexican Ministry of Education,[134] but Morrow was willing to pay Rivera twelve thousand dollars for a mural depicting Mexican history from the conquest of 1521 to the independence movement of 1824.[135]

Unfortunately, Rivera's work stirred up even more resentment against Morrow and his activities in Mexico.[136] Leftists denounced Rivera for collaborating with the capitalist ambassador, while right-wing Spanish landowners denounced Morrow for his support of a painting that severely criticized the Catholic Church and Spanish colonial rule.[137] Spanish horsemen were shown riding down

Indian women and whipping Indian men as they were forced to carry heavy bundles of sugar cane. Despite Morrow's request that Rivera include at least one "good priest" in his mural,[138] most churchmen were painted as cruel judges of the Mexican Inquisition.[139] An indignant Spanish government eventually filed an official protest against the painting in Washington[140] and Excelsior critized the work as a new attempt "to encourage and perpetuate hatred between the two major races [of Mexico]."[141] The Mexicans were hardly impressed with Morrow's esthetic attempt to counteract nationalist criticism of his mission in 1930.

Not even the American colony in Mexico remained loyal to the ambassador for very long. Members of the colony had originally applauded Morrow's appointment in September, 1927,[142] but they had few kind words for the envoy after he had accompanied Calles on a railroad tour of Mexico only a week after Father Pro's execution.[143] The State Department was reportedly flooded with protests from the colony criticizing Morrow for "breaking bread with a murderer. . .and already showing prejudice in favor of . . .Mexicans against Americans."[144] This antagonism only increased with time as many believed that Morrow was sacrificing important American interests in his efforts to obtain "friendly settlements" with the Mexicans.[145] According to one resident of the colony, American busimen found Morrow to be "igenuous in his attitude toward

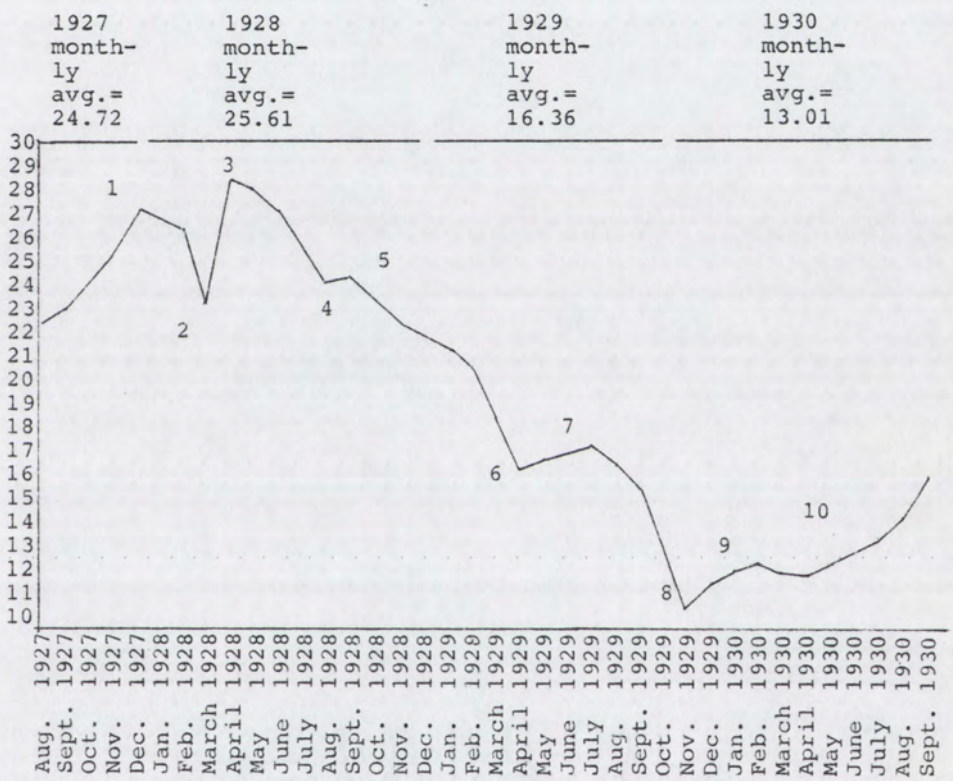
things Mexican, and exceedingly dreamy. . .[when dealing with] the mundane world around him." These observers were particularly disturbed when they saw "the problems of centuries magically solved [by Morrow] every time you picked up an American newspaper."[146] It was, supposedly, hard to find a single "American business man who had a good word for him"[147] because "the Americans residing in Mexico looked upon him more as an Ambassador for Mexico than [for] the United States."[148] By late 1928, a particularly virulent writer hoped that the "first thing [President Hoover] will do [in office] is. . .recall Morrow and send him to hell where he justly belongs. He is hated like poison by 95 per cent of the Mexican people" and "has done absolutely nothing" for American interests since his arrival.[149] Generally agreeing with this appraisal, James Sheffield asked "Why should a great Government like ours seek to flatter [Calles]. . .and postpone the time when it must deal fairly and firmly. . .with the situation" in Mexico?[150] Frustrated by this "postponement," members of the American colony were about to call a mass meeting to demand Morrow's recall by the State Department in early 1929.[151]

The Disastrous Smoot-Hawley Tariff of 1930

A wave of resentment against the ambassador had, therefore, grown from its small beginnings, involving militant Catholics and extreme nationalists, to include

Spanish landowners, establishment figures, members of the American colony, and top officials in the Mexican government itself. These individuals were disturbed by such things as Morrow's political ambitions, Washington's immigration policies, and the ambassador's motives in attracting new U.S. capital to Mexico, but popular resentment against the United Sates and its diplomatic representative seems to have peaked over yet another controversial issue in 1930. One can, in fact, argue that the bitterness caused by the Smoot-Hawley Tariff of 1930 destroyed a great deal of whatever influence Dwight Morrow still enjoyed in Mexico.

New foreign investments had helped to stimulate limited sectors of the Mexican economy in 1928 and 1929, but the nation's economy remained stagnant and largely unproductive on the eve of the great stock market crash in New York. Few indicators reflect the general weakness and instability of the economy better than the changing value of Mexican bonds on the New York exchange during the period August, 1927, to September, 1930. As the following chart demonstrates, the value of these bonds fluctuated wildly with the course of events in Mexico, despite Morrow's words of confidence and despite new investments by companies like General Electric and the National City Bank. The value of Mexican bonds increased in sudden spurts with the announcement of encouraging news, like Morrow's appointment



KEY:
1. Morrow appointed & arrives in Mexico; Lindbergh's visit
2. Amaro's reconcentration campaign
3. New oil regulations enacted
4. Obregón assassinated
5. Calles' address of September 1, 1928
6. Escobar revolt
7. Revolt suppressed & Church-State settlement
8. Great Stockmarket Crash
9. Election, U.S. visit, & inauguration of Ortiz Rubio
10. Morrow returns to Mexico & new debt pact signed.

SOURCE: Excelsior, daily issues, September, 1927, to September, 1930.

Figure 1. The Value of 4 Per Cent Mexican Bonds on the New York Stock Exchange, 1927-30.

in 1927 or the final oil settlement in 1928, but plunged to new lows with the development of new crises, such as Obregón's assassination or Excobar's revolt. Morrow's faith in Mexico undoubtedly prevented even greater losses during these emergencies, but the ambassador could do little to prevent a clear long-range decline in the value of Mexican bonds from 1927 to 1930. The bonds lost nearly half their value in this period[152] as political events continued to hamper the nation's economic recovery. No single ambassador, no sudden influx of foreign capital, and no amount of Peso Diplomacy could reverse this disastrous economic trend as long as Mexico remained the victim of recurring political violence and general political instability. Economically weakened by political conditions of the late 1920s, Mexico was hardly prepared to sustain the impact of the Great Crash of 1929 or the Smoot-Hawley Tariff of 1930.

Described as the "blackest mark" on Herbert Hoover's record in the White House, [153] the Smoot-Hawley Tariff had originally been designed to protect American businessmen from the world depression by raising tariff walls to their highest levels in U. S. history.[154] Presedent Hoover signed the controversial bill in June, 1930, because he had promised to reform the tariff of 1922 during his presidentaial campaign[155] and because he feared that congress would produce an even higher tariff if he vetoed this one.[156] Hoover and his economic aides also believed that the new Tariff

Commission (created by the tariff bill) would finally end all logrolling and rate-swapping in Congress so that rates could be "scientifically adjusted" in the future. Comparing the new tariff to an automobile, Julius Klein argued that one did not junk an entire car because it suffered from technical problems. Instead, "we simply take it to an expert who puts in a new spark plug,. . .or cleans up the points. . .[because] even a new motor requires readjustment by a good mechanic after it has [been] run a while."[157]

Few observers were satisfied with this explanation. More than a thousand economists petitioned Hoover to veto the legislation because it only threatened to raise consumer prices in the United States, affect American investments abroad, and cause tariff wars between the major trading nations of the world.[158] Foreign criticism was even more severe. The Democratic National Committee reported that "never in the whole history of our tariff raising has [foreign] resentment been so deep or [so] universal." 159 Most foreigners believed that with the passage of the Smoot-Hawley Tariff, the United States had "inaugurated an imperialistic policy in trade and commerce as baneful in its effects as an imperialistic war" waged with fighter planes and battleships.[160] Thirty-eight nations, including every nation in Western Europe and

eight governments in Latin America, had either protested against the American tariff or retaliated against it with new tariffs of their own by September, 1930.[161] Foreigners argued that higher duties would affect their most vital industries and only prolong the world-wide depression. It was, in fact, pointed out that many of the protected American industries were "practically non-existent in the United States and . . ., consequently, the tariff would impose an unnecessary burden on American consumers" as well.[162] The special interests of a few developing industries had been given preferential treatment, despite its effect on domestic consumers, foreign economies, and international relations. According to Sumner Welles, the Smoot-Hawley Tariff "automatically deprived our American neighbors of a major part of the market which they had previously enjoyed in this country. Coming at a time of world-wide depression,. . .it brought some of these countries to the edge of national ruin."[163]

Mexican leaders were just as angered and just as vocal in their protests against the higher duties.[164] However, compared to other countries of the hemisphere, Mexico was hardly affected by new changes in the tariff law.[165] Among its eleven leading exports to the United States in 1929, only chick-peas and tomatoes (ranking number ten and number eleven, respectively) were subjected to higher rates in 1930.[166] Nevertheless, as the following

Table 9-2

Percentage Change in U.S. Duties
on Mexican Exports to the United States
(1922 Tariff Schedule Compared to 1930 Tariff Schedule)

Raw Chile	*
Refined Chile	- 66%
Sarsaparilla Roots	*
Cochineal Extract	*
Fruit Juices	+ 100%
Turpentine & Resin	+ 100%
Gravel	+ 11%
Porcelain	+ 17%
Graphite	+ 50%
Cabinet Lumber	*
Straw Baskets	+ 27%
Crude Sugar	+ 14%
Refined Sugar	+ 11%
Tobacco	+ 7%
Cattle (on hoof) less than 700 lbs	+ 3%
Cattle (on hoof) more than 700 lbs	+ ½%
Lamb	+ 50%
Goats	+1400%
Hogs	+ 33%
Rice	+ 38%
Prepared Orange Rinds	+ 60%
Prepared Lemon Rinds	+ 60%
Crated Pineapples	+ 55%
Other Fresh Fruits	+ 14%
Peas	+ 200%
Chick-peas	+ 100%
Tomatoes	+ 500%
Green Vegtables	+ 100%
Cotton	+ 100%
Oysters	+ 100%
Fruit Preserves	+ 14%
Pine Nuts	+ 150%
Henequen Rope	+ 167%
Minerals with less than 10% de cinco	+ 100%
Minerals with 10 to 20% de cinco	+ 110%
Minerals with 20 to 25% de cinco	+ 5%
Minerals with more than 25% de cinco	Unchanged
Average Change on Other Minor Items	+ 20%
Average Change on Increased Duties	+ 118%
Average Change on Decreased Duties	- 93%

*Exempted in 1930

Source: Excelsior, June 25, 1930: New York Times, July 6, 1930.

table shows, duties on thirty-three of the forty-eight export items affected by the U. S. tariff of 1922 had risen an average of 99.17 per cent each with the new schedule. Genaro Estrada estimated that given this drastic increase on so many different items, Mexico stood to lose as much as fifteen million dollars in trade across the border in the fiscal year 1930 to 1931.[167] Distressed by this possibility, Mexican leaders (and their American business allies) warned that any such decrease in Mexican exports was certain to hurt American imports to Mexico as well. The Mexican chargé d'affaires in Washington thus noted that only two other countries in Latin American purchased more goods from the United States than Mexico. But Mexico could not remain in this position for very long if American tariffs damaged the Mexican economy and reduced the nation's purchasing power.[168] Portes Gil went so far as to reiterate this economic warning in his annual address to the Mexican Congress on September 1, 1929. The president "devoted considerable attention" to the issue and noted "the evident injuries that could affect both countires" if the tariff was passed in Washington.[169] Seven months later, Ignacio Helguera of the Mexican Chanber of Commerce referred to the proposed tariff when he told the Southwest Foreign Trade Conference in Houston that "You have plenty of goods to sell us and we are only too willing to

buy, but if a way is not found whereby we can export our goods to you, [neither of us] can make much headway in our . . .trade."[170]

These protests were to no avail. The Smoot-Hawley Tariff was, of course, passed in mid-1930 and Mexico suffered a 31.8 per cent decline in exports to the United Sates in that year alone.[171] A considerable amount of this decline was caused by the Great Depression itself, but Mexican leaders realized that higher tariffs only aggravated their economic problems in 1930. These officials urged their countrymen to look for new markets, such as Canada, and substitute goods that were normally imported from the United States, such as lard.[172] In addition, Ortiz Rubio instructed his Minister of Agriculture to draft higher tariff rates on American flour and "a long list of other articles."[173] The duty on flour was thus raised forty per cent on July 20 and Mexico retailiated with several other higher tariffs on August 11.[1974] As a result, Mexican imports of wheat and flour fell by approximately twenty-five per cent in 1930, while total imports from the United States fell by approximately fourteen per cent in the same period.[175] Mexico had now joined the many nations of Latin American and Europe who had retaliated, or at least threatened to retaliate, against the hated American tariff of 1930.

The Ambassador Returns

Dwight Morrow therefore returned to Mexico on July 3 to face a wave of Mexican resentment that had grown to considerable proportions during his seven-month stay in London and New Jersey.[176] Morrow hardly deserved this fate because he had had little to do with the crises that had developed in his absence.[177] The envoy had, in fact, tried to end the debate on Mexican immigration by calling the unprecedented meeting of U.S. consuls in February, 1929, but the controversy continued and the Harris bill was only defeated with a great deal of political pressure from the White House.[178] Morrow could only hope to assuage Mexican feelings in the aftermath of this harmful debate.[179]

Morrow also regretted the passage of a higher U.S. tariff that was bound to affect the international trade he had encouraged since his first speech in Mexico on November 19, 1927.[180] In this case, the ambassador could only hope to limit Mexican reprisals against the tariff by assuring Mexican leaders that President Hoover would "exercise great care" in exploiting his new prerogative to raise or lower particular rates, like those that affected Mexico, by as much as fifty per cent of their legislated value.[181] But the Mexicans were too disturbed to listen to new American

promises. Their increased tariff on U.S. wheat became effective within eight days of Morrow's return; other increases were to follow within the next five weeks.

It is equally difficult to "blame" the ambassador for the small wave of American capital that eventually caused a nationalist reaction in 1929 and 1930. Calles' Peso Diplomacy had led Morrow to believe that foreign investors would be welcomed in Mexico as long as they respected Mexican laws and as long as they qualified as "humane capital." Three Mexican presidents and many private interests did, in fact, welcome foreign capital, but leftists and those who were forced to compete with the foreign firms came to resent U.S. investments of any kind. As the conspicuous symbol of American capital, Morrow became an easy target for these critics and was wrongly accused of making huge investments of his own. The ambassador could do little to refute these charges in person, but he could do even less to deny them during his long absence in the United States and Europe.

Finally, it is diffcult to hold the ambassador responsible for the words of an overly-enthusiastic aide or for the optimistic goals of his political supporters. Morrow had certainly done nothing to encourage NcNab's remarks at the Robert Treat Hotel and he was generally amused by talk of his becoming president in 1928. Above all, the envoy wanted nothing to interfere in his staying

"down here [in Mexico] long enough to get something tangible done."[182] Morrow could be accused of poor diplomatic judgment in refusing to counteract NcNab's harmful speech with "something which can be given wide publicity in Mexico,"[183] but he could not be accused of blatantly using his ambassadorship as a political stepping stone. Significantly, he had chosen prohibition, rather than his diplomatic achievements in Mexico, as the major issue in his first campaign for higher office.[184]

Dwight Morrow can, therefore, be exonerated of many of the charges that were made against him in his absence, but the Mexicans were hardly in a forgiving mood when the ambassador returned to their country in mid-1930. Government officials were particularly unwilling to listen to Morrow's advice in financial affairs. Few men were prepared to risk their political reputations by having it said that Morrow had taken them "under his wing" and taught them how to run their own departments. The ambassador was, for this reason, frustrated in his attempts to increase the total budgetary surplus for 1930 by cutting government spending in at least seven different areas.[185] Morrow had hoped to reduce the proposed budget by eliminating thirteen million pesos from programs that seemed excessive or unnecessary to his way of thinking. Funds for hundreds of new rural schools, for flood control, for the elimination of tuberculosis, for the treatment of

alcoholism, for a campaign to reduce infant mortality, for the decennial census, and for the building of new public buildings were either slashed or completely sacrificed in Morrow's plan. The envoy calculated that the total surplus available for debt service would increase from 26.6 million pesos to 39.6 million pesos if these expenses were reduced or entirely cut from the budget. Eager to see these changes made, Morrow went so far as to ask Thomas Lamont and the Bankers' Committee "to influence the [Ortiz Rubio government] to adopt a budget of this sort" for its own good. Referring to increased Mexican spending on such things as new schools and flood control, the conservative ambassador concluded that "this unfortunate tendency. . .runs counter to what all the rest of the world is trying to do and is expecting Mexico to do" in the aftermath of the great stock market crash.[186]

Morrow's efforts to economize may have appealed to many government leaders in December, 1929, but few Mexicans were willing to lend their support by July of the following year. Josephus Daniels later discovered that officials had defiantly enlarged their original plans for a new federal health building when Ambassador Morrow protested that the Mexicans "ought not to invest in so costly a [project]. . .until they paid their debt to America."[187] Not even Morrow's closest contacts in

government circles were willing to deal with the informally ostracized envoy.[188] Given the fact that his unique style of diplomacy relied on these important contacts to get things done, it appears that the ambassador was almost completely frustrated in his efforts to influence decision making on any issue of real significance in 1930.

Morrow and the Foreign Debt Agreement of 1930

Dwight Morrow was particularly frustrated by his inability to influence Mexican policy regarding the payment of national debts. As he had explained it to the British ambassador in March, 1929, Morrow firmly believed that "the Mexican Government should consider itself insolvent" or bankrupt if it was no longer able to pay its "running expenses" and still afford to meet its many foreign and domestic obligations. The governmment should, therefore, deal with its creditors as a whole, giving no priority to any group, just as a court of law would have a corporation deal with all of its creditors in an en bloc settlement.[189] Morrow emphasized this need for "absolute impartiality" in paying all creditors for two main reasons. First, the ambassador recognized his responsibility in defending the interests of every American creditor, rather than simply defending the most powerful and best organized group led by the International Committee of Bankers on Mexico.[190] In addition, Morrow recognized the serious problem created

by competition among creditors to negotiate separate favorable agreements with Mexico, almost regardless of their affect on other interests or on the Mexican government itself. As Rublee explained it, "Each of them would apply separately to the government and [would] get promises totaling more than the government was able to pay. One creditor would then be preferred [while the] promise to another would be broken;" nothing would be accomplished short of creating new financial chaos.[191]

Morrow had had some success in convincing foreign creditors of the need to avoid this chaos, but he was never able to convince his old friend and former partner at J.P. Morgan, Thomas Lamont. According to Rublee, the chairman of the International Committee of Bankers on Mexico would rather "take his chances and get what he could. . . [rather] than cooperate in a general settlement."[192] Lamont therefore agreed to meet with Montes de Oca for a solid month in mid-1930. As a result of these long and tedious negotiations in New York, a new debt agreement was signed on July 25 that not only reduced Mexican obligations to the Bankers' Committee by 763,000,000 pesos, but also postponed full service on the debt until 1936 and extended the payment period to forty-five years.[193]

Lamont defended the new pact in a seven-page letter to Morrow. The banker admitted that if it was possible to

gather all of Mexico's creditors in one room at one time "it would be an ideal way of settling the whole situation." But this was impossible, given the number of cases involved, not to mention the complex issues at stake. Lamont reported that with so much work to be done on the question of debt payments, Montes de Oca "felt he had to make a start somewhere, and it was his plan to make it with respect to [the] external debt which he considered the most important single item in the whole category, not only in the amount but in character."[194]

In addition, Montes de Oca had explained to Lamont that "pressure was being brought to bear on him from all sides" as many European bondholders were "no longer disposed to follow the International Committee;" these foreigners were convinced that Lamont and his organization had become too lenient with Mexico and "had not adequately represented their interests." Sensitive to this international pressure, the Finance Minister believed that he had better negotiate with the Commiteee while it remained intact because he could obtain a much more satisfactory agreement with Lamont "than he could possibly gain from independent settlements with various groups." Bondholders from England, France, Germany, Holland, Belgium, and Switzerland had applied similar pressure on Lamont himself. With the Committee "showing signs of disintegration

and independent action," Lamont was simply glad that he could negotiate with the Mexicans while he still had "some influence" over the impatient Europeans.[195]

Lamont also defended the new pact by telling Morrow that the Mexicans had every intention of settling their other debts soon after they had come to terms with his Committee.[196] Indeed, Montes de Oca had read "a frank statement" to the bankers that he did not intend to sign a new agreement in New York unless that agreement left Mexico with sufficient funds to pay its current bills and its other major debts. Sounding very much like Morrow himself, the Finance Minister emphasized the principle that "a country that settles its external debts only is not solvent." As if to prove this point, Montes de Oca agreed to meet with a group known as the Mexican Preferred Debts International Protective Association while he was in the United States, although he was not quite sure who the association represented or when it had been organized.[197] The Finance Minister was, nevertheless, eager to demonstrate that he intended to deal with each class of creditors once he had made arrangements with Lamont and his Committee.[198] Ortiz Rubio even went so far as to tell Morrow that he had no intention of submitting the new agreement to Congress except as "one part of a general project comprising the whole debt."[199]

Finally, Lamont argued that the Mexicans worked for a new debt agreement in 1930 because a pact of this kind "would reflect credit upon [their] Government"[200] in a year when most Latin American regimes had begun to falter and were seldom able to make payments on their enormous foreign debts. In contrast to nations like Chile, Argentina, and Peru, Mexico seemed rather stable with a peacefully installed president, a growing federal surplus, and, by July 25, a new debt agreement with its major foreign creditors. Mexico's financial reputation had suddenly improved in relation to some of the most stable and superficially prosperous Latin American nations of the 1920s. One can, in fact, argue that Mexico survived the impact of the Great Crash better than most other nations because it had not relied on excessive foreign loans to build an artificial facade of wealth and material progress. Mexico's political chaos and lingering depression of the late 1920s had destroyed its chance for a share of the 1.2 billion dollars in U.S. loans to Latin America from 1924 to 1929, but this financial neglect had, ironically, prevented far greater damage to the nation's economy in the wake of the devastating stock market crash.[201]

Lamont concluded his letter to the ambassador by asking Morrow "to let. . .the matter rest where it is" rather than trying to use his influence to defeat the new

settlement in Mexico. The Mexicans had already heard Morrow's opinion and Lamont wrote that "it would appear that they have not seen fit to accept [your] counsel on this particular matter" since they had "voluntarily come forward. . .and executed a debt settlement, without urging on the part of the bondholders." The agreement had yet to be ratified by the Mexican Congress, but Lamont argued that failure of ratification as a result of Morrow's opposition would "simply mean a black eye for Mexican prestige" so that any attempt to criticize the pact might prove to be a "grave disservice" to Mexico.[202]

The new agreement and Lamont's letter were, nevertheless, a "great disappointment" to Dwight Morrow.[203] The ambassador found it impossible to appreciate Montes de Oca's logic. Writing just twenty-four hours after the pact had been signed in his old offices at J.P. Morgan, Morrow contended that "if [the Finance Minister] contemplates ratifying a new agreement with the International Committee without at the same time making some provision for the other creditors, I am not very hopeful of the plan working out."[204] The envoy told Lamont that Montes de Oca's plan to deal with other creditors was "but an aspiration, without any more definiteness than resulted from the similar expressions used in the agreement of 1922."[205] Under Secretary of State Joseph P. Cotton

agreed with Morrow on this point and noted that if Lamont had asked the State Department what it thought of the new settlement before it was signed, the Department would have told him that "such a separate agreement is not much value to him and foolish for Mexico." The only question in Cotton's mind was how and when the State Department should indicate its displeasure to Ortiz Rubio and the Mexican government.[206]

Dwight Morrow and his aides had considered the same question. As usual, the ambassador vetoed the idea of issuing a statement to the press because he continued to distrust newspaper reporters who, he believed, were more interested in sensational stories than in accurate facts.[207] Morrow and McBride also vetoed the idea of issuing a more direct protest to the government until after Congress had voted on the pact because "it might stir up national feeling here. . .[and] it might be regarded as intended to interfere in a domestic question." Instead, Rublee wrote that "it would be advisable to lose no time in letting Lamont know the position of the [State] Department" on this important issue. It was implied that Cotton should remind Lamont that early correspondence between the International Committee and Washington showed that the Committee had been created "to pursue a policy approved by the Department." Hopefully, this reminder would influence the banker's way of thinking so that he could "reopen the

matter with Mexico before ratification took place."[208]

Meanwhile, Morrow searched for a way to influence Mexican thinking on his own. Cut off from his official contacts in the government, the ambassador resorted to sending Ortiz Rubio a personal letter in an effort "to get the president to accept Montes de Oca's agreement. . .with Thomas W. Lamont only on condition that it is part of a large programme. . .[and not simply] an isolated payment."[209] Morrow's letter referred to an earlier meeting with Ortiz Rubio in which the president expressed his interest in any financial suggestions that McBride or the ambassador could offer. More than willing to comply, Morrow had instructed his naval attaché to prepare "a memorandum of points which might appear desirable to take into consideration in the preparation of a general project" involving the national debt. Noting that he had warned McBride to "avoid. . . expressions of opinions on matters of exclusively domestic interest," Morrow chose to send the captain's memo along with his own letter to the president on August 20.[210]

Ortiz Rubio was, evidently, angered by this impertinent correspondence that implied that Morrow was willing to take the chief executive "under his wing" and teach him what he needed to know about his own nation's foreign debt. The ambassador may well have cautioned McBride to avoid "matters of exclusively domestic interest," but the

captain's memo went so far as to state that ratification of the July 25 agreement by the Mexican Congress "would be a violation of. . .previous policy and a repetition of previous errors." Insulted and undoubtedly worried about the political impact of the letter if it was made public, Ortiz Rubio labeled Morrow's correspondence inconveniente and returned it to the U.S. embassy on September 2, just two weeks after the letter had been delivered to Chapultepec Palace. Dwight Morrow had lost his last bit of influence with the Mexican government as in Daniels' words, he had created "a breach which was not healed."[211]

The full extent of Morrow's decline could be measured by the headlines that appeared on the front page of Mexican newspapers as early as August 4. Discussions involving river rectification on 157 miles of the U.S.-Mexican border had been going on since at least March, 1928,[212] and definite progress had been made on this issue by the time Dwight Morrow returned to his post in mid-1930.[213] River rectification on the Rio Grande had, in fact, been listed, along with the debt question, as one of the two main problems that the State Department instructed the ambassador to tackle during his last few months abroad.[214] Morrow was well aware of the sensitive nature of negotiations involving Mexican territory,[215] but he was totally unprepared for the charges that were leveled against him

by members of the Mexican press. According to Excelsior, the ambassador had offered to liquidate all American claims against the Mexican government in exchange for Mexico's water rights on the Colorado River. The suggestion was, reportedly, rejected as the press referred to the propostion as "an infringement on our national sovereignty."[216] Ambassador Morrow vigorously denied the allegation,[217] but it appears that the damage to his reputation had already been done. The Mexicans were no longer prepared to negotiate with a foreigner who had been accused of coveting their national water rights. As a result, the question of river rectification was still unsettled when Morrow finally left for the United States in September. The issue of national sovereignty remained the major snag in these negotiations even after the envoy's departure; a treaty for river rectification on the Rio Grande was not signed in Mexico City for another two and a half years.[218]

The Final Days

It would, however, be a mistake to believe that Morrow was completely ostracized in Mexico. Mexican leaders, including Ortiz Rubio, had no desire to alienate Washington and sacrifice improved U.S.-Mexican relations simply because they did not choose to accept Morrow's

counsel on specific issues. Their plan was to simply treat the ambassador as a lame duck official whose achievements were to be honored, although his advice was to be ignored. Without truly understanding the depth of Mexican resentment against Morrow, Nicolson put it well when he wrote that the ambassador was treated as "no more than a delightful little gentleman who was about to leave."[219]

Following this plan of action, Ortiz Rubio sent a personal representative to welcome Morrow when the envoy returned to New York from the London Naval Conference in late April, 1930.[220] Two days before Morrow left for Mexico on June 28, Excelsior editorialized that when the history of the late 1920s was written it would be said that the ambassador "was a friend. . .who, more than any other member of his profession, deserved the title 'enviado extraordinario.'"[221] Once in Mexico, Morrow was praised and shown every courtesy at official functions, such as the opening of Congress on August 29 and the arrival of Admiral E. H. Campbell on September 3.[222] The admiral was given a particularly impressive welcome as the Mexicans went out of their way to demonstrate their friendship to the United States. Six hundred officers met Campbell's train in Mexico City and General Amaro held a huge dinner for Morrow and the admiral at the War College. Cameras flashed as Morrow introduced the U.S. naval officer to Ortiz Rubio.

Privately, Campbell acknowledged that he had never received a more cordial reception by dignitaries in a foreign country.[223]

Morrow appreciated this formal attention,[224] but he had never been attracted by "the tinsel of diplomacy," as Calvin Coolidge put it.[225] The ambassador was only interested in producing "tangible results" in Mexico and these were no longer possible by 1930. Frustrated at every turn, Morrow grew ill with anxiety and was "deeply wounded," according to George Rublee.[226] On August 18, the ambassador's wife returned to Mexico City to find him "half sick and very much discouraged."[227] Eleven days later, he attended the opening of Congress, but returned to the embassy "discouraged and [eager] to get away."[228] The ambassador actually fell ill during two of his last eleven weeks in Mexico. J. Reuben Clark became "so worried about Morrow's health" that he telegraphed Rublee to hurry back from the United States so that he could be at his friend's side in mid-August.[229] Morrow soon recovered, but he was still frustrated by the situation in Mexico City and he still felt pangs of guilt for his long absence from the embassy. As early as four months before he returned to his diplomatic post, Morrow had written that the time he had spent at the London Naval Conference "[made] me feel as though I were a deserter from Mexico."[230] With the New Jersey

primary occupying even more of his time, the envoy was left with only two and a half months to complete his labor abroad. It was, therefore, a question of too little time, as well as too little influence, for the ambassador. Dwight Morrow had obviously outlived his usefulness to the Mexicans by 1930 and it seems that new responsibilities almost mercifully called him from Mexico before he was made to suffer additional blows in an impossible situation.

The ambassador was to deliver two very interesting speeches during his last week at the U.S. embassy. On September 12, Morrow attended a farewell luncheon given in his honor by the U.S. Chamber of Commerce in Mexico City and spoke of finding it "hard to say good bye to Mexico." As always, he promoted Mexican tourism with several comments about the country's climate and ancient civilization before he finally turned to the heart of his message concerning the responsibilities of American residents living in Mexico. Morrow's ideas on this theme had not changed in three years and his words on this occasion were almost identical with the words of his first address in Mexico of November 19, 1927.[231] Again he told his business audience that "men of commerce" had been the "real peacemakers" in history because trade had been "the best training that the bulk of mankind gets in the accomodation of wills as opposed to the imposition of wills. The growth of civilization," said Morrow, "has depended. . .upon the

substitution of agreement for force." Having prepared his audience with a good bit of flattery, as he had done in 1927, Morrow reiterated Elihu Root's advice by telling the members of the Chamber of Commerce that "while you continue to be good, loyal American citizens, you should [strive to] be good and loyal Mexican residents" as well.[232] Fortunately, not even his frustrating diplomatic experience of 1930 had shaken Morrow's convictions that (1) peaceful negotiations were preferable to the use of force in resolving international conflicts and (2) foreign respect was preferable to foreign arrogance in dealing with Mexican sovereignty.

Two days later, Morrow delivered his final address in Mexico when he spoke to a nation-wide radio audience in the United States.[233] After referring to the charm and unexcelled climate" of the country, Morrow stressed the need to get along with Mexico by understanding that "other men have as much pride in the dignity of their nations as we have in our own." With this premise in mind, the ambassador argued that "we can best defend the rights of our own country when we understand the rights of other countries." This task was not as difficult as it may seem, according to Morrow, because "at the end of three years [abroad] it seems to us that [the people of the world]. . . are more like each other than we are willing to admit."

The envoy concluded that it was this fundamental likeness to other men that enables us to understand them, and to live in peace and friendship with them."[234]

Morrow showed no signs of great bitterness or disappointment in these two speeches of mid-September, but it is interesting to note his general impression of the situation in Mexico during his last weeks at the U.S. embassy. The ambassador's observations, as written in a letter to Sir Esmond Ovey, were extremely mixed. On the one hand, he criticized the debt agreement of July 25 and described economic conditions in silver mining and certain other industries as "very bad."[235] Political conditions were, nevertheless, considered "better than they have been for some time"[236] and the "agricultural situation" was said to be "getting distinctly better' with General Manuel Pérez Treviño in charge at the Ministry of Agriculture. No new laws had been passed to alter the land reform, but Morrow was pleased to find the new government "proceeding in a more cautious way" than Portes Gil and Marte Gómez had proceeded in 1929.[237] Finally, the envoy found that "the religious problem is working out better than I expected" and, although a few governors in "outlying regions" refused to cooperate, church leaders had "no complaint to make of the central administration." Morrow admitted that the church was still not satisfied with the religious laws, but

the ambassador told Ovey that the bishops recognized "the wisdom of letting that question rest for a while until the new arrangement has worked."[238]

Morrow's most general and most philosophical observation on the situation in Mexico was made in a highly revealing letter that he wrote to Arnold Toynbee after reading the British historian's praise of his diplomatic work. Morrow explained that he was not leaving Mexico because he had settled all issues, as Toynbee had claimed in his International Survey of 1929. "There has been a very great improvement in Mexico," said the envoy, "but my own opinion is that this country will progress in its government, as all other countries have, by going forward and stumbling and getting up and going forward again." Morrow concluded that "it will not be a quick process," but he had no doubt that this rather uneven development would some day lead to peace and permanent stability for the Mexicans.[239]

Dwight Morrow made a farewell call to Ortiz Rubio and participated in Mexico's 120th independence day celebration before his final departure from Mexico City on the evening of September 17.[240] Genaro Estrada joined scores of well-wishers at the railroad station to see Mr. and Mrs. Morrow, George Rublee, and their six-car train off at last.[241] The Minister of Foreign Affairs uttered words of priase in a press release that stated that he could "not recall when in

the history of U.S.-Mexican relations we have ever been sent a more friendly representative" or a representative who was more willing to respect Mexican sovereignty.[242] Ortiz Rubio issued an equally laudatory statement[243] and Julio Trens, of the Trens News Agency in Mexico City, found that most Mexican leaders regarded Morrow to be "the best ambassador the United States has sent here over a period of many years."[244] The New York Herald Tribune nevertheless reported that Trens, who usually reflected official opinion at the Foreign Ministry, had recently launched a campaign to discredit the myth of Morrow's pervasive influence in Mexico. Trens' news agency sent out dispatches in English as well as in Spanish to stress the point that "Morrow's activities here have been confined strictly to his diplomatic duties and. . .he has exercised no extra-official influence upon Mexican affairs."[245] The Mexican policy of confiding in Morrow had obviously backfired to damage Mexican pride by 1930 so that while the ambassador was officially praised by the government in public, his influence on internal affairs was unofficially denied by friends of the government in the newspaper world. Dwight Morrow had become cordially detested, despite his willingness to understand the Mexicans and despite his earnest desire to help solve their most pressing problems.

The ambassador resigned his post on September 30, 1930, exactly three years and ten days after his appointment was first announced in Washington.[246]

NOTES

Chapter IX

1. Enrique D. Ruíz quoted in the New York Times, July 31, 1929. Portes Gil's Chief of Staff, General José María Tapia, repeated this message to a group of U.S. railroad officials, as noted in Mexico Commerce & Industry, XI (August, 1929), 10.

2. Quoted in an editorial entitled "Politics and Business" in ibid., XIII (May, 1931), 23. Similar opinions were expressed by Colonel C. D. Hicks of the Missouri Pacific Railroad, Julius Klein of the Bureau of Foreign and Domestic Commerce, S. Bolling Wright of the U.S. Chamber of Commerce in Mexico City, Sterrett and Davis of the International Committee of Bankers on Mexico, and former Secretary of State Hughes. Excelsior, August 5, 1930; Klein, "Trade Links Across the Rio Grande," New York Herald Tribune, September 30, 1928; Mexico Commerce & Industry, X (August, 1928), 8; Sterrett and Davis, Fiscal & Economic Condition," 79; New York Times, May 13, 1928.

3. See above, pages 44-48.

4. Memo from Harry Covington to Rublee, New York, April 17, 1929, Morrow Papers.

5. [Rublee] to Covington, Mexico City, May 16, 1929, Morrow Papers.

6. New York Times, February 18, 1930.

7. Arthur Anderson to Morrow, New York, March 8, 1928, and Morrow to Anderson, Mexico City, March 16, 1928, Morrow Papers.

8. Moritz Thomsen to Morrow, Seattle, June 24, 1929, and Morrow to Wesley L. Jones, Mexico City, July 10, 1929, ADS, 812.77/1085.

9. Gerrit Fort to Lane, Boston, February 28, 1928, Lane Papers. On other business inquiries, see Springer to McBride, Englewood, May 27, 1930, Morrow Papers.

10. Fort to Lane, Boston, February 28, 1928, Lane Papers. Fort ran a travel agency and was interested in the Mexican tourist trade.

11. Excelsior, August 5, 1930. Also see ibid., September 14, 1928.

12. Morrow to Manuel Gómez Morin, Mexico City, July 25, 1929, Morrow Papers.

13. Ibid.; Excelsior, September 20, 1929.

14. Ibid., August 6, 1929; Commerce Reports, August 19, 1929; Current History, XXX (September, 1929), 1138; Mexico Commerce & Industry, XII (April, 1930), 27.

15. George Buckley, a vice president of the new branch, in Excelsior, August 6, 1929. William B. Richardson was the bank's first manager. For a biographical sketch on Richardson see Mexico Commerce & Industry, XIII (November, 1931), 28-29.

16. Excelsior, August 6, 1929.

17. Ibid., March 19, 1930.

18. Ibid., September 29, 1929.

19. New York Times, August 6, 1929.

20. Excelsior, July 8, 1929.

21. See Richardson's comments in the New York Times, January 12, 1930, and Vice President J. H. Durrell's comments in Excelsior, March 19, 1930.

22. These banks included Equitable Trust, the Irving National Bank, and the First National Bank of New York. Ibid., July 8, 1929; Carleton Beals, Shifting Scene," p. 168.

23. Ibid., pp. 168, 175.

24. New York Times, February 18, 1930; Mexico Commerce & Industry, X (December, 1928), 13; ibid., XIII (December, 1931), 6.

25. Excelsior, February 10, 1930; New York Times, February 18, 1930; Hicks, "Economic Effects," 175; Mexico Commerce & Industry, XIII (December, 1931), 6.

26. Beals, "Shifting Scene," pp. 168, 175. These cities included Chihuahua, Parral, Torreón, San Luis Potosí, Guanajuato, Mazatlán, Tampico, and Veracruz. Lyman P. Hammond to Stimson, [no location noted], March 7, 1929, Box #103, Stimson Papers. Hammond served as his company's coordinator of operations in Mexico.

27. Mexico Commerce & Industry, X (December, 1928), 21.

28. See above, pages 205-15.

29. Quoted in Mexico Commerce & Industry, X (November, 1928), 27, with italics added.

30. See above, pages 208-209.

31. Mexico Commerce & Industry, IX (September, 1927), 23.

32. Excelsior, December 15, 1927.

33. Ibid., January 5, 1928.

34. Ibid., February 19, and April 28, 1928.

35. Lindbergh flew this route on March 9, 1928. Ibid., March 10, 1928.

36. Arnold H. Exo, "What U.S.-Mexican Airmail Service Will Do for Business," Mexico Commerce & Industry, X (November, 1928), 8.

37. Ibid.; Excelsior, September 9, 10, 1928, and January 31, 1929.

38. These airlines included North American Lloyd, Parks Aircraft, Scenic Airways, Spartan Aircraft, Southern Airways, Command-Aire, and Robertson Aircraft. Ibid., May 24, 1928, and January 31, 1929.

39. J. Parker Van Zandt to Lane, Grand Canyon, Arizona, January 14, 1928, ADS, 812.7961/14; Van Zandt to Lane, Phoenix, January 29, 1928, Box #1, Lane Papers.

40. Van Zandt to Lane, Phoenix, February 16, 1928, ADS, 812.7961/37; Van Zandt to Morrow, Phoenix, February 16, 1928, ADS, 812.7961/37; Van Zandt to Harold F. Jones, Nogales, February 11, 1928, ADS, 812.7961/37. Jones was the U.S. consul in Los Mochis.

41. Van Zandt to Morrow, Phoenix, February 16, 1928, ADS, 812.7961/37.

42. Morrow's extensive use of the telephone (see above, page 204) has made it difficult to document certain cases, including this one. Only the most important telephone conversations with officials in Washington or bankers on Wall Street were summarized in embassy memos.

43. "The Development of Commercial Aviation in Mexico," a memo prepared by William Dawson, May 9, 1929, ADS, 812.796/50; Excelsior, February 10, 1930.

44. See above, pages 317-20.

45. Dawson, "Commercial Aviation."

46. Excelsior, October 4, 9 and November 1, 3, 1929.

47. Ibid., November 9, 1929.

48. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, November 15, 1929, SDR, Dispatch #413 of 1929.

49. Excelsior, November 9, 1929. Seven months later, Colonel Roberto Fierro made the first non-stop flight from New York to Mexico City. Ibid., June 22, 1930.

50. Ibid., December 9, 1929.

51. Acting Secretary of War to Stimson, Washington, November 29, 1929, and Téllez to Stimson, Washington, December 7, 1929, ADS, 812.796/66; Morrow to Stimson,

Mexico City, November 13, 1929, ADS, 812.796/65; Cotton to Stimson, Washington, November 16, 1929, ADS, 812.796/64.

52. Clarence M. Young to Stimson, Washington, December 2, 1929, ADS, 812.796/67; Excelsior, December 9, 1929.

53. See above, pages 53-54.

54. Excelsior, April 28, 1929, and March 6, 1930. On the importance of bombers and fighter planes during the 1929 revolt see above, pages 394-96.

55. Excelsior, April 4, 1930; Mexico Commerce & Industry, XIII (November, 1931), 19-20.

56. Ibid. By December, 1929, there were 145 airplanes in Mexico with seventy-six listed as military craft, forty-four listed as commercial craft, and twenty-five listed as private craft. H. Johnson to Stimson, Mexico City, December 13, 1929, ADS, 812.796/70.

57. Excelsior, September 30 and October 21, 22, 1929.

58. Ibid., November 8, 1927; Commerce Reports (February 11, 1929), 333; New York Times, February 18, 1930.

59. Mexico Commerce & Industry, XI (July, 1929), 27.

60. McNab to Morrow, New York, November 2, 1929, Morrow Papers.

61. Ibid.; Chandler to McNab, Los Angeles, March 8, 1930, Morrow Papers.

62. McNab to Chandler, New York, March 27, 1930, Morrow Papers.

63. Morrow to McNab, [no location noted], November 30, 1929, Morrow Papers. On other American schemes to invest in Mexican road building, see above, pages 514-15 and the New York Times, February 4, 1928. There is no evidence to show that these other investment schemes were tied to the U.S. auto industry, although it seems likely that they were tied to Detroit in one way or another.

64. See Commerce Reports (September 10, 1928), 691; Colonel Sam A. Robertson to K. C. Roberts, San Benito, Texas, September 9, 1929, ADS, 812.5511/77; Excelsior, January 13, 1929; Mexico Commerce & Industry, X (September, 1928), 10; George Wythe, "Highway Construction in Mexico at the Close of 1929," ibid., XII (February, 1930), 28-29.

65. R. G. Glover, "Highway Development in Mexico," ibid., XIV (March, 1932), 5.

66. The San Antonio Express of January 6, 1929, reported that 11,814 cars had been transported through Laredo on 1969 flatcars in 1928.

67. Mexico Commerce & Industry, XIII (November, 1931), 19-20. Mexico was the eighth best market in the world for U.S. auto manufacturers in 1928. New York Times, February 11, 1929.

68. See above, page 44.

69. Wall Street Journal, July 11, 1930; New York Times, November 17, 1930.

70. Ibid.; Wythe and Jones, "Economic Conditions," 227.

71. New York Times, November 17, 1930.

72. See above, page 44.

73. One hundred and forty-seven of the 272 workers in the Ford plant had struck for two weeks. Excelsior, November 13, 1929.

74. Wilkins and Hill, Ford on Six Continents, p. 244.

75. Sterrett and Davis, "Fiscal & Economic Condition," 208.

76. Mexico Commerce & Industry, IX (December, 1927), 11, 25; ibid., X (April, 1928), 10.

77. Ibid., X (January, 1928), 39.

78. Pan Pacific Progress, VII (July, 1927), 10.

79. Sterrett & Davis, "Fiscal & Economic Condition," 208.

80. Ibid.; Wythe and Jones, "Economic Conditions," 227n; Excelsior, February 10, 1929; Congressional Record, LXXII, Part 10, 10830.

81. Ibid.

82. Colonel Sam A. Robertson to K. C. Roberts, San Benito, Texas, September 9, 1929, ADS, 812.5511/77.

83. Calculated from Greenberg, Mexican Case Study, Table 4, p. 38.

84. Mexico Commerce & Industry, XIII (February, 1931), 17.

85. Ibid.; Mexico Commerce & Industry, XI (July, 1929), 11; Excelsior, December 22, 1929.

86. Mexico Commerce & Industry, XI (July, 1929), 12.

87. Excelsior, April 15, 1930.

88. Wayne A. Cornelius, "Nation Building, Participation, and Distribution: The Politics of Social Reform Under Cárdenas" in Gabriel A. Almond, Scott C. Flanagan, and Robert J. Mundt, eds., Crisis, Choice, and Change: Historical Studies of Political Development (Boston: Little, Brown & Company, 1973), p. 399. James Cockcroft notes that "by 1911, foreign interests [had] accounted for two-thirds of Mexico's total investment outside agriculture and the handicraft industries." Cockcroft, "Social and Economic Structure of the Porfiriato: Mexico, 1877-1911" in Cockcroft, André Gunder Frank, and Dale L. Johnson, eds., Dependence and Underdevelopment: Latin America's Political Economy (Garden City: Doubleday, 1972), p. 51.

89. Total U.S. Investments in Latin America = $5,802,776,450; in Cuba = $1,232,635,000; in Mexico = $887,360,200. Max Winkler, Foreign Bonds: An Autopsy--A Study of Defaults and Repudiations of Government Obligations (Philadelphia: Roland Swain Company, 1933), p. XVn. These figures include direct and portfolio investments as of January 1, 1932.

90. This picture of Morrow and Los Trovadores Tamaulipecos appeared in Mexico Life, V (July, 1929), 74. According to the ad, "Mr. Morrow likes to hear the pleasing

Mexican Music [sic]. You also can hear it in [sic] the famous Columbia Records."

91. Quoted in Excelsior, September 14, 1928.

92. Cockcroft provides examples of how foreign investments were "encouraged and abetted" before the Revolution in Cockcroft, "Social and Economic Structure," p. 50.

93. See above, page 191. Vasconcelos criticized Morrow's ties to Sáenz in El Proconsulado, pp. 37, 45, 148.

94. Mexico Commerce & Indsutry, IX (December, 1927), 25; "Monterrey, Nuevo León: The Industrial Capital of Mexico," ibid., XIII (August, 1931), 11.

95. Ibid.

96. Excelsior, May 10, 1928, and July 1, 1929.

97. Eustace, "Feeling the Pulse of Mexico [in May, 1928]" enclosed in ADS, 711.12/1143.

98. Mexico Commerce & Industry, X (November, 1928), 18; ibid., XIII (August, 1931), 17.

99. Ibid.

100. Excelsior, July 6, 25 and October 7, 1929.

101. Mexico Commerce & Industry, XIII (March, 1931), 27.

102. Excelsior, July 1, and August 23, 1929.

103. Ibid., August 9, 1929.

104. Mexico Commerce & Industry, X (November, 1928), 18.

105. Ibid., XIII (August, 1931), 11.

106. Beals, "Shifting Scene," p. 169.

107. Commerce Reports (August 5, 1929), 331, and ibid. (July 21, 1930), 133. It is interesting to note that Morrow served on GE's board of directors prior to his appointment in 1927. The author has yet to uncover any evidence that would suggest that Morrow had anything to do with General Electric's

decision to build a new plant in Monterrey, although such a connection seems highly plausible. On Morrow's business ties to GE, see above, page 232n.

108. Mexico Commerce & Industry, X (November, 1928), 18.

109. One must not, however, conclude that Monterrey's industrial expansion was a product of the late 1920s alone. Raymond Vernon refers to "the traditional aloofness of the Monterrey industrial group--a group whose origins go back beyond the 1910 Revolution and whose traditions are those of open hostility to the 'socialistic and godless' central governments of the Revolution." Vernon, The Dilemma of Mexico's Depvelopment: The Roles of the Private and Public Sectors (Cambridge: Harvard University Press, 1965), p. 19. Sáenz's identification with this conservative group, in fact, hurt the governor's political career in 1929 when he had hopes of running for the presidency with official support. See Dulles, Yesterday, pp. 428-29; Portes Gil, Quince años, pp. 143-44.

110. Petersen, "Rio Grande," 96-103. Also see John C. Merrill, Gringo: The American as Seen by Mexican Journalists (Gainesville: University of Florida Press), p. 17.

111. La Opinión, March 5, 1928. For other anti-American student activity, see Morrow to Kellogg, Mexico City, February 17, 1928, ADS, 812.42/141, and El Universal, February 16, 1928.

112. El Liberal, September 23, 1928, as reported in Edward H. Mall to Kellogg, Manzanillo, Colima, September 27, 1928, ADS, 711.12/1148.

113. See above, page 406.

114. Spanish Ambassador to Spanish Foreign Ministry, Mexico City, March 27, 1929, SDR, Dispatch #225 of 1929.

115. Taracena, La verdadera revolución, XIII: 209.

116. Excelsior, June 5, 19, 1930.

117. Ibid., June 4, 1930.

118. Ibid.

119. Under Secretary of Education Moisés Sáenz, in fact, urged teachers to teach pro-American material in Mexican schools by mid-1928. New York Times, July 4, 1928.

120. As an example of anti-American sentiment prior to 1927, the U.S. consul in Aguascalientes reported that a local teacher told his students of a Mexican boy who held up his nation's flag and refused to surrender after a battle of the Mexican War. Angered, the American invaders supposedly cut off the boy's right arm and, when he picked up the banner with his left hand, it was cut off as well. Finally, when the boy resorted to holding the flag in his teeth, the story goes that the hated Americans cut off his head. Don S. Haven to Kellogg, Aguascalientes, June 25, 1925, ADS, 711.12/609. Also see William P. Blocker to Kellogg, Mazatlán, December 11, 1926, ADS, 812.00/28144.

121. Excelsior, July 20, 1929. The quotation describing Mexico's status as the "stepfather of Mexicans" is from Stanley R. Ross, Francisco I. Madero (New York: Columbia University Press, 1955), p. 32.

122. Editorial in Excelsior, July 30, 1929.

123. Ibid., July 26, 1929.

124. Quoted in the New York Times, November 18, 1928.

125. From a 1926 article quoted in Isidro Fabela, "Los Estados Unidos y la America Latina, 1921-29," Cuadernos Americanos, LXXIX (January, 1955), 60.

126. Reported in Morrow to H. Johnson, [no location noted], March 17, 1930, Morrow Papers; Newark Star-Eagle, March 10, 12, 1930.

127. J. Davis to Judge Albert Johnson, Guadalajara, June 4, 1930, referred to in Sheffield to Madison Grant, New York, June 6, 1930, Box #10, Sheffield Papers.

128. New York Times, July 20, 1929; Alfonso Taracena, Mi vida en el vértigo de la revolución mexicana (México: Ediciones Botas, 1936), p. 673.

129. Morrow to H. Johnson, [no location noted], March 17, 1930, Morrow Papers.

130. Morrow to Gómez Morin, Mexico City, July 25, 1929, Morrow Papers.

131. New York Times, July 20, 1929. Morrow's property in Cuernavaca was valued at six thousand dollars.

132. Quoted in Beals, Glass Houses, p. 277. On July 16, 1930, Morrow told a group of American visitors that he had "made a rule [that] I did not want any investments in Mexico." The text of this informal speech to Hubert Herring's seminar can be found in the Morrow Papers.

133. See above, page 184.

134. This picture was reproduced in Mexico Folkways (June 18, 1927), 95, and enclosed in Weddell to Kellogg, Mexico City, October 20, 1927, ADS, 711.12/1110.

135. E. Morrow, Diary, July 14, and December 3, 1929, pp. 143, 171; Beals, Glass Houses, p. 311; Morrow to Rivera, Mexico City, December 5, 1929, and Dawson to Springer, Mexico City, September 22, 1930, Morrow Papers; Josephus Daniels, Shirt-Sleeve Diplomat (Chapel Hill: University of North Carolina, 1947), 442-43. Other observers argue that Morrow had other motives for commissioning the mural. His youngest daughter writes, for example, that "the visual image gave him great pleasure" while an American artist in Mexico maintained that "he wanted to leave [the Mexicans] something they couldn't spend." Constance Morrow Morgan to the author, Ridgefield, Washington, September 20, 1976; William Spratling's Memo on Morrow, Taxco, November 27, 1933, Morrow Papers. Beals, on the other hand, believed that Morrow had a mural painted at the Palace of Cortes to counterbalance criticism of his $2500 donation for decorations and repairs in the Catholic church at Cuernavaca. Beals, Glass Houses, p. 311. Morrow's donation to the church was noted

in the New York Times, August 4, 1930, and Archbishop Leopoldo Ruíz y Flores' Memo on Morrow, San Antonio, January 2, 1934, Morrow Papers.

136. Estrada had warned the ambassador of this danger before the mural was completed, but Morrow failed to take this warning seriously. See Lane's memo on his meeting with Estrada, Mexico City, September 25, 1930, Box #58, Lane Papers.

137. Fernando Díaz de Urdanivia, "Tríptico Fatal," Excelsior, April 21, 1950; Vasconcelos, La flama, p. 200.

138. Autobiographical Notes, p. 7, Folder 1610, Box #97, Lane Papers; Beals, Glass Houses, p. 312; E. Morrow, Diary, entry of September 7, 1930, p. 262.

139. The mural is described in detail in "Mexico Against Morrow," The Living Age, CCCXL (March, 1931), 103; Erna Fergusson, Mexico Revisited (New York: Alfred A. Knopf, 1960), p. 239.

140. Stimson, Diary, entry of February 5, 1931, vol. 15, book 17.

141. Quoted in "Mexico Against Morrow," 103. Also see La Prensa (San Antonio), May 5, 1933, and January 5, 1935.

142. See above, page 174.

143. Rublee, OHC, p. 210; Weddell to Kellogg, Mexico City, November 29, 1927, ADS, 812.00/28992½; Kenny, No God, p. 130.

144. Alberto Mascareñas to Calles, Mexico City, November 15, 1927, 104-E-76, RO-C; Sheffield to Alexander V. Dye, New York, December 20, 1928, and Mable Warram to Sheffield, Mexico City, January 6, 1928, and Weddell to Sheffield, Mexico City, April 11, 1928, Box #9, Sheffield Papers.

145. Dana Munro to the author, Waquoit, Mass., June 20, 1976. Munro, in fact, writes that "I was sometimes inclined to feel this way myself." Also see Stuart Chase, Mexico: A Study of Two Americas (New York: Macmillan, 1931), pp. 270-71.

146. Leone B. Moats, Thunder in Their Veins: A Memoir of Mexico (New York: Century Company, 1932), p. 228.

147. Chase, Two Americas, pp. 278-79.

148. Harvey Basham's Notes on Morrow, November 27, 1933, Morrow Papers.

149. Quoted in Attorney General to Stimson, Washington, March 22, 1929, ADS, 812.00/29423. Also see Howard T. Oliver to the editor, New York Times, September 18, 1930.

150. Sheffield to William Williams, New York, December 4, 1928, and Sheffield to Guy Stevens, New York, December 28, 1928, Box #9, Sheffield Papers.

151. Attorney General to Stimson, Washington, March 22, 1929, ADS, 812.00/29423; Clark to Springer, Mexico City, July 22, 1930, Morrow Papers. Also see Spanish Ambassador to Spanish Foreign Ministry, Mexico City, June 10, 1929, SDR, Dispatch #188 of 1929. In the most outlandish criticism of his work in Mexico, an American observer wrote that Morrow "flattered these courtly but childlike Latins, maintaining a fleet of motor cars and a fine cellar of rare wines. . . . He made of his assignment a holiday." Tucker, Mirrors, 119.

152. The value of 4 per cent bonds fell from 25.61, their average value in 1928, to 13.01, their average value in the first nine months of 1930.

153. Allan Nevins quoted in Alexander DeConde, Herbert Hoover's Latin-American Policy (Stanford: Stanford University Press, 1951), p. 77.

154. Excelsior, June 14, 1930. For a summary of the new tariff schedule, see the Congressional Record, 71st Congress, 2nd Session, 10378. For Latin American protests against the tariff of 1930, see ibid., p. 10784.

155. Excelsior, June 16, 1930; Abraham Berglund, "The Tariff Act of 1930," American Economic Review, XX (September, 1930), 471.

156. See editorial in the New York Times, June 16, 1930.

157. Quoted in Mexico Commerce & Industry, XII (June, 1930), 8; also see the New York Times, June 16, 23, 1930.

158. Berglund, "Tariff," 478.

159. Quoted in Excelsior, July 11, 1929.

160. Ibid. Also see the eidtorial in Excelsior, August 28, 1929.

161. Lawrence B. Mann, "Foreign Reactions to the American Tariff Act," Foreign Policy Association Information Service, VI (October 1, 1930), map, 263.

162. Ibid., p. 268; for other foreign protests, see Excelsior, June 16, 19, 1930; New York Times, June 16, 23, 1930; DeConde, Policy, p. 75.

163. Sumner Welles, The Time for Decision (New York: Harper & Brothers, 1944), p. 191.

164. See, for example, the editorial in Excelsior, June 21, 1930.

165. Only 9 per cent of Mexico's leading exports were affected, while 88 per cent of Cuba's and 87 per cent of Argentina's exports to the United States were involved. Mann, "Foreign Reactions," table, 269.

166. Ibid., table, 273.

167. New York Herald Tribune, June 22, 1930; New York Times, July 6, 1930; Excelsior, June 21, 1930.

168. Ibid., July 11, 1929.

169. Ibid., September 2, 1929.

170. Ibid., April 16, 1930. The same point was also made in ibid., June 25 and September 19, 1930, and El Universal, May 19, 1930.

171. Department of Commerce, Commerce Yearbook, 1930 (Washington: Government Printing Office, 1931), p. 447.

172. Excelsior, June 25, 1930; New York Times, June 22 and July 6 and August 29, 1930. Lard represented the number one U.S. xport to Mexico in 1929 with $7,859,303 spent on this item alone. Despite government pleas, the value of American lard exported to Mexico rose to $8,424,816 in 1930. Mexico Commerce & Industry, XIII (November, 1931), 20.

173. Mann, "Foreign Reactions," 273. Wheat had been the second largest U.S. export to Mexico in 1929 with a value of $3,549,457. With the Mexican tariff in effect, this total fell to $2,671,694 in the following year. Mexico Commerce & Indistry, XIII (November, 1931), 20.

174. Mann, "Foreign Reactions," 273; Commerce Reports, July 28, 1930.

175. Mexico Commerce & Industry, XIII (November, 1931), 20.

176. The ambassador had been away from Mexico from December 5, 1929, to July 3, 1930.

177. Rublee claimed that Morrow had had "excellent relations with the Mexican government until [1930] when the good relations broke down through no fault of his own." Rublee, OHC, p. 216.

178. See above, page 550.

179. Excelsior, June 21, 1930.

180. See above, page 203.

181. Excelsior, June 21, 1930.

182. Morrow to Roy W. Howard, Mexico City, April 6, 1928, Morrow Papers.

183. McBride to Springer, Mexico City, June 11, 1930, Morrow Papers.

184. Morrow even refused to answer his opponents' charge that he "was sent to Mexico to protect the

Morgan interests there." State Senator Alexander Simpson quoted in Excelsior, September 5, 1930.

185. En route to Mexico, Morrow wrote that he and McBride "are going to try our hand at dividing up the thirty million surplus for 1930. Whether or no [sic] Mr. Montes de Oca will be willing to proceed along that line we cannot tell until we have tried." Morrow to Rublee, October 11, 1929, Morrow Papers.

186. Noted in Vernon Munroe's Memo for Lamont, December 11, 1929, Lamont Papers. The Mexican federal budget was summarized in the New York Times, November 27, 1929.

187. Daniels, Diplomat, p. 277.

188. Guillermo Zarraza and A. L. Negrete had been two of Morrow's best contacts in the Mexican government.

189. Morrow's Memo for McBride, Mexico City, March 19, 1929, Morrow Papers; Rublee, OHC, p. 215; Morrow to Lamont, Mexico City, August 18, 1930, Lamont Papers; Smith, Revolutionary Nationalism, p. 260.

190. See Cotton to Morrow, Benford Hills, July 29, 1930, Morrow Papers.

191. Rublee, OHC, p. 215; also see Morrow to Munroe, Mexico City, July 10, 1929, Morrow Papers.

192. Rublee, OHC, p. 215.

193. On the course of these negotiations, see Excelsior, June 19, to July 26, 1930. On the terms of the new agreement, see Winkler, Foreign Bonds, pp. 255-56; Wall Street Journal, August 1, 1930; Jan Bazant, Historia de la deuda exterior de México, 1823-1946 (México: Colegio de Mexico, 1968), pp. 208-209; Excelsior, July 26, and September 2, 1930; Hicks, "Economic Effects," 151-55.

194. Lamont to Morrow, New York, July 24, 1930, Lamont Papers.

195. Ibid.

Mexico's Foreign Debt in 1929

Foreign Nation	Millions of Pesos	Percentage of Debt
United States	402.9	28.9
France	387.2	27.8
Great Britain	289.4	20.7
Holland	76.9	5.5
Spain	69.8	5.0
Germany	68.1	4.9
Belgium	57.7	4.1
Switzerland	43.1	3.1
TOTAL	1395.1	100.0

Source: Bazant, Deuda exterior, Cuadro 40, p. 206.

196. Lamont to Morrow, New York, July 24, 1930, Lamont Papers.

197. Excelsior, June 28, 1930. The Mexican Preferred Debts International Protective Association was, evidently, an ad hoc organization of bondholders who feared that their interests would be neglected if Montes de Oca came to a separate agreement with Lamont and the International Committee of Bankers on Mexico.

198. Lamont to Morrow, New York, July 24, 1930, Lamont Papers.

199. Morrow to Ortiz Rubio, Mexico City, August 20, 1930, Morrow Papers.

200. Ibid.

201. On the problems caused by liberal loans and the Great Crash, see Winkler, Foreign Bonds, p. 48.

202. Lamont to Morrow, New York, July 24, 1930, Lamont Papers. Lamont wired Morrow that the pact had been signed in Lamont to Morrow, New York, July 25, 1930, Morrow Papers, but added: "hope you will not take me too severely to task."

203. Rublee, OHC, p. 215.

204. Morrow to Sir Esmond Ovey, Mexico City, July 26, 1930, Morrow Papers.

205. Morrow to Lamont, Mexico City, August 18, 1930, Lamont Papers.

206. Cotton's Memo on the Debt Agreement, Washington, August 3, 1930, Morrow Papers.

207. On August 11, for example, the New York American reported that Morrow had broken all ties of friendship with his former colleagues at J. P. Morgan because he was so upset by the new debt agreement; this split never occurred. Also, the Newark Free Press of August 13 argued that Lamont had forced Mexico to come to terms because "Mexico owes Morgan & Company $5,000,000 on railroad bonds that are about due." Disturbed by this statement, Lamont wrote to the newspaper and declared that his company "owns not to exceed a few thousand dollars of Mexican Government bonds which have been owned for many years." Lamont to the editor of the Newark Free Press, September 16, 1930, Lamont Papers.

208. Rublee to Cotton, Mexico City, August 29, 1930, Morrow Papers.

209. E. Morrow, Diary, entry of August 19, 1930, p. 254.

210. Morrow to Ortiz Rubio, Mexico City, August 20, 1930, Morrow Papers. McBride's memo was dated August 13, 1930.

211. Daniels, Diplomat, p. 276; Autobiographical Sketch, p. 9, Folder 1610, Box #97, Lane Papers.

212. Excelsior, March 24, 1928.

213. On border negotiations in the late 1920s, see Donald W. Peters, "The Rio Grande Boundary Dispute in American Diplomacy," Southwestern Historical Quarterly, LIV (April, 1951), 423-27; Spanish Ambassador to Spanish Foreign Ministry, Mexico City, January 31, 1929, Dispatch #22 of 1929, SDR; Lane Memo, Washington, July 5, 1928, ADS, 711.12/1142; Lane to Morrow, Mexico City, October 20, 1930, Box #58, Lane Papers; Cotton to Morrow, Washington, February 15, 1930, Morrow Papers; Excelsior, January 24, 29, 1929, and March 19, August 5, 20, 1930.

214. Cotton to Morrow, Benford Hills, July 29, 1930, Morrow Papers; Excelsior, August 23, 1930.

215. See Morrow to Clark, Mexico City, November 14, 1928, and Morrow's Memo on his conversation with Estrada, Mexico City, July 21, 1930, Morrow Papers. Also see Liss, Century of Disagreement, pp. 57-63.

216. Excelsior, August 4, 1930.

217. Ibid., August 5, 1930. Also see H. Johnson to Lane, Mexico City, August 20, 1930, Box #4, Lane Papers. Morrow had, nevertheless, thought of linking a settlement of the Rio Grande question with an en bloc settlement of U.S. claims as early as the fall of 1929. See H. Johnson to Lane, Mexico City, October 8, 1929, Box #2, Lane Papers.

218. The treaty was signed on February 1, 1933.

219. Nicolson, Morrow, p. 382. Nicolson believed that Morrow's decline was caused by McNab's speech of April 23 and the debt agreement alone. Ibid., pp. 381-87.

220. Ortiz Rubio to Morrow, Mexico City, April 21, 1930, Morrow Papers.

221. Excelsior, June 26, 1930.

222. New York Times, August 4, 5, 1930; J. C. Satterthwaite to the author, Washington, October 25, 1976; Excelsior, September 3, 1930.

223. Campbell to Morrow, Veracruz, September 7, 1930, and Lane to H. Johnson, Mexico City, September 11, 1930, and Morrow to Stimson, Mexico City, September 12, 1930, Box #58, Lane Papers.

224. See Morrow to Ortiz Rubio, New York, May 5, 1930, and Morrow to Ortiz Rubio, El Paso, September 21, 1930, and Ortiz Rubio to Morrow, Mexico City, September 29, 1930, Morrow Papers.

225. Quoted above, page 173.

226. Rublee, OHC, p. 226.

227. E. Morrow, Diary, entry of August 18, 1930, p. 254.

228. Ibid., entry of August 29, 1930, p. 259. Elizabeth Morrow also wrote of a "dreadful" dinner with Ortiz Rubio at which she "could neither eat nor talk!" Ibid., entry of September 11, 1930, p. 263.

229. Rublee, OHC, p. 227. Morrow's illness was diagnosed as a stomach disorder; he recovered by resting at his home in Cuernavaca. New York Times, August 13, 1930.

230. Morrow to Ovey, [no location noted], March 10, 1930, Morrow Papers.

231. See above, pages 203-204.

232. New York Times, September 13, 1930; Excelsior, September 13, 1930; the latter includes an excellent picture of Morrow speaking at the luncheon.

233. This radio speech was arranged in John B. Kennedy to Morrow, New York, June 27, 1930, and Morrow to Kennedy, Mexico City, July 16, 1930, Morrow Papers.

234. Excelsior, September 15, 1930. The ambassador's speech was published in The Bankers Magazine, CXXI (October, 1930), 543-44; it was praised in editorials that appeared in the New York World, the New York Sun, the New York Times, and the Philadelphia Evening Bulletin of September 16, 1930.

235. Morrow to Ovey, Mexico City, July 26, 1930, Morrow Papers. Later, Morrow discussed the financial situation with Stimson and left the impression that "the prospects are not very rosy for a quiet winter." Stimson, Diary, entry of September 29, 1930, p. 33, Book 10, Volume 9, Stimson Papers; also see the New York Times, September 18 and October 26, 1930.

236. Morrow made this same point in an interview with Carleton Beals that appeared in the New York Times, September 21, 1930.

237. No U.S. property had been expropriated during the first eight months of the new administration and in December, 1930, a law was passed to prohibit the expansion of ejido property unless the new land was paid for with cash, rather than with bonds. Ibid., September 18 and December 13, 1930. Also see the Wilkies' interview with Marte R. Gómez, April 16, 1964, in their México visto en el siglo XX, pp. 90-105.

238. Morrow to Ovey, [no location noted], March 10, 1930, Morrow Papers. Ovey, the former British ambassador to Mexico, called Morrow "the most outstanding Ambassador of any country in any captial" in which he had served during his long diplomatic career. Quoted in the New York Times, February 5, 1930.

239. Morrow to Toynbee, [no location noted], June 2, 1930, Morrow Papers.

240. New York Times, September 17, 18, 1930; Excelsior, September 16, 18, 1930.

241. New York Times, September 18, 1930; Excelsior, September 22, 1930.

242. Ibid., September 18, 1930; New York Times, September 18, 1930; United States Daily, October 1, 1930. Also see Morrow to Estrada, Mexico City, September 15, 1930, AREM, Expediente III 323(73)/1, and Morrow to Lane, El Paso, September 21, 1930, Box #4, Lane Papers.

243. United States Daily, October 1, 1930.

244. New York Herald Tribune, September 14, 1930.

245. Ibid.

246. Morrow to Hoover, Washington, September 30, 1930, and Hoover to Morrow, Washington, September 30, 1930, Morrow Papers; New York Times, October 1, 5, 1930; U.S. Department of State, Press Release, October 4, 1930. Five men were considered as Morrow's possible successor. The Republican National Committee chairman, R. B. Creager of Texas, actually visited Morrow in Cuernavaca and its was rumored that he would inherit the ambassador's job as a reward for carrying Texas in the 1928 presidential campaign; only the fact that he owned a great deal of land in Mexico eliminated him from the competition. San Antonio Express, August 9, 1930; Excelsior, August 18, 1930. Henry P. Fletcher and Senator George H. Moses were also mentioned in late 1929 and 1930, but Fletcher was assigned to another post before Morrow left Mexico and Moses clearly eliminated himself with the abrasive statement that "I am not a diplomat

and, moreover, I do not like pulque." Téllez to Secretaría de Relaciones Exteriores, Washington, September 25, 1930, AREM, Expediente III/323(73)/1; Excelsior, December 5, 1929. The main difficulty in filling the post, according to Ambassador Téllez in Washington, was that there were few candidates who were capable of filling Morrow's shoes. Téllez to Secretaría de Relaciones Exteriores, Washington, September 25, 1930, AREM, Expediente III/323(73)/1. Morrow narrowed the field down even further by favoring someone from another profession, rather than a career diplomat, because an outsider "could provide new blood for the foreign service" in Mexico. Quoted in Williams, OHC, p. 706. Only two "civilians" seemed qualified and capable of continuing Morrow's policies at the U.S. embassy: George Rublee and J. Reuben Clark. Téllez went so far as to send a biographical sketch of Rublee to Estrada on September 24, although the Mexican ambassador noted that Rublee's nomination was sure to meet strenuous opposition from Old Guard Republicans, like Moses, in the U.S. Senate. Téllez to Secretaría de Relaciones Exteriores, Washington, September 25, 1930, AREM, Expediente III/323(73)/1. Clark would encounter far less opposition in Washington and was clearly Morrow's favorite candidate among the front runners. Pearson, Washington, p. 159; Williams, OHC, p. 829. Serving as the unofficial chief of the U.S. embassy in Morrow's absence, Clark became known for his "equanimity, prudence and tact" among Mexican government officials. Estrada to Téllez, Mexico City, October 2, 1930, AREM, Expediente III/323(73)/1. Only his hesitancy to accept the position and his lack of funds to run the embassy in Morrow's style had prevented Clark's early nomination. McBride to Springer, Mexico City, March 4, 1930, Morrow Papers; Excelsior, December 2, 3, 4, 1929. The United Press summarized the dilemma of finding a replacement for Morrow by printing a facetious ad for the job:

> Wanted: Gentleman of great wealth; practical knowledge of finance; possessed of an agreeable personality; accustomed to difficult negotiations; and his heart must be 100 per cent normal [due to the high altitude of Mexico City].

Excelsior, December 17, 1929. J. Reuben Clark eventually accepted this difficult task and ably served as

Morrow's successor from October 3, 1930, to February 14, 1933. See Autobiographical Sketch, pp. 9-10, Folder 1610, Box #97, Lane Papers; Jack Starr-Hunt, "The New American Ambassador to Mexico: Who Is Mr. J. Reuben Clark?" Mexico Commerce & Industry, XIII (January, 1931), 7-8; Hillan, Clark.

CHAPTER X

Conclusion

Dwight Morrow lived for a little more than a year after resigning his post as the U.S. ambassador to Mexico. Morrow spent most of his final days in the U. S. Senate where he became known as a staunch party regular and a loyal friend to the president. This was a great disappointment to those who had hoped that the former ambassador would take the Senate by surprise and provide the kind of independent leadership that it desperately needed in the early years of the Great Depression. Instead, Morrow had planned to use his first session in Congress as a learning experience so that he could become familiar with parliamentary procedure and could organize a staff of expert advisors in Washington, just as he had done in Mexico.[1] Meanwhile, observers noted that the freshman senator from New Jersey "never on a single . . . occasion failed to vote with the reactionaries."[2] After watching Morrow cast his vote against the government operation of Muscle Shoals and against bills involving food relief and the veterans' bonus, a reporter was forced to conclude that "all his sympathies are for the

preservation of the status quo. Not only does he believe in the existing order and ordinations; he worships them."[3] As always, Morrow refused to respond publicly to such criticism, but as early as January, 1931, he confessed to J. Reuben Clark that

> I find the work in the Senate somewhat puzzling for me. It is very hard for one who has never had any legislative experience to be required to cast several votes a day on subjects which he feels he has not had a chance to study, and [on] which the debates throw very little light. I [only] wish I might have someone like yourself here. . .to counsel [me]. I am not enjoying it very much.[4]

Morrow sat in the Senate, according to Drew Pearson, "behind a stack of books and papers. . .[with] an expression of anxious eagerness--as if he would like so much to do something but didn't know what it should be or how to do it once he had made up his mind."[5] Tragically, Morrow had become almost as frustrated in Washington during 1931 as he had been in Mexico during his last year abroad.[6]

However, the former ambassador did play an important role in the Hoover administration by doing exactly what he was able to do best; that is, mediating between opposing forces in the White House.[7] Morrow had criticized the president for trying to do too much on his own, instead of turning specific problems over to other men, as Calvin Coolidge had always done.[8] Morrow's advice was, nevertheless, requested and valued by Hoover almost as much as it had been requested and valued by Coolidge himself. Morrow was, in

fact, so close to the president that political observers in Washington soon forgot the old rumor that the senator would challenge Hoover in 1932 because his voting record in Congress and his loyalty to the Chief executive "qualifies him, not as Mr. Hoover's rival, but as the latter's running mate."[9]

A Good Neighbor?

Despite this barrage of political criticism, it appears that Morrow's achievements in Mexico were never ignored or brought under fire in the United States as they had been abroad. The Morrow myth survived the ambassador's lackluster career in the Senate and continued to elicit great praise long after Morrow's premature death in 1931. The same journalist who had referred to Morrow as a "pathetic figure" in Congress could still exaggerate the ambassador's diplomatic influence and could still declare that he had done a "superb job" in Mexico.[10] Later, Morrow was eulogized as a precursor of Franklin Roosevelt's Good Neighbor policy in Latin America. No less an historian than Daniel Cosío Villegas has called Morrow "the genius of the new diplomacy"[11] while another eminent scholar has stated that Morrow's work in Mexico represented "an important step in the transition to the Good Neighbor policy."[12] Writing some thirty-five years after leaving office, Portes Gil referred to Morrow as an early advocate of the Good Neighbor

policy[13] and Arthur Bliss Lane recalled that the ambassador "started a new era in [U.S.] diplomancy" because he "did more than anything for many years to promote friendliness" in the hemisphere.[14] More recently, observers have remarked that Morrow was the first American diplomat to practice the Good Neighbor policy "without employing the phrase"[15] as he served as the "inspiration for the later official policy."[16] Josephus Daniels' biographer has even gone so far as to state that "without Morrow's ushering in the first era of good U.S.-Mexican [relations] since [before] the Revolution" Daniels' task as Roosevelt's ambassador to Mexico "would have been twice as hard."[17]

These are certainly impressive comments by some highly regarded authorities, but with other scholars being just as willing to designate other statesmen as "the first Good Neighbor" the distinction has become trite and, in most cases, a moot point.[18] It is, nevertheless, possible to salvage the term if, instead of using it rather indiscriminately based on myths and one-sided interpretations, we attempt to define what a Good Neighbor represented to his other neighbors in the Western Hemisphere. Given the bitter Latin American attack on the United States at the Havana Conference of 1928 and the equally virulent Latin American reaction to the Smoot-Hawley Tariff of 1930,[19] it appears that Washington's other neighbors in the hemisphere

recognized U.S. military and economic intervention as the crucial issues of the late 1920s and early 1930s. It was, therefore, not enough for Woodrow Wilson and his third Secretary of State, Bainbridge Colby, to avoid "further armed intervention in the Caribbean" as long as they still refused to renounce their ultimate right to intervene when the situation "warranted" it in Latin America.[20] Moreover, it was not enough for Charles Evans Hughes to invent a euphemism for U. S. military intervention in even extreme emergencies when every delegate at the Havana Conference knew that an "interposition of a temporary character" would be just as compromising to Latin American soverignty and ideals as a U.S. military occupation of from five to twenty years. Clearly, a Good Neighbor of the late 1920s would have had to "for all time renounce the practice of arbitrary intervention in the home affairs of our neighbors," just as Franklin Roosevelt had admonished the Coolidge administration to do in a campaign article of July, 1928.[21]

The Latin Americans were nearly as concerned over the danger of U.S. economic aggression in their countries. Many, including the editors of Excelsior,[22] feared that the United States was capable of establishing a financial tyranny if Wall Street continued to "force. . .unnecessary loans at exorbitant interest rates and high commission fees" in Latin America.[23] Others feared that high U.S. tariffs,

like the Smoot-Hawley Tariff of 1930, would serve as an economic "Chinese Wall" that would inhibit U.S.-Latin American trade and do immeasurable damage to the Latin American economies.[24] Higher U.S. duties would spell higher trade deficits for the already-weakened economies of the post-1929 era. Finally, despite the outcries of extreme nationalists, the national bourgeois of Latin America usually welcomed American capital in their countries as long as foreign investors respected local laws and customs;[25] a few, like Juan Vicente Gómez, were even prepared to waive this requirement if it meant greater profits for their own pocketbooks.[26] Certainly, a Good Neighbor of this era would not have forced new financial burdens or higher U. S. tariffs on Latin America, although he would have eagerly helped to attract wealthy foreigners with large sums to invest overseas.

Judged by this two-part definition of what most Latin Americans had considered a Good Neighbor to be, it is possible to conclude that yes, Dwight Morrow was such a statesman, as even FDR had implied in mid-1928.[27] Despite the accusations of his detractors, the former banker never encouraged the Mexicans to borrow from Wall Street because he considered the Mexican government to be "insolvent" and in desperate need of financial reform, as urged in the Sterrett-Davis report of May, 1928. This is not to say that Morrow opposed the granting of all loans to Mexico,

but the ambassador even discouraged excessive borrowing during national emergencies, like the military revolt of 1929, when the Mexican government had not yet balanced its budget and could not yet meet its other international obligations. Morrow was equally opposed to tariff barriers that would inhibit international trade because he recognized this trade as essential to Mexican (and American) prosperity and because he believed that merchants promoted "the substitution of peaceable exchange for forcible theft. . . , the substitution of agreement for force."[28] The ambassador also encouraged foreign investment in Mexico by cooperating with Calles' Peso Diplomacy, reenforcing business confidence in the nation, and exploiting many of his private contacts in the business world. He nevertheless realized that not all foreign capitalists would do well in Mexico because not all foreign capitalists would be willing to be governed by Mexican laws. As Morrow told an American executive who requested the ambassador's aid in renewing a railroad concession near Acapulco, "the Embassy cannot itself act as an attorney or representative for private interests" unless those interests "should fail to receive due recognition of [their] legal rights" in the Mexican legal system. In such a case, "the Embassy would make every proper effort to secure just and equitable treatment." But until such an emergency occurred, it was necessary for foreigners to "secure legal counsel. . . who could handle [their legal problems] in

the regular manner required by Mexican law." Always ready to encourage foreign respect for Mexican laws, Morrow actually sent this particular railroad executive a list of "reputable attorneys" who could represent his interests in the Mexican courts.[29] Judged by his attitude on this and other economic issues, Dwight Morrow could never seriously be accused of hoping to establish a financial tyranny or U.S. economic empire in Latin America.

The ambassador was similarly opposed to U.S. military intervention in the hemisphere. Morrow had publicly renounced such intervention to collect international loans as early as August, 1924, when he had declared that "when we need the sheriff to help collect a loan, we recognize that our venture has turned out a failure. We are then only trying to save some planks from a shipwreck."[30] The banker had repeated this message on several occasions prior to his appointment as the U.S. ambassador,[31] but it is also significant to note that he was largely responsible for deterring U.S. military intervention in Mexico by directly influencing the president's thinking during the crisis of early 1927, just as he had influenced Coolidge's thinking on the Chinese crisis of the previous year.[32]

Morrow nevertheless avoided public statements against U.S. intervention once he had become the U.S. ambassador to Mexico because, despite his unorthodox diplomatic style and

his personal convictions, he was never a maverick and would never attempt to question official State Department policy in public debates. The envoy therefore agreed to serve as an American delegate at the Pan American Conference of 1928, but he conveniently left Havana before the attack on U.S. military intervention had been launched by irate Latin American delegates. One can, in fact, argue that his style of cooperative diplomacy, with its emphasis on compatible foreign policy goals for the United States and Mexico, was meant to serve as an example of how American diplomatic objectives could be achieved on a level short of unilateral intervention in Latin American.[33] The ambassador may well have hoped to "educate" the State Department by establishing a peaceful precedent in Mexico just as he hoped to "educate" the Mexicans in democracy by helping to establish a political precendent in the 1929 presidential campaign.

Morrow and the Clark Memorandum

It is also possible to argue that a highly significant memorandum that has long been considered a turning point in the history of U.S. military intervention in Latin America was at least partially inspired by Dwight Morrow and his work in Mexico. Shortly after his appointment as the U.S. Under Secretary of State in August, 1928, J. Reuben Clark, Jr., was asked to prepare a study on the Monroe Doctrine in general and Theodore Roosevelt's 1904 corollary to the doctrine in particular. According to this corollary, U.S.

a year after Hughes' classic defense of U.S. intervention at the Havana Conference. As a result, the memo was filed away for over a year and was "quietly repudiated" by most State Department officials when it was finally published in February, 1930.[37] President Hoover did not "immediately accept" the memo as a policy statement[38] and Clark later "professed surprise" that historians had given so much weight to his work of December, 1928,[39] but it remains a significant document if only because it reflects the gradual change in opinion about U.S.-Latin American relations within the State Department itself.[40] As a top official put it, "Nothing will satisfy [foreign critics of the Roosevelt Corollary] except a flat and categoric statement that under no circumstances will we intervene in any American country."[41] No administration in Washington would be willing to go this far until 1933, but the Clark Memorandum represented a small step in this direction as early as 1928.

Clark's would-be biographers in Utah have suggested that as a Mormon the Under Secretary of State "brought with him Mormon preconceptions about. . . the role the United States should play in world affairs" when he began work on his famous memo. "Rather than stooping to mix in international squabbles, America should stand as a beacon and exercise moral leadership in the world."[42] According to this view, Clark criticized the Roosevelt Corollary

because, as a Mormon, it "no doubt represented. . .what he saw as morally wrong with international power politics."[43]

This interpretation would seem to be quite plausible, but for at least one disturbing fact. While serving as the State Department's solicitor in October, 1912, Clark had written another highly-revealing memo entitled "The Rights of the United States to Protect its Citizens in Foreign Countries by Landing Forces."[44] Clark's religious beliefs had not changed in the era 1912 to 1928,[45] but his ideas on military intervention had apparently taken an 180 degree turn in the intervening years. One must wonder what had transpired to alter Clark's thinking in such a radical manner when his religious beliefs had remained unchanged.

First, it appears that the Under Secretary of State had reversed his opinion about the need for U. S. military intervention between 1912 and 1928 just as the country as a whole had largely reversed its opinion on this issue over the same sixteen-year period. By 1928, many American citizens had become disillusioned with armed intervention because it had seldom produced the desired results of financial stability and political order in Latin American nations after American troops had withdrawn and returned to the United States. Others suspected that military intervention was largely designed to protect selfish American businessmen, as in the case of the oil companies in Mexico during

early, 1927. Finally, a good many observers noted that U.S. intervention in Latin America had only served to condone foreign intervention in other parts of the world and had only helped to perpetuate the never-ending cycle of violence and war. As the Financial Chronicle editorialized in the late 1920s,

> Whether it be the League of Nations intervening in the affairs of the small states of Eastern Europe, or Italy or France intervening in Albania or Syria, or the United States intervening in Central or South America, the story is the same; intervention breeds intervention, and what is begun has to be continued.[46]

Given this tragic situation, a contemporary concluded that "it seems imperative. . .that all nations, including our own, abandon the policy of armed intervention, and rely upon other means of securing protection for our citizens abroad."[47]

J. Reuben Clark therefore reflected the general climate of opinion in the United States when he wrote his famous memo in December, 1928, but it is also possible to argue that much of his thinking about the Monroe Doctrine and Latin America had been influenced by his relationship with Dwight Morrow. As stated earlier,[48] Morrow had paid the attorney at least six thousnad dollars during the mid-1920s for his legal advice on the use of force in collecting international loans. As a result of this research, Clark had come to believe (and Morrow had publicly argued) that the landing of Marines would only hinder the

collection of international loans in the long run. One can, moreover, argue that Clark's experience as Morrow's top legal aide in Mexico only reenforced his new ideas about the dwindling need to send American troops into Latin America. Clark had discovered that in terms of U.S. foreign policy goals, Morrow's tactful diplomacy and professed respect for Mexican sovereignty could produce far better results in Latin America than a heavily-armed battalion of U.S. Marines. It is, therefore, possible to conclude that the legal work that Clark had performed for Morrow in the United States had combined with the advisory work that Clark had performed for Morrow in Mexico to have a tremendous effect on the Under Secretary of State's thinking when he began to write his famous memo less than six months after leaving Morrow's side at the U.S. embassy. Morrow cannot be given credit for publicly denouncing military intervention while he served as the U.S. ambassador to Mexico, but he at least influenced the writing of the only State Department document that came close to denouncing the use of force in Latin America during the late 1920s.

The Fate of Morrow's Achievements in Mexico

Yet how is it possible to identify Morrow as a precursor of the Good Neighbor policy when he was guilty of meddling in Mexican affairs on several occasions, as in the case of Sandio's exile and in the case of Vasconcelos'

abortive rebellion of 1929? Moreover, how is it possible to identify Morrow as a Good Neighbor when some of the most important settlements that he had helped to negotiate in Mexico had fallen through within months of his departure?

Unfortunately, this was particularly true of the Church-State settlement of June, 1929. Despite scattered reports that things were going well in 1930 and 1931,[49] conditions had begun to deteriorate soon after the religious pact was signed as the government "continued its attack on the Catholic church. . .with the [same] intransigence that [had] characterized official actions. . .before the Cristero revolt of 1926-29."[50] Five hundred disarmed Cristeros were reportedly shot and their property violently seized by the government within a month after the new settlement was negotiated in Mexico City.[51] As noted earlier, thousands fled from Jalisco and other Cristero strongholds as they witnessed the horror of seeing entire trees covered with the bodies of Cristeros even after the truce of 1929 had been signed.[52] Rather than thanking Morrow for his aid in settling the dispute, militant Catholics began to blame the ambassador for their "surrender" to Calles. According to Miguel Palomar y Vizcarra, Joel Poinsett was "an unhappy fool compared to Morrow" because Morrow had been able to manipulate the Mexican prelates into a one-sided and grossly unfair agreement in mid-1929.[53]

Conditions became progressively worse as nine states, the federal district, and all federal territories enacted laws to limit severely the number of priests per inhabitant in 1931.[54] Churches were burned, priests and nuns were killed, and even the religious names of certain streets and towns were changed.[55] Other churches were seized and turned into public schools or libraries if they had been used "illegally for educational purposes."[56] On October 3, 1932, the government went so far as to exile Archbishop Ruiz y Flores as "an undesirable alien owing allegiance to a foreign sovereign."[57] Two years later, the president of Mexico acquired the power to exile any priest in the country as an "undesirable alien."[58] By 1935, only 375 churches remained open in all of Mexico[59] and of the two main signers of the 1929 pact, Ruiz y Flores had gone into exile in Texas while Portes Gil had authored a recently published anticlerical polemic entitled La lucha entre el poder civil y el clero.[60] The good will and trust that Morrow had counted on to produce a more permanent Church-State settlement had all but disappeared as the government seemed determined to destroy the church as a social institution[61] and there was no one left to bring the two sides together even if Calles had been willing to give up his advantage after disarming the Cristeros. When asked what had been the guarantee that the Church-State agreement would be honored

after 1929, a disconcerted church leader who had participated in the negotiations of 1929 replied, "Morrow . . . but Morrow died on us."[63]

Morrow's work on the oil settlement of 1928 proved to be no more effective in the long run. Oil production reached new lows as Mexican wells pumped 50 per cent less petroleum in the three-year period following the oil settlement than they had pumped in the three-year period preceding it.

Table 10-1

Oil Production in Millions of Barrels

1925	116	1928	50
1926	90	1929	45
1927	64	1930	40
Total	270	Total	135

Source: Lieuwen, Petroleum in Venezuela, p. 121. Lieuwen's table compares oil production in Venezuela to oil production in Mexico, the United States, and the world from 1918 to 1940.

Oil revenues declined even more precipitously as direct taxes on the production and export of petroleum fell 62.6 per cent from 1928 to 1929.[63] Only 124 new wells were drilled in 1929, compared to 245 in 1928, and of the fifteen oil refineries in Mexico during the early 1920s, seven had been dismantled four were idle, and four were operating at "barely 30 per cent of their capacity" by October, 1929.[64] Moreover, of the fifty thousand workers drawing an annual payroll of 120 million pesos in the oil industry during 1921, only fourteen thousand workers drawing an annual payroll of 34 million pesos remained in mid-1929.[65] American investments in the Mexican

oil industry, meanwhile, fell from 478 million dollars in 1924 to 200 million dollars in 1930.[66] A mixed U.S.-Mexican commission later reported that pipelines became corroded and equipment was seldom repaired as the foreign oil companies "had done almost nothing to improve their holdings since 1928."[67]

Observers offered several different explanations for this disturbing trend. Ezequiel Ordóñez, a Mexican geologist, claimed that the main reasons for the steady decline in oil production were that the oil wells of Mexico had gradually been exhausted and salt water had continued to seep into the remaining fields.[68] The oil companies, on the other hand, had begun to complain about the multiplicity and high rate of Mexican taxes within forty-eight hours after the new oil regulations had been passed.[69] According to the oilmen, their companies paid twice as much in taxes, as compared to Venezuela, and five times as much as compared to Texas, because they were subject to fifty-six different federal, state, and local duties in Mexico.[70] By December, 1928, General Pierce complained that these taxes were so burdensome that several companies had considered "dropping out" of Mexico entirely unless Dwight Morrow could apply "some pressure. . .on the Mexican Government" to have the oil duties either reduced or eliminated.[71]

The Mexican government nevertheless refused to reduce its taxes in the late 1920s because its leaders insisted that world conditions, rather than Mexican duties, were the main cause for decreased production in their country. As Portes Gil told a group of American visitors led by Hubert Herring, overproduction in the rest of the world had driven the price of oil downward and had made it unprofitable to develop new oil wells in Mexico during 1928 or 1929.[72] The price of crude oil had tumbled from a peak of $3.40 a barrel in 1920 to $1.29 a barrel in 1927 and $1.11 a barrel in 1930.[73] Ambassador Morrow had been well aware of this danger even before the new oil regulations were enacted in March, 1928. Referring to the possibility that oil production might equal the average output of the previous five years in Mexico, Morrow reported that "no one here. . . holds out the slightest hope for any such figures being reached" in the near future.[74]

The presence of salt water in the oil fields, the high rate of taxes at every level, and the overproduction of oil in the rest of the world were all major reasons for the continued decline of oil production in Mexico, but there was at least one other important issue that also influenced the oil companies' decision to drastically reduce their operations in the late 1920s. This issue involved the grainting of confirmatory concessions once the oil companies

had submitted their applications according to the regulations of March, 1928. By May, 1919, 239 confirmatory concessions had been requested by the companies, but only 101, or less than forty-two per cent of the concessions, had been issued by the federal government.[75] Ambassador Morrow complained that this delay was due to the "dilatoriness of the present Minister of Commerce and Industry [sic]" and the blatant corruption of his men,[76] but it appears that the oil companies were not above haggling over details because they were no more willing to trust the Mexican government in 1929 than they had been prior to Morrow's arrival at the U.S. embassy.[77] Commenting on this petty bargaining and lack of trust in September, 1929, Clark wondered if "the Ethiopian [could ever] change his skin or the leopard his spots?"[78] Ten months later, the oil companies (and Morrow) continued to complain about the government's reluctance to issue confirmatory concessions,[79] but not even Ortiz Rubio's willingness to ask the oilmen for their advice and speed up the issuance of confirmatory concessions made any real impact on oil production in 1930.[80] In fact, production continued to decline at the same rate in 1930 as it had in 1929, despite Ortiz Rubio's strong desire to cooperate with the oil companies.[81] As with the Church-State "settlement" after 1929, neither the oil companies nor the

Mexican government seemed willing to trust each other for very long, although Morrow had identified this trust as essential to the final resolution of the oil controversy in Mexico.[82]

Dwight Morrow's work on the agrarian reform was only slightly more successful, as judged by Morrow's conservative standards. The redistribution of land had nearly ground to a halt after mid-1930 when Calles declared that

> Up to the present we have been handing out land right and left and the only result has been to load the nation down with a terrific national burden. . . .What has been done. . .should be left as it is. . .[but] each of the state governments should fix a relatively short period within which the communities still having the right to petition for land can do so; and once this period has passed, <u>not another word on the subject</u>. We must then give guarantees to everybody, big and little agriculturists [alike], so that initiative, and private and public credit will be revived.[83]

Sixty day limitations on the time left for villages to request new tracts of land were soon established in all but the most radical agrarian states.[84] Conservative legislation designed to limit the amount of land available in the reform was also passed in late 1930.[85] As a result of this increasingly reactionary policy, only 64,573 peasants received land under Ortiz Rubio, although 171,577 had received land during the five months shorter rule of Portes Gil.[86] Finally, in a development that was clearly welcomed by Morrow and the State Department, James Garfield returned from a trip to Mexico in March, 1931, and reported to Secretary of State Stimson that the agratian reform was

"being carried out according to Morrow's decision. . . and in a very sensible way [as the Mexicans were at last] paying cash for what land was being taken."[87]

Historians have generally agreed with this conclusion that Morrow's ideas on the agrarian reform had finally triumphed in Mexico.[88] But this was simply not the case. As stated earlier, Calles had always opposed the "reckless transfer of land" to the peasants because he insisted that "the era of reconstruction" in Mexico would "only be hindered by agitation" in the countryside.[89] Political emergencies, radical state laws, and local agitators had, nevertheless, prevented Calles from slowing down the reform until 1928 when he had consolidated his power and could "recede. . .from some of the positions that he [had] felt it necessary to take in the past."[90] Rather than being convinced by Morrow's ideas on the agrarian reform, Calles simply agreed with the ambassador and, in fact, exploited Morrow's willing aid to help check the speed of the agrarian reform in several important states.[91]

Perhaps the best proof of the argument that Calles had acted independently on the agrarian reform was that he allowed Portes Gil to redistribute a vast amount of new land in 1929 when a new political emergency had arisen and the great need for agrarian support far outweighed Morrow's influence and Calles' own aversion to the "reckless transfer

of land." The exception had proven the rule as more land was redistributed to more heads of families than in any previous year of the Revolution, despite Dwight Morrow's presence and despite the ambassador's consternation. By 1930, Morrow could be somewhat encouraged by the fact that Ortiz Rubio and his Minister of Agriculture were "proceeding in a more cautious way"[92] but the ambassador had already learned his lesson about the vacillating nature of agrarian politics in Mexico. Given Calles' record of abandoning his conservative economic ideals whenever political exigencies demanded renewed agrarian support, Morrow knew that the heartening developments of 1930 and 1932 could "regress" in 1932 just as quickly as the agrarian slowdown of 1928 had "regressed" in 1929. Revolutionary politics, rather than sound economic principles, would continue to take precedence in Mexico; within four years of Morrow's departure political demands had resulted in the sudden renewal of agrarian activity, the enactment of a more liberal agrarian code, and the drafting of a Six-Year Plan which included the statement that "the only limit to the distribution of land and waters shall be the complete satisfaction of the agricultural needs of the centers of rural population."[93] This was, of course, only the prelude to the politically-motivated land reform of 1936 to 1939 when Morrow's words

of economic caution were largely forgotten by Lázaro Cárdenas in the greatest burst of agrarian activity in Mexican history.[94]

In a final example of how Morrow's achievements were eventually frustrated by forces beyond his control in Mexico, it is important to note the fate of the Montes de Oca-Lamont debt agreement of July 25, 1930. The agreement was never well received in Mexico where many observers identified Lamont and his International Committee as Shylocks who were eager to exact their pound of flesh from Mexico even while the nation's economy was weakened by the world depression and the bitterly contested Smoot-Hawley Tariff. Montes de Oca was personally attacked as a "tool of Wall Street" who was willing to sacrifice his country's best interests for a poor agreement with the New York bankers.[95] Meanwhile, the discount rate on the silver peso had increased approximately four hundred per cent in relation to the gold peso during the last half of 1930. Mexico would have to suffer a 2.5 million dollar loss in 1931 if it paid the 7.5 million dollars in gold that it was scheduled to pay its major creditors according to the new pact.[96]

With the debt agreement "dying a slow but steady death" under these conditions, the original pact was suspended on December 22, 1931, and completely rejected by the Mexican Congress on January 27 of the following year.[97] Dwight

Morrow's desire to defeat the Montes de Oca-Lamont agreement had, therefore, been achieved, although this too was a hallow victory for the ambassador. Morrow certainly had no desire to discredit the International Committee of Bankers or to see the Mexican government in worse financial straits simply to defeat the 1930 pact. These developments had, nevertheless, transpired and Mexico was by no means closer to negotiating the en block debt settlement that Morrow had hoped for in his opposition to the agreement. Sounding very much like the churchman who lamented the effect that Morrow's departure supposedly had on the Church-State settlement, Lamont claimed that he would have favored an en bloc settlement if the ambassador would be available to "administer Mexican Government finances for the next ten years."[98] Financial conditions, the world depression, and an obvious lack of trust had again contributed to the defeat of a major goal for the ambassador.

Morrow's Role in the Mexican Revolution

Dwight Morrow had, therefore, failed in his original plan to "stay down here for two or three years. . .to. . .get the current mess cleaned up and perhaps. . .get a few precedents established that will make the work endure for a while."[99] However, Morrow cannot be blamed for the long-run failure of his diplomacy because whether one is reffering

to the oil settlement of 1928, the Church-State pact of 1929, the debt agreement of 1930, or the land reform in general, it is clear that the ambassador's work was eventually damgaged by a lack of trust between adversaries as well as by political and economic forces beyond his control. No single human being could have predicted, no less prevented, the course of events that would eventually destroy Morrow's achievements in Mexico. The surprising fact is not that so much of Morrow's diplomacy was destroyed, but that it was achieved at all, given the lack of trust and the political and economic conditions of the times. The ambassador's own explanation for this phenomenom seems to have been the most plausible. Rather than explaining his success as due to the fact that he had "arrived at the precise stage in Calles' [philosophical] . . .evolution when the latter was most receptive of experience, encouragement, and advice,"[100] Morrow argued that he had arrived at the precise stage when Calles' political power was at its height so that the president could finally impose his conservative will for the first time in his career. As Morrow told Rublee in 1928," even if I had been here two or three years ago and I had tried to do exactly what I have tried to do. . ., it would have been impossible to have accomplished the result that has now been accomplished" not because Calles had been a radical prior to the ambassador's arrival, but because Calles had formerly lacked the political strength to control the situation in the ways that he had always wanted to control

it.[101] Agreeing with Morrow's conservative ideas and finally enjoying the power to institute them, Calles altered the petroleum law, temporarily applied the brakes to the agrarian reform, attempted important financial reforms, and made his peace with the United States by exploiting the U.S. ambassador, rather than simply bowing to his demands. It was as Estrada later described it: the Calles regime had led Ambassador Morrow "to constantly receive the impression of success and ease in solving problems" so that the diplomatic friction that had hampered Mexican development could be eliminated without creating new international problems[102] and without creating the domestic need to solicit radical support. As a result, Morrow became a prototype of the Good Neighbor policy not only because he usually respected Mexican sovereignty, criticized military intervention, opposed financial imperialism, and was willing to cooperate with the Mexicans, but also because his ideas and style of diplomacy were things that "the Mexicans themselves really needed and desired" for their troubled country.[103]

The Morrow myth is, therefore, destroyed because, as with every myth that emphasizes the role of a "great man" in history, it has neglected the importance of the larger political and economic forces that were mainly responsible for Morrow's sudden rise and eventual decline in the period 1927 to 1930.

NOTES

Conclusion

1. "The Reminiscences of Guy Emerson" (1951), OHC, p. 190.

2. Pearson, Washington, p. 269.

3. Tucker, Mirrors, p. 105.

4. Morrow to Clark, Washington, January 30, 1931, Morrow Papers.

5. Pearson, Washington, p. 289.

6. Referring to Morrow's work in the Senate, Louis Brandeis declared that "a man who has perfected the art of shoemaking does not turn around and become a blacksmith." Quoted in ibid., p. 268.

7. Robert H. Ferrell, American Diplomacy in the Great Depression: Hoover-Stimson Foreign Policy, 1929-33 (New Haven: Yale University Press, 1957), p. 114.

8. Stimson Diary, entry of October 1, 1931, Volume XVIII, Book #22, p. 85, Stimson Papers.

9. Tucker, Mirrors, pp. 114-15; also see Pearson, Washington, p. 271. Morrow had also become very close to Stimson. After dining with Morrow and Joseph P. Cotton in the fall of 1930, the Secretary of State wrote that "I could not have two more loyal friends than these two men in their different ways." Stimson Diary, entry of September 29, 1930, Volume IX, Book #10, p. 33, Stimson Papers.

10. Pearson, Washington, pp. 268, 290.

11. Daniel Cosío Villegas, American Extremes (Austin: University of Texas Press, 1964), p. 40.

12. Dana Munro to the author, Waquoit, Massachusetts, June 20, 1976.

13. Portes Gil, Autobiografía, p. 787. General Almazán was of the same opinion. See his "Memorias" in El Universal, September 26, 1958.

14. Autobiographical Notes, p. 9, Folder 1610, Box #97, Lane Papers. Howard B. Gotlieb writes that "next to his earlier mentor, John Davis, Mr. Lane held Dwight Morrow in highest esteem." Gotlieb, "Two Diplomats of Our Time: James R. Sheffield and Arthur Bliss Lane," Yale Library Gazette, XXXII (1958), p. 66.

15. James, Mexico and the Americans, p. 290.

16. John M. Kirk, "Dwight Morrow and Josephus Daniels: Exponents of the Good Neighbor Policy in Mexico" (unpublished ms, University of British Columbia, March, 1975), 22. Also see Bailey, Diplomatic History, p. 680, and Hubert Herring, A History of Latin America from the Beginnings to the Present (New York: Alfred A. Knopf, 1968), p. 913.

17. Joseph L. Morrison, Josephus Daniesl: The Small-d Democrat (Chapel Hill: University of North Carolina Press, 1966), p. 177.

18. See, for example, Daniel M. Smith, "Bainbridge Colby and the Good Neighbor Policy, 1920-21," Mississippi Valley Historical Review, L (June, 1963), 56-78. According to Bemis, "Truly, Woodrow Wilson was the man who inspired the new Latin American policy of the United States, carried forward by his successors, and baptized by Franklin D. Roosevelt." Bemis, Latin American Policy, p. 119. The case for Hughes as the first Good Neighbor is presented in Merlo J. Pusey, Charles Evens Hughes (New York: Macmillan, 1951), II: 530-32. The case for Elihu Root as "one of the principal precursors of those who developed the Good-Neighbor policy" is made in Arthur P. Whitaker, The United States and South America: The Northern Republics (Cambridge: Harvard University Press, 1948), p. 163.

19. See above, pages 260-61 & 602-606.

20. Smith, "Colby," 78.

21. Franklin D. Roosevelt, "Our Foreign Policy: A Democratic View," Foreign Affairs, VI (July, 1928), 584.

Monroe Doctrine, pp. 115-22, and (in part) in Edward O. Guerrant, Modern American Diplomacy (Albuquerque: University of New Mexico Press, 1954), pp. 114-15. Excelsior commented on the original publication of the memo in its March 5, 1930, edition.

37. Robert H. Ferrell, "Repudiation of a Repudiation," Journal of American History, LI (1965), 669.

38. The claim that Hoover "immediately accepted" the Clark Memorandum as a policy statement was made in Federico G. Gil, Latin American-United States Relations (New York: Harcourt Brace Jovanovich, 1971), p. 79.

39. Ferrell, "Repudiation," 673.

40. The State Department insisted that Clark's memo represented the Under Secretary of State's private opinion even after it was published in 1930. Ibid., 672.

41. Francis White quoted in ibid.

42. Steven Faires to the author, Provo, Utah, October 21, 1976.

43. Ibid.

44. This unpublished memo was dated October 5, 1912. See Billman, "U.S. Diplomats," 185.

45. Ibid., 184.

46. Quoted in Kirby Page, Dollars and World Peace (New York: Doubleday Doran, 1927), p. 57.

47. Ibid.

48. See above, page 188.

49. Morrow to Esmond Ovey, Mexico City, July 26, 1930, Morrow Papers. A U.S. citizen who returned from Mexico in the spring of 1931 told Secretary of State Stimson that "he made a practice of going to the churches and watching the people there, and he found that that situation had all been cleaned up." Stimson Diary, Volume XV, Book #18, p. 191, Stimson Papers.

50. Cornelius, "Social Reform," 414; also see Michaels, "Politics and Nationalism," 32-33.

51. Kenny, No God, p. 144.

52. See above, page 531.

53. Miguel Palomar y Vizcarra interview, May 1, 1964, in Wilkies, México visto en el siglo XX, p. 447.

54. Cornelius, "Social Reform," p. 415; Dulles, Yesterday, pp. 530-31; Earle K. Jones, "Church and State in Mexico," Foreign Policy Report, XI (July 3, 1935), 110-11. These states included Veracruz, Chihuahua, Querétaro, México, Hidalgo, Sonora, Durango, Michoacán, and Chiapas.

55. Dulles, Yesterday, p. 531.

56. Cornelius, "Social Reform," p. 415; Alberto María Carreño, Páginas de historia mexicana (México: Ediciones Victoria, 1936), p. 192.

57. Ibid., pp. 105-107; Dulles, Yesterday, pp. 562-64; Cornelius, "Social Reform," p. 415; Michaels, "Politics and Nationalism," 29.

58. Cornelius, "Social Reform," p. 415.

59. New York Times, March 18, 1935.

60. Portes Gil, La lucha entre el poder civil y el clero (México: Secretaría de Relaciones Exteriores, 1934).

61. Cornelius, "Social Reform," p. 416.

62. Father Edmund A. Walsh quoted in Bailey, Viva Cristo Rey, p. 298. This same opinion was expressed in Charles S. MacFarland, Chaos in Mexico: The Conflict of Church and State (New York: Harper & Brothers, 1935), p. 74.

63. Calculated from Excelsior, October 1, 1929.

64. Young, "Mexican Oil," 207; Excelsior, October 1, 1929.

65. Ibid.

66. Hicks, "Economic Effects," 136-37, 170, 174.

67. Stegmaier, "Delaying the Crisis," 14.

68. Young, "Mexican Oil," 207; Hicks, "Economic Effects," 140.

69. See above, page 273 ; Sterrett and Davis, "Fiscal & Economic Condition," 206.

70. Young, "Mexican Oil," 207-208.

71. V. Munroe Memo for Thomas Lamont, New York, December 19, 1928, Morrow Papers.

72. Excelsior, July 25, 1929. Also see Joseph S. Davis, "Economic Factors in Mexico," American Economic Review, XX (March, 1930), 46; Wall Street Journal, January 3, 1929; Excelsior, March 10 and September 22, 1929; Mexico Commerce & Industry, X (November, 1928), 14.

73. Hicks, "Economic Effects," 141.

74. Morrow to Munroe, Mexico City, January 10, 1928, Morrow Papers.

75. Morrow and Morgan Memo, Mexico City, May 1, 1929, ADS, 812.6363/2642½.

76. Ibid.

77. See above, pages 65-70.

78. Clark to Morrow, Mexico City, September 13, 1929, Morrow Papers.

79. Memo of Morrow's conversation with Ortiz Rubio, Mexico City, July 12, 1930, Morrow Papers; Young, "Mexican Oil," 208.

80. Ibid., 208-10.

81. See Table 10-1, page 668.

82. See above, page 272 . This mutual lack of trust would eventually lead to the expropriation of all

foreign oil holdings on March 15, 1938. See Ring, "American Diplomacy and the Mexican Oil Controversy, 1938-43"; Lesta Turchen, "The Oil Expropriation Controversy, 1917-42, in U.S.-Mexican Relations" (unpublished Ph.D. dissertation, Purdue University, 1972).

83. Quoted in El Universal, June 23, 1930; New York Times, June 24, 1930; italics in the original.

84. Simpson, Ejido, pp. 117-18.

85. Ibid., p. 116.

86. Wilkie, Federal Expenditure, Table 8-7, p. 194.

87. Stimson Diary, entry of March 27, 1931, Volume XV, Book #18, p. 191, Stimson Papers.

88. See above, page 3.

89. See above, pages 112-16.

90. Morrow to Sheffield, Mexico City, April 2, 1928, Morrow Papers.

91. See above, page 304.

92. See above, page 625.

93. Quoted in Dulles, Yesterday, p. 568. On the new agrarian code, see Grancisco Javier Gaxiola, Jr., El Presidente Rodríguez (México: Editorial CVLTVRA, 1938), pp. 450-53; Lucio Mendieta y Núñez, El problema agrario de México (México: Editorial Porrúa, 1966), pp. 235-43. On the new Six-Year Plan, see Weyls, Reconquest, p. 115; Carr, "Mexican Agrarian Reform," 158.

94. Weyls, Reconquest, pp. 171-227.

95. Bodayla, "Financial Diplomacy," 196.

96. Ibid., 197; Jan Bazant, Historia de la deuda exterior de México, 1823-1946 (México: El Colegio de México, 1968), p. 211. For criticism of the accord, see Salvador Mendoza, Las objeciones al convenio Montes de Oca-Lamont (México: n.p., 1931); Pedro Merla, "El convenio Montes de Oca-Lamont," Excelsior, April 20, 1931.

97. Max Winkler, Foreign Bonds: An Autopsy--A Study of Defaults and Repudiations of Government Obligations (Philadelphia: Roland Swain Company, 1933), p. 257; Bodayla, "Financial Diplomacy," 199-200.

98. Quoted in ibid., 192.

99. Morrow to Harlan F. Stone, Mexico City, May 15, 1928, Morrow Papers.

100. Nicolson, Morrow, p. 304.

101. Morrow to Rublee, Mexico City, February 2, 1928, Morrow Papers. Also see García Naranjo, "'Poinsettismo'."

102. Estrada, "La Gestión de Mr. Morrow."

103. See above, page 139.

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Faires, Steven (for Frank Fox) to the author, Provo, Utah, October 21, 1976.

Lefferts, Irene G. (for Anne Morrow Lindbergh) to the author, Darien, Connecticut, July 13, 1976.

Mitchell, Edward V. to the author, Monterey, California, September 28, October 27, and November 1, 1976.

Morgan, Constance Morrow to the author, Ridgefield, Washington, August 23, 1976, to January 5, 1978 (elevan letters).

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Sattherthwaite, J. C. to the author, Washington, D.C., October 25, 1976.

Schoenfeld, Scott R. to the author, Washington, D.C., March 13, 1977.

CURRICULUM VITAE

Richard Melzer was born on March 15, 1949, in New York City, New York. Mr. Melzer graduated Summa Cum Laude from the State University College of New York at Oswego where he was named the outstanding senior in history and the social sciences in 1971. After receiving his M.A. in Latin American history at Purdue University in 1973, Mr. Melzer studied at the University of Lisbon with a grant from the Gulbenkian Foundation. He began work on his Ph.D. at the University of New Mexico in 1974 and received a Title VI National Defense Foreign Language Fellowship from 1975 to 1978. Mr. Melzer had his first book published in 1976 and he has contributed several articles and book reviews to scholarly journals. He is currently the head of the Faculty at Webster College's Kirtland Air Force Base extension and is an instructor of history at the University of New Mexico at Belen. Mr. Melzer is a member of the Latin American Studies Association, the Phi Alpha Theta History Honor Society, and Phi Beta Kappa.