

**U.S. – Latin America relations after the inevitable U.S.
Military intervention in Guatemala in 1954**

*Relaciones Estados Unidos - América Latina después de la
inevitable intervención militar norteamericana de 1954 en
Guatemala*

Fecha de recepción: | Agosto de 2014
Fecha de aceptación: | Septiembre de 2014

Gianmarco Vassalli

*MA in International Cooperation for Development of Universidad de San Buenaventura, Cartagena in agreement
with the University of Pavia and BA International Relations with Business*

Dirección postal: Calle Portobello, San Diego C38 10-15, Apt. B13, Cartagena de Indias, Colombia

Correo electrónico: gvassalli@hotmail.com

Abstract

The 1954 U.S. intervention in Guatemala is a controversial key matter that still finds different and opposing interpretations in academia. In this article the impact of the U.S. coup in Guatemala on U.S.- Central America socio-political relations will be evaluated, through the critical analysis of different perspectives and attributes on the subject. This work identifies, with reference to academic theories, key motives and interests behind the intervention, in relation to the significance of Guatemalan democratic president Jacopo Arbenz' s reforms in the wider social context of Central America. The possible wide-scale impact of these reforms with the creation of viable alternative model to American liberal capitalism and consequently of a perceivable potential threat to U.S. intrinsic interests in its hemisphere, will be reflectively explored throughout with the intent of proposing a solution over the 1954 U.S. intervention.

Key Words: social reforms, Latin-America, United States, Guatemala, Intervention

Resumen

La intervención del 1954 de Estados Unidos en Guatemala es un asunto clave controvertido que todavía encuentra diferentes y opuestas interpretaciones en el mundo académico. En este artículo se evaluará el impacto del golpe de Estados Unidos en Guatemala sobre las relaciones socio-políticas entre E.E.U.U.- América Central, a través del análisis crítico de las diferentes perspectivas y atributos sobre el tema. Este trabajo identifica, con referencia a las teorías académicas, los motivos principales y los intereses detrás de la intervención, en relación a la importancia de las reformas del presidente democrático de Guatemala Jacobo Arbenz en un contexto social más amplio de América Central. El posible impacto a gran escala de estas reformas, con la creación de un modelo viable alternativo al capitalismo liberal estadounidense y en consecuencia, de una perceptible y potencial amenaza a los intereses intrínsecos de Estados Unidos en su hemisferio, se explorará reflexivamente con la intención de proponer una solución sobre la intervención de Estados Unidos en Guatemala.

Palabras clave: Reformas sociales, América Latina, Estados Unidos, Guatemala, Intervención

“The Guatemalan government and Communist agents throughout the world have persistently attempted to obscure the real issue- that of Communist imperialism- by claiming that the U.S. is only interested in protecting American businesses. We regret that there have been disputes between the Guatemalan government and the United Fruit Company...but this issue is relatively unimportant...patriots in Guatemala arose to challenge the communist leadership and change it. Thus the situation is being cured by the Guatemalans themselves”

US Secretary of State John Foster Dulles, July 5th, 1954 (Kinzer, 2006: 147)

“Our crime is having enacted an agrarian reform which affected the interests of the United Fruit Company. Our crime is wanting to have our own route to the Atlantic, our own electric power and our own docks and ports. Our crime is our patriotic wish to advance, to progress, to win an economic independence that would match our political independence...It is completely untrue that communists are taking over the government...We have imposed no terror. It is, on the contrary, the Guatemalan friends of Mr. Foster Dulles who wish to spread terror among our people...”

Guatemalan President Jacobo Arbenz, June 19th, 1954, (Kinzer, 2006: 142)

INTRODUCTION

“The most heavily attended funeral in Guatemalan history was for a man who had been dead twenty four years. More than 100,000 people filled the streets of Guatemala City and jammed the cemetery, [...] chanting Jacobo! Jacobo!” (Kinzer, 2006:129). The Jacobo in question is Jacobo Arbenz, the democratically elected president of Guatemala who was overthrown by an American military coup in 1954. As an old man in the crowd remembered “there was no persecution during his government; afterwards, people began to die” (Kinzer, 2006:129). This dissertation proposes a solution over the 1954 U.S. intervention in Guatemala, a controversial matter that still finds different and opposing interpretations in academia.

I will evaluate the impact of the U.S. coup in Guatemala on U.S.- Central America socio-political relations, through the critical analysis of different perspectives and attributes on the subject. My research identifies, with reference to academic theories, key motives and interests behind the intervention, in relation to the significance of Guatemalan democratic president Jacopo Arbenz’ s reforms in the wider social context of Central America. The possible wide-scale impact of these reforms with the creation of viable alternative model to American liberal capitalism and consequently of a perceivable potential threat to U.S. intrinsic interests in its hemisphere, will be reflectively explored throughout. The argument will be

developed in three sections, which will form the heart of the Dissertation. These sections' development will be necessary to reach a gradual conclusion and, in relation to both Orthodox and Revisionist theories, sustain the final argument of my research, which is the inevitability of the North American intervention in the Guatemalan soil.

An informative historical background about the events in Guatemala will be provided to introduce the Dissertation's development. The first section will have the function of placing the 1954 intervention into theory: the main debate about U.S. Cold War foreign policies into Latin America, and generally into the Third World, is analyzed through two opposing schools of thoughts, the Orthodox and the Revisionist (Stokes, 2005). From the Orthodox perspective, related to Realist and Liberal scholars who explain U.S. Cold War foreign policy in bipolar and communism containment terms, the significance of the Marshall Plan and the Domino Theory is discussed. In regards to the Revisionist interpretation associated with critical Marxist inspired views, which emphasizes U.S. economic interests as the drive for its Cold War policies, the concept of 'routinization of state terror' as a central pillar of U.S. foreign policy towards the Third World and Central America in the 1950-60s post-modernization era, will be clarified (Petras & Morley, 1990). In this context, the difference between U.S. interventions and 'invitations' in such areas such as Central America will be grasped, with reference to the purpose of the Alliance for Progress promoted in 1961 (Lundestad, 1990). In conclusion, the theory will expand beyond the Cold War time limit, with the introduction of the 'discontinuity' and 'continuity' theses, respectively from an Orthodox and a Revisionist view, about U.S. foreign behaviour at international level and its consequences in today's global environment (Stoke, 2005).

The second section will explore from an American perspective the social and economic policies promoted by the U.S. towards Central America, and the role of media in building public consensus for outside interventions. This analysis will take place mainly during the Eisenhower administration, drawing parallels with the previous FD Roosevelt and Truman presidencies and beginning with the Monroe doctrine in 1823, which visibly showed U.S. great desire in playing a key position in

neighbouring Latin America's issues (Kryzanek, 1996). Although during the F. D. Roosevelt's administration, marked by the 1933 Good Neighbour Policy, U.S. interventions in Latin America's soil almost disappeared (Kryzanek, 1996), positive relations between the areas were translated into the lucrative situation of U.S. businesses in Central America (Findling, 1987). As Maingot (1994) argues, Inter-American treaties and trade agreements at the time still reflected the undoubted political and economic dominance of the U.S. in Central America. This central feature of U.S. unchallenged control and profit's priorities in their neighbouring region, will also be emphasized by the second section. Schlesinger et al (1982) critically assess the power of United Fruit multinational in the influencing of President Eisenhower's strategy to overthrow the 1954 reformist democratically elected government of Jacobo Arbenz in Guatemala. In this respect, the weight of media in shaping opinions over U.S. military intervention in Guatemala will also be analyzed, to foster a situation of profound suspicion and fright in the United States about the true intentions of the reformist Guatemalan Government (Schlesinger *et al*, 1982).

The last section analyses the impact of the 1954 American military intervention in Guatemala on Central America, by identifying causes and consequences of it in a theoretical framework. The socio-political past of Guatemala and Central America, permeated by dictatorships, will be explored in order to understand what brought to Arbenz's social reforms. In this context, Ubico's withdrawn to the U.S., with Guatemala experiencing for the first time in its history ten years of democratic reformist government will also be considered (Ferguson, 1963). This section next evaluates the principle causes for social and economic reforms in Central America and Guatemala after its dictatorships. Besides the long term desire of Guatemala of having an equal society after decades of tyranny, where the landowners' oligarchy and foreign monopolies shared all the national income (Berryman, 1985), the importance of Cardena's social reforms in Mexico, such as land reform and nationalisation of oil companies in 1938 (Burns & Charlip, 2007), and Prebisch's dependency theory over the centre-periphery exploitative system of international

economic relations, in inspiring Arbenz's Guatemala, will be contemplated (Iglesias, 1994). In terms of the consequences of the 1954 U.S. military intervention in Guatemala in broader Central America, this section will contemplate Arbenz's overthrown importance in revolutionary Ernesto Guevara's reflections over the negative role of United States in Central America and counterrevolution's techniques (Sinclair, 1998), as well as the successful socialist model achieved in the 1960s in Castro's Cuba. This section will argue for the importance of U.S. behaviour in Guatemala in generating general hate for the U.S. among Central American countries (Berryman, 1985) and in creating a feasible and effective model of development free from North American control, as Cuba proved it in the 1960s (McPherson, 2006).

In conclusion, taking a Revisionist interpretation on the matter, the main argument of the Dissertation will be outlined, recognizing the enormous impact of the 1954 Guatemala intervention in U.S. – Central America relations, and condemning American political, social and economic actions in Central America. The argument of Regalado (2006), asserting that in the historical cycle where both actors came in contact respective different interests arose and led to natural opposition, will be supported by maintaining the inevitability of the military coup in Guatemala.

1. GUATEMALA 1954: A HISTORICAL OVERVIEW

Jacobo Arbenz took his presidency in 1951 from liberal schoolteacher Juan Arevalo, registering the first peaceful power's succession in Guatemala history after an endless period of brutal, exploitative and repressive dictatorships. Although president Arevalo managed to build the foundations for a democratic country, guaranteeing workers' rights and depriving large landholders of part of their power, the democratic future of Guatemala was not certain. When Arbenz took office his three main goals for his country's welfare were to make Guatemala economically independent, to erase the feudal system sustained by large landowners, and to higher the masses' living standards. By setting and aiming to achieve these objectives, Arbenz took further what Arevalo just initiated: challenge the presence of a powerful foreign owned multinational, the United Fruit in the Guatemalan case (Kinzer, 2006).

The United Fruit Company was established in 1899, as a merger between two successful enterprises in Latin America, Boston Fruit and Keith. The two enterprises owned innumerable acres of land across Central America and the Caribbean, and a large part of Central America's railroad. However, the key figure in United Fruit's history and economic status was the so called "banana man" Sam Zemurray. A family's poor immigrant to the United States, Zemurray began to be captured by the entrepreneurial idea of banana's trade with Central America when visiting the Alabaman port of Mobile. In the first years of the 1900s, Zemurray went to Honduras, the major banana producer at the time, hoping to buy some land and to bargain some favourable business' circumstances, like taxes' exemption, with the Honduran government. However, for various circumstances, Honduran president at the time Miguel Davila did not grant him the concessions he sought. Implacable with his ambitions, the "banana man", through the collaboration of Davila's political enemy Manuel Bonilla, directly overthrew Davila's government; Bonilla was the new Honduran President and Zemurray had his privileged concessions. From this point, exploiting his fortunate condition, the "banana man" expanded his landholdings to Guatemala and there he became United Fruits' managing director. United Fruit, under Zemurray's leadership, became the largest employer, landowner and exporter of Guatemala. This immense power was due to Guatemalan dictator Ubico's concessions during the 1930s; Ubico granted the company total exemption from taxation and low workers' wages (Schlesinger et al, 1982).

The United Fruits' supremacy in Guatemala totally boosted when the company acquired the giant International Railways of Central America (IRCA) and the country's telephone companies, controlling de facto the country's economy (Schlesinger et al, 1982). Bearing in mind the embedded relationship of United Fruits with the American government, it appears quite clear the Washington's preoccupation in the early 1950s about Arbenz reforms' objectives. As a matter of facts, John Foster Dulles, U.S. secretary of State at the time, had been the main legal counsellor of United Fruits for many years, while his brother Allen, the CIA director at the time, owned a big portion of the company's stock. When Arbenz subjected the company to

new regulations, passing in 1952 the Agrarian Reform Law, which redistributed United Fruits' uncultivated land and offered compensation for its tax based declared value, the until then unrivalled controller of Guatemala's economy felt seriously threatened for the first time in decades; this unexpected and unfavourable situation had to change, and Communism was the key (Kinzer, 2006).

Although there was not clear linkage between USSR communist political influence and Arbenz's government, his social reforms' program was audacious enough to be promptly labelled as communist by Washington (Berryman, 1985). It must be said that Arbenz enjoyed the Guatemalan Communist Party's support during his elections, and that probably the Guatemalan Communist Party in Guatemala was the most active in all Latin America at the time, but the nationalist character of Arbenz's government was undoubtedly the predominant element of it (Ferguson, 1963); The interchangeable significance of Soviet communist activity and indigenous' nationalism seems to be a constant pattern in U.S. foreign policy towards Latin America in the second half of the twentieth century (Findling, 1987). U.S. diplomats were convinced of overthrowing Arbenz, even if a clear Guatemalan contact with Moscow was impossible to be proved. Through a defamatory propaganda campaign and through an accusatory conspiracy aimed at destabilize Guatemalan government's image, the CIA and key politico-economic actors in the U.S. administration convinced the American president at the time Dwight Eisenhower to launch a military expedition in Guatemala with the purpose of overthrowing the 'pro-Soviet' Arbenz (Ferguson, 1963).

In May 1954, "Operation Success" was ready and nationally approved, registering the highest expenditure' s fund ever spent on a CIA secret operation. Through arming Guatemalan exiles led by rightist Arbenz's most fervent enemy, the army officer Castillo Armas, and through continuous air raids in Guatemala City, the CIA began to break Arbenz' s government apart, but victory was not close yet. In fact, America miscalculated the Guatemalan army and population unbreakable support to Arbenz, which, soon after the first American strikes in his soil, confessed to the nation the true intentions of U.S. actions. The Guatemalan president urged for

diplomatic offensive, promptly ignored, by requesting the Security Council the immediate sending of an investigating team to his country; U.S. could not tolerate this situation any longer. More air support and the definitive invasion of Armas' small army from bordering Honduras were the final push for Arbenz's forced resignation (Kinzer, 2006). On June 27, 1954 United States' fear for 'Communism spread' in Central America was finally over. "Operation Success" had the hoped effect of overthrowing the 'dangerous' reformist government of Jacobo Arbenz and of installing, through Castillo Armas, the most brutal continuative military dictatorship of Central America (Berryman, 1985).

2. THE 1954 U.S. INTERVENTION IN THEORY: ORTHODOX VS REVISIONIST

"I'm prepared to take any steps that are necessary to see that it succeeds. For if it succeeds it's the people of Guatemala throwing off the yoke of communism. If it fails, the Flag of the US has failed"

President D. Eisenhower, 1954 (Wise & Ross, 1964: 176)

United States policies during the Cold War have been the object of different opinions in academia. The Orthodox perspective, associated with Realist and Liberal scholars, has been opposed by the more critical and Marxist view of the Revisionist school. With particular emphasis on U.S. behaviour towards their southern neighbours during the Cold War, the Revisionist perspective seems to be the more accredited one on the topic (Petras & Morley, 1990). A broad exploration of the two perspectives, with relevant reference to the 1950s Guatemalan events and generally to Latin America, will be provided in the context of the Cold War.

The Orthodox perspective, associated with the thoughts of the diverse realist and liberal scholars, views the U.S. attitude in the international arena during the Cold War in defensive and bipolar terms: the priority was the containment of the USSR expansion in the world, which threatened Western liberal-capitalist ideology and security (Stokes, 2005). In 1947, newly elected President Truman's words in his address to Congress, stressed the bipolar nature of the world system. Truman spoke about a "moment in World history" where "nearly every nation must choose between

alternative ways of life” (Smith, 1998: 15). In Truman’s words one way, the liberal way, was “based upon the will of the majority and is distinguished by free institutions, [...] free elections and freedom from political oppression” (Smith, 1998: 16). The alternative way is “based upon the will of a minority forcibly imposed on the majority”, where “individual freedom is not contemplated”; the U.S. must support “free people” from “armed minorities or outside pressure”(Smith, 1998:1996). Based on the Orthodox perspective, a key factor in emphasizing the U.S. commitment to prevent the spread of Communism was the launch of the Marshall Plan few months after Truman’s election (Cumings, 1999).

Orthodox scholars argue that the Plan, meant to provide economic aid to Europe after WW2 for its reconstruction, had the sole purpose of containing the spread of Communism in an area already at risk. Part of Central and Eastern Europe had already fallen under the Soviet sphere of influence after the end of the war (Slater, 1987). To prevent any further damage, the Truman administration decided to forward economic and military aid to Turkey and Greece through the Marshall Plan. This act implied two fundamental considerations in U.S. foreign policy history: the definitive building of a bipolar era, with Britain economically unable to provide economic help in its own continent, and the firmness to oppose what became known as the ‘Domino Theory’ from the 1950s onwards (Cumings, 1990). The U.S. funds provided to Greece and Turkey, in Acheson’s words, signed that “there are two only powers in the World now” (Cumings, 1999: 286), although has been argued that Truman’s decision of deploying the atomic bomb marked the creation of the bipolar system (Smith, 1998).

The Domino Theory was concerned with Soviet expansion in Third World countries (Stokes, 2005). The theory, according to President Eisenhower, implied that if a country followed the Communist way, its surrounding areas would share the same destiny. In 1945 Eastern and Central Europe were already integrated in the Soviet system. In 1949 Chinese rebels, victorious against the nationalist government, proclaimed China a Communist country. North Korea followed four years later, after seceding from South Korea. Indochina in 1954 moved its way to Communism; most

of Asia became pro-Soviet in less than a decade (Slater, 1987). However, the events of Guatemala in 1954 brought the fear of Soviet expansion in the American continent. From a Realist point of view, the social and agrarian reforms, promoted by Guatemalan President Arbenz, became attributed to the infiltration of Communism (Smith, 1998). The situation of Central America has been viewed as hostile to the U.S. liberal values since the 1930s. Sandino's insurgency in Nicaragua in 1927, peasants' revolts in El Salvador led by Marti in 1932 and Cardenas' social reforms in Mexico in 1938, all appeared to be communist in nature (Berryman, 1985).

The U.S. strategy towards South America in the first years of the Cold War, as the Director of the U.S. State Department's Policy Planning Staff George Kennan argued, was focused on defeating possible pro-communist dictatorships (Stokes, 2005). Ferguson (1963) points out that, in 1953, the Communist Party in Guatemala was arguably the strongest of all Latin America, with several members of this party holding posts in important ministries and trade unions. This factor, coupled with Arbenz's request for weapons from Soviet Czechoslovakia to counter U.S. attack, justified North American military intervention in Guatemala for Orthodox scholars (Chomsky, 2007); Arbenz' pro-Communist agrarian and economic reforms had to be stopped because, in the context of the Domino Theory, such reforms could be adopted by other countries in the area, which already highlighted in the past a nationalist-socialist nature (Stokes, 2005).

Orthodox theorists stressed that internal dynamics in Guatemala and generally in Central America, related to a desire of promoting social equality following the example of Cardenas' Mexico, cannot be explained as the driving factor of pursuing nationalist/social reforms (Ferguson, 1963). The Cuban revolution of 1959 proved it. Castro's successful socialist revolution in Cuba (see section 3) also convinced U.S. President Kennedy that internal insurgencies and indigenous uprisings, particularly in Central America, posed a threat to Western Liberal Capitalism (McPherson, 2006). Since the USSR announced military support to national liberation wars in the Third World (Stokes, 2005), U.S. diplomats had to come out with a quick effective response; the 1961 Alliance for Progress was the Kennedy administration response.

The Alliance for Progress aimed to uphold liberal values in Latin America: provide economic aid, reinvigorate democracy, diversify trade and improve social conditions in an area in need (McPherson, 2006).

The Orthodox interpretation considered the Alliance for Progress as a Marshall Plan for Latin America: its main function was to combat the spread of pro-Soviet subversions in the developing world after Castro's successful revolution in Cuba in the context of the Domino Theory (Chomsky, 2007). In conclusion for the Orthodox perspective, Liberals and Realists tend to agree on the containment policy of USSR as the U.S. strategy towards Latin America during the Cold War. Realists argue that U.S. armed interventions and installations of dictatorships, which permeated Latin America in the second half of the twentieth century, in the developing world, were necessary to prevent a Soviet world regime and guarantee Western safety. Liberals however, despite supporting the use of force for democracy promotion, argue that U.S. perceptions of Soviet influence in the developing world were exaggerated (Stokes, 2005).

The more Marxist interpretation on U.S. Cold War foreign policy, the Revisionist perspective, critically analyses U.S. strategy during this period in economic rather than security terms (Stokes, 2005). Revisionist scholars identify the major factor influencing U.S.-USSR relationship with the succession to Roosevelt by Truman in 1945. While Roosevelt managed to build a reliable relationship with Stalin's USSR, that at the time was still militarily and economically weak, Revisionists stress how Truman's hostile discourse and actions towards Stalin's regime deteriorated U.S.-USSR relations. The Revisionist school, forced to believe in the growing fear of the spread of communism under the Domino Theory, because of the spread of Asian Communism, revealed the prominent role of U.S. corporate interests with the implementation of the Marshall Plan (Smith, 1998). The wellbeing of a nation, translated in business interests, driving its foreign policy (Rosenberg, 1994).

The Revisionist perspective presents slightly different schools of thought over U.S. Cold War foreign policy, but all versions share a strong focus on U.S. economic

and strategic interests in preserving the capitalist structure in the World (Stokes, 2005). A first generation of Revisionist scholars, in the 1960s, questioned the nature of U.S. influence in the developing world. This generation argues that the nature of U.S. influence in the Third World was not an imperialist one: differing from previous European colonial powers, especially in the New World, the U.S. deployed the use of *economic* control, not political or military, to “manipulate weaker states and establish informal control” (Merrill, 1994:167). The strong focus on economic theories, as sustained by Williams, implied the U.S. aim was to obtain an ‘open door’ economic world order that would ensure access to various markets and sovereignty to ‘informally controlled’ weaker states (Merrill, 1994).

Another Revisionist school, emerged a decade after and led by Kolko, Petras and Morley, stresses, on the contrary, the imperialist nature of U.S. interests in the developing World during the Cold War. North America is perceived as an imperialist state where “agencies in the government are in charge of promoting and protecting the expansion of capital across state boundaries” (Stokes, 2005:22). The imperialist nature of U.S. prevailed over its capitalist one: according to these scholars, the U.S. was in search of investments as usual, but became conscious that larger shares derived from international expansion, from transnational capitalism. Petras argues this emergence of U.S. as a dominant imperial state as a relatively new phenomenon, occurred only after World War 2: U.S. purpose in the international arena, against the Soviet threat, was to reconstruct, through global trade and profit, a world order that ensured the preservation of the capitalist structure (Stokes, 2005).

A Revisionist view on U.S. external behaviour during the Cold War, strictly associated to the latter school just explored, is the popular Marxist inspired interpretation. This Revisionist interpretation, influenced by Prebisch’s dependency theory (deeply analyzed in Section 3), argues the U.S. impact on the Third World’s living standards. Capitalism tends to be viewed as a process that slows down industrial development and favours only local oligarchies and foreign investors. In relation to this view, Gaddis has argued the importance of geopolitical interests in U.S. foreign policy during the Cold War: national security became associated with

the control of raw materials and energy sources from neighbouring countries (Merrill, 1994). From this perspective, is hence quite simple to track down U.S. behaviour towards Guatemala and Central America. The reforms promoted by Arbenz in Guatemala, aimed to favour the masses social and economic condition through the reconstruction of the agrarian sector, the elimination of foreign monopolies and the promotion of local industrialisation, posed a challenge to U.S. multinational the United Fruit (Kinzer, 2006). The United Fruit in fact, thanks to U.S. supported dictator Ubico, had controlled the Guatemalan economy for years: it was the largest employer of the country, owning the largest portion of land and several enterprises in the country.

As seen in the Historical Overview, the United Fruit giant exercised a pivotal role in influencing Eisenhower's decision to intervene in Guatemala. By exploiting the tense climate of the Cold War, the U.S. labelled any nationalist/social insurgency as 'communist' driven simply because it feared competition for its economic interests in the area (Berryman, 1985). Revisionists argue that the U.S. strategy towards Latin America at the beginning of the Cold War had the only purpose of countering agrarian, social and economic reforms threatening liberal Capitalism; even if the Soviet influence was not present in Central America, U.S. strategy of imposing economic hegemony in the area would have still been pursued. In fact in the twentieth century history of the American continent, U.S. hostility towards Latin America occurred far prior to the possible Central America's alignment with the USSR (Stokes, 2005).

The pressures against Colombia for the Panama Canal still in the nineteenth century signalled the U.S. willingness to fight in the area for the protection of its economic interests (Kryzaneck, 1996). A willingness to fight in Central America's internal affairs that would continue throughout the all twentieth century, until the 1995 Haiti intervention authorized by the UN (Lundestad, 1999). Despite Ferguson (1963) has argued that the Communist Party of Guatemala in the 1950s was quite strong and that Arbenz turned to a Soviet country for requesting weapons, Chomsky (2007), from a critical perspective, stressed that the Soviet connection with

Guatemala, was a forced consequence, rather than a cause, of aggressive U.S. behaviour. And the same theory, according to the Marxist/ anti-U.S. imperialist Revisionist perspective, could be applied for the later example of Cuba. The long relationship that the U.S. embraced with Cuba, since the Platt Amendment in 1901, always highlighted an economic exploitative nature favouring the Northern partner. After Castro's successful socialist revolution, which eradicated the exploitative economic dependence upon the U.S., the Caribbean island's contact with the USSR during the 1960s appeared necessary for both political and economic reasons (McPherson, 2006). In Revisionist terms therefore, Kennedy's Alliance for Progress in 1961 had the purpose of emphasizing the economic relationship, based on the modernization paradigm through foreign loans, (See Section 3) sought by the U.S. with their southern neighbours (McPherson, 2006). Hence, as opposed to the Orthodox perspective beliefs, U.S. interests in containing nationalist revolutions in the Third World were of economic nature. A minor school of thought within the Revisionist perspective, led by Block in the early 1970s, has however argued that for the U.S. the preservation of national Capitalism in Western Europe, strong upholder of liberal values, and in Japan, U.S. strategic economic ally in an area affected by the 'Domino Theory', was U.S. primary concern since the wake of the Cold War. According to this interpretation, the U.S. desire to take capitalism in place in strategic areas, rather than worrying about the spread of socialist revolutions in Latin America and generally in the Third World, emphasized the priority of economic reasons over ideology; this is way the U.S. did not promote a Marshall Plan for Latin America until 1961 (Stokes, 2005).

What is certain for the Revisionist Perspective is the fact that during the Cold War, as the Guatemalan case of 1954 metaphorically embodied, the Soviet containment was used as an excuse for U.S. intervention (Stokes, 2005). In this period, U.S. foreign policy witnessed what Petras & Morley (1990) defined the 'routinization of state terror', meaning U.S. indirect and systematic use of force, through training and financing U.S. loyal groups or client states, to counter possible nationalist solutions which oppose its economic apparatus. In the example of

Guatemala, U.S. military trained and supported the fascist sympathizer Armas and his army to overthrow Arbenz (Kinzer, 2006). In this context, Lundestad (1999) introduces us to the concept of intervention as opposed to the concept of invitation. Since the end of World War 2 until 1975, the U.S. has used “its armed forces as a political instrument 215 times”, mainly in the Third World (Lundestad, 1999: 82). This use of force has been defined as intervention, as often violating a country’s own sovereignty rights. Interventions seem to be concentrated in Third World areas where dictatorships, or leftist regimes in the case of Latin America, had found their way. The problem is that military interventions are mostly not invited, and, in the case of Guatemala in 1954, they overthrew a democratically elected government and replaced it with a brutal military dictatorship that, in a Revisionist perspective, granted favourable economic concessions to the U.S. in the long-term. On the contrary, invitations have mostly been witnessed in Capitalist areas such as Western Europe, where, because of shared liberal democratic values, the U.S. found it easier to cooperate with local governments (Lundestad, 1999).

With further implications, Orthodox and Revisionist scholars have argued over the nature of U.S. foreign policy after the Cold War. Realists and Liberals, under the Orthodox perspective, spoke of a ‘discontinuity’ thesis. Due to the collapse of the Soviet power, the U.S. did not face anymore the threat of Communist expansion. In relation to this event, U.S. changed its attitude towards the Third World because its security concerns have been solved. Despite the number of military interventions in developing areas declined, U.S. justified its post Cold War foreign policy in terms of democracy promotion. Military action has still been deployed, but just for bringing liberal democratic values where needed. In this context, by observing President Clinton’s foreign policies during the 1990s, the world became separated into two zones: the ‘Zone of Peace’ and the ‘Zone of War’ (Stokes, 2005).

However, the Orthodox ‘discontinuity’ interpretation over U.S. post Cold War foreign policy, seems to be unsustainable in regards to Latin America events. The Revisionist perspective on the matter speaks of a ‘continuity’ thesis opposed to Orthodox views. According to the ‘continuity thesis’, U.S. objectives in the Third

World have remained the same: the protection of a capitalist neo liberal international system through the elimination of social movements that pose threats to it. Cox argued that military action in developing areas, in the name of democracy promotion, has functioned as in the Cold war: do not alter the U.S. dominant role in a capitalist economic world order. And Marxist theories, linked to dependency schools, prove it in regards to Latin America. After the Cold War, the existence of liberal democratic governments in Latin America has implied the existence of open-door economies and social forces that are U.S.-friendly. The extensive use of international neo-liberal organisations, such as the IMF and the World Bank, has been fundamental for the maintenance of U.S. economic interests in the area after the Cold War (Stokes, 2005). In the 1990s further regional trade agreements such as NAFTA (North America Free Trade Area) and FTAA (Free Trade Area of the Americas) had the purpose of integrating the economies of all the Americas, with the exception of Cuba, in a single trading bloc. In response to the regional trade agreements promoted by the U.S., Latin American regional blocs such as Mercosur and the Andean Community emerged strong, as Regalado (2006) points out, with the purpose of protecting political and socio-economic issues in South America, and countering the concept of economic dependency defined by Prebisch in the 1950s. Venezuelan President Chavez' s proposal in 2007 to create a Bank of the South, as an alternative to the IMF and the World Bank economic control of the area, has been satisfactorily acclaimed by Marxist theorists (Karns & Mingst, 2010).

The analysis of the two different theoretical perspectives, the Orthodox and the Revisionist, on U.S. foreign policies during the Cold War has been used to maintain the inevitability of the Guatemalan intervention in 1954. This inevitability, with further implications in the post Cold War period, can be claimed from both perspectives; In fact, in accordance with the Orthodox interpretation, the U.S. had to forcibly intervene in Guatemala for ideological and security reasons, in order to counter the spread of Communism in its southern neighbour. Differently, based on Revisionist views and as demonstrated in the next section, the military coup was

deployed to preserve the economic benefits that the U.S. enjoyed in the area (Stokes, 2005).

3. THE 1954 GUATEMALAN INTERVENTION FROM THE U.S. PERSPECTIVE: SOCIAL, ECONOMIC AND MEDIA ORGANIZATION FROM MONROE TO EISENHOWER

“This intrusion of Soviet despotism in Guatemala was, of course, a direct challenge to our Monroe Doctrine, the first and most fundamental of our foreign policies [...]. For 131 years that policy has well served the [...] security of the hemisphere. It serves us well today”

Secretary of State J. F. Dulles, 1954 (Maingot, 1994: 96)

Despite being part of the same continent, the United States and Latin America have been characterized by cultural, linguistic, ethnic and religious diversities. The relationship between the two has often highlighted elements of controversy: Latin America has always admired its northern neighbours' accomplishments, but has never tolerated the economic, social and political subordination to it (Smith, 1998).

Since the promulgation of the Monroe doctrine, the U.S. proclaimed its intentions to play a major role in Latin American affairs. In 1823 President Monroe (1817-25) acknowledged the existence of newly independent Latin American countries, separating for the first time the “New World” from the European colonial powers. Any form of colonialist action in Latin America's new republics would have been considered as a direct attack on the United States, and therefore condemned (Kryzanek, 1996). In respect to the Monroe Doctrine, the next step for the U.S. was granting the control of what would have become the Panama Canal in 1914, the sea connection between Northern and Central America. In 1848 the U.S. Senate amended the Bidlack Treaty with the government of New Granada, which ensured the country the right of transit over the Panama isthmus for commercial purposes. The Bidlack Treaty was the first move to challenge European trade advantage in the area, as the British Empire at the time controlled most of today's Central America eastern coast (Kryzanek, 1996).

However, problems began to rise at the beginning of the twentieth century, when the U.S. decided to work on the construction of the Panama Canal through eradicating Colombian claims to the isthmus. In fact Colombia, which has been known before as New Granada, was in control of the Panama region. The U.S., through political pressures, sought to negotiate the building of the Canal with the Colombian government for trading purposes. When Colombia refused the negotiation, the aggressive nature of T. Roosevelt (1901-09) foreign policy toward Latin America emerged: a revolution of Panamanians, supported by the U.S. army, freed the country from Colombian dominance, and brought to the establishment of the Republic of Panama, with the U.S. finally granting its control over Northern and Central America sea connection (Kinzer, 2006). The Panama canal episode signalled the definitive shift from the more defensive character of U.S. foreign policy auspicated in the Monroe Doctrine, to a more offensive one under Roosevelt. The Roosevelt Corollary was translated into viewing Central America as a key region to exploit for trade opportunities through any possible means, from financial, to political and military intervention (Kryzanek, 1996). Since T. Roosevelt's aggressive foreign policy, "Latin America experienced what can only be termed an epidemic of U.S. economic and military intervention", with a peak during Wilson's presidency (1913-21), where military troops were sent to size the problems of revolutionary governments in Haiti, the Dominican Republic, Cuba, Nicaragua and Mexico in the name of 'civilization' and 'democracy' (Kryzanek, 1996: 51).

The relationship between the United States and Central America witnessed some changes during the 1920s and the 1930s. This was due mainly for two reasons: the decision of the U.S. to abandon military intervention and political interference in Latin America in favour of a Good Neighbour policy, and the economic issues arisen from the Great Depression (Findling, 1987). After WW1, President Hoover (1929-33) started to question the efficiency of military intervention from both an economic and a political point of view. Due to the economic crisis started in 1929, military intervention began to be considered as cost-ineffective, and awareness of public criticism for military interventions was becoming of essential importance, especially

after the 1926 events in Nicaragua against Sandino. Acknowledging the resentment of Latin Americans for their northern neighbour's behaviour in the region, Hoover issued a series of policies favourable to the Southern continent. In 1930 the non-recognition policy promulgated by Wilson, was first revoked for South America, and later in 1934 also for Central America, when Martinez' democratic Presidency was recognised in Salvador. In 1931 the Clark Memorandum document was issued, emphasizing how "the Monroe Doctrine was perfectly compatible with Latin American national sovereignty", and how the Roosevelt Corollary was not part of the Monroe Doctrine (Findling, 1987: 85).

In terms of economic changes, Hoover could not make the same positive concessions as in political terms. The Great Depression forced Hoover to apply highly protectionist measures, such as the Smoot-Hawley Tariff of 1930 (higher tariffs on imports), for safeguarding his nation's economy, with the twin consequences of damaging the export-led Latin American economies and triggering strong criticism by Latin American political and economic figures. Internal and external criticism arose also from Hoover's decision to not extend the debt moratorium (Findling, 1987). According to Findling (1987), what Hoover built in terms of friendly policies towards his southern neighbours, was successfully carried by his successor President FD Roosevelt (1933-45).

At the seventh International Conference of American States in Montevideo in 1933, article 8 of the *Convention on the Rights and Duties of States* proclaimed the principle of non-intervention/interference in a state's internal or external affairs. Roosevelt's Good Neighbour Policy strongly pushed for the removal of U.S. troops in Latin America and for non-interventionist policies. In 1934 the Platt Amendment was abrogated, with Cuba able to uphold its sovereignty rights for the first time since 1901. In 1936 the U.S. signed a treaty of non-intervention with Panama, granting her independence. In 1938 Roosevelt allowed Mexican President Cardenas to expropriate U.S. oil properties from Mexico, rejecting oil companies' complaints (Kryzanek, 1996). However, the Roosevelt Good Neighbour Policy had also the purpose of promoting successful economic ties between the two areas; between 1933 and 1942

the intra-America trade grew 302 percent, with Wilson arguing that Roosevelt's Policy signified "business as usual with less muscles and more public relations" (Findlings, 1987: 89). In 1934 the Export-Import Bank was created with the purpose of encouraging U.S. imports purchases by Latin American countries which sought loans. The Reciprocal Trade Agreement of 1934, as opposed to the protectionist Smoot-Hawley Tariff, lowered trade barriers between the continent neighbours in order to reduce European commerce and maintain U.S. strategic control in the area, helping also the Latin American economies facing stagnation (Findling, 1987).

Despite of this, as argued by Marxist and dependency scholars, in most cases trade concessions were favourable only to the U.S.. In Guatemala, the U.S. claimed that agricultural Guatemalan goods could only be accepted in North America at reduced tariffs if U.S. products would be accepted in Guatemala for free or at low. The Guatemalan government at the time, under the tyrant and American-supported Ubico, made most of its profits from import duties, but due to the insistent U.S. pressure, it had to restructure its internal taxation system and stop lucrative businesses with the Germans in favour of American ones (Findling, 1987). United States and Latin America cooperation grew stronger during WW2 and the wake of the Cold War thanks to the defensive Inter-American Treaty of Reciprocal Assistance signed in 1947 in Rio de Janeiro and thanks to the establishment of the Organization of American States (OAS) one year later. The measures taken had the purpose of supporting hemispheric collective security and the concept of non-intervention once again, fostering democracy in the region and excluding possible commercial linkage between Europe and Latin America (Maingot, 1994).

The provision of the Rio Treaty and of OAS seemed to work properly in maintaining collective security and interventionist disputes in the American continent: different tensions in the Caribbean and Central America between liberal democratic governments (in Costa Rica, Guatemala, Cuba) and dictatorial regimes (in Santo Domingo and Nicaragua) were successfully handled until 1953. But in 1954 the U.S. intervention in Guatemala became the first real challenge to the collective security and non- intervention principles (Maingot, 1994). As demonstrated by the

first section and the historical background of the Dissertation, the accredited Revisionist view on the Guatemalan coup tends to agree on the pivotal role of the United Fruit in shaping U.S. perceptions and actions over Guatemala and Central America ultimately. In the history of America's military interventions a strong correlation has been established between the use of force and/or defamatory propaganda, and the threat of economic losses fomented by promotion of social/democratic reforms. During the whole Cold War period the threat of communism and the spread of indigenous nationalist reforms in Latin America assumed the same meaning for the U.S. (Berryman, 1985).

The Truman (1945-53) and particularly the Eisenhower (1953-61) administration, signal a return to the U.S. interventionist foreign policies, fuelled this time by the Cold War's insurgence. The role of the government became to prevent, by any means, the spread of communist influence over Latin America, ignoring diplomatic solutions, as the violent removal of liberal Guatemalan President Arbenz in 1954 proved. U.S. leaders stood in firm support of Latin American entities willing to deem reformist, and therefore communist inspired, governments, with Eisenhower developing successful counter-insurgency techniques. These techniques were first used in Iran against Mossadegh, who nationalised the Anglo-Iranian Oil Company in 1951, and later for the removal of Arbenz in Guatemala (Kinzer, 2006). In the case of Guatemala, Eisenhower went as far as labelling the Armas revolt guided by the U.S. as a "noble expression of freedom" against the communist threat posed by Arbenz (Findling, 1987:114). As Revisionists argue, the U.S. fear of Latin America turning to the Soviet orbit was of economic nature, of potential substantial economic losses if USA would have lost its southern trading partner (Stokes, 2005).

Besides the use of military force, the U.S. relied on the power of media in influencing public opinion about the intervention in Guatemala (Schlesinger et al., 1982). Statistics about annual U.S. military assistance to Central America reveal that no country has received as much military economic assistance as Guatemala between 1953-1972 in Central America, with Guatemala accounting almost for half (\$3.50 million) of the total military expenditures (\$8.08 million) directed to Central America

between those years (Booth, 1995). Hence, the manipulation of the public becomes necessary to explain the economic sacrifice. The United States has found the exploitation of media a useful and indispensable tool for conducting wars, and the Guatemalan intervention is the prime example (Schlesinger et al., 1982).

In 1950, fearing that Arevalo's new social reforms in Guatemala would put an end to the United Fruit fortune, the director of the company Zemurray decided to hire the expert in America public relations Mr. Bernays. The goal for 1954 was to create "an atmosphere of deep suspicion and fear in the U.S.", about the real intentions and nature of the Guatemalan government (Schlesinger et al., 1982:90). This goal would have been attained through the promotion of a defamatory campaign addressed to the Guatemalan government, exploiting any possible American media for shaping public opinions. In fact, Bernays viewed the conscious manipulation of the masses' beliefs as a standard feature of democratic societies. In 1950, the *New York Herald Tribune* reporter Turner was sent to Guatemala and, after a conversation with United Fruit's top officials wrote of "Communism in the Caribbean" (Schlesinger et al., 1982:84). Few months later, the U.S. ambassador in Guatemala Mr. Patterson, close friend of the *New York Time* Publisher Sulzberg and of Bernays, visited Guatemala and referred of a communist infiltration from Chile. It is ironic that the Associated Press fully ignored Arevalo's interview conducted in 1950 by North American International Relations Professor Inman, in which the positive achievements of Arevalo's Guatemala and the friendly intention of his government towards the U.S. were never mentioned (for protecting U.S. strategic economic interests, according to Revisionists). In the interview Arevalo, by recalling Roosevelt's Good Neighbour Policy, expressed its geographical, military and political loyalty to his northern neighbour, excluding any possible tie with the USSR (Schlesinger et al., 1982).

In 1954 Daniel James, the managing editor in Latin America of the anti-communist weekly *The New Leader* wrote a detailed plan and justification to overthrow Arbenz, emphasizing how Guatemala would have followed Iran's road in nationalising foreign monopolies. *Life Magazine* journalist Felker explained the danger of a strong Soviet Union in the western hemisphere if Arbenz would have

remained in place. By July 1954 almost every major U.S. newspaper and magazine was invoking military action in Guatemala (Schlesinger et al., 1982). When U.S. secretary John Foster Dulles went on television and radio to announce to the American public that the Soviet presence in Guatemala was a direct menace to the Monroe Doctrine, “the first and most fundamental of our foreign policies”, which safeguarded “the hemisphere security” for over a century, words became facts (Maingot, 1994:96). The U.S. military invasion of Guatemala was launched, Arbenz was overthrown and the United Fruit influence was restored.

As demonstrated in this section, the U.S., since the Monroe Doctrine, has always shown its willingness to play a central role in Latin American economic interests through the use of any possible means, such as force, media and exclusion of potential economic ties of the latter with other countries (Kryzanek, 1996). Hence, in accordance with Revisionist interpretations and in support of the Dissertation’s argument, the next section will claim that the military intervention in Guatemala was inevitable, as the U.S. meant to continue the pattern of protecting its economic privileges, which were seriously challenged by Arbenz’s social reforms, in Central America (Berryman, 1985).

4. THE 1954 INTERVENTION FROM THE GUATEMALAN PERSPECTIVE: CAUSES AND CONSEQUENCES OF U.S. MILITARY ACTIONS IN CENTRAL AMERICA

“There has been in the past a fundamental lack of sympathy for the working man [...]. Now we are going to begin a period of sympathy for the man who works in the fields, in the shops, in small businesses [...].”

Guatemalan President J. Arevalo, 1954 (Kinzer, 2006: 131)

The military invasion of Guatemala did not pass unnoticed in the southern American continent: it installed one of the most repressive and ruthless military dictatorships ever recorded for almost half of a century, with the “worst human-rights record in the Western Hemisphere” (LaFeber, 1999: 171), and it generated a widespread sentiment of hate towards the United States’ Government across all Latin America (Berryman, 1985). In relation to this argument and with reference to theory,

this section identifies causes and consequences of U.S. behaviour in their southern neighbours from a Latin America nationalist perspective.

The political history of Guatemala is marked by one common element: the persistence of dictatorships. After Guatemala was granted its independence in 1812 from Spain, the first two decades of the twentieth century witnessed the repressive regime of lawyer Manuel Cabrera. An armed revolt occurred in 1920 to depose the tyrant, but the outcome was once again the same: a ruthless dictatorship installed by the army officer Jorge Ubico. The Ubico government was seen as one of the effects of the 1930s events, precisely the Great Depression and the wake of WW2 (Ferguson, 1963). As seen in Section 2, economic and collective security treaties between the United States and Latin America became of concrete financial advantage only for the government and business of the former and the dictators of the latter. Since 1936 Ubico granted important concessions to the United States, in political and economic terms. In political terms, he permitted the U.S. to build facilities for the Panama Canal defence in the Guatemalan soil (Ferguson, 1963). In economic terms, the Guatemalan tyrant granted several privileged concessions to the United Fruit Company: an agreement to open a second plantation in the country, exemption from internal taxation, duty-free importation of needed goods and labourers' low wages (Schlesinger et al., 1982). The economic tie between the U.S. and Guatemala grew even stronger in 1943. The U.S., suspicious of Ubico's fascist inclinations because of his political methods and his decision to follow Germany out of the League of Nations, and resenting of German successful businesses in Guatemala, forced Ubico in 1941 to confiscate German owned properties and stop any lucrative commercial activity with them (Findling, 1987). As a consequence, Guatemala- United States trade accounted for 80 percent of all imports-exports trade (Ferguson, 1963).

However, the situation of Guatemala and generally Latin America was ready to undergo dramatic changes in the period between 1943 and 1953, thanks to a new economic and political cycle, which witnessed the end of the economic depression and the spread of popular democratic revolutions after the defeat of authoritarian regimes (Findling, 1987). The main events triggering these changes could be

identified with Cardenas' social reforms in 1938 in Mexico and with the concept of economic dependency developed by the Argentine economist Prebisch, applied in Argentina first by the Concordancia government, and later by Peron's import substitution during the 1930s-40s (Keen & Haynes, 2004).

As for most Central American countries, the indigenous majority of the Guatemalan population experienced only economic and social exploitation by elite oligarchies in the first half of the twentieth century (Ferguson, 1963). Until the 1950s and arguably until further years, the landowners' oligarchy, 2 percent of Guatemalan population, enjoyed 25 percent of the national income and owned 70 percent of the land, while the lower 50 percent of the population received on average between 10 to 15 percent of the income (Berryman, 1985). These oligarchic minorities in Latin America were able to hold power because of the unconditioned U.S. support since the 1900s and the process of *continuismo*, arisen in the 1930s. American President Wilson, stressing the importance of the Taft dollar diplomacy in Latin America in replacing European loans, spoke about "an educated, property-owning and civilised small minority, being the ablest people of the country, the Conservative Party", and "the lower stratum of this minority being the Liberal party". The U.S. should protect the "civilised and ablest minority" from the "Negros and the Indians" (Findling, 1987: 61). In regards to *continuismo*, this process might be defined as the long-term dictators' continuance in office despite a constitutional prohibition. The process began in Cuba in 1927 with Machado's regime, and quickly spread across the two countries in Central America who enjoyed the closest relationship with the U.S. at the time, Nicaragua and Guatemala. Through *continuismo*, Somoza stayed for more than twenty years in power in Nicaragua, while Ubico continued his office in Guatemala for eight years after 1935, violating part of the actual constitution (Findling, 1987).

However, the situation of Latin American systems began to breathe changes thanks to Cardenas' social reforms in Mexico and Prebisch's explanation of the economic dependency theory. The introduction of land reform and nationalisation of oil companies in 1938 in the neighbouring Mexico decreased the oligarchy's power and increased the masses' power for the first time in Latin American history,

providing an example to be followed by the Central American countries (Burns & Charlip, 2007). According to Prebisch's dependency theory, centre-periphery economic relations occurring from different economic cycles are established in the financial international system. The cycles generate first in the economies of the industrialised countries (centre) and then spread to the international environment (periphery). The periphery is identified with these countries that produce and export raw materials, mainly agricultural goods, to the centre, which technically exploits the periphery natural resources. From these premises, Prebisch asserted the underdevelopment of Latin America after WW2. This underdevelopment was fomented by two factors: the U.S. substituting Great Britain as the centre of commercial activities and the Great Depression of 1930s. The former had a negative impact in Latin American economies since the U.S. import coefficient was highly minor than the UK, which tended to import more than export (Furtado, 1994). The latter caused what is known as a price scissor, meaning an increased gap between industrial and agricultural value on the world market. The price of agricultural commodities, which represented all Latin American exports, fell because of the protectionist measures and the self-sufficiency adopted by most industrialised countries in a climate of economic depression. Specialization in the agricultural sector, translated into technological imports from manufacturing industrialised countries, was seen as not beneficial for Latin American countries, as periphery countries have not enough production's surpluses to ensure imported manufactures. From the 1940-50s therefore, in order to follow the road of industrialisation and reduce their dependency on agricultural exports and foreign investments, Latin American governments opted for import substitution economic models, guaranteeing a partial economic growth in the short term, as Peron's Argentina showed (Love, 1994).

Prebisch's theory found quick success among nationalist democratic parties in Latin America. The process of modernization auspicated by Latin America had a different nature of the one planned by the U.S. for their southern neighbours. The U.S. wanted to fuel industrialisation through the development of its economic

institutions (World Bank and the UN). Through this process, Central American oligarchies supportive of U.S. businesses would have benefited from the Common Market (Berryman, 1985). Feelings of opposition to the economic relations sought by the U.S. started to emerge also because of Latin American resentment over U.S. failure in promoting something similar to the Marshall Plan for their economic reconstruction. After all, the U.S. persuaded most Latin American countries to join WW2 in the name of collective security; Latin America, by providing raw materials and military bases for their northern neighbours, became ever more economically dependent upon U.S. in a context of precarious underdevelopment (Smith, 1998).

Inspired by the recent economic and political trends of Latin America in favour of socially conscious nationalist movements, Arbenz decided to continue what Arevalo started in 1950 in Guatemala: tackling foreign monopolies and local oligarchies' power. Already in 1928 the government of Costa Rica, the region of Central America where the process of nationalism was the most advanced at the time, complained about the monopolistic structures of foreign businesses operating in Central America, and stepped in to find a solution. Local labourers were complaining about the economic and social discriminative measures adopted by the various United Fruit, International Railway in Guatemala and the American Power Company in Costa Rica (Findling, 1987). Arevalo's priorities, when elected president of Guatemala in 1945, were to provide social and labour rights for the minorities, restructure the agrarian sector, and improve political democracy. In the two following years a Social Security Code and a Labour code protecting workers' rights were issued. In 1952, the new Guatemalan President Arbenz promulgated the Agrarian Reform Law, which redistributed uncultivated land and mitigated the major obstacle to economic development (Kinzer, 2006). The dominance of foreign businesses (the United Fruit) and local landowners in Guatemalan political, social and economic life was finally challenged, but the price to pay was the impact of the dramatic consequences observed throughout the previous sections of the Dissertation.

The military coup in Guatemala in 1954, as supported by the Revisionist perspective on the matter, proved that during the tears of the Cold War, nationalist

movements in Latin America implied sympathy for communism simply because they were threatening U.S. economic interests in the area. As stressed in Session 1, if an actual link between Guatemala and the USSR could be in reality established, it was more a consequence, rather than a cause, of U.S. intimidating methods (Chomsky, 2007). Eisenhower had a strong understanding of nationalist dynamics in Latin America, acknowledging that any newly formed state would rather “embrace communism or any other form of dictatorship” than recognise “the political domination of another government” (Maingot, 1994:1998). Eisenhower’s beliefs proved to be right in the Guatemalan case, where techniques of counter insurgencies were effectively deployed, but the same could not be told for the Cuban revolution of 1959 (Maingot, 1994).

Since 1954 U.S. adopted a more political friendly approach to Latin America, as general public criticism for the Guatemalan coup was hard to stop. In 1958 the goodwill tour of Vice-President Nixon in Latin America was received with fervent demonstrations against the U.S. support for military dictatorships and economic underdevelopment in their area. When Nixon asked for clarifications over Latin American welcome, President Figueres of Costa Rica eloquently answered “when *our* people die, you speak of investments”, hence justifying the riots as an appropriate behaviour (Findling, 1987:118). However, according to the discontinuity theory on the U.S. behaviour during the Cold War (See Section 1), the U.S. friendly approach to Latin America was more the result of no Soviet threat in the area until 1961, when the Cuban revolt brought it back, rather than the U.S. acknowledgment of the misunderstanding of Latin American political and economic needs (Maingot, 1994).

As stated at the beginning of this Section, the United States attitude towards Guatemala was the pivotal factor in causing widespread experiments of Central America and Caribbean groups with nationalist/socialist beliefs. Latin Americans through the twentieth century have been accustomed to what has been defined the ‘routinization of state terror’ by their northern neighbours. Latin Americans became familiar with the concept of interventions rather than invitations in their own soil (Petras and Morley, 1999). But never before had a military operation overthrown a

democratic and constitutionally elected government with such violence and pretext as in 1954 in Guatemala (Ferguson, 1963). A general anti-U.S. feeling, which reached its apex in Cuba in the 1960s, was the natural course of events (Kryzanek, 1996). The overthrow of Arbenz had a significant impact on a young Argentine man whose ideals were soon to change the political and social history of Latin America: Ernesto 'Che' Guevara (Sinclair, 1998).

Since the new century, oligarchic structures in Central America became a long-term solution. Partly after the 1940s social and economic pressures agitating the region, the oligarchy political dominance began to grow weaker; anti-oligarchy agrarian reforms and nationalisations were achieved to some extent, but after the 1954 Guatemala events, the oligarchy regained its authority in Central America, bringing back the export economy and the foreign monopolies' privileges (Torres Rivas, 1987). Arbenz's reforms disclosed the realities of U.S. economic dominance in Latin America to Guevara; the failed social revolution of Arbenz signalled "Che's baptism in the practical techniques of revolution and counter-revolution" (Sinclair, 1998:13). As a fervent activist, Che decided to join the resistance against Armas' troops in the Guatemalan cause. He soon discovered the urge of using weapons and fighting for the positive outcome of the revolution, but Guatemalans did not support him. After the U.S. and the oligarchy could take their political and economic leadership in Guatemala back, Guevara understood the importance of armed struggle in the context of revolution. After Arbenz's overthrow, Che stressed how people should have been armed or integrated in the political structure of their country to be successful (Sinclair, 1998); In Guevara's opinion, Arbenz's strategic mistake was to do not have secured the border, the ports and utilities of his country. But Arbenz's errors and defeat made Che stronger and successful for his next planned revolution in Cuba in 1959 (McPherson, 2006). North America grew to be the 'villain' of Che's ideology: the Guatemalan experience convinced him of the necessity of armed struggle against imperialism (Sinclair, 1998).

In accordance with Prebisch's dependency theory and with the revisionist perspective, Che attributed the stagnant economic situation of Latin America to the

modernization process sought by the US after the 1940s (Berryman, 1985), in which Latin America was still dependent on US primary products for economic growth (Gonzalez, 1994). An exploited and underdeveloped country as Guatemala was attacked when it tried to promote social and economic equality (Sinclair, 1998). However the Cuban experience revealed that an efficient model of development, outside of the US orbit, was possible in Central America (McPherson, 2006). Torres Rivas (1987) points out that political reforms and movements in Central America featured two common elements: the desire to alter social relations and a political armed resistance. The impact of *campesinos* (peasants) and unskilled labourers' ideology in the revolutionary process was of fundamental importance, as Central American societies were of agrarian nature. In these societies, according to the way capitalism works, the role of working classes is irrelevant. Working classes in Central America have opted for social revolutions before their class-consciousness could develop. Nationalist processes in Central America differ from the populist movements of South America, because in the former, the small bourgeoisie was never able to peacefully co-exist with the working class. It appeared obvious that in Central America's twentieth century democracy and revolution included one the other (Torres Rivas, 1987), as examples of Mexico, Nicaragua, El Salvador, Guatemala, Honduras and lastly Cuba proved in chronological order from the 1930s (Berryman, 1985).

Cuban-North American relationship dates back to 1898, when the Caribbean island became a U.S. protectorate after a 'long-term' Spanish influence (Hunt, 1994). In 1901 the issuance of the Platt Amendment negated *de facto* Cuba's sovereignty over its territory. The majority of academics over the Cuban matter, associated with the school of *revolutionary continuity*, connected the success of the Cuban Revolution to the 1933 events: the abrogation of the Platt Amendment under Roosevelt's Good Neighbour Policy and the 1933 revolution against dictator Machado, which brought to power for a short period the more socialist Grau (Maingot, 1998).

When the two Latin American revolutionaries Castro and Guevara met in the middle of the 1950s, the push for a more equal reality against U.S. imperialism

began. In the 1953 the rebel lawyer Fidel Castro already plotted, unsuccessfully, an attack against the dictatorship of U.S. puppet Batista. By that time, U.S. investments in Cuba accounted for most of the country's fortune. Aware of the weak popularity of Batista among the army and generally the Cubans, who detested the corruption brought in their land by the American dollars, Castro was ready to plan another revolt to overthrow the dictator (McPherson, 2006). Counting on the population's support and on Guevara's practical techniques of armed struggle developed after Guatemala, the Cuban revolution began its course. Convinced that the revolution should begin from outside the urban centres because peasants in Central America represented the true minority seeking for social changes (as Rivas pointed out), Che armed untrained peasants to begin the guerrilla warfare against Batista's troops. Despite initial losses associated with the guerrilla fighters' inexperience, the campesinos' desire to achieve social changes prevailed, and Havana was finally taken in 1959 by Castro and Guevara (Sinclair, 1998). In the years following the revolution Castro managed to achieve what he sought for his country: improved social and economic conditions of the rural and working masses and independence from the U.S. Since Castro proclaimed himself leader of the Communist Party and Guevara President of the National Bank later in 1959, all passed laws drastically undermined US economic influence and favoured the masses. In the tense climate of the Cold war, Cuba soon became dependent on the Soviet Union and coercive elements of Castro's communist regimes became to appear, but Cuba screamed success for developing a model outside of the U.S. orbit (McPherson, 2006).

The response of U.S. did not take long to come, with the launch of The Alliance for Progress in 1961 under the Kennedy administration. This Programme aimed to provide economic aid, reinvigorate democracy, diversify trade and improve social conditions such as healthcare and education in Latin America, functioning as that Marshall Plan earlier invoked by Latin Americans (McPherson, 2006). But once again the failures of a North American development program outweighed the benefits, even according to different theoretical perspectives on the matter. As Revisionist perspectives argue, the Alliance for Progress real purpose was to prevent

the spread of ‘Castroism’ in the southern continent. In accordance with CIA words in 1961, unequal “social and economic conditions throughout Latin America invited opposition to ruling authority”, often in favour of U.S. investments, and “encouraged agitation for radical changes”, leading to ultimate economic losses for the U.S. (Chomsky, 2007:89). The other perspective, the Orthodox, stresses that in the context of the Cold War the Alliance for Progress had the goal, through economic aid, of training Latin American governments in counterinsurgency practices to uphold the liberal values of democracy against the possible threat of communist expansion in the continent (Kryzanek, 1996).

What is deductible from the two perspectives, however, is that the example of Guatemala in 1954 and the one of Cuba in 1959, drawing from a series of controversial episodes in the history of Latin America-North America relations, exploded as a shock for U.S. intrinsic strategic interests in the region, as the Conclusion will demonstrate.

CONCLUSION

The relationship between the two Americas nowadays has been shaped by events during the Cold War. The controversial theoretical debate about true U.S. intentions in Latin America is still open to various interpretations. As the historical background and the first Chapter demonstrated, the U.S. use of force and media to preserve or alter the international system in its favour, has been a central paradigm of U.S. foreign conduct during the Cold War, and both Orthodox and Revisionist views agree on this (Schlesinger et al., 1982). Chapter 2 stressed the U.S. imperialist nature in Latin America. Without concerning if armed interventions in the southern region were invited or not, the U.S. has been keen on intervening directly or indirectly in its neighbours’ affairs. Presidents T. Roosevelt (1901-09) and Taft (1909-13) excused interventions respectively in the name of the Monroe Doctrine and the Dollar diplomacy (Hogan, pg 88). Hoover (1929-33) and FD Roosevelt (1933-45) abandoned the usual intervention pattern since the 1930s, in favour of a Good Neighbour Policy to be maintained in the area (Findling, 1987). U.S. troops in the

Panama Canal zone remained the only North American presence in Latin America at the time. A new chapter in the two Americas relationship seemed to have begun. But the events in Guatemala in 1954 brought back even stronger U.S. imperialist attitude toward Latin America, an attitude that would last for all of the second half of the twentieth century. Cuba in the 1960s, Chile in the 1970s, Nicaragua, Grenada and Panama in the 1980s all testify this attitude (Lundestad, 1999).

The military coup in Guatemala in 1954 signalled a shift in U.S. foreign behaviour: i.e., it was the first time a democratically elected government, as the Arbenz government was, was directly overthrown through the use of force (Ferguson, 1963). After the 1954 coup in Guatemala, U.S. aggressive conduct towards Latin America stopped because of popular resentments, but the threat of a Communist Cuba in 1959 brought it back, and this time would have not stopped (McPherson, 2006).

It is important to notice that the Guatemalan and the Cuban case represented different characteristics in U.S.' perceptions. Despite both leaders of both countries aimed to promote social reforms favouring the masses and economic independency from foreign capital for their lands, and were hence accused of being communist sympathizers, as revisionist interpretations stress, the political nature of Guatemala and Cuba were diverse (Ferguson, 1963). While Cuba highlighted a political and economic loyalty to Moscow, with elements of coercive nature the remembered the Soviet regime (McPherson, 2006), Guatemala contact with the USSR for weapons was forced by U.S. aggressive attitude, as Chomsky (2007) argued. The USSR had no implications in Guatemala. Arbenz's reforms began from the assumption of favouring peasants and workers' living standards, after a heritage of tyranny where oligarchies and foreign monopolies looted the country (Kinzer, 2005).

To conclude, both Orthodox and Revisionist perspectives seem to have enough arguments to explain the true nature of U.S. foreign policy during the Cold War. In the case of Guatemala, Gleijeses (1991) argued that Eisenhower's response to nationalism can be justified because of both economic and geo-security concerns. Furthermore, many scholars belonging to the Orthodox school still today view U.S. actions in 1954 in Guatemala as necessary for guaranteeing their national security in a

tense period of history (Kinzer, 2005). They further argue that the modernization process, strongly criticized by Marxist perspectives, was the only way to initiate a sustainable economic development in Latin America (Merrill, 1994). However, taking into account also contemporary events, the Revisionist interpretation of U.S. Cold War foreign policy seems to be the most accredited on the matter in academia (Stokes, 2005). Washington's distaste for social revolutions in Latin America, that clearly emphasized a nationalist character in favour of improving the population social and economic conditions, was translated into the fear of losing economic interests in a geo-strategic area (Regalado, 2006). The continuity thesis, with particular reference to the recent formation of trading blocs such as NAFTA and FTAA, still proves that the U.S. "makes politics out of money" (LaFeber, 1999:153). Even Orthodox scholars of the discontinuity thesis on post Cold War U.S. foreign behaviour, such as Mearsheimer, argue that new threats to U.S. security and interests, which could not rise in a bipolar system, come from the emergence of aggressive nationalist movements against U.S. capitalist values (Stokes, 2005), as regional agreements and socialist inspired governments throughout Latin America in recent years have shown according to both Regalado (2006) and Huntington (1997).

One clear final concept, strongly stressed by Regalado (2006), that transcends even theories, emerged: the inevitability of the 1954 U.S. intervention in Guatemala; As in the historical cycle where the two Americas came in contact, different cultural views of the interested actors led to natural confrontation (Regalado, 2006).

BIBLIOGRAPHY

- Berryman, P. (1985) *Inside Central America: US Policy in its New Vietnam*. London: Pluto Press Limited
- Booth, J. (1995) 'Central America and the United States: Cycles of Containment and Response', in Martz, J. (ed.) *United States Policy in Latin America: a Decade of Crisis and Challenge*. Nebraska: University of Nebraska Press, pp. 184-214
- Burns, E. & Charlip, J. (2007) *Latin America: An interpretive History*. 8th edn. New Jersey: Pearson Prentice Hall
- Chomsky, N. (2007) *Hegemony or Survival*. 4th edn. London: Penguin Group

- Cumings, B. (1999) *'The American Century and the Third World'*, in Hogan, M. (ed.) *The Ambiguous Legacy: U.S. Foreign Relations in the "American Century"*. New York: Cambridge University Press, pp. 279-301
- Ferguson, J. (1963) *The Revolutions of Latin America*. London: Thames and Hudson
- Findling, J. (1987) *Close Neighbours, Distant Friends: United States-Central American Relations*. New York: Greenwood Press
- Furtado, C. (1994) *'Prebisch's Global View'*, in Iglesias, E. & Inter-American Development Bank (ed.) *The Legacy of Raul Prebisch*. Washington D. C.: Inter-American Development Bank, pp. 49-54
- Gonzalez, A. (1994) *'Comments on "The Search for a New Economic Consensus in Latin America"'*, in Iglesias, E. & Inter-American Development Bank (ed.) *The Legacy of Raul Prebisch*. Washington D. C.: Inter-American Development Bank, pp. 101-108
- Gleijeses, P. (1991) *Shattered Hope: the Guatemalan Revolution and the United States, 1944-1954*. Princeton: Princeton University Press
- Hunt, M (1994) *'Traditions of American Diplomacy: from Colony to great Power'*, in Martel, G. (ed.) *American Foreign Relations Reconsidered 1890-1993*. London: Routledge, pp. 1-20
- Huntington, S. (1997) *The Clash of Civilizations and the Remaking of World Order*. London: The Free Press
- Iglesias, E. (1994) *'The Search for a New Economic Consensus in Latin America'*, in Iglesias, E. & Inter-American Development Bank (ed.) *The Legacy of Raul Prebisch*. Washington D. C.: Inter-American Development Bank, pp. 63-100
- Karns, M. & Mingst, K. (2010) *International Organizations: The Politics and Processes of Global Governance*. London: Lynne Rienner Publishers
- Keen, B. & Haynes, K. (2004) *A History of Latin America*. 7th Ed. Boston: Houghton Mifflin Company
- Kinzer, S. (2006) *Overthrow: America's Century of Regime Change from Hawaii to Iraq*. New York: Henry Holt
- Kryzanek, J. (1996) *U.S. Latin America Relations*. 3rd Ed. Road West: Praeger Publishers
- LaFeber, W. (1999) *'The Tension between Democracy and Capitalism during the American Century'*, in Hogan, M. (ed.) *The Ambiguous Legacy: U.S. Foreign Relations in the "American Century"*. New York: Cambridge University Press, pp. 152-182
- Lundestad, G. (1999) *'Empire by Invitation in the American Century'*, in Hogan, M. (ed.) *The Ambiguous Legacy: U.S. Foreign Relations in the "American Century"*. New York: Cambridge University Press, pp. 52-91
- Love, J. (1994) *'A New Look at the International Intellectual Environment of the Thirties and Forties'*, in Iglesias, E. & Inter-American Development Bank (ed.) *The legacy of Raul Prebisch*. Washington D. C.: Inter-American Development Bank, pp. 55-62
- Maingot, A. (1994) *The United States and the Caribbean*. London: the Macmillan Press LTD
- McPherson, A. (2006) *Intimate Ties, Bitter Struggles: The United States and Latin America Since 1945*. Virginia: Potomac Books, Inc
- Merrill, D. (1994) *'The United States and the Rise of the Third World'*, in Martel, G. (ed.) *American Foreign Relations Reconsidered 1890-1993*. London: Routledge, pp. 166-186

- Petras, J. & Morley, M. (1990) *US Hegemony under Siege: Class, Politics and Development in Latin America*. London: Verso
- Regalado, R. (2006) *Latin America at the Crossroads: Domination, Crisis, Social Struggles and Political Alternative for the Left*. London: Ocean
- Rosenberg, E. (1994) 'Economic Interest and United States Foreign Policy', in Martel, G. (ed.) *American Foreign Relations Reconsidered 1890-1993*. London: Routledge, pp. 37-51
- Schlesinger, S., Kinzer, S. & Coatsworth, J. (1982) *Bitter Fruit: the Story of the American Coup in Guatemala*. New York: Harvard Press University
- Sinclair, A. (1998) *Che Guevara*. Gloucestershire: Sutton Publishing Limited
- Slater, J. (1987) 'Dominoes in Central America: Will they fall? Does it Matter?' *International Security*, Vol. 12, No. 2 (Autumn, 1987), pp. 105-134 [Online]. Available at: <http://www.jstor.org/stable/2538814?origin=JSTOR-pdf&> (Accessed: 12 Apr 2011)
- Smith, J. (1998) *The Cold War 1945-1991*. 2nd Edn. Oxford: Blackwell Publishing
- Stokes, D. (2005) *America's Other War: Terrorizing Colombia*. London: Zed Books
- Torres Rivas, E. (1987) *Repression and Resistance: The Struggle for Democracy in Central America*. Colorado: Westview Press Inc
- Wise, D. & Ross, T. (1964) *The Invisible Government*. New York: Random House.

