

American Imperialism (1901-1916)

The United States never administered a large colonial empire, as did European powers like Spain, Britain, and Germany. Nevertheless, U.S. policymakers attempted to exert American military, political, and economic power overseas in the early twentieth century.

Theodore Roosevelt – Big Stick Diplomacy

Cuba

When Congress declared war on Spain in April 1898, it declared that the U.S. had no intention of taking political control of Cuba and that once peace was restored to the island, the Cuban people would control their own government. After the Spanish-American war was over, however, the U.S. was worried that European empires might consider Cuba an easy target once U.S. troops were removed. Congress passed the Platt Amendment, which established the terms under which the U.S. would end its military occupation of Cuba. It required Cuba to insert provisions into her constitution that would prevent European intervention in the future, such as the prohibition of the Cuban government from entering into any international treaty that would compromise Cuban independence or allow foreign powers to use the island for military purposes. The Platt Amendment also granted the United States permission to reoccupy the island if any of its provisions were violated. Additionally, it included a lease on Guantanamo Bay as an American naval base.

The Panama Canal

An important discovery that resulted from the Spanish-American War was America's need to connect the Atlantic and Pacific Oceans. During the war, ships in the Pacific had to travel around South America in order to join the fleet in Cuba. The U.S. now had to protect and supply its far ranging territories in Guam, Puerto Rico, Hawaii, and the Philippines. The U.S. was also beginning to emerge as a world economic power and needed quicker shipping routes to meet its international business needs. Another significant reason for a quick route between the Atlantic and the Pacific was that the U.S. Navy was fast becoming an important, global military player. President Roosevelt began to swing his "big stick" in order to achieve his dream of building a canal in Central America.

Initially, proponents of the canal considered two sites: Nicaragua and Panama. However, experts quickly concluded that Panama would be a more advantageous and realistic site. Despite Roosevelt's intentions, there were still several legal challenges to overcome before he could build the canal. The Clayton-Bulwer Treaty of 1850 between the U.S and Britain asserted that the U.S. could not have sole control over an isthmian canal in the Americas. However, the British were engaged in the South African Boer War and were feeling increasingly threatened by their European neighbors, so they were willing to repeal the treaty. In 1901, the British and the Americans signed the Hay-Pauncefote Treaty that allowed the U.S. to build and fortify a canal. England had little to lose by signing the treaty, and in exchange hoped to secure the U.S. as an ally in a conflict with Germany that was beginning to look inevitable.

In addition to legal challenges, there were other significant obstacles to building a canal. Panama was eager to secure the canal project in the hope that it would revive their lagging

economy. However, Panama was controlled by Colombia, and the Colombian Senate rejected a treaty that would have allowed the U.S. to lease a six-mile zone in Panama. The offer called for an initial payment of \$10 million and an annual disbursement of \$250,000, which the Colombians viewed as inadequate. Roosevelt was enraged by Colombia's refusal to cooperate and he was determined to secure the canal area one way or another. A Panamanian uprising against Colombian rule began on November 3, 1903. This coup was backed by Panamanians who sought the prosperity the canal offered as well as representatives of the company that hoped to sell the land to the U.S. for \$40 million. The U.S. did not actively encourage this rebellion, although they viewed it as a fortunate development.

Colombian soldiers were poised to crush the rebellion, but U.S. naval vessels would not allow them to cross the isthmus and engage the revolutionaries. Using questionable legal precedent, President Roosevelt quickly recognized Panama's independence three days later. The Hay-Bunau-Varilla treaty was signed on November 18, 1903. The terms of the treaty stated the U.S. was to receive rights to a canal zone which was to extend five miles on either side of the canal route in perpetuity, and Panama was to receive a payment from the U.S. up to \$10 million and an annual rental payment of \$250,000. This was a bitter victory for the U.S., as it secured the necessary land for the canal, but hurt foreign perception of America as well as American relations in Latin America. Latin Americans were already concerned about American control in Puerto Rico and Cuba, and now they began to fear their neighbor to the north.

After years of dubious politics and relationships, construction began on the Panama Canal in 1904. Many obstacles were encountered, including landslides, pestilence, and labor problems. However, a team of engineers persisted, and finally in 1914 the Panama Canal was opened and heralded as the greatest technological achievement of its time. The total costs to complete the job were staggering. In addition to \$400 million in financial costs, the loss of good will toward America was incalculable. The English author James Bryce referred to the project as "the greatest liberty Man has ever taken with Nature."

The Roosevelt Corollary

Around the turn of the twentieth century, Latin American nations began defaulting on massive loans from European powers such as Germany and England. Many of these "Banana Republics," including Venezuela and the Dominican Republic, had borrowed heavily and had no way or intention of repaying their debts. This issue came to the forefront in 1903, when German warships sank two Venezuelan vessels and bombarded a Venezuelan town. Their intention was to intimidate Venezuela into paying its debts, but they inadvertently threatened Roosevelt and America's sense of security as well.

Roosevelt was intent on keeping European nations out of the Americas. He feared that if he allowed Germany and England into the Hemisphere to collect debts, they might decide to set up permanent bases, which would have been a violation of the Monroe Doctrine of 1823. Also, the U.S. did not want the European powers to "extort" Latin American countries, thereby bankrupting them. In order to prevent their presence, Roosevelt devised the Roosevelt Corollary to the Monroe Doctrine, which instituted a policy of "preventive intervention."

In this clever maneuver, Roosevelt stated that the U.S. would now function as "the policeman of the Caribbean." Under this arrangement, the U.S. took over the management of tariff collections in 1905. This meant that whenever a Latin American nation was overdue on a debt to a European power, the U.S. would intervene. America would pay off the foreign debt, and then take responsibility for collection, thereby guaranteeing the European loan. The

Europeans quickly agreed to this arrangement, as it ensured the prompt payment of the debt, but they were skeptical of America's motivation. Many people in America, Europe, and Latin America viewed this as yet another imperial move by the United States. Anti-imperialists believed that America was removing the traditional imperialists who were taking advantage of the Banana Republics, for no other reason than to take their place.

The U.S. experienced a number of advantages by assuming control of these customs houses. Corruption and embezzlement were rampant in many of these Latin American countries. The U.S. ran the customs houses fairly and equitably and helped ensure that corruption was minimized. In the short run, several of these Latin American countries began managing their money more efficiently and achieving financial security for the first time. Countries such as the Dominican Republic and Venezuela were able to manage their resources more effectively and were beginning to emerge as viable trading partners. However, over time as the U.S. began to return control to local governments, many returned to their corrupt and inefficient ways, which ended this short era of relative prosperity.

Despite the success of the Roosevelt Corollary, there were also several drawbacks. Essentially this was a perversion of the Monroe Doctrine, which was considered a sacred document in American politics. It also set another negative precedent for U.S. involvement in Latin America. This new policy was used for years as justification for military and political intervention throughout the region. For many decades, the U.S. performed military landings in Central America and stationed Marines in Nicaragua and other countries on semi-permanent bases. Also, Roosevelt's "cowboy diplomacy" strained relations not only with Latin American nations, but with the rest of the world as well. The Roosevelt Corollary helped give notice that the U.S. was emerging as a significant world power that could not be ignored.

Japan

Roosevelt charged into international affairs far beyond Latin America. The outbreak of war between Russia and Japan in 1904 gave him a chance to perform as a global statesman. At Portsmouth, New Hampshire, in 1905 Roosevelt guided the warring parties to a settlement that satisfied neither side and left the Japanese, who felt they had won the war, especially resentful. For achieving this agreement, as well as for helping to arrange an international conference in Spain in 1906, Roosevelt received the Nobel Peace Prize in 1906.

Further tension with Japan erupted when, in 1906, San Francisco's school board, coping with the aftermath of an earthquake and fire, ordered the segregation of Chinese, Japanese, and Korean students in a special school to free more space for whites. Instantly the incident boiled into an international crisis. The people of Japan regarded this discrimination as an insult to them and their children. Californians viewed the Japanese and others as a "yellow peril" and feared being drowned in an Asian sea. Roosevelt intervened. In the "Gentlemen's Agreement", worked out during 1907-1908, Japan agreed to stop the flow of laborers to the American mainland by withholding passports and San Francisco agreed to repeal the segregation order.

Worried that his intercession might be interpreted in Japan as prompted by fear, Roosevelt decided to send the entire U.S. battleship fleet on a highly visible voyage around the world. The so-called "Great White Fleet" – 16 sparkling-white, smoke-belching battleships – set sail in late 1907 and visited ports in Latin America, Hawaii, New Zealand, Australia, and Japan. In the warm diplomatic atmosphere created by the visit of the fleet, the U.S. signed the Root-Takahira agreement with Japan in 1908. It pledged both powers to respect each other's territorial possessions in the Pacific and to uphold the Open Door in China. For the moment, at least, the two rising rival powers had found a means to maintain peace.

William Howard Taft – Dollar Diplomacy

William Howard Taft was easily elected in 1908, because a majority of Americans believed that he would continue the popular Republican policies laid out by President Roosevelt. Taft was susceptible to outside pressure, and he often submitted to the desires of Congress and special interest groups. Roosevelt and many Americans were angry and dismayed when Taft began to stray from the Republican platform. However, one area in which Taft consistently pursued Roosevelt's aims was in expanding America's influence abroad.

Taft used America's growing economic power as a diplomatic tool. He urged Wall Street investors to invest money in foreign markets in order to increase American influence abroad. Investors were especially encouraged to invest their money in foreign markets in which the U.S. had strategic interests, such as the Far East and the Panama Canal region. Many people were critical of Taft's plan and his critics denounced this strategy as "dollar diplomacy." In fact, the senate refused to sign several treaties, but the president encouraged private banks and Wall Street investors to act independently.

One goal of dollar diplomacy was to preempt foreign powers from gaining or enlarging an investment foothold in key markets. Many European countries had been imperial powers for decades and held a significant advantage over the U.S. in several global markets. The administration believed that if American investors were firmly situated in these markets economic rivals such as Germany would be unable to continue their dominance. Taft believed that the increased investment would not only benefit the U.S. but its trade partners as well, creating better foreign relations. Taft also assumed that the expenditure of money in foreign markets would increase American influence abroad and would help further its foreign policies. Of course, the overriding belief was that foreign investments would enhance American businesses, which in turn would grow the economy and enrich the government.

A primary focus of dollar diplomacy was the Manchurian region of China. Japan and Russia controlled a large portion of Manchurian resources including the railroads. Taft, like many people of the era, believed that whoever controlled the railroads also controlled the economy. He believed that without an interest in the Manchurian railroad system, the U.S. would be frozen out of the emerging Chinese markets and the United States' "open door" policy in China would be undermined. Taft personally sent a telegram to the Chinese Government on behalf of American investors interested in railroads in the Yangtze Valley. In 1909, Secretary of State Philander C. Knox offered the Japanese and Russians a deal. He proposed that American bankers and industrialists would purchase the Manchurian railroads from Japan and Russia and return them to Chinese control. Japan and Russia flatly refused the offer, which publicly embarrassed the Taft administration. Taft persevered in his efforts to gain influence in China, and in 1912 the U.S. and five other nations offered the new Chinese Republic a huge loan.

In an extension of the Roosevelt Corollary, Taft also encouraged investors to spend money in Latin American countries such as Honduras and Haiti. Adhering to the Monroe Doctrine of 1823, Taft would not allow foreign investors into Latin American markets, so America felt a responsibility to support these financially struggling republics. Many of these nations were constantly on the verge of financial collapse and required foreign investment to strengthen their shaky foundations. Political turmoil in this region later required U.S. troops to protect the substantial American investment. In 1912, a group of 2,500 marines landed in Nicaragua to suppress a rebellion, and they remained for 13 years due to continued instability. This was another action that increased distrust of America among many Latin American nations.

Woodrow Wilson – Moral Diplomacy

The Spanish-American War, the Panama Canal project, and the Roosevelt Corollary ensured extensive U.S. involvement in Latin America. Many Caribbean and Latin American countries seemed to be in a perpetual state of revolution and political upheaval. Due to its close geographic proximity, the U.S. felt compelled to get involved and exert influence in these conflicts. The significant financial investment that resulted from “dollar diplomacy” also required the U.S. to intervene repeatedly in order to protect its citizens and investments. Taft continued Roosevelt’s imperialist policies and increased America’s economic and political empire throughout the world.

In 1912, within one week of taking office, Woodrow Wilson removed governmental support for American businesses operating in the Caribbean and China. Wilson was an intense critic of imperialism and his goal was to reverse Roosevelt’s “big stick” policies and Taft’s “dollar diplomacy.” His vision for U.S. foreign policy was based on morality. He strongly believed that his immediate predecessors had pursued a policy that would breed dislike of the U.S. and often sacrifice goodwill for short-term gain. For this reason, Wilson’s foreign policy has sometimes been called “missionary diplomacy” or “moral diplomacy.” Wilson argued that the U.S. should act as the conscience of the world, should promote democracy and peace, and should oppose colonialism.

Wilson immediately repealed the Panama Canal Tolls Act that exempted U.S. vessels from paying tolls at the Canal. The repeal of this act pleased England who was angry at paying tolls that U.S. ships were exempt from. Another of Wilson’s anti-imperialist actions was the signing of the Jones Act of 1916. The Jones Act guaranteed a bill of rights and universal male suffrage to Filipino citizens. Most importantly it promised the Philippines independence as soon as they were able to demonstrate that they had a stable government. However, this act proved to be less than successful, as the Philippines were not granted independence until 30 years later on July 4, 1946. Wilson also secured passage of the Jones-Shafroth Act in 1917. It granted U.S. citizenship to all the inhabitants of Puerto Rico and provided for limited self-government for the island. It declared that all federal laws of the U.S. would be in effect in Puerto Rico.

Haiti had been a key target of Taft’s “dollar diplomacy.” It was an exceptionally poor nation even by Caribbean standards and Taft tried to improve the Haitian economy through the influx of American investment. Wilson began withdrawing some of America’s involvement and influence when he took office, although many Americans continued to live and own property in Haiti. In 1914 and 1915, the Haitian people were outraged by the oppressive nature of their President, so they rebelled, literally tearing him to pieces during a bloody revolution. In response, Wilson reluctantly sent troops to Haiti to protect American citizens and investments. He agreed to a treaty with Haiti in which the U.S. would help police the nation and supervise its finances. Due to continued Haitian instability, U.S. troops remained in Haiti for 19 years. Despite Wilson’s intentions, the U.S. continued to exert influence throughout the Caribbean.

For the United States, another key area of concern in Central America was Nicaragua. Its close proximity to the Panama Canal made Nicaragua’s stability crucial to American interests in the region. Nicaragua asked the U.S. for help, and in 1911 American bankers and investors reorganized the Nicaraguan financial structure and began to manage its customs service. They were successful in bringing some stability to the country, but in 1912 a violent political revolution

began. This revolution greatly concerned the U.S., since an armed insurrection in the region threatened the security and the prosperity of the burgeoning Panama Canal. The U.S. responded by sending 2,500 troops to the nation. Although the troops were rarely involved in combat, they remained in Nicaragua for 13 years.

Wilson's "moral diplomacy" achieved mixed results. One of his primary goals was to stabilize the Caribbean and Latin America during the onset of World War I, with a minimal amount of American involvement. Also, he wanted to completely reverse Roosevelt's "big stick" policies and remove all elements of Taft's "dollar diplomacy." However, Wilson faced a great deal of pressure from imperialists as well as American industrialists. Despite Wilson's intentions to limit U.S. involvement in the region, he sent troops to Nicaragua, Haiti, and the Dominican Republic, which ensured a U.S. military presence in the Caribbean and Central America for decades. Ironically, regardless of his sincere intentions to halt the spread of imperialism, Wilson intervened in Latin American affairs more than any other president.

The Mexican Revolution

The Latin American country most important to the well-being of the U.S. was its neighbor to the south, Mexico. Mexico is a nation rich in resources, but its ineffective and corrupt governments had exploited the Mexican people for years. A series of brutal dictators had controlled the country for decades, and many of them mismanaged Mexico's resources, making themselves rich while the majority of Mexicans were desperately poor. Tension had been high for years, and there had been several attempts at revolt, but the dictators were successful at suppressing any significant revolution.

Mexican leaders sold the country's resources to foreign investors, often at the expense of Mexican citizens. Americans owned 43 percent of the land in Mexico, while foreigners from other countries owned 25 percent. By 1913, American investment in Mexico was well over a billion dollars, including significant ownership in railroads, oil resources, and mines. Porfirio Diaz, the leader at that time, was particularly ruthless and oppressive. Eventually, the number of foreigners profiting from Mexican resources and Diaz's cruelty helped promote a strong surge of nationalism in Mexico.

The first Mexican Revolution began in 1910. The people were led by the radical Francisco Madero. He and his followers staged a successful campaign, and in 1911 they gained control of Mexico and appointed Madero president. He was very popular and viewed as a president of the people, but in 1913 another revolutionary group assassinated Madero. The leader of the coup, General Victoriano Huerta, then assumed the presidency.

As a result of the instability and revolution in Mexico, a huge influx of immigrants fled to the United States. Many Mexicans feared Huerta, and fled the country in order to escape his tyranny. The majority of these immigrants settled in the southwestern U.S., where they lived in segregated communities and were used as cheap labor for building railroads. All told, over one million Mexicans migrated to the United States in the early twentieth century.

During this revolutionary era in Mexico, over 50,000 Americans owned property and lived in Mexico. They began to feel legitimately threatened by this newfound Mexican nationalism, and called for protection from the U.S. government. Other Americans not living in Mexico also asked for intervention, including "yellow journalist" William Randolph Hearst. Although Hearst may have truly desired aid for Americans living in Mexico, he was surely influenced by his ownership of a Mexican Ranch larger than the state of Rhode Island. Despite

growing pressure, President Wilson was reluctant to intervene in Mexican politics. He had been working to reduce American involvement in Latin America, and was very hesitant to interfere and risk a direct conflict with Mexico.

Although Wilson was unwilling to play an active role in Mexico, he by no means condoned the tyrannical Huerta regime. In fact, Wilson was one of the few foreign leaders who did not accept the legitimacy of Huerta's leadership and refused to recognize his government. As Huerta's violence towards his people continued to escalate, Wilson was forced to act more directly. He stated that he would "...teach the South American republics to elect good men," and in 1914 the U.S. began supplying weapons to Huerta's rivals. Venustiano Carranza and Francisco "Pancho" Villa, were the leaders of a rebel army created to unseat Huerta.

In April 1914, a group of American sailors on shore leave was arrested in Tampico, Mexico. The U.S. was outraged, and the sailors were quickly released with the apologies of the Mexican government. However, Mexico was unwilling to provide the 21-gun salute demanded by the Americans. Seizing the opportunity to finally remove Huerta and end his tyranny, Wilson asked Congress for permission to use force against Mexico. In the meantime, while still awaiting Congressional approval, Wilson ordered the navy to seize the port of Vera Cruz. This action not only angered Huerta, it also upset the rebel leader Carranza, who viewed this act as exceeding the boundaries of the informal agreement between his group and the United States.

As tensions continued to mount, war with Mexico seemed inevitable until Argentina, Brazil, and Chile intervened. The so-called "ABC Powers" interceded and attempted to reach an agreement between the United States and Mexico. These powerful South American nations helped the U.S. undermine Huerta, and in 1914, after intense internal and external pressure, President Huerta stepped down as ruler of Mexico. The open presidential seat was filled by Venustiano Carranza who still harbored resentment toward America because of the U.S. meddling at Vera Cruz.

Despite his distrust of Carranza, President Wilson reluctantly recognized the legitimacy of Carranza's presidency. Meanwhile, Carranza's former general, Pancho Villa, had now emerged as his chief rival. Villa not only defied Carranza's régime by leading an armed revolution, he directly challenged the extensive U.S. involvement in Mexico. In an effort to rebuild a relationship with Mexico, Wilson supported Carranza against Villa and sent arms to sustain Carranza's armies. Villa was angered by Wilson's actions, and retaliated by killing 18 Americans in Mexico and then embarked on a bold raid into Columbus, New Mexico killing 19 Americans.

Americans were stunned and outraged by Pancho Villa's brash actions. President Wilson ordered General John J. Pershing to lead several thousand troops into Mexico to capture Villa. General Pershing's army moved quickly into Mexico and engaged Villa's supporters, who were known as Villistas. The disorganized Mexican rebels were no match for the better-trained and equipped U.S. forces, and Pershing won several convincing victories. However, he was unable to find Pancho Villa, which was the ultimate goal of the mission, and this failure did little to enhance the international reputation of the U.S. military. Finally, as it no longer seemed possible for the U.S. to remain out of WWI, Wilson recalled Pershing and his men in January 1917.

Wilson's staunch anti-imperialism was a completely new approach for America. He withdrew government support of American investors in foreign markets and attempted to bring America back within its borders. However, his reluctance to intervene militarily in foreign affairs

was often seen as hesitant and weak and caused many of his policies to be largely ineffective. Eventually, Wilson's approach to foreign policy proved too unrealistic for success in the Western Hemisphere, but the true test of his foreign policy would come on the other side of the Atlantic in World War I.

Between 1877 and 1918, the U.S. rose as a major economic and military power. Justifications for overseas expansion emphasized access to global markets, the importance of sea power, and the need to police international misconduct and trade. The U.S. aggressively asserted its interest in Asia and Latin America in the early 20th century.