HARVEST OF EMPIRE

A History of Latinos in America

Revised Edition

JUAN GONZALEZ

PENGUIN BOOKS

2

The Spanish Borderlands and the Making of an Empire (1810–1898)

However our present interests may restrain us within our limits, it is impossible not to look forward to distant times, when our rapid multiplication will expand beyond those limits, and cover the whole northern if not the southern continent.

—Thomas Jefferson, 1801

When they embarked on the road to independence in 1810, Spain's American colonies were far richer in resources, territory, and population than the infant United States. Over the next few decades, however, the four Spanish viceroyalties—New Spain, New Granada, Peru, and Río Plata—fragmented into more than a dozen separate nations, most of them crippled by internal strife, by economic stagnation, by foreign debt, and by outside domination. The United States, on the other hand, expanded dramatically in territory and population, fashioned a stable and prosperous democracy, and warded off foreign control.

Why such a staggering difference in development? Historians in this country usually attribute it to the legacies of English and Spanish colonialism. The austere Protestant democracy of Anglo-Saxon farmers and merchants, they say, was ideally suited for carving prosperity from a virgin frontier in a way that the Catholic, tyrannical societies of Latin America were not.[1]

That view, however, ignores the discordant and unequal relationship that emerged between the United States and Latin America from the first days of independence. It masks how a good deal of nineteenth-century U.S. growth flowed directly from the Anglo conquest of Spanish-speaking America. That conquest, how it unfolded and how it set the basis for the modern Latino presence in the United States, is the subject of this chapter.

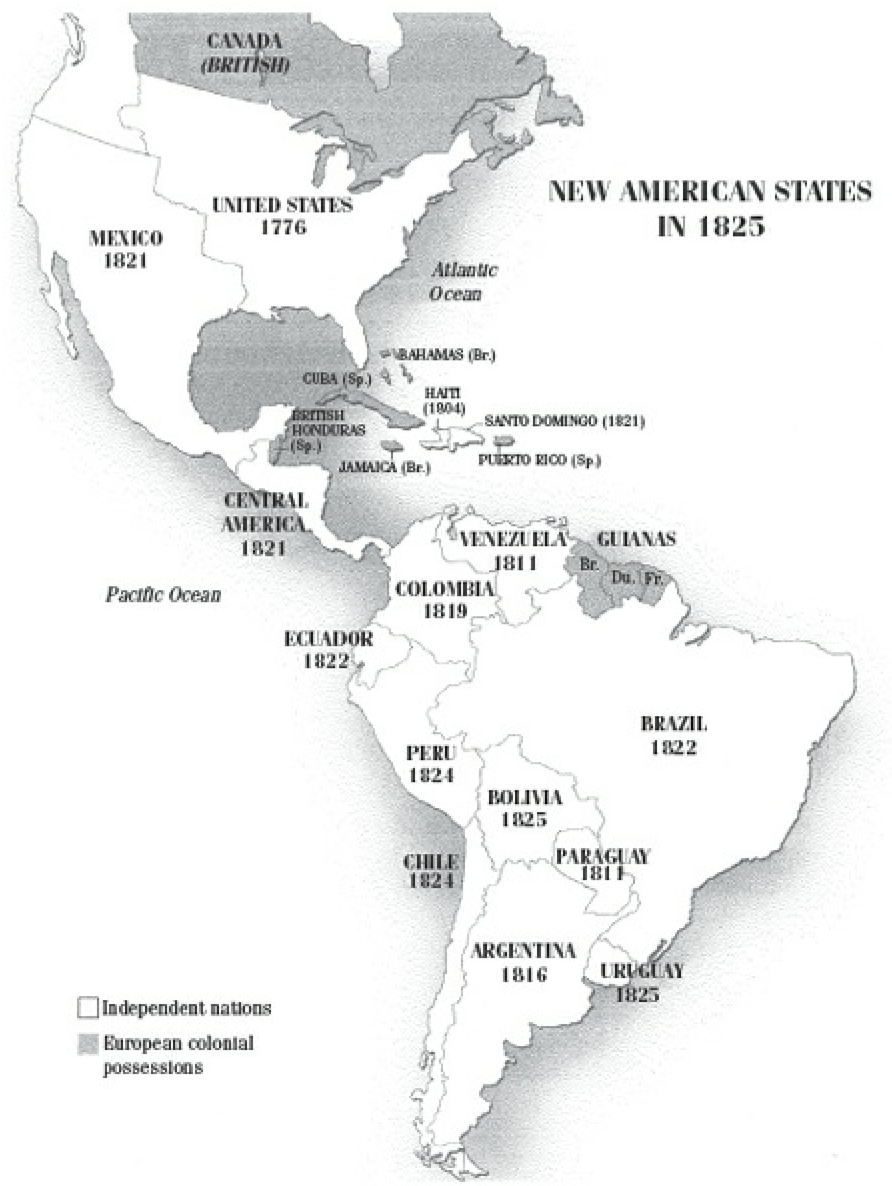
Our nation's territorial expansion during the 1800s is well documented, but less attention has been given to how that expansion weakened and deformed the young republics to the south, especially those closest to the ever-changing U.S. borders. Annexation of the Spanish-speaking borderlands evolved in three distinct phases: Florida and the Southeast by 1820; Texas, California, and the Southwest by 1855; and, finally, Central America and the Caribbean during the second half of the century, a phase that culminated with the Spanish-American War of 1898. Those annexations transformed an isolated yeoman's democracy into a major world empire. In the process, Mexico lost half of its territory and three-quarters of its mineral resources, the Caribbean Basin was reduced to a permanent target for Yankee exploitation and intervention, and Latin Americans were made into a steady source of cheap labor for the first U.S. multinational corporations.

Popular history depicts that nineteenth-century movement as a heroic epic of humble farmers heading west in covered wagons to fight off savage Indians and tame a virgin land. Rarely do those accounts examine the movement's other face—the relentless incursions of Anglo settlers into Latin American territory.

Ahead of the settlers came the traders and merchants—men like Charles Stillman, Mifflin Kenedy, and Richard King in Texas; Cornelius Vanderbilt, George Law, and Minor Keith in Central America; William Safford, H. O. Havemeyer, and John Leamy in the Antilles; and John Craig in Venezuela—all of whom amassed huge fortunes in Latin American lands and products. The merchants were joined by adventurers and mercenaries like General John McIntosh (Florida), Davy Crockett (Texas), and

William Walker (Nicaragua), who swore allegiance to inexperienced or weak Latin American governments, then forcibly overthrew them in the name of freedom.

Most U.S. presidents backed the taking of Latin America's land. Jefferson, Jackson, and Teddy Roosevelt all regarded our country's domination of the region as ordained by nature. The main proponents and beneficiaries of empire building, however, were speculators, plantation owners, bankers, and merchants.[2] They fostered popular support for it by promising cheap land to the waves of European immigrants who kept arriving on our shores, and they bankrolled an endless string of armed rebellions in those Spanish-speaking lands by white settlers. To justify it all, our leaders popularized such pivotal notions as "America for the Americans" and "Manifest Destiny," the latter term emerging as the nineteenth-century code-phrase for racial supremacy.



But along with the conquered lands came unwanted peoples: Native Americans, who were pushed farther west, then herded onto reservations, and several million Mexicans, Cubans, Filipinos, and Puerto Ricans, who were placed under U.S. sovereignty. Even when Congress officially declared some of the conquered peoples U.S. citizens, the newly arrived Anglo settlers routinely seized their properties, and those seizures were then upheld by the English-speaking courts the settlers installed. The Mexican Americans of the Southwest became a foreign minority in the land of their birth.

Spanish-speaking, Catholic, and largely *mestizo,* they were rapidly relegated to a lower-caste status alongside Indians and blacks. Cubans and Filipinos eventually won their independence but found their nations under the thumb of Washington for decades afterward, while Puerto Rico remains to this day a colony of second-class citizens.

THE REVOLUTIONARY YEARS: FROM INSPIRATION TO BETRAYAL

At the beginning of the 1800s, few Latin Americans could have foretold how the United States would treat them. The U.S. War of Independence, after all, was an enormous inspiration to intellectuals throughout the Spanish colonies. Some Latin Americans even fought alongside George Washington's rebel army. Bernardo de Gálvez, the Spanish governor of Louisiana, opened a second front against the English when he invaded British-controlled West Florida, defeated the garrison there, and reclaimed the peninsula as a Spanish colony. Merchants in Havana, meanwhile, supplied critical loans and supplies to Washington.

After the Revolution triumphed, Latin American patriots emulated the Founding Fathers. Fray Servando de Mier, a leading propagandist of Mexican independence, traveled to Philadelphia during Jefferson's presidency and often quoted Thomas Paine in his own polemics against monarchy.[3] In 1794, Antonio Nariño, a wealthy Bogotá intellectual and admirer of Benjamin Franklin, translated and secretly published the French Assembly's Declaration of the Rights of Man. José Antonio Rojas, the prominent Chilean revolutionary, met Franklin in Europe and later shipped numerous crates of Raynal's writings about the North American revolution to Chile. In 1776, Rojas penned his own list of Chilean grievances against the Spanish monarchy. Simón Bolívar, the great Liberator of South America, traveled throughout the United States in 1806. Inspired by its accomplishments, he launched Venezuela's independence uprising a few years later.[4]

Perhaps the best example of the close ties between revolutionaries of the north and south was Francisco de Miranda, the "Morning Star" of Latin American independence. Born in 1750 into a prosperous merchant family in Caracas, Miranda joined the Spanish army at seventeen. He later traveled to North America, where he served first with Gálvez's Spanish troops in Florida, then with French general Comte de Rochambeau's troops. Handsome, erudite, and charismatic, Miranda was befriended by several U.S. leaders, including Alexander Hamilton and Robert Morris, and he met with President Washington. After a long personal odyssey through Europe, where he served as both a decorated general in Napoleon's army and a lover of Russia's Catherine the Great, Miranda returned to the United States and sought to win our government's backing for a campaign to liberate the Spanish colonies.[5]

Like all the well-known patriots of Latin America, however, Miranda was a *criollo* from the upper class. That limited his ability to win a mass following for independence among his own countrymen, for the *criollos,* unlike the Anglo-American revolutionaries, were a distinct minority within their own society. Of 13.5 million people living in the Spanish colonies in 1800, less than 3 million were white, and only 200,000 of those were *peninsulares,* born in Spain. Latin American rebels lived in constant fear of the 80 percent of the population that was Indian, black, and mixed-race, and that apprehension intensified during the final years of the U.S. Revolutionary War, when several major uprisings broke out among the Indians of South America.[6]

The specter of those uprisings made the *criollos* content at first to demand from Spain simply better treatment, not full-blown independence. They railed against high taxation, for more autonomy, and against the restrictions the Crown imposed on trade outside the empire. They condemned Spain's discrimination against them, how the Crown granted only *peninsulares* a monopoly on overseas trade, how it excluded *criollos* from top posts in the colonial government, and how it confined them only to mining and agriculture.[7] But no matter how much they might complain, the *criollos* dared not risk open rebellion for fear of unleashing revolt from the multitudes they had always oppressed.

In the end, the spark for Latin America's revolution came not from within the colonies but from Europe.[8] In 1808, Napoleon invaded Spain and installed his brother Joseph as king, setting off a chain of events that would lead to the breakup of the entire Spanish colonial empire. The Spanish people rejected the French invaders, formed local resistance juntas throughout the country, and launched a guerrilla war to return their imprisoned king to the throne. When they heard of the events in Europe, *criollo* leaders in the colonies followed the lead of the Spanish resistance. They formed juntas of their own in all the major American cities and assumed control of their local affairs in the name of the king.

The rebel juntas in Spain soon convened a new Cortes, and that Cortes promulgated a liberal constitution, one that granted full citizenship to colonial subjects in the American colonies for the first time. But the Cortes stopped short of full equality when it refused to permit the colonies, whose population far outnumbered Spain's, a proportionate share of delegates. That refusal angered the most radical *criollo* leaders, who decided to break with the new Spanish government and declare their independence.

From then on, the Latin American revolution charted its own course. Even Napoleon's defeat at Waterloo and the ousting of the French from Spain a few years later failed to bring the shattered empire back together. King Ferdinand, who was restored to the throne after Napoleon's defeat, refused to accept the loss of his colonies and sent his army to subdue the upstart Latin Americans. A series of wars ensued throughout the continent between loyalists and rebels, and in several regions between the patriotic leaders themselves. The conflicts differed from country to country, yet everywhere the human toll was immense. The mammoth size of the colonies made for an epic, disordered, and bloody canvas. Mexico's independence wars, for instance, began in 1810 after parish priest Miguel Hidalgo led an uprising of thousands of Indian peasants and miners in the town of Dolores in the rich Bajió region northwest of Mexico City, using a statue of the Indian Virgen de Guadalupe to rally his followers. By the time the wars ended in 1821, more than 600,000 were dead, 10 percent of the country's population.[9] Venezuela had lost half of its nearly 1 million inhabitants.[10] Overall, the Latin American wars lasted much longer and proved far more destructive to the region's inhabitants than the U.S. War of Independence, which claimed only 25,000 lives.

Despite their turbulent and debilitating fight for independence, the Latin American patriots always looked to the United States for their example. Several of the new nations modeled their constitutions on ours. During their wars, they pleaded for military aid from us, and after their victory, they sought friendship and assistance for their postwar reconstruction.[11]

Most U.S. leaders, however, coveted the Spanish colonies as targets for the nation's own expansion and held little regard for the abilities of the Latin American patriots. "However our present interests may restrain us within our limits," Jefferson wrote to James Monroe in 1801, "it is impossible not to look forward to distant times, when our rapid multiplication will expand beyond those limits, and cover the whole northern if not the southern continent."[12] Democracy no better suited Spanish America, John Adams said, than "the birds, beasts or fishes."

Miranda was the first to be surprised by the U.S. attitude. In 1806, after securing £12,000 from the British government for an expedition to liberate Venezuela, he rushed to the United States in expectation of further help, but President Jefferson and Secretary of State Madison rebuffed his appeals. Despite their refusal, Miranda managed to put together a rebel force from Anglo volunteers he recuited along the Eastern Seaboard. Once the expedition landed in Venezuela, however, Miranda's countrymen mistook it for a contingent of British soldiers. Instead of heeding his call for a revolt, the Venezuelans sided with the Spanish army, which quickly routed the rebels. Miranda barely managed to avoid capture and flee the country.

A decade later, with independence fever sweeping South America and the liberation armies battling fiercely against a powerful Spanish force, the United States rebuffed Bolívar as strongly it had Miranda. Monroe, first as Madison's secretary of state and then as president, insisted on neutrality toward the South American wars. Like Jefferson before him, Monroe hoped to keep Spain friendly enough so it would eventually sell its Cuba and Florida colonies to the United States, a feeling shared by most of our nation's leaders. "We have no concern with South America," Edward Everett, editor of the influential *North American Review,* wrote at the time. "We can have no well-founded political sympathy with them. We are sprung from different stocks."[13]

Latin American freedom, however, did have support among many ordinary Americans, even a few in high places, who opposed our neutrality. Among those was Henry Marie Brackenridge, whom Monroe sent to the region to assess the situation in 1817 as part of a U.S. commission. "The patriots … complain that our government is cold towards them, as if ashamed to own them," Brackenridge reported back.[14] By then, the Latin Americans were becoming increasingly suspicious of U.S. intentions. That suspicion turned to bitterness after an incident that year involving two merchant ships, the *Tiger* and the *Liberty.* Soldiers from Bolívar's Republic of Gran Colombia seized the ships near the Orinoco River in Venezuela after discovering that their hulls were filled with military supplies for the Spanish army. The White House demanded that Colombia release the ships and indemnify their owners. Bolívar responded by condemning the two-faced U.S. policy. In a series of angry diplomatic letters, he reminded the White House that the U.S. Navy had intercepted and captured several merchant ships, even British ships, laden with supplies for his revolutionary army. So why were North Americans now supplying his enemy?[15]

Unknown to Bolívar, this peculiar brand of neutrality was about to pay off handsomely. The Adams-Onís Treaty of 1819 ceded Florida to the United States, but as part of those negotiations Monroe promised Spain that our country would continue denying aid to the Latin American patriots.[16] The Latin American leaders, unaware of the secret agreement, could not believe how the United States kept turning its back on them. Bolívar, who had once praised our country as a "model of political virtues and moral enlightenment unique in the history of mankind," turned increasingly antagonistic to it by 1819. That year, he remarked: "In ten years of struggle and travail that beggar description, in ten years of suffering almost beyond human endurance, we have witnessed the indifference with which all Europe and even our brothers of the north have remained but passive spectators of our anguish."[17]

But there were deeper reasons behind the U.S. reluctance to see the Latin Americans succeed. Always foremost in the minds of southern planters and their congressional delegates was the issue of slavery. The planters watched with alarm as Latin America's independence wars dragged on, how Creole leaders like Bolívar were enlisting thousands of *pardos, mestizos,* Indians, and slaves in their armies, repaying the castes with greater social mobility and the slaves with their freedom.

Our slave owners were well aware that after Bolívar's second defeat by the Spanish army, Haiti's president, Alexandre Pétion, had helped finance his return to South America in 1815, outfitting seven ships and six thousand men with weapons and ammunition on condition that Bolívar emancipate Venezuela's slaves.[18] The Liberator's subsequent public condemnations of slavery enraged planters in this country. "Slavery is the negation of all law, and any law which should perpetuate it would be a sacrilege," he proclaimed at the founding congress of Bolivia in 1826.[19] Clearly, plantation owners here feared that emancipation fervor would spread from Latin America into the United States—by 1850, all the former Spanish colonies that had won their independence had abolished slavery—and that fear turned them into implacable foes of Latin American liberation.[20]

Abandoned by the U.S. government from their inception, reviled by the conservative monarchies of Europe, the Latin American republics concluded that their only reliable ally was England. Some six thousand English, Scotch, and Irish, most of them unemployed veterans from the British wars against Napoleon, signed up for Bolívar's army in 1817– 1819. Among those volunteers was Daniel O'Leary, who went on to serve as Bolívar's top secretary.[21] That British aid, together with the daring battlefield strategies of Bolívar, San Martín, Bernardo O'Higgins, Santander, and the other great generals, succeeded by 1826 in routing the last of the Spanish armies on the continent.

All of Spain's vast empire except Cuba and Puerto Rico was now free. That year, Bolívar convened the first Pan American Congress, where he elaborated his dream for a hemispheric confederation. His plan for uniting the revolutionary nations so worried U.S. leaders that Congress delayed sending representatives until the gathering had adjourned, and afterward, our government made clear to Bolívar that it was adamantly opposed to any expedition to liberate Cuba and Puerto Rico.

FREEDOM, FILIBUSTERS, AND MANIFEST DESTINY

If the South American liberators found policy makers in Washington aloof, Latinos living near the U.S. borderlands found their Anglo neighbors downright hostile. The gobbling up of chunks of Florida between 1810 and 1819 set the pattern for U.S. expansion across the Spanish borderlands. Jefferson's Lousiana Purchase in 1803 had brought the first group of Spanish-speaking people under the U.S. flag. But our nation did not "purchase" Florida in the same way it purchased Louisiana. The Adams-Onís Treaty was more akin to a street corner holdup. It culminated two decades of unceasing pressure on Spain by southern speculators to give up the territory, an area which was then much larger in size than the current state since it stretched along the Gulf Coast all the way to the towns of Natchez and Baton Rouge.

The few thousand Spaniards inhabiting Florida's fortified Gulf Coast towns had made great strides, since the Franciscan missions of the sixteenth century, in building ties with the Indians of the Southeast. For nearly two centuries, the Creek, Choctaws, Cherokees, and Chickasaws had formed a buffer between Spanish Florida and Anglo settlers in Georgia and Kentucky. Known as the "civilized tribes" because they readily adopted European dress, tools, and farming methods, they numbered about forty-five thousand in the year 1800. The Florida colony, however, was an irritant to the Anglos, since it provided refuge both to Indians on the warpath and to escaped slaves from the southern plantations.[22] Moreover, the plantation owners regarded with horror the racial mixing between fugitive slaves and Indians that was commonplace among the Seminoles.

By the early 1800s, so many Anglo settlers were moving into Florida that Spanish soldiers in its thinly populated garrison towns could no longer control the territory. In a gamble aimed at reasserting that control, Spain agreed to legalize the newcomers, but in return the settlers had to pledge loyalty to the Crown, raise their children as Catholics, and refrain from land speculation or political assembly.[23] The policy backfired, since it made it easier for settlers to immigrate and only postponed Spain's loss of the colony.[24]

In 1810, a group of settlers in West Florida launched a direct challenge to that authority. They resorted to a form of rebellion that eventually turned into a hallmark of Anglo adventurers and buccaneers throughout the Spanish borderlands: a band of newcomers or mercenaries simply captured a town or territory and proclaimed their own republic. The Spanish called them *filibusteros* (freebooters), and the uprisings were known as filibusters. In one of the earliest attempts, a group of Anglo settlers captured the Spanish garrison at Baton Rouge on September 23, 1810, and declared their independence. The rebellion prompted President Madison to send in federal troops to occupy the surrounding territory, and Congress later incorporated the area into the new state of Louisiana.[25] The rest of West Florida fell into U.S. hands during the War of 1812, after General James Wilkinson, head of the U.S. Army and a master at filibustering, captured the Spanish garrison at Mobile in 1813 and Andrew Jackson captured Pensacola in 1814. Spain's government, still paralyzed by the Napoleonic wars, was in no condition to resist any of the incursions.

Other filibuster revolts soon spread to East Florida (see table 1). Most of the revolts garnered backing from political leaders in the South who were anxious to expand slave territories and to speculate in Florida land. One of those leaders, Andrew Jackson, had engaged in repeated speculation throughout his life. In 1796, for instance, Jackson bought a half-interest in five thousand acres of the Chickasaw Bluffs in Mississippi for $100. He immediately sold a portion for a sizable profit. Twenty years later, as a U.S. Army commander, Jackson forced the Chickasaws to negotiate a treaty opening the territory to white settlers. He promptly sold the remaining part of his investment for $5,000.[26] But the parcel of land that always fired Old Hickory's imagination most was Florida. Several times, his soldiers invaded East Florida on the pretext of hunting down Seminole bands. Thanks to Jackson's repeated forays and to the filibuster revolts of Anglo settlers there, Spain gradually concluded that the U.S. thirst for Florida would never be quenched; the Adams-Onís Treaty was the result. In it, Spain ceded to the United States an area larger than Belgium, Denmark, the Netherlands, and Switzerland for a mere $5 million. Spain hoped that by giving up Florida it would salvage the remainder of its tottering empire, especially the province of Tejas, which had already been the scene of four separate filibuster revolts by bands of Anglos between 1801 and 1819.[27] As its only concession in the treaty, Washington officially renounced all other claims on Spanish lands and accepted the Sabine River as its border with Spain's Texas colony.

Such was the situation in 1822, when President Monroe, who for years had refused to aid the Latin American revolution, suddenly did an about-face and became the first world leader to recognize Mexico's independence. Monroe followed that up the next year with an even more audacious act. He declared the Americas off-limits to any new European colonization with his famous Monroe Doctrine. Actually, Monroe issued the warning quite reluctantly, and only after much British prodding. The British pressure was brought on by the defeat of Napoleon and the subsequent decision of Europe's Holy Alliance to back an attempt by Ferdinand VII to recover Spain's Latin American colonies. England was already ensconced as Latin America's biggest trading partner, and British foreign minister George Canning feared that any recolonization of the region would close off that commerce. So Canning urged Monroe to join him in warning the European powers to stay out of America. Canning, however, wanted reciprocity for his alliance. He wanted Monroe to renounce any plans to colonize Texas or Cuba, something Monroe would not do.[28]

TABLE 1

THE FILIBUSTERING RECORD

(Invasions by U.S. Citizens into Spain's Colonies or the Latin American Republics during the 1800s)

1801—Philip Nolan crosses into Texas with a band of armed men; he is captured and shot by Spanish soldiers.
1809—General James Wilkinson's "volunteers" occupy parts of West Florida.
1810—Anglo settlers declare a republic in Baton Rouge, West Florida. Federal troops occupy the area and Congress annexes it into Louisiana.
1812—Former general John McIntosh captures Amelia Island and Fernadina, declaring the Republic of Fernadina. Spanish troops defeat him.
1812—Former U.S. lieutenant Augustus Magee, Mexican Bernardo Gutiérrez, and a group of Americans invade East Texas and are routed.
1813—General James Wilkinson captures Mobile in West Florida.
1817—Henry Perry invades Texas and marches on La Bahía.
1819—Mississippi merchant James Long invades Texas but fails to establish the Republic of Texas.
1826—Hayden and Benjamin Edwards seize Nacogdoches and proclaim the Republic of Fredonia. Mexican soldiers defeat them with help from Stephen Austin.
1835—General Ignacio Mejía and two hundred Americans raid Río Panuco in Tamaulipas. His defeat prompts Mexico to ban American immigration.
1836—Sam Houston and Texas rebels, along with a small number of Tejano federalists, revolt against General Santa Anna's rule. They defeat Santa Anna at San Jacinto and proclaim the Republic of Texas.
1839—Antonio Canales, a Mexican federalist, S. W. Jordan, and five hundred Americans declare the Republic of the Rio Grande. They become divided and are defeated by Mexican troops.
1849—Former Spanish army officer Narciso López, backed by publisher William O'Sullivan, attempts to invade Cuba, but U. S. authorities foil the plot.
1850—López invades at Cárdenas, but is routed. Of his six hundred men, all but five are North American.
1851—López invades a second time, at Bahía Honda. Once again, North Americans are a majority of his four hundred volunteers. Spanish troops capture and execute him.
1853—William Walker invades Mexico and declares the Republic of Sonora. Mexican troops chase him back across the border.
1855—Walker arrives in Nicaragua, seizes power and rules as dictator for two years until he is routed by the combined armies of Central America and Cornelius Vanderbilt.
1858—Walker invades Nicaragua again and is routed a second time.
1860—Walker invades Honduras, is captured, tried, and executed.

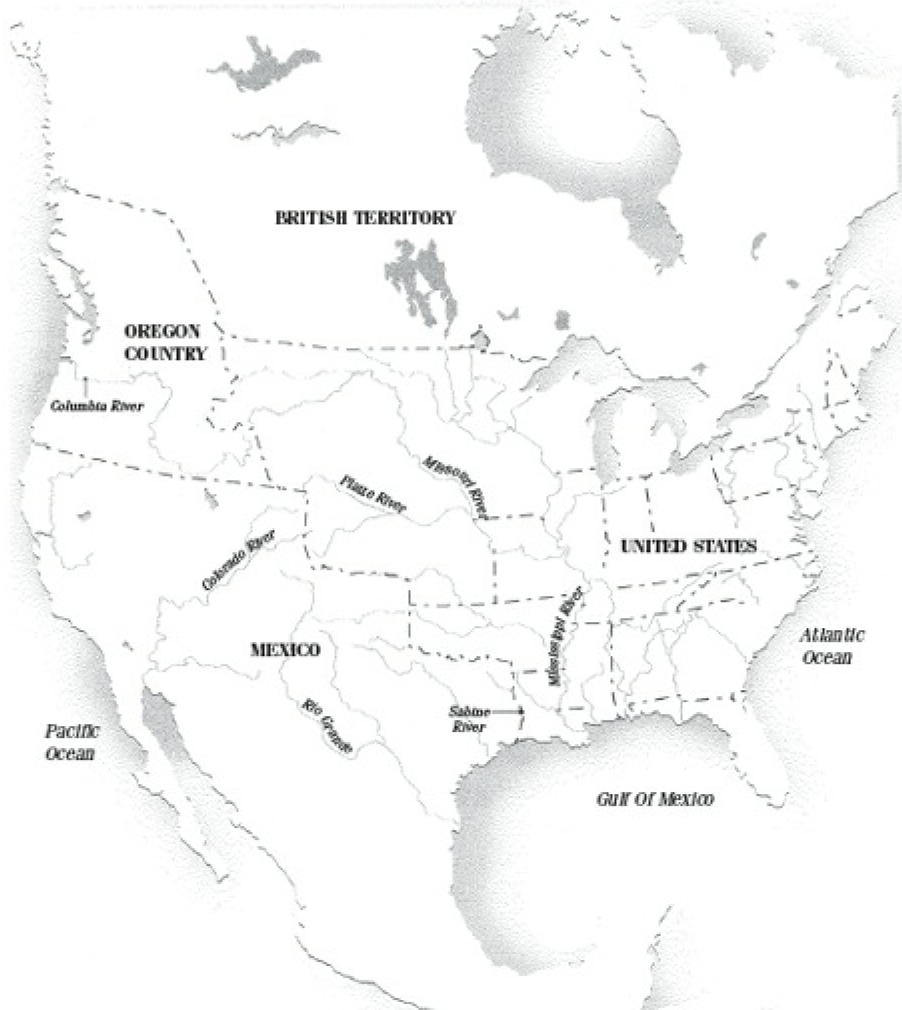
Seeking to maneuver between the geopolitical schemes of England and the Holy Alliance, Monroe chose instead to act alone. After years of refusing support to the Latin American revolution, he suddenly reversed course. On December 2, during his annual address to Congress, he issued the most important policy statement in hemispheric history, announcing that the Latin American countries were "henceforth not to be considered as subjects for future colonization by any European powers … it is impossible that the allied powers should extend their political system to any portion of [the continent] without endangering our peace and happiness."[29]

The new policy was hailed at first by Latin American leaders. At last, they thought, U.S. neutrality toward their struggle would end. “An act worthy of the classic land of liberty,” said Colombia’s president Santander. The European monarchies, of course, were more worried about the guns of the powerful British navy than the threats of the upstart North American republic. Nonetheless, with England and the United States as nominal protectors of Latin American independence, the new countries of the region at least managed to avert the catastrophes that befell much of Africa and Asia when the European powers divided those areas between them during the great colonial partitions of the late nineteenth century.

Notwithstanding the Monroe Doctrine’s strong language, European governments successfully pursued more than a dozen major interventions into Latin America during the rest of the century, and numerous minor ones, with only occasional U.S. opposition.[30] Worse than the many U.S. failures to honor its own policy was how subsequent presidents turned the doctrine into its opposite. Latin America, especially the Caribbean Basin, was turned into a virtual U.S. sphere of influence. Bolívar, weary of the growing arrogance from North Americans, declared before his death that the United States seemed “destined by Providence to plague America with torments in the name of freedom.”[31] During the twentieth century, a succession of presidents used Monroe’s words to justify repeated military occupations of Latin American nations. This duel interpretation of the doctrine’s provisions continues to this day. It underscores an unresolved contradiction of U.S. history—between our ideals of freedom and our predilection for conquest.

The earliest example of that contradiction came during the next phase of borderlands expansion, the repeated annexations of Mexican territory between 1836 and 1853. Prior to those annexations, the United States of Mexico, as the new country called itself, and the United States of America were eerily similar in territory and population. In 1824, Mexico comprised 1.7 million square miles and contained 6 million people, while the United States stretched for 1.8 million square miles and had 9.6 million people. That equivalence was radically transformed over the next three decades as Anglo settlers poured onto Mexican land.

The settlements began with Moses and Stephen Austin and the town of San Felipe de Austin. Moses, who had lived in Missouri when Spain controlled the Louisiana territory, secured permission from the Spanish crown in 1820 to found a town of Anglo families in the province of Tejas.



The United States and Mexico in 1821

Within a year, Austin died and Mexico won its independence, but his son Stephen chose to carry out his father's plan. The new Mexican government honored Spain's grant so long as Austin's settlers took an oath of allegiance to Mexico and converted to Catholicism. San Felipe was so successful that dozens of other Anglo colonies in Texas soon followed.[32]

Farther south, at the mouth of the Rio Grande, Connecticut merchant Francis Stillman landed by ship near Matamoros with a cargo of hay and oats in 1825. Impressed by the demand for his goods, Stillman sent his son Charles to the area to set up a branch of the family business.[33] Charles, or Don Carlos as the Mexicans referred to him, proved to be a wizard at trade. Before long, he was the biggest merchant and landowner in the region. By 1832, three hundred foreigners were living in Matamoros, most of them North Americans.[34] Among them was James Power, who married Dolores de la Portilla, an heiress of the rich De la Garza landowning family. Power thus initiated a form of land acquisition that hundreds of Anglo adventurers in the Southwest copied—he married into the Mexican elite and thereby acquired a *mayorazgo*.[35] Across the river from Matamoros, Don Carlos Stillman founded the town of Brownsville, where his son James Stillman was born in 1850. That son would grow up to be a titan of American finance as the president of First National City Bank and as the notorious ally of robber barons John D. Rockefeller and J. P. Morgan.

Far to the north of the Rio Grande, Anglo settlers had started moving into East Texas in the 1820s.

Many were illegal squatters drawn by fraudulent sales of land at 1 to 10 cents an acre from speculators who had no legal title.[36] Some of those squatters soon took to filibustering.[37] The Hayden Edwards revolt, in particular, prompted the Mexican government to bar further immigration by U.S. citizens. It even abolished slavery in 1829 in hopes of cutting off economic incentives for southerners to emigrate.

But it was too late. By then, Anglo settlers far outnumbered the Mexicans in Tejas. “Where others send invading armies,” warned Mexican secretary of state Lucas Alaman, in an eerie precursor to our modern immigration debate, “[the Americans] send their colonists…. Texas will be lost for this Republic if adequate measures to save it are not taken.”[38] Local Mexican authorities, unlike the government in Mexico City, welcomed the economic boom that accompanied the influx of foreigners, just as today Anglo businessmen routinely welcome Mexicans who have crossed illegally into the country and are willing to work for low wages.

When General Santa Anna seized power in Mexico City in 1833, one of his first acts was to abolish the exemptions from taxes and antislavery laws that prior Mexican governments had granted the Texans, giving them the excuse they needed to break from Mexico City’s “tyranny.”

Few incidents in U.S. history so directly confront our cultural identity as does the Texas War of Independence and its legendary Battle of the Alamo. For more than a century and a half, the fort’s siege has been a part of American mythology. Its 187 martyred defenders, among them William Barret Travis, Jim Bowie, and Davy Crockett, have been immortalized as American heroes despite the fact that they openly defended slavery, that they were usurping the land of others, and that they were not even American citizens. Technically, they were Mexican citizens rebelling to found the Republic of Texas.

Most of the Anglo settlers had been in the province less than two years. Many were adventurers, vagabonds, and land speculators.[39] Travis had abandoned his family and escaped to Texas after killing a man in the United States. Bowie, a slave trader, had wandered into the Mexican province looking to make a fortune in mining. Sam Houston, commander of the victorious rebels, and Crockett were both veterans of Andrew Jackson’s grisly victory over the Creeks at Horseshoe Bend, and they shared Old Hickory’s racist and expansionist views toward Latin America.

Houston, a onetime governor of Tennessee, was part of Jackson’s White House kitchen cabinet before moving to Texas in 1832. While Houston plotted the rebellion, Jackson offered unsuccessfully to purchase Texas outright from Mexico. The two men were so close that Jackson’s enemies, among them former president John Quincy Adams, accused Houston of being Jackson’s secret agent in Texas. Although historians have found no documentary proof of this, Jackson certainly was aware of his disciple’s plans for the Mexican province.[40]

After the Alamo defeat, Houston’s rebel army won the war’s decisive battle at the Battle of San Jacinto, captured Santa Anna, and forced him to sign a treaty recognizing Texas independence in exchange for his freedom. But the Mexican government refused to sanction the treaty, and the precise boundaries of Texas remained in dispute for some time. The territory remained nominally independent until its annexation in 1845 only because northern congressmen kept blocking its admission to the union as a slave state. While the debate raged, cotton farming took hold in the Texas Republic and its leaders allowed the territory to be turned into a major transit point for smuggling slaves from Cuba into the southern states.[41]

Texas annexation touched off a fever for even more westward expansion. The slogan of the Monroe Doctrine, “America for the Americans,” was barely two decades old when a new battle cry suddenly replaced it in the popular imagination—“Manifest Destiny.” John O’Sullivan coined the term in July

1845 in his *United States Magazine and Democratic Review.* O'Sullivan, a publicist for the Democratic Party and friend of several presidents, counted Poe, Longfellow, and Whittier among the contributors to his influential magazine and was a steadfast advocate of expansion into Latin America, especially Cuba, where he personally financed several filibuster expeditions.

Proponents of Manifest Destiny saw Latin Americans as inferior in cultural makeup and bereft of democratic institutions. Our country's Calvinist beliefs reinforced those territorial ambitions perfectly. Americans could point to the nation's prosperity, to its amazing new networks of canals, steamboats, and railroads, as proof of their God-given destiny to conquer the frontier. Newspapers and magazines of the day were replete with articles by noted phrenologists like Dr. George Caldwell and Dr. Josiah C. Nott, who propounded the superiority of white Europeans over Indians, blacks, and Mexicans.

"To the Caucasian race is the world indebted for all the great and important discoveries, inventions, and improvements, that have been made in science and the arts," Caldwell wrote in his influential *Thoughts on the Original Unity of the Human Race.* Nott, one of the South's best-known surgeons, took Caldwell's views one step further. He urged the need for eugenics to keep the white race pure. "Wherever in the history of the world the inferior races have been conquered and mixed in with the Caucasian, the latter have sunk into barbarism," Nott proclaimed in a speech in 1844.

The phrenologists were not some marginal intellectual sect. By 1850, their ideas were part of mainstream thought in this country. Proponents traveled from town to town, carrying casts of skulls and detailed charts of the brain, giving speeches and distributing free books, and charging money to read heads. World-famous scholars such as Samuel George Morton, the Philadelphia ethnologist who possessed the largest collection of human skulls on earth, buttressed their conclusions with "scientific" studies on the relative size, capacity, and composition of the brains of different races. Morton, according to Nott, "has established the fact, that the capacity of the crania of the Mongol, Indian, and Negro, and all dark-skinned races, is smaller than that of the pure white man." Nott even extended those differences to single out other Caucasians or "mixed-breeds." Contrasting whites in the United States "with the dark-skinned Spaniards," he wrote, "It is clear that the dark-skinned Celts are fading away before the superior race, and that they must eventually be absorbed."[42]

With southern planters pressing to increase their proslavery votes in Congress, and many northerners captivated by the racialist theories of Manifest Destiny, the national outcry to annex more Mexican land became overwhelming. To no one's surprise, the entry of Texas into the union precipitated war with Mexico. It was a conflict that even the last president of the Texas Republic, Anson James, regarded as shameful. James blasted President Polk and war hero General Zachary Taylor for their attempts "to induce me to aid them in their unholy and execrable design of manufacturing a war with Mexico."[43] More than 100,000 U.S. soldiers served in the war, and nearly 14,000 perished, the highest mortality rate of any war in our history.[44] Their advance into Mexico produced horrifying incidents of brutality and racism by U.S. troops. A few even drew the public condemnation of generals Grant and Meade. Grant later admitted the war was "one of the most unjust ever waged by a stronger against a weaker nation."[45]

As the army advanced toward Mexico City, however, those same theories of Mexican inferiority sparked a national debate over how much of Mexico the United States should claim. By taking too much land, some argued, the country would be absorbing millions of racially mixed Mexicans, which in the long run might threaten the Anglo-Saxon majority. The Treaty of Guadalupe Hidalgo finally forced Mexico to relinquish that half of its territory that was the least densely populated and that included the present-day states of New Mexico, California, Nevada, parts of Arizona, Utah, and the disputed sections of present-day Texas. Five years later, the United States added an additional strip of land in Sonora, the Gadsden Purchase.[46]

Also included in the 1848 treaty was the crucial 150-mile-wide Nueces Strip, between the Rio Grande and Nueces rivers. The U.S. negotiators demanded its inclusion as part of Texas despite the fact that Spain, and later Mexico, considered the strip part of Coahuila province. The Nueces, which is equal in size to present-day Massachusetts, Connecticut, and New Jersey combined, was especially important because it included the fertile Lower Rio Grande Valley and because the plains north of that valley were teeming with wild horses and cattle. The herds, introduced by Spanish settlers in the early 1700s, numbered more than 3 million head by 1830.[47] Securing control of those herds, and of the original Spanish land grants in the region, soon produced vast fortunes for early Anglo settlers like Charles Stillman, Richard King, and Mifflin Kenedy.

Out of those Mexican lands, the U.S. cattle industry was born, even though the majority of ranch hands in the industry's early decades were anything but Anglo. The *vaqueros,* or cowboys, were generally *mestizos* or *mulatos*, sometimes even blacks or Indians. Certainly this was true on the famous King Ranch below Corpus Christi, which eventually grew to nearly 1 million acres. So dominant was the Mexican *vaquero* in the industry that Anglo cowboys copied virtually all the culture of the range from them. As historian Carey McWilliams has noted, the cowboy got from the *vaquero:*

> his lasso or lariat, cinch, halter, *mecate* or horsehair rope, "chaps" or *chaparejos,* "taps" or stirrup tips *(lapaderas),* the chin strap for his hat *(barboquejo),* the feedbag for his horse *(morral)* and his rope halter or *bosal.* Even his famous "ten gallon hat" comes from a mistranslation of a phrase in a Spanish-Mexican *corrido "su sombrero gallonado"* which referred to a festooned or "gallooned" sombrero.

The Nueces Strip and the northern part of New Mexico were the only regions where the original Mexican inhabitants remained a clear majority over the Anglos even after annexation. Because of that, the language of the range, even that used by Anglo Americans, is derived mostly from Spanish words, among them bronco, buckaroo, burro, mesa, canyon, rodeo, corral, loco, lariat. Yet the cowboy myth in popular folklore, the one Hollywood has propagated around the world, is of a lone white Anglo sitting tall in the saddle, with Mexicans of the Old West invariably portrayed either as bandits or doltish peasants riding donkeys.[48]

Texas, however, was not the richest prize of the war with Mexico—California was. From the early 1800s, New England sea captains who reached the Pacific sent back glowing reports of that far-off Spanish colony. Despite those reports, few Anglos had settled in the Far West before the Mexican War because of the long and difficult overland passage through Indian country necessary to get there. Then, two weeks before the Treaty of Guadalupe Hidalgo was signed, gold was discovered at Sutter's Mill on the American River. The news touched off an overnight stampede. Prospectors streamed into the territory from the East, Mexico, and South America, even from Hawaii and Australia. Within a year, California's non-Indian population rocketed from 20,000 to 100,000, overwhelming the original Mexican inhabitants, who numbered only about 13,000, and the territory's several hundred thousand Indians.

The first Mexican and South American prospectors to reach the California fields had a distinct advantage, for they drew on a tradition of gold and silver mining that dated back to the *conquistadores.* Not surprisingly, they had more initial success than the inexperienced Anglos from back East. That success frustrated the white prospectors and soon led to physical attacks, even lynchings, of Mexicans. In 1850, the state imposed a foreign miners tax to give Anglos a better edge.

Even though the gold fields petered out within a few years, the California discoveries provided immediate dividends to the entire country, just as Aztec gold and silver had for sixteenth-century Spain. The mines turned out more than a quarter billion dollars in ore during their first four years. Their revenues spawned a generation of new bankers who rapidly turned to financing myriad other ventures throughout the West. Eventually, the Anglo immigrants shifted their attention to the state's more enduring wealth, its soil. Thousands seized or squatted on the large estates of the native *californios.* Within two decades of the Sutter's Mill discovery, most Mexicans in the state had been driven off their land.

Just as Texas became the country's cotton and cattle center after the war, and California and Nevada its source for gold and silver mining, Arizona and New Mexico gave birth to two other critical U.S. industries—copper and wool.

New Mexico had served as a nexus for sheep raising from early colonial times, the first herds arriving with *conquistador* Juan de Oñate in 1598. By then, Spain already boasted the oldest and most advanced sheep culture in Europe. Its herdsmen introduced the *churro* and *merino* breeds to North America. The *churro,* a small, scrubby animal ideally suited to the arid Southwest, made possible the existence of many far-flung and remote Spanish outposts in the region. Sheep provided not only food and clothing to settlers and soldiers but also were a main source of cash. Over the centuries, New Mexicans evolved an intricate tradition of sheep raising, with formally defined rights, ranks, privileges, even organizations among the sheepherding workforce. As cattle did for South Texas, sheep raising defined much of the culture of New Mexico, Colorado, and parts of California. But the sheep did more than provide culture; they created enormous wealth. Two years after New Mexico became a U.S. territory, southwestern herders were clipping a mere 32,000 pounds of wool annually. By 1880, the number of pounds had zoomed to 4 million.[49]

What sheepherding was for New Mexico, copper became for Arizona. The Spaniards opened their first silver and copper mine, the Santa Rita, in western New Mexico in the early 1800s. That was followed by the Heintzelman mine in Tubac, Arizona, which employed eight hundred men by 1859. Then came the famous Clifton and Bisbee mines in the 1870s. Between 1838 and 1940, Arizona mines produced $3 billion in metal, most of it copper. Workers in the mines were overwhelmingly Mexicans, either natives to the territory or migrants recruited from across the border by labor contractors. "By the mid-1880s," writes Chicano historian Rudy Acuña, "Chihuahuan farmers, after planting their crops, traveled to eastern Arizona and local mines, working for day wages, returning home at harvest time."[50]

But the Mexican contribution to American prosperity didn't stop there. Before the coming of the railroads, Mexican workers provided the main teamster workforce in the Southwest, moving goods across the territory in long mule caravans. And after the railroads arrived, they were the section hands and laborers who maintained them. While the Mexican population of the ceded territories was only 116,000 in 1848, it grew steadily after the war as hundreds of thousands more came and went between Mexico and the United States as migrant laborers, which meant that Mexican influence on the region was far greater than the early population figures might suggest.

The combination of mineral and animal wealth the Anglos found on the annexed Mexican lands, plus the Mexican laborers Anglo businessmen recruited to extract it, provided the underpinnings of twentieth-century western prosperity. That combination made possible the vast expansion of our country's electrical, cattle, sheep, mining, and railroad industries.[51] Yet this historic Mexican contribution has been virtually obliterated from popular frontier history, replaced by the enduring myth of the lazy, shiftless Mexican.

ANGLO SETTLERS HEAD SOUTH OF THE BORDER

The Mexican annexations of 1836 to 1848, however, were not sufficient to satisfy the expansionist schemes of Manifest Destiny proponents. Some called for seizing more of Mexico's mineral-laden northern territory. Southern planters especially coveted the tropical Central America isthmus, where a half-dozen fledgling republics seemed ripe for conquest.

Perhaps the foremost representative of those expansionists was William Walker. A Tennessee-born lawyer and journalist, Walker hardly fit the image of the swashbuckling mercenary dictator he would become. Originally trained as a doctor, he was soft-spoken, a mere five feet, five inches tall, and weighed a paltry 120 pounds. After a stint as a reporter in San Francisco, Walker appeared in November 1853 in Baja California with a small band of armed followers. From there, he launched an uprising in Mexico's Sonora province, proclaimed the Republic of Sonora, and named himself its president. Within a few weeks, Mexican troops chased him and his ragtag followers back to the United States, where federal agents arrested him for violating U.S. neutrality laws. His audacious uprising made him an instant folk hero of the expansionist press, and all the newspapers reported extensively on his trial and eventual acquittal.

After the trial, Walker shifted his attention farther south, to the little-known isthmus of Central America that had broken away from Mexico in 1823 and formed a loose confederation called the United Provinces of Central America. A few British and North American businessmen, fired by dreams of building a canal across the isthmus to link the Atlantic and Pacific oceans, had started visiting the region shortly after its independence.[52] In 1838, the confederation splintered into five independent countries, and the leaders of those countries were soon locked in intermittent shooting wars with each other. By then, the U.S. government, already concerned about a future canal, reached agreement with Colombia on the need to build that waterway through Panama, which was then a Colombian province. That agreement, cemented in a treaty in 1846, stipulated that the United States would guarantee the neutrality of any future canal.[53]

The California Gold Rush, however, created an instant demand for a faster route to the Pacific Coast. The only sea route at the time, from New York to San Francisco around Cape Horn, took four months, and the narrow Central American isthmus offered the best bet for cutting that time dramatically.

Two competing New York merchant groups had recently secured contracts from Congress to carry mail between California and the East Coast by steamship lines and then overland through Panama. The U.S. Mail Steamship Company, operated by George Law and Marshall O. Roberts, had the Atlantic portion of the route, while William H. Aspinwall's Pacific Mail Steamship Company had the western portion. Using a generous $900,000 annual subsidy Congress allotted them for the mail, the companies decided to transport people as well. Unfortunately, the part of the trip that involved an arduous fifty-mile trek by mule train across Panama's jungle was too forbidding for the average person heading for California. So Aspinwall negotiated a deal with the Colombian government to build a railroad across the isthmus. His Panama Railroad took six years and $2 million to build, and it claimed four thousand lives, most of them West Indian and Chinese laborers whom Aspinwall imported. Once completed, however, the line paid for itself three times over within the first few years of operation.[54]

While Aspinwall was building his line in Panama, Cornelius Vanderbilt, perhaps the most ruthless baron of his age, moved to carve out a quicker competing route through Nicaragua. Vanderbilt and

Joseph L. White, a former congressman, founded the Nicaragua Accessory Transit Company, a combination steamship and railroad line that began operation sooner than Aspinwall's railroad. The Nicaragua company grossed $5 million the first year, with profits of between 20 and 40 per cent.[55]

Aspinwall's railroad and Vanderbilt's steamship line, however, were inadequate for U.S. merchants who wanted a canal through which their goods could travel on ships. Most engineers and politicians in the country favored a canal route through Nicaragua. While a Panama route was shorter, Nicaragua's was easier to build, they argued, since it could incorporate the natural waterways of the San Juan River and giant Lake Managua.

As a result, Nicaragua started to draw increasing attention from both Washington politicians and Anglo fortune hunters. In 1853, U.S. sailors went ashore to defend Vanderbilt's company in a dispute with the local government, and in 1854, the navy bombarded and destroyed the town of San Juan/Greytown over another financial dispute between a U.S. company and local authorities.[56]

Colonel Henry L. Kinney, a land speculator and founder of the Texas Rangers, arrived in 1854. Kinney immediately purchased 22 million acres of Nicaraguan land from trader Samuel H. Shepherd, who claimed he had been "granted" the land in 1839 by the Miskito king. The Nicaraguan government, as might be expected, refused to recognize Kinney's claim to 70 percent of its territory. Shareholders in Kinney's Central American Land and Mint Company included U.S. attorney general Caleb Cushing and Warren Faben, President Pierce's commercial agent in San Juan/ Greytown.[57]

A *New York Times* correspondent who lauded Kinney's colonization scheme back then wrote, "Central America is destined to occupy an influential position in the family of nations, if her advantages of location, climate and soil are availed of by a race of 'Northmen' who shall supplant the tainted, mongrel and decaying race which now curses it so fearfully."[58]

To enforce his dubious claim, Kinney armed some followers and launched a revolt against the government, but he was forced to flee after Vanderbilt, anxious that the land dispute not affect his own investments, pressured the British and U.S. governments to oppose his claims.

Despite Kinney's setback, Yankee influence in Nicaragua kept growing. More than six hundred North Americans were living in the country by 1855.[59] By then, England, still the most powerful nation in the world, made clear that it would challenge any U.S. plans to dominate a transoceanic canal project. That year, the two nations negotiated the Clayton-Bulwer Treaty, in which they agreed to jointly guarantee the neutrality of any future canal, and to refrain from occupying or controlling any of the Central American countries. Neither nation, of course, bothered to consult any of the governments in the region affected by the treaty.

But politicians and merchants weren't the only ones suddenly eyeing Nicaragua. Walker, undaunted by his Mexican fiasco, set sail from San Francisco in 1855 with a band of fifty-six mercenaries he had recruited, supposedly to fight for a faction in Nicaragua's continuing civil war. Shortly after arriving, Walker rebelled against the faction that employed him, seized control of the country, and, in one of the most bizarre episodes of Latin American history, declared himself president.

During his time in office, Walker reinstituted slavery, declared English a coequal language with Spanish, and ordered all lands to be registered. The latter decree facilitated passing many land titles into the hands of Anglo American settlers.[60] Both Walker and the Nicaraguans, however, were actually pawns in a nefarious high-stakes contest for control of the region's commerce by competing groups of U.S. investors. A group of Transit Company officials who had temporarily wrested control of the shipping line from Vanderbilt helped finance Walker's army, while George Law, owner of the U.S. steamship line in Panama and Vanderbilt's chief competitor, supplied Walker with guns. In order to defeat his economic rivals, Vanderbilt bankrolled the allied armies of Costa Rica, Salvador, and

Honduras, which defeated and routed Walker in 1857.

Some have attempted to dismiss the Walker adventure as a minor footnote of American history. But during his two years of psychotic and racist rule, more than eleven thousand North Americans settled in Nicaragua, equal to one-third of the total white population in that country at the time.[61] Most of those immigrants were Walker supporters and anywhere from three thousand to five thousand joined his occupying army. In this country, thousands rallied in the major cities to cheer Walker as a hero. A Broadway musical based on his exploits became an overnight hit; the Pierce administration sanctioned his outright aggression by recognizing his government; and the Democratic Party convention of 1856, influenced by Walker's actions, nominated James Buchanan, a more rabid proponent of Manifest Destiny, over his opponent Pierce. As president, Buchanan proceeded to welcome Walker to the White House after his expulsion from Nicaragua. By then, a thousand U.S. citizens had been killed in Walker's War—a death toll far greater than the Spanish-American or Persian Gulf wars.[62] Walker made two more unsuccessful attempts to return to power in Nicaragua. On his final try in 1860, he landed in Honduras, where local soldiers promptly captured and executed him.

By then, Manifest Destiny and the fervor for expansion were being rapidly eclipsed by the conflict over slavery and the war between the North and South. Following the end of the Civil War, the triumphant northern industrialists turned their attention to buying up the western frontier and building a railroad system to connect that frontier to the rest of the country. While a few U.S. policy makers still dreamed of a Central American canal route, the Central American leaders, bitter over the Walker episode, refused to consider the project for decades. The memory of Walker assured that Colombia and Nicaragua would balk at any project that involved American control over their territory.

So Central America turned to Europe instead. In 1880, Frenchman Ferdinand de Lesseps, seeking to replicate his triumph in building the Suez Canal, secured Colombia's permission to begin work on a Panama waterway. Like Vanderbilt's line through Nicaragua and the Panama railroad, the De Lesseps project opted to use West Indian blacks as imported laborers. The French transported fifty thousand blacks to work on the project, but De Lesseps's company collapsed in 1889, engulfing Europe in the biggest financial scandal in history. When all work on the half-finished canal abruptly ended, the West Indian workers were left stranded. As a result, West Indian colonies suddenly sprouted in the towns of Colón and Panama City.[63]

De Lesseps's failure left the U.S.-owned Panama Railroad as the only means of transportation across Central America. Throughout the nineteenth century, the railroad remained the single largest U.S. investment in Latin America and the Colombian government's prime source of revenue. The trip by ocean steamer and the Panama Railroad continued to be the fastest means of transport between the two American coasts until 1869, when the first transcontinental railroad began operating. The Panama line also became a constant source of conflict, as U.S. troops intervened more than a dozen times before 1900 to enforce American control or to protect the line from warring Colombian factions.[64]

For the rest of the nineteenth century, railroads and banana growing became the prime interest of the Anglo merchants who settled on the isthmus. In 1870, Charles Frank, a steward on the Pacific Mail Steamship Line, began growing bananas on land the Panama Railroad owned. During the same decade, Santo Oteri and the Machecca brothers, Italian immigrants from New Orleans, set up banana plantations along the coast of Honduras and Guatemala. Their firm eventually became the Standard Fruit Company.[65] In 1871, Costa Rica's president granted tycoon Henry Meiggs Keith the contract to build a railroad from the capital of San José to the country's undeveloped Atlantic Coast. Keith, like others before him, imported thousands of West Indian and Chinese laborers for construction. He and his nephew, Minor Keith, eventually branched out into fruit growing. By 1886, their Tropical Trading and Transport Company was shipping twenty thousand tons of bananas annually to the United States.[66]

Far more important than Central America, however, was Mexico. The reign of dictator Porfirio Díaz (1876–1911) turned the country into a paradise for foreign investors. By the time Díaz was overthrown, U.S. investment in Mexico totaled $2 billion. Led by the Rockefellers, Guggenheim, E. H. Harriman, and J. P. Morgan, North Americans ended up controlling all the country's oil, 76 percent of its corporations, and 96 percent of its agriculture. The Hearst family, whose newspapers and magazines routinely lauded Díaz, owned a ranch with a million cattle in Chihuahua. U.S. trade with Mexico, which amounted to only $7 million in 1860, jumped tenfold by 1908. By then, the United States was consuming 80 percent of Mexico's exports and supplying 66 percent of its imports.[67]

THE LURE OF THE GREATER ANTILLES

The same quest for trade, commerce, and conquest that propelled Americans into Mexico and Central America brought them to the Greater Antilles. As early as 1809, Thomas Jefferson had been eyeing Cuba.[68] "The annexation of Cuba to our federal republic will be indispensable to the continuance and integrity of the Union itself," wrote John Quincy Adams in 1823.[69] But U.S. leaders were unwilling to risk a war with the British navy over the island. They preferred allowing a weak Spain to keep control of Cuba rather see it independent or under the sovereignty of another nation.[70] As Martin Van Buren expressed it, "No attempt should be made in that island to throw off the yoke of Spanish independence, the first effect of which would be the sudden emancipation of a numerous slave population, the result of which could not be very sensibly felt upon the adjacent shores of the United States."[71]

Spain, after all, permitted North Americans to invest in Cuban property, and that was the most important matter. By 1823, as many as fifty North Americans owned plantations valued at $3 million just in the province of Matanzas.[72] Those planters soon joined with Cuban *criollos* and Spanish landlords to seek annexation to the United States. Planter D. B. Woodbury and merchant William F. Safford founded the city of Cárdenas in 1828 as a port to export sugar. So many U.S. citizens moved there that sections became virtual North American enclaves. "Our language is more common there than in any other Cuban city," wrote a visitor to Matanzas in 1859.[73] As early as 1848, President Polk offered Spain $100 million outright for the island. Four years later, President Pierce upped the offer to $130 million, without success.

While U.S. presidents sought to buy Cuba, American adventurers sought to capture it with guns, just as they did with Florida, Texas, and Nicaragua. Between 1848 and 1851, three filibustering expeditions attacked the island. Each was led by Narciso López, a rich former Spanish army officer who favored annexation to the United States, and in all three attempts, North Americans made up most of the combatants. Of six hundred who attacked Cárdenas in 1849, for instance, only five were Cuban.[74]

Railroad construction in the late 1850s brought thousands of Anglo engineers and mechanics to the island.[75] This flow of immigrant labor from the North did not slow until the early 1870s, when the first Cuban War of Independence, known as the Ten Years' War, forced thousands of native Cubans and Yankee settlers to flee.

The North Americans returned as soon as the war ended, however. They rapidly dominated sugar production and established beachheads in other island industries. Bethlehem and Pennsylvania Steel started iron, manganese, and nickel subsidiaries, and U.S. investments grew to more than $50 million by 1890. By then, 94 percent of Cuba's sugar exports were going to the United States.[76] Among the new arrivals was Lorenzo Dow Baker, a Massachusetts captain who had initiated a steady trade of bananas from Jamaica to the United States. Baker joined Boston shipping agent Andrew Preston in 1885 to form a new company, the Boston Fruit Company. Their firm was importing 16 million bunches of bananas annually before the turn of the century.[77]

So important did Cuba become to the United States that by the 1880s it already accounted for nearly one-fourth of our nation's world commerce.[78] On the eve of the Spanish-American War, the island was a Spanish colony in name only.

A similar pattern developed in the Dominican Republic. After Haiti's independence in 1804, Haitian armies invaded the eastern end of Hispaniola and freed the Dominican slaves, but they also oppressed the local elite. The occupation eventually sparked a popular rebellion that drove out the Haitians and led to the founding of the Dominican Republic in 1844. The first emissary from Washington, John Hogan, arrived the following year. Hogan immediately fixed his sights on the military potential of spectacular Samana Bay in the northeast. Samana, he reported back home, is "capable of providing protection to all the navies of the world."[79] Dominican president Pedro Santana negotiated an initial deal to provide the bay as a coal refueling station to the U.S. Navy. Santana even broached the idea of the U.S. annexing his country, but opposition in both nations quickly scuttled the scheme.

Next to arrive was William L. Cazneau, who had been involved in Texas secession and later backed Walker in Nicaragua. Cazneau, a fervent expansionist, resurrected the annexation scheme. He won over William Seward, the secretary of state for both Andrew Johnson and Ulysses S. Grant.[80] At Seward's suggestion, Grant publicly announced he favored it, and the white Dominican elite, who were desperate to safeguard against another Haitian invasion, welcomed his offer.

The rest of the Caribbean, however, was too alive with revolutionary ferment to accept annexation quietly. Puerto Rican and Cuban patriots were locked in battle against Spanish rule, while popular movements were in open rebellion against conservative oligarchies in Haiti and the Dominican Republic. When the Haitian rebels triumphed in 1869, they offered their capital of Port-au-Prince as a safe haven to all Caribbean democrats. Among those who accepted the offer were Puerto Rico's Ramón Emeterio Betances and Dominican generals Gregorio Luperon and José Cabral.[81]

In the midst of all this ferment, Grant signed his annexation treaty with Dominican dictator Buenaventura Báez. Grant's idea was to turn the Caribbean country into a colonizing venture for any American blacks who were dissatisfied with the post–Civil War South. The treaty outraged patriots throughout the Antilles, who saw it as the beginning of direct American control of their islands.[82] When he learned of it, Luperon prepared to invade his homeland from Haiti to overthrow Báez. The dictator appealed for U.S. help and Grant ordered the navy to "to resist any effort to invade Dominican territory by land or sea."[83] Grant's navy may have been all-powerful in the Caribbean, but the president had overestimated his strength at home. The Senate, still dominated by post–Civil War Reconstruction radicals, did not share his dreams for a Caribbean empire. Led by Massachusetts abolitionist Charles Sumner, chair of the Foreign Relations Committee, it defeated Grant's treaty in 1870.[84]

The treaty's failure, however, did not deter American planters, who had suddenly discovered another weak, underdeveloped Latin American country that was ripe for exploiting. Before 1850, the bulk of Dominican trade had been with Europe, largely exports of tobacco, cocoa, and coffee.[85] That changed rapidly after three thousand Cuban and Spanish planters relocated to the country during the first Cuban War of Independence. The newcomers, with their advanced steam-driven mill technology, turned sugar into the leading Dominican crop almost overnight. Not far behind the transplanted Cuban planters were British, Italian, and North American planters. Americans Alexander Bass and his son William first acquired the Consuelo Mill in San Pedro de Macorís in the late 1880s. Then, in 1893, the family established the Central Romana, which would become one of the largest plantations in the Western Hemisphere.[86]As the sugar crop expanded, so did the importance of the American market. By 1882, less than forty years after independence, half of all Dominican trade was with the United States. The arriving Americans found a ready benefactor and ally in General Ulises Heureaux, the country's dictator from 1886 until 1899, when he was assassinated by Liberal Party rebels. During his reign, Heureaux reduced tariffs for U.S. imports, concluded numerous secret deals that benefited U.S. sugar growers, borrowed heavily abroad, first from Dutch financiers and later from Wall Street bankers, and filled his jails with anyone who opposed his policies.[87] By the time of his death, his nation had become another economic possession of the United States.

The pattern in U.S.–Latin American relations by now was unmistakable. During the first seventy-five years of their independence, Latin America's leaders had watched incredulously as their northern neighbor annexed first the Floridas, then Texas, then another huge chunk of Mexico. They followed with consternation the exploits of Walker in Nicaragua, of López and his mercenaries in Cuba; they were aghast at the arrogant way North American leaders treated them in diplomatic circles, at the racist labels those leaders used to describe Latin Americans in the U.S. popular press; they watched fearfully as annexation schemes gave way to massive economic penetration, so that by century's end, the Dominican Republic, Mexico, Spain's Cuban and Puerto Rican colonies, and much of Central America had become economic satellites of an expanding U.S. empire.

Anglo Americans, on the other hand, saw a radically different and more benign canvas. Their view of the country's growth was perhaps best captured by historian Frederick Jackson Turner, who saw in the conquest of the frontier the essence of North American democracy, individualism, and progress. "American social development," Turner said in a famous speech in 1893, "has been continually beginning over again on the frontier." That frontier was for Turner the "meeting point between savagery and civilization." He believed that "this fluidity of American life, this expansion westward with its new opportunities, its continuous touch with the simplicity of primitive society, furnish the forces dominating American character." Turner, however, focused exclusively on how European settlers confronted Native Americans and a virgin land. His analysis mentioned nothing of Mexicans and other Latin Americans encountered on the frontier, either as settlers or immigrant laborers, or of their contribution to shaping our national character.

Moreover, this view of the frontier as a democratizing element obscures how western expansion permitted violence to flourish against outsiders as a solution to political problems. Whenever a politician such as Sam Houston or Davy Crockett found his rise barred by opponents at home, he simply packed his bags, conquered some new territory, and created a state where he and his allies could dominate. The frontier thus became an outlet for violence and corruption, for those within American society who wanted the fewest rules and least control.

U.S. territorial expansion did not climax with the closing of the western frontier; rather, it reached its culmination with the Spanish-American War of 1898. The mysterious explosion of the USS *Maine,* together with the prowar fever created by Hearst and other expansionist publishers, convinced President McKinley to seek a declaration of war from Congress. But McKinley balked at recognizing the Cuban rebel army's provisional government as a partner in that war. "Such recognition," McKinley told Congress, "is not necessary in order to enable the United States to intervene and pacify the Island."[88]

Cuban patriots, who were on the verge of victory after thirty years of proindependence struggle, had other ideas. "If intervention shall take place on that basis, and the United States shall land an armed force on Cuban soil," warned Horatio S. Rubens, a lawyer for the Cuban resistance, "we shall treat that force as an enemy to be opposed."[89]

Aware that the Cubans had a combat-hardened army of thirty thousand, Congress rebuffed McKinley and opposed any intervention that did not recognize Cuba's right to independence. Led by Senator Henry M. Teller of Colorado, Congress adopted a final joint war declaration that renounced any U.S. "intention to exercise sovereignty, jurisdiction, or control over said island except for the pacification there of."[90] Thanks to the Teller Amendment, the Cuban rebels welcomed the U.S. invasion and provided critical support to General William R. Shafter's U.S. troops. But once on Cuban soil, Shafter and his solders, mostly southern white volunteers, treated the black Cuban soldiers with utter contempt. "Those people are no more fit for self-government than gunpowder is for hell," Shafter would say.[91] After the capture of Santiago in the key battle of the war, Shafter barred Cuban soldiers from the city, refused to allow their general, Calixto García, to attend the Spanish surrender, and permitted the old Spanish colonial authorities to remain in charge of civilian government.[92]

A long line of historians, beginning with Julius W. Pratt in his 1934 study, *American Business and the Spanish American War,* have since insisted that McKinley and the U.S. business establishment were dragged unwillingly into the war and into a colonial empire by Hearst and by pro-expansion intellectuals like Roosevelt, Henry Cabot Lodge, Alfred T. Mahan, and Henry Adams. In *The Rise of Modern America,* Arthur M. Schlesinger asserts that Wall Street actually favored peace with Spain over war. Those historians somehow divorce the war from the entire story of nineteenth-century U.S. expansionism in Latin America. Others, such as Martin Sklar, Walter LaFeber, and Philip Foner, offer less idealized accounts. They demonstrate that key sections of American business were demanding rapid expansion into the markets of Asia and Latin America. Foner, in particular, points to how corporate titans Astor, Rockefeller, and Morgan all turned avidly prowar in the months preceding Congress's declaration.[93] Spain, a teetering, stagnant power, was never a match for the rising United States. Its defeat finally achieved what Jefferson, John Quincy Adams, and the other Founding Fathers had long sought: plopping Cuba, the juiciest plum of the Caribbean, into U.S. palms, and securing Anglo American domination over Latin America for the next century. The Treaty of Paris that formally ended the war gave the United States direct control not only of Cuba but also over Puerto Rico, Guam, and the Philippines.

The end of the war brought a new wave of Yankee companies. On March 30, 1899, banana merchants Baker and Preston merged their Boston Fruit Company with Minor Keith's Central American holdings. They called the combined firm the United Fruit Company. At its inception, United Fruit owned more than 230,000 acres throughout the region and 112 miles of railroad.[94] More than any other U.S. company, United Fruit became the twentieth-century symbol of U.S. imperialism. It would evolve into a corporate octopus, controlling the livelihood of hundreds of thousands and toppling governments at will.

The Spanish borderlands had been brought to their knees. The next century would reveal the price of that conquest.

Banana Republics and Bonds: Taming the Empire's Backyard (1898–1950)

Laborers are wanted in Hawaii to work in the sugar fields, and in Cuba for the iron mines. Good wages are offered, and many are persuaded to emigrate.

—Charles Allen, governor of Puerto Rico, 1900–1901

Victory in the Spanish-American War and the sudden acquisition of overseas colonies made the nation uneasy at first. True, Frederick Jackson Turner and others were espousing the view that territorial expansion and Anglo-American freedom were inseparable, and most Americans believed that, but occupying foreign lands and lording over their peoples seemed to contradict the very liberties for which the nation had fought its own revolution. Not surprisingly, the war with Spain led to our first anti-imperialist movement—against suppression of the Filipino independence movement.

On the whole, outright territorial annexations ceased after 1898. Wars of conquest, the sanctioning of armed invasions by filibuster groups, the purchase of territories, gave way to gunboat diplomacy and to a more disguised yet far more extensive system of financial domination. Economic conquest replaced outright political annexation, as the region evolved into the incubator for the multinational American corporation. By 1924, Latin America accounted for nearly half of all foreign U.S. investment, according to one U.S. Department of Commerce estimate (see table 2).

How that gunboat diplomacy and economic penetration deformed the Caribbean region's economy and paved the way for the huge influx of Latino immigrants during the second half of the twentieth century is the subject of this chapter.

TABLE 2

U.S. DIRECT INVESTMENT[1] 1924

	(Millions)
Europe	$1,000
Asia and Oceania	690
Latin America	4,040
Canada and Newfoundland	2,460

As we shall see, a series of military occupations early in the century—sometimes brief, sometimes lasting decades, but always for the most spurious of reasons—allowed U.S. banks and corporations to gain control over key industries in every country. Latin American ventures sprang up on Wall Street overnight as sugar, fruit, railroad, mining, gas, and electric company executives raced south on the heels of the marines. Thanks to the aid of pliant local elites and of U.S. diplomats or military commanders who often ended up as partners or managers of the new firms, the newcomers quickly corralled lucrative concessions while the host countries fell deeper into debt and dependence.

Whenever conflict erupted with a recalcitrant nationalist leader, the foreign companies simply called on Washington to intervene. The pretext was usually to save U.S. citizens or to prevent anarchy near our borders. To justify those interventions, our diplomats told people back home the Latin Americans were incapable of responsible government. Journalists, novelists, and film producers reinforced that message. They fashioned and perpetuated the image of El Jefe, the swarthy, ruthless dictator with slick black hair, scarcely literate broken-English accent, dark sunglasses and sadistic personality, who ruled by fiat over a banana republic. Yet even as they propagated that image, our bankers and politicians kept peddling unsound loans at usurious rates to those very dictators.

Critical details of how the dictators rose to power and terrorized their people with Washington's help, or how their regimes provided a "friendly" business climate for North American firms, remained hidden deep in diplomatic correspondences. As U.S.-owned plantations spread rapidly into Mexico, Cuba, Puerto Rico, the Dominican Republic, Honduras, and Guatemala, millions of peasants were forced from their lands. Some were even displaced from their native countries when some of those same firms initiated cross-border labor recruitment efforts to meet the shifting labor needs of their far-flung subsidiaries. At first, the migratory labor streams flowed largely *between* the subject countries. West Indians, for instance, were recruited to build the Panama Canal, Haitians to cut sugar in the Dominican Republic, Puerto Ricans for the cane fields of Hawaii. But beginning with World War II, which shut down the supply of European labor, North American industrialists initiated massive contracting of Latin Americans for the domestic labor front. Thus began a migration process whose long-term results would transform twentieth-century America.

PUERTO RICO

Nowhere did the new U.S. policy leave such a profound legacy as in Puerto Rico. When General Nelson Miles landed in the town of Guánica on July 25, 1898, in the midst of the Spanish-American War, most Puerto Ricans greeted his arrival and rejoiced at his promise to end Spanish colonialism. "Our purpose is not to interfere with the existing laws and customs which are beneficial for your people," Miles declared in a proclamation.[2] Few imagined then that the island would remain a U.S. possession for the entire twentieth century, or that it would become the most important colony in our own country's history. Two years after the occupation started, Congress passed the Foraker Act, which declared the island a U.S. territory and authorized the president to appoint its civilian governor and top administrators. The new law permitted islanders their own House of Delegates, but it reserved for Congress the right to annul any laws those delegates passed. It assigned trade, treaty, postal, sanitary, and military powers to the federal government and it gave the island only one nonvoting delegate in Congress.[3] In many ways, the Foraker Act gave Puerto Ricans less self-government than they had enjoyed under Spain. Throughout most of the nineteenth century, after all, Puerto Ricans had been citizens of Spain and island voters had sent as many as sixteen voting delegates to the Spanish Cortes. And, in 1897, Spain had promulgated a new Charter of Autonomy, which gave the island virtual sovereignty.[4]

The Foraker Act, though, went beyond disenfranchising Puerto Ricans. It forbade the island from making commercial treaties with other countries and it replaced the Puerto Rican peso with the American dollar, while devaluing the peso.[5] This made it easier for U.S. sugar companies to gobble up Puerto Rican–owned lands. As a result, thousands of former independent coffee farmers joined the ranks of the mushrooming agricultural proletariat.

Legal challenges to the new law quickly led to several precedent-setting cases before the Supreme Court. Known as the "Insular Cases," they were all decided by a narrow one-vote margin, yet they have provided the principal legal backing for this country's holding of colonies to the present day. They are the equivalent for Puerto Ricans of the Dred Scott Decision for African Americans. Ironically, the same group of justices ruled in Dred Scott and the Insular Cases. The pivotal decision was *Downes* v. *Bidwell* in 1901. In that case, the Court ruled that "the Island of Porto Rico is a territory appurtenant and belonging to the United States, but not a part of the United States within the revenue clauses of the Constitution."[6] Since the island was not an incorporated territory of the United States, as the frontier territories had been, the Court ruled that the Constitution did not automatically apply in Puerto Rico unless Congress specifically granted Puerto Ricans citizenship.[7] In his dissent, Justice John Marshall Harlan issued a most eloquent rebuttal to the horrendous implications of the decision: "The idea that this country may acquire territories anywhere upon the earth, by conquest or treaty, and hold them as mere colonies or provinces, the people inhabiting them to enjoy only such rights as Congress chooses to accord to them, is wholly inconsistent with the spirit and genius as well as with the words of the Constitution."[8]

Despite the Foraker Act and the Insular Cases, many Puerto Ricans continued to back the U.S. occupation. Labor leaders who had suffered persecution under Spain, and big landowners who saw statehood as opening the U.S. market to their products, especially welcomed it. Trade union leaders never forgot that General Miles's soldiers freed from a Spanish jail the island's legendary labor figure, Santiago Iglesias. Iglesias and his Socialist Party turned into relentless advocates for statehood.[9] So was Luisa Capetillo, the feminist and anarchist popularly known as the first woman in Puerto Rico to wear pants in public. Capetillo blasted those who called for independence as "egotists, exploiters and aristocrats" who were trying to divide Puerto Rican and American workers.[10]

After the Foraker Act's passage, U.S. sugar growers flocked to the island. They not only set up plantations but also began recruiting Puerto Rican cane cutters to work in their overseas subsidiaries. Charles Allen, island governor from 1900 to 1901, noted that Anglo emigration agents

> penetrated the rural districts and offered golden inducements to these simple folk to travel and see foreign lands. Laborers are wanted in Hawaii to work in the sugar fields and in Cuba for the iron mines. Good wages are offered, and many are persuaded to emigrate. They crowd the seaport towns of Ponce, Mayaguez and Guanica. Very few embark at San Juan…. Most of them have gone to Honolulu, some thousands have gone to Cuba, and a few to Santo Domingo.[11]

>Between 1900 and 1901, more than five thousand Puerto Ricans were transported to Hawaii in a dozen shiploads under contract to the Hawaii Sugar Planters Association.[12] It was a traumatic odyssey, first by ship to New Orleans, then by train to San Francisco, then by ship again to Honolulu, and scores escaped along the way from the harsh treatment they received.[13] The bulk of the migrants eventually settled on Oahu, where they founded the first major Puerto Rican community outside their homeland.

Back in Washington, Congress repeatedly turned down petitions by Puerto Rican leaders for full self-rule and eventual statehood for the island, angering even the most avidly pro-annexation leaders, like Dr. Julio Henna and José Celso Barbosa. By 1914, the full Puerto Rican House of Delegates, frustrated by this intransigence, asked Washington to cede the island its independence. Congress responded instead with the Jones Act in 1917, imposing U.S. citizenship on all Puerto Ricans over the unanimous objection of their House of Delegates.

"The Congress of the United States," declared Minnesota representative Clarence Miller, "says to the people of Porto Rico, once and for all, that they are part of the United States domain and will always remain there; that the legislation for independence in Porto Rico must come to a decided and permanent end."[14]

For the next thirty years, the island remained a direct colony, its Anglo governors appointed by the president, its population virtually ignored by Congress, and U.S. policy toward it controlled by a handful of American sugar companies. The companies so exploited their workers that in the 1930s and 1940s, Puerto Rico became notorious as the poorhouse of the Caribbean and as a hotbed for strikes and anti-American violence. Not until 1948, in response to a growing nationalist movement and to pressure from the United Nations to end colonialism, did Congress allow Puerto Ricans to elect their own governor. Four years later, the United States approved a form of limited self-rule, the Commonwealth of Puerto Rico, which exists to this day.

In fashioning this new political relationship, the Roosevelt and Truman administrations found an able ally in Luis Muñoz Marín, perhaps the most influential figure in the island's modern history. A socialist and *independentista* as a young man, Muñoz became an admirer of Roosevelt and founded the Popular Democratic Party as a New Deal vehicle for the island. Once he gained control of the island's legislature, he pioneered a rapid industrialization program, Operation Bootstrap, which he turned into an economic development model for Third World countries. He lured foreign investment to the island, invariably U.S. companies, by offering them low wages, a tax-free environment to set up their factories, and duty-free export to the mainland.

Flushed by his early economic success, Muñoz deserted the pro independence majority within his own party and opted instead for a form of local autonomy that would keep the island tied to the U.S. economy. That autonomy, Muñoz promised, would only be a transition stage to independence, and in the meantime, Puerto Ricans would retain their own language and culture. The voters, buoyed by the island's postwar prosperity, approved his commonwealth model in 1952. His opponents blasted the referendum as a fraud, since it offered a choice only between the existing colony or commonwealth, and neither independence nor statehood was on the ballot.

After the commonwealth vote, Washington began proudly pointing to Puerto Rico in international circles as a "showcase of the Caribbean," both politically and economically. True, by the 1950s the island was boasting one of the highest average incomes in Latin America, but the glowing statistics masked another reality. Every year, the number of people abandoning the countryside for Puerto Rico's cities far outnumbered the new jobs the economy was creating. To prevent renewed unrest, Muñoz and officials in Washington started to encourage emigration north. By the early 1950s, their policy was sparking the largest flight of Latin Americans to the United States that the hemisphere had ever seen (see chapter 4).

CUBA

The U.S. occupation of Cuba followed a far different path. Much richer in resources than Puerto Rico, with a developed native landowning class and a battle-tested independence army, Cuba was not easily subdued. During the initial occupation, U.S. officials turned the island into a protectorate by forcing the Platt Amendment into the Cuban constitution.

The first occupation government improved roads and health care and opened many new schools. It also presided over a rush of foreign investment. Cuban landowners, crushed by the debt and property destruction of the independence war, fell prey to American fortune hunters. "Nowhere else in the world are there such chances … for the man of moderate means, as well as for the capitalist as Cuba offers today,"[15] boasted an investor of the period. "A poor man's paradise and the rich man's Mecca," said the *Commercial and Financial World* in describing the island. Percival Farquhar, for example, arrived in 1898 and soon controlled an electrification project and a railroad from Havana to Santiago. Minor Keith's United Fruit Company acquired 200,000 acres for a pittance.[16] By 1902, the new Tobacco Trust in the United States controlled 90 percent of the export trade in Havana cigars. All told, U.S. investments nearly doubled, to $100 million, between 1895 and 1902.[17]

The Cuban elite, led by Tomás Estrada Palma, a naturalized U.S. citizen whom the U.S. installed as the country's first president, welcomed the Americans at first, in return for a slice of the growing economic pie. Estrada Palma, like many well-to-do Cubans, favored eventual U.S. annexation. His reelection bid in 1905, however, was marred by widespread voter fraud that provoked violent protests. U.S. troops returned in 1906, installed a provisional government, and stayed for three years.

This second occupation, headed by General Charles E. Magoon, ended up looting the country. When Magoon arrived, Cuba's national treasury had a $13 million surplus; when he left, it had a $12 million deficit. Public works projects he ordered routinely turned into boondoggles that lined the pockets of U.S. contractors. The plum of those concessions went to Frank Steinhart, who had arrived in Cuba as an army sergeant during the first occupation government and then landed appointment as American consul general in Havana after the troops left. Steinhart then lobbied Washington for a second military occupation and provided valuable intelligence to the U.S. troops. To reward him, General Magoon gave Steinhart the lucrative concession for expanding the Havana Electric Railway, Light and Power Company. Magoon also permitted him, as financial representative for Wall Street's Speyer and Company, to broker a $16.5 million loan to Cuba in 1909 for Havana sewage construction. By 1921, Havana Electric was reporting profits of $5 million a year and the public was calling Steinhart Cuba's Rockefeller.[18]

U.S. soldiers returned for a third time in 1912 to put down a racially charged revolt by black sugar workers. By then, nearly ten thousand Americans were living on the island: they ran the railroads, public utilities, mining and manufacturing companies, sugar and tobacco plantations, shipping and banking concerns, and held much of the government's debt.[19] More than three-fourths of the land was owned by foreigners.[20] Government employment and managerial jobs with foreign companies became the main source of income for the native upper class, and public corruption its primary source of wealth.[21] In 1917, President Wilson dispatched troops for a fourth time to help put down a rebellion against Conservative leader Mario García Menocal, the U.S.-backed candidate who had been reelected president in yet another fraud-tainted vote.

Soaring unemployment in the early 1920s forced many Cuban workers to follow in the tracks of their countrymen who had migrated to the United States during the nineteenth century. The new wave of immigrants settled in New Orleans, New York, Key West, and especially Tampa, where Spanish, Cuban, and Italian cigar makers had established a thriving industry.[22] At home, the crisis led to frequent labor strikes, and out of that unrest emerged Gerardo Machado, the country's first modern dictator. President Machado made Cuba hospitable for uneasy foreign investors by crushing or co-opting the rebellious labor movement. He enjoyed strong support from the directors of National City Bank, J. P. Morgan and Company, and Chase, who showered his government with loans. With each new loan, however, the bankers exacted more control over his government's spending. As the years passed and Machado's reign of terror grew, so did popular resistance.

After one such uprising paralyzed the country in 1933, President Roosevelt concluded that Machado had to go. Roosevelt sent veteran emissary Sumner Welles to head off the unrest by forcing the dictator's resignation. But Welles arrived too late. A nationwide general strike toppled both Machado and a U.S.-backed transitional government and brought to power a provisional revolutionary government, one that Welles could not control. The new government, led by Ramón Grau San Martín, embarked on a radical transformation of the country. It abolished the Platt Amendment, gave women the right to vote, and decreed a minimum wage and an eight-hour day. The liberal revolution Grau launched lasted a mere one hundred days.

Welles was horrified by the Grau government's threat to U.S. interests. Although he considered himself a liberal, Welles, like most U.S. emissaries to Latin America, insisted on local leaders following his wishes. When the Grau government refused to listen, Welles urged Fulgencio Batista, the new commander of the Cuban army, to stage a coup. In January 1934, Batista, whom Welles would laud as an "extraordinarily brilliant and able figure," did just that.[23] Batista's soldiers unleashed a bloody repression that crushed the Grau movement, killing or jailing most of its leaders and scattering the rest into exile abroad. From 1934 to 1944, whether as army strongman or president, Batista became Cuba's unquestioned ruler. To the United States, he offered welcome stability for foreign investors. To the Cuban people, he offered social reforms aimed at improving conditions among the poor. He accomplished the latter by cleverly coopting the program of the Grau movement he had just destroyed. Batista even legalized the Communist Party in exchange for its guaranteeing him the support of Cuba's trade unions. And, in 1940, he oversaw the writing of the most democratic and progressive constitution in Cuba's history. Those reforms were made easier by temporary economic prosperity that bolstered Batista's standing, a prosperity brought about by World War II, and by the increased demand for Cuban agricultural products in the United States. Despite that prosperity, Grau San Martín, who still had a big popular following, won the presidential elections in 1944, and his party stayed in power for the next eight years. Grau's Auténtico Party, however, proved to be the most corrupt in Cuban history. So many officials robbed the treasury that Batista staged another coup in 1952 and easily returned to power. His second period as maximum leader (1952–1958) was even more ruthless than the first. Once again, he jailed or simply eliminated his opponents, but this time, he failed to produce any economic miracles. This time, Cuba's economy, by now a total appendage of the U.S. market, started unraveling. Unemployment skyrocketed, incomes dropped, prostitution and corruption became rampant, and Batista increasingly depended for his power on a bizarre alliance of Wall Street investors, mobsters, and the Cuban managers of U.S. corporations.[24] The Batista dictatorship finally collapsed when the guerrillas of Fidel Castro's Twenty-sixth of July Movement marched into Havana on January 1, 1959.

PANAMA

After Cuba and Puerto Rico, the single largest U.S. expansion into Latin America was the Panama Canal, a project so ambitious, so grandiose, and so critical to the U.S. quest for economic power in the world that President Teddy Roosevelt devised a whole new nation just to house it. As mentioned earlier, commercial groups in the United States had been calling for a Central American canal since the 1850s, with rival groups backing either a project through the mosquito-infested jungle of Colombia's Darién province, or the route along Vanderbilt's old steamship and stagecoach line in Nicaragua. Nicaragua had the widest initial support among most engineers who had studied the project. But Ohio senator Mark Hanna, the powerful chairman of the national Republican Party, had other ideas. Hanna's close friend, New York lawyer William Nelson Cromwell, was an investor in the Panama route. A $60,000 donation by Cromwell to the Republicans in the midst of the debate seems to have strengthened Hanna's resolve and enabled him to secure a congressional majority for the Panama route.[25]

Colombia's president at the time was José Manuel Marroquín. As luck would have it, Marroquín had just come through a costly three-year civil war and was seeking a quick infusion of cash to bolster his exhausted treasury. So he offered President Teddy Roosevelt precisely what Nicaragua's president at the time, José Santos Zelaya, was refusing to give the United States—sovereignty over a ten-kilometer zone on both sides of the canal route. The result was the Hay-Herrán Treaty of 1903. But the treaty hit a snag at the last moment when Marroquín's opponents in the Colombian congress rejected the ten-kilometer provision as a violation of national sovereignty.

Their rejection enraged Roosevelt, who was not about to permit some petty feud among inferior Latin Americans to stop the greatest engineering project in U.S. history. Roosevelt countered by backing a plan for the province's armed secession. With the president's backing, Cromwell, along with Frenchman Philippe Bunau-Varilla and Panamanian Manuel Amador, both investors in the Panama project, prepared a blueprint for the uprising during a series of meetings in a New York hotel. On November 2, 1903, Bunau-Varilla and Amador led a rebel band that captured the port towns of Panama City and Colón. While U.S. sailors dispatched by Roosevelt assured the revolt's success by blocking the entry of Colombian troops into Colón harbor, Amador proclaimed Panama's independence. The new Panamanian government promptly named Bunau-Varilla its new ambassador to the United States, and he lost no time in signing the now renamed Hay–Bunau-Varilla Treaty. So embarrassing was the "independence" revolt that Congress was forced to hold hearings in which Roosevelt's role as the Panamanian godfather was revealed.[26]

It took ten long years (1904 to 1914) and 35,000 workers for the U.S. Panama Canal Company to complete the project. Most of the workers were English-speaking West Indians recruited by the company. If you include the families of those workers, more than 150,000 West Indians migrated to Panama during construction. This enormous migration, which equaled more than a third of Panama's Spanish and Indian population of 400,000, transformed every aspect of the new country's life. [27]

While press accounts praised the marvelous North American engineering feat through some of the world's thickest jungle, they rarely mentioned the critical role immigrant black workers played, or their disproportionate sacrifice. During the first ten months of 1906, for instance, the death rate for white canal employees was seventeen per thousand, while among West Indians, it was fifty-nine per thousand.[28]

The canal's opening led to enormous expansion of transoceanic trade for the United States, and the waterway became an invaluable military resource for the country during both World War I and World War II. The Canal Zone itself soon evolved into a miniature separate country within Panama, with several U.S. military bases and thousands of troops permanently assigned to guard it. Many of the West Indian laborers could not afford to return home when the main construction was complete, so they stayed on as maintenance workers. Canal Zone administrators and military commanders, many of them white southerners, soon replicated the same racial apartheid system that had existed for centuries in the American South. They established separate "gold" payrolls for American citizens and much lower "silver" ones for the noncitizen West Indians. Native Panamanians, meanwhile, were excluded from any jobs in the Zone. Blacks lived in squalid segregated company towns, while the whites resided in more opulent Zone communities, where everything from housing to health care to vacations were subsidized by the federal government.[29] For decades afterward, West Indians and Panamanians clashed with each other and with the Zone's Anglo American minority over the discriminatory conditions (see chapter 9).

But the checkered story of U.S. control in Panama, Puerto Rico, and Cuba pales beside the bloody sagas of the Dominican Republic and Nicaragua, where long U.S. military occupations provoked costly guerrilla wars.

THE DOMINICAN REPUBLIC

The U.S. presence in the Dominican Republic, as we have noted, began with nineteenth century dictator Ulises Heureaux, who saddled his country with massive foreign debt. To stave off bankruptcy, he hatched a refinancing plan in 1892 with the country's Dutch creditors and some New York investors. As part of the scheme, the Dutch sold their debt to a newly formed U.S. firm, the Santo Domingo Improvement Company, one of whose officers was a member of President Benjamin Harrison's cabinet. The new firm paid off the Dutch bonds and secretly gave Heureaux millions of dollars in new loans. Heureaux, in turn, gave the firm control of the national bank and one of the country's two railroads.

Only after Heureaux's assassination in 1896 did the new Dominican government discover that the former president had racked up $34 million in debt, the bulk of it to foreign creditors. The country's annual customs revenues, its main source of income at the time, was a mere $2 million. A good portion of the debt, it turned out, had been fraudulently marketed by the Improvement Company to unsuspecting Catholic farmers in Europe who thought they were lending money to the Dominican religious order, not the Dominican Republic![30]

When a financial crisis hit in 1905, and customs revenues plummeted, the new government suspended debt payments, prompting several European powers to threaten intervention. President Roosevelt, worried that sea lanes to his unfinished Panama Canal might be imperiled by a European occupation, stepped in and offered to consolidate the Dominican debt with a new loan from a New York bank. Roosevelt insisted, however, that the Dominicans turn over all customs revenues to a U.S.-appointed agent and earmark the lion's share of it for debt service. No longer would they be able to raise government spending or increase taxes without U.S. consent.

From that point on, the country was effectively a financial protectorate. Once Roosevelt's overseers arrived, they jump-started additional legal reforms to benefit foreign investors. In 1906, for instance, they pressured the government to grant tax exemptions to all sugar produced for export. In 1911, they convinced it to permit the division of communally owned lands, making it easier for sugar growers to enlarge their holdings. Each time Dominican officials balked at some new demand from Washington, Yankee warships appeared offshore to force their submission.

Defenders of the protectorate justified it by pointing to the country's history of political violence and instability—in the first seventy-two years of independence, Dominicans had experienced twenty-nine coups and forty-eight presidents. Some of the very people who ridiculed Dominican instability, however, conveniently overlooked that foreigners had financed much of the fighting. By 1915, a decade after Washington's protectorate commenced, political violence had not diminished. Rather than question its methods, Washington chose to tighten its hold on the country's purse strings.

By then, war was looming in Europe, and President Woodrow Wilson had a new worry, that a major faction in Dominican politics might try to ally their country with Germany. To avert that possibility, he demanded from the president, Juan Isidro Jiménez, the right to appoint U.S. citizens to key posts in the Dominican government and to replace the country's army with a new U.S.-trained National Guard. For a nation that had fought so long against Spanish, Haitian, and French occupation, these new conditions were unacceptable. Even Jiménez, who had been installed by the United States, rejected them. Wilson retaliated by freezing the government's customs revenues. Still, the population refused to back down; thousands of government employees rallied behind their leaders and worked for months without pay.

In May 1916, Wilson sent in the marines, dissolved the legislature, imposed martial law and press censorship, and jailed hundreds of opponents. The occupation would last eight long years. It prompted widespread protests against the United States throughout Latin America, created deep bitterness in the Dominican population, and radically altered every sphere of Dominican society.

Supporters of the occupation point to the many improvements the marines brought about—supervising construction of the Caribbean's most modern highway system, reforming government financing, building hundreds of public schools, and carrying out successful public health campaigns against malaria, and venereal and intestinal diseases. But the building program was financed with more foreign borrowing and by new taxes on property, alcohol, and other domestic manufacturing. And much of the early prosperity the country enjoyed was due to the war in Europe, which drove up the demand for sugar, tobacco, and other Dominican agricultural products. And no matter how the economy fared, Dominicans chafed under successive martial law governors who ruled them arrogantly in their own country. Even the elite in the cities refused to cooperate with the occupation army.

In the eastern part of the country, around the sugar plantation region of San Pedro de Macorís and Romana, a half-dozen peasant bands mounted sporadic guerrilla resistance. The guerrillas, led by Martín Peguero, Ramón Natera, and Vicente Evangelista, proved adept at frustrating the Americans. Marines dispatched to the area committed so many atrocities against the local population that they drove most civilians to the side of the guerrillas.[31]

The infrastructure and health improvements the marines ushered in did not compare to the profound economic and military changes they set in motion. Those changes left the country irreversibly dependent on the United States. In 1919, for instance, a customs law opened the country to imports by declaring 245 U.S. products duty-free, while it sharply lowered tariffs on 700 others. The surge of imports that ensued drove many local Dominican producers out of business.

New property tax and land registration acts followed. The land law, in particular, created tremendous upheaval. Like all former Spanish colonies, the Dominican Republic's land tenure system had revolved for centuries around family-owned *mayorazgos*. The holdings of individuals were rarely demarcated from the rest of the family; informal agreements on land use predominated. The first land speculators and planters from the United States found the system an obstacle to the quick buying and selling of property. So, just as in Texas, California, and other former Spanish territories, they quickly set about rewriting the land laws. The sugar companies made the first try in 1911, but Dominicans were slow to implement the changes, and massive forging of titles and poor records doomed the effort. But the occupation government was more efficient. The marines ordered the immediate registration, surveying, and division of all communal lands and created a new land court to arbitrate disputes and administer the law.

As might be expected, the sugar companies hired the best lawyers and quickly bamboozled or bested thousands of illiterate peasants in the new land courts. Take the case of the New York–based Barahona Company, which was organized in 1916, the year of the invasion. By 1925, it had amassed 49,400 acres, largely from buying communal holdings, and was the second-largest plantation in the country. The Central Romana mushroomed in size from 3,000 acres in 1912 to 155,000 acres in 1925.[32] By 1924, twenty-one sugar companies controlled 438,000 acres—a quarter of the country's arable land. More than 80 percent of it belonged to twelve U.S. companies.[33] As land for subsistence farming diminished, staples had to be imported from the United States and the prices of food skyrocketed.[34]

But the sugar boom did not lead to higher wages. Instead of increasing what they paid their Spanish-speaking workers, the growers shifted to bringing in English-speaking blacks from Jamaica, the Virgin Islands, and Turks and Caicos, whom they regarded as more docile and better suited to their needs than the Dominicans, Cubans, or Puerto Ricans. At some Dominican sugar mills, the entire workforce became English-speaking. Many of those migrants settled in the country after the harvest season, and their descendants inhabit areas around the old mills to this day. Local residents, angry at how the immigrant blacks siphoned jobs away from natives, took to labeling them *cocolos,* a racial pejorative that still persists in the Caribbean.[35] Finally, the American planters at Central Romana and other giant mills turned to Haitian laborers. Nearly half of 22,000 contract workers officially imported in 1920 were Haitians, but some estimates put the number of legal and illegal Haitians during the harvest season as high as 100,000.

Appalled by the greed of the sugar companies, military governor Harry S. Knapp protested to the secretary of the navy in 1917: "I would greatly prefer to see the Dominican people, and especially the poorer classes, brought to the point where they can work a small plot of land on their own account and leaving the fruits of their labors in Santo Domingo, than to see great companies come here and exploit the country, taking out of it immense sums in the form of their profits."[36] Knapp's complaints were ignored.

The occupation's other lasting legacy was the national police. As soon as they landed, the marines set about building a modern force that could control the population permanently. Unfortunately, once the marines left, that force copied the same arbitrary methods of the occupation army. One of the early recruits to the new police force was a former security guard for one of the sugar companies, Rafael Leónidas Trujillo. American commanders, impressed with the young man's intelligence and leadership ability, promoted him rapidly through the ranks.

In 1920, Republican Warren Harding captured the White House, and the new president dispatched Sumner Welles, the same diplomat who would later engineer Batista's coup, to arrange a U.S. withdrawal from Santo Domingo. Welles antagonized most Dominican leaders with his heavy-handed meddling in their plans for a postevacuation government while he was simultaneously lobbying for business contracts for his friends in the United States. Those contracts saddled the country with even greater debt than before the occupation.[37] It was not until 1924 that Welles finally arranged the withdrawal of the marines. Once they were gone, Trujillo, who was notorious for his corruption and ruthlessness, rose rapidly to commander of the rechristened national army, then was elected president in 1930 during a campaign in which his soldiers terrorized all opponents. At first, Washington was cold to him, but American diplomats eventually decided his stern methods were preferable to continued instability.

For the next thirty years, either as president or through handpicked successors, Trujillo perfected the most notorious dictatorship in the hemisphere, running the country as a private fiefdom for his family and friends. Known throughout the country as El Jefe, or The Boss, his atrocities became legendary. He routinely kidnapped and raped Dominican women, even the wives and daughters of his subordinates.[38] He tortured, jailed, or executed thousands, including eighteen thousand Haitians massacred by his army in October 1937. His spies even tracked down and murdered his opponents in exile. His psychotic cruelty was immortalized in Gabriel García Márquez's haunting novel, *The Autumn of the Patriarch.* Only when he tried to assassinate the president of Venezuela in 1960 did the U.S. government, hoping to prevent a repeat of Batista's overthrow in Cuba, begin to work for El

Jefe's ouster. In May 1961, a group of his own officers assassinated him with the support of the CIA (see chapter 7).

NICARAGUA

Nicaraguans, meanwhile, were living through their own reign of *los jefes.* In their case, it was the rule of Anastasio Somoza García and his family. The Somozas' reign, like Trujillo's and Batista's, had its origins in an American occupation. Despite the debacle of the Walker wars, Nicaragua was a stable and prosperous country at the dawn of the twentieth century, thanks to José Santos Zelaya, a popular Liberal who served as president from 1893 to 1909. On the surface, Zelaya provided the kind of forward-looking, well-managed government other Latin American nations lacked. He even welcomed outside investment and paid the foreign debt on time. But he was also a nationalist, one who handed out lucrative commercial monopolies to favored Nicaraguans while refusing special treatment for foreigners. That brought him into conflict with the handful of U.S. executives who owned extensive banana, mahogany, and mining concessions in the country.

The concessions, all unregulated and untaxed, had been granted by Miskito leaders in the English-speaking Bluefields section along the Atlantic Coast before Zelaya came to power. The foreign managers often quarreled with the central government over new taxes, and in both 1894 and 1899 they fomented unsuccessful anti-Zelaya revolts. Each time, the U.S. Navy intervened to protect their properties from confiscation.[39]

Zelaya's dispute with the Bluefields companies was just the beginning of his troubles. As we have seen, he lost the transoceanic canal project at the turn of the century because he would not give the United States sovereignty over the transitway. Then, in 1907, war broke out between Nicaragua and a coalition of Honduras, Guatemala, and El Salvador. Zelaya's army won several quick victories and occupied Honduras. With Nicaraguan troops advancing rapidly, the North American banana companies there convinced President Roosevelt to dispatch marines to protect their plantations. U.S. troops were on the verge of confronting Zelaya's army when secretary of state Elihu Root and Mexican president Porfirio Díaz convinced the Nicaraguan leader to withdraw. Their peace talks ended with the establishment of a Central American Court of Justice to arbitrate future conflicts.[40] The war, however, had raised Zelaya's stature considerably. He was now an unquestioned regional power—much to the discomfort of U.S. officials.

After William Howard Taft succeeded Roosevelt, Taft's secretary of state Philander Chase Knox fashioned a new policy for the Caribbean. Historians dubbed it "dollar diplomacy." Knox, one of the best corporate lawyers of his day, was no stranger to Latin America. He had spent time in Panama and Cuba, and his former law firm represented the Fletcher family of Pittsburgh, which owned two major Nicaraguan firms, the United States and Nicaragua Company, and La Luz and Los Angeles Mining Company.

Knox's idea of financial reform was to set up customs receiverships in the region, and to replace European investment bankers, who held most of Central America's debt, with U.S. companies. To accomplish those ends, Knox did not scoff at calling in the marines.[41] He immediately decided Zelaya was an obstacle. After losing the canal project, Zelaya had embarked on his own vision for a transit route across Nicaragua—a railroad that would unite the west coast to the isolated Atlantic region. He cut a deal with a German firm to build the railway and secured a $1.2 million loan from a British-French syndicate. Such financial independence irked not only Knox but also the banking houses of Brown Brothers, J. W. Seligman, and J. P. Morgan and Company, all of which were seeking a slice of the Central American loan business. In 1909, Juan Estrada, a Liberal Nicaraguan army officer, and

Conservative Emiliano Chamorro rebelled against Zelaya. By then, sensational American newspaper accounts had begun vilifying the charismatic president as a butcher and tyrant, creating the first El Jefe stereotype among the American public.[42]

The Estrada rebellion against Zelaya, like that of Amador and Bunau-Varilla in Panama, was hardly homegrown. It was planned in New Orleans and financed by U.S. companies through Alfonso Díaz, an executive of the Fletchers' Los Angeles Mining Company.[43] Scores of Anglo soldiers of fortune joined the rebels as advisers, in a throwback to the old filibuster revolts of the nineteenth century. Among the mercenaries were Godfrey Fowler, an active-duty captain in the Texas National Guard; Leonard Groce, who had been mining in Central America for years; and Virginia-born businessman Lee Roy Canon. Shortly after the rebellion started, Nicaraguan troops captured Canon and Groce as they were trying to dynamite a troop boat. Zelaya had them court-martialed and sentenced to death. That was all the excuse Taft needed to break diplomatic relations and launch a campaign for Zelaya's ouster. The U.S. pressure quickly forced his resignation, but the crisis ended only when Estrada and Díaz, Washington's choices, gained power in 1910.

The new leaders dutifully carried out all the "reforms" Knox wanted. They refinanced Zelaya's old English-French debt through Brown Brothers and Seligman, they installed a U.S. overseer to collect customs duties, and they invited American troops into the country. In the process, they also looted the treasury.[44] By the middle of 1912, the two Wall Street firms controlled the new National Bank of Nicaragua (chartered in Connecticut), and the Pacific Railroad (incorporated in Maine). Zelaya's own dream of uniting eastern and western Nicaragua by rail line died with his ouster.[45] For the next thirteen years, a small force of marines remained in the country as Washington and Wall Street dictated the country's financial affairs.

The marines left in 1925 but were forced to return the following year when a new civil war erupted. This time, General Chamorro was trying to reinstall Díaz to power over Liberal Juan Sacasa, who had won the previous year's election. The marines claimed neutrality but threw their support to Díaz after peasants in the countryside took up arms to bring the popular Sacasa back to power.[46] The peasant revolt lasted seven years, and it turned rebel leader Augusto César Sandino into a legend. Hundreds of volunteers from other countries joined Sandino's army, as it repeatedly eluded both government forces and the six thousand marines sent by Washington. When those soldiers bombed and machine-gunned to death some three hundred unarmed men, women, and children in a massacre at Ocotal in July 1927, public sentiment in the United States turned against the war occupation.[47] The marines hung on on until the Nicaraguans elected Sacasa president once again in 1932, whereupon public protests forced their withdrawal.

Sandino then rode triumphantly into Managua and embraced Sacasa at the presidential palace. It was the first time the United States had faced defeat in Latin America, and our leaders would not forget it. Before departing, the marines managed to train a new National Guard and install its English-speaking commander, Anastasio Somoza García. Somoza's soldiers ambushed and executed Sandino two years later. The assassination, according to several historians, had the secret backing of Ambassador Arthur Bliss Lane.[48] Somoza wasted little time in ousting Sacasa and turning Nicaragua into his personal fiefdom. After Somoza, his two sons succeeded him as the country's strongmen, assuring Somoza family control right up to the Sandinista revolution in 1979.

What propelled our government to assume this role of regional policeman throughout the Caribbean and Central America in the early twentieth century? Some historians argue that prior to World War I, our leaders genuinely feared that the Germans or other Europeans would establish beachheads near U.S. shores. But even after World War I ended and left the United States the unquestioned power in the Caribbean, the interventions continued.

Others point to the crush of U.S. bankers and businessmen who loaned money to Latin American governments, much of it on unsound ventures. National City Bank opened the first Latin American branch of a U.S. bank in Argentina in November 1914; five years later, it had established forty-two branches.[49] U.S. firms floated some $2 billion in Latin American government bonds during the 1920s, most of it in Mexico, Central America, and the Caribbean. Once those loans were made, the bankers expected the marines to protect their investment.[50] But then came the Wall Street Crash. Beginning with Bolivia in 1931, every Latin American country except Haiti defaulted on its loans. U.S. investors retreated from the region throughout the Depression years.

Whatever the reason for those early interventions, Franklin D. Roosevelt's election to the presidency brought a new approach to Latin America. Overt bullying from Washington and military occupations largely ended. Instead, American diplomats in the region sought to control events through pliant pro-U.S. dictators who were expected to maintain order. The mid-1930s and the 1940s thus became the heyday of *los jefes.* Except for a few, their names are almost unknown to the U.S. public. But to their countrymen, they represent lost decades so filled with horror and darkness that some nations are only now recovering.[51] Such was the period not only of Trujillo, Batista, and the Somozas, but of Guatemala's Jorge Ubico Castañeda, El Salvador's Maximiliano Hernández Martínez, and Honduras's Tiburcio Carías Andino. What seemed to unite them all was their ability to curry favor with Uncle Sam, first as allies against fascism during World War II, then as dependable anti-Communists in the late 1940s and 1950s.

Following the war, North American companies that resumed investment in the region invariably saw *los jefes* as dependable strongmen who offered welcome stability after decades of unrest. Direct U.S. investments tripled in Latin America between 1955 and 1969, mostly from mining, petroleum, and manufacturing, and profit margins skyrocketed.[52] Between 1950 and 1967, for instance, new U.S. investment in Latin America totaled less than $4 billion, but profits were nearly $13 billion.[53]

This soaring commerce and the rise of a Communist bloc in Europe and Asia brought with it a renewed determination by Washington to control its Latin American backyard. Wherever social democratic or radical leftist regimes came to power and threatened the business climate for U.S. companies, Washington responded by backing right-wing opponents to overthrow them. In 1954, the CIA helped oust the liberal reform government of Jacobo Arbenz in Guatemala.[54] In 1961, the agency organized the failed Bay of Pigs invasion of Cuba. Four years later, the marines invaded the Dominican Republic again, just as rebels loyal to the democratically elected president Juan Bosch were about to defeat a group of generals who had ousted Bosch in a coup two years before. Similar scenarios emerged in Chile under Salvador Allende, in Peru under Juan Velasco Alvarado in the 1970s, and in Nicaragua under Sandinista leader Daniel Ortega in the 1980s. When all else failed, our leaders resorted to direct invasion, as with Grenada in 1983 and Panama in 1989.

But as U.S. capital increasingly penetrated Latin America during the century, something else began to happen: Latin American labor headed north. More than a million people, one-tenth of Mexico's population, migrated to the Southwest between 1900 and 1930.[55] Some fled the chaos and repression of the 1910 revolution, but many were recruited as cheap labor for the railroads, mines, and cotton and fruit farms out West.

The Santa Fe and Southern Pacific, for instance, enlisted sixteen thousand Mexicans in 1908 for their lines. Henry Ford brought several hundred Mexicans in 1918 as student workers to Detroit, so that by 1928, there were fifteen thousand Mexicans living in the Motor City.[56] In 1923, Bethlehem Steel contracted a thousand Mexicans to work in its Pennsylvania mill. That same year, National Tube Company brought thirteen hundred migrants from Texas to work in its plant at Lorain, Ohio.[57] Great Western Sugar Beet Company brought more than thirty thousand Mexicans to the Colorado beet fields in the 1920s and 1930s. The Minnesota Sugar Company offered transportation, housing, and credit to Mexicans to migrate to that state. By 1912, there was a Mexican *colonia* in Saint Paul.[58] Similar contracting occurred in Michigan and Kansas.

After World War II, the trickle of migrants became a torrent, beginning with the Puerto Ricans in the 1950s, and followed by the Cubans and Dominicans in the 1960s, the Colombians in the 1970s, and the Central Americans in the 1980s. The migrations came from the same Caribbean countries our soldiers and businessmen had already penetrated, cowed, and transformed. But each country's diaspora, as we shall see, was markedly different. Different in class makeup. Different in customs. Different in where and how they settled, and in how America responded to them. Their separate odysseys were as rich in experience and as varied as those of the English, Irish, Italians, and Poles who came before them. Yet, they shared one bond that other waves of immigrants had not—a common language.

Toward the end of the twentieth century, those Latin American newcomers started to transform this country in ways no one had expected. Anglo conquest had boomeranged back to U.S. shores.