

from more than one nation. It was multinational corporations based in the United States that led the way, transmitting not only technological developments but also American culture around the world. McDonald's, CNN, and Coca-Cola became prime symbols of vehicles of American culture. Critics argued that powerful multinational corporations used sophisticated marketing techniques to promote consumption.

Despite the efforts to prevent American global dominance, most European nations joined the United States in efforts to stem terrorism and nuclear proliferation. Terrorism in the twenty-first century is largely associated with Islamic groups in the Middle East angered by the creation of Israel following World War II. Much of that anger is aimed at western European nations, which along with the United States are seen as staunch supporters of Israel.

Immigrant populations throughout Europe are growing rapidly, and fertility rates among immigrants are far outpacing those of native-born Europeans. As a result, many western European nations have implemented regulations to slow immigration. Thus globalization has not created a unified global culture. In fact, many social scientists marvel at the endurance of cultural diversity in the face of globalization. People around the world use technology such as the Internet and satellites to export and maintain their own ethnic and cultural values, even as the traditional nation-state weakens.

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THE AMERICAS: 1914 TO THE PRESENT

KEY CONCEPTS

- Most nations in the Americas suffered from foreign economic control and a drastic degree of social inequality during the twentieth century.
- The United States became a wealthy global power after World War I and one of the two global superpowers following World War II.
- Throughout North and South America, the Depression caused unemployment, homelessness, and protectionist policies.
- Its foreign policy of containment during the Cold War led the United States to sponsor coups and proxy wars throughout Latin America.
- The emergence of the United States as the lone superpower at the end of the Cold War resulted in the globalization of culture, a more interconnected global economy, and the spread of democracy. It has also caused new conflicts in response to U.S. domination.

KEY TERMS

- Contras
- Dirty War
- import-substitution industrialization
- North American Free Trade Agreement (NAFTA)
- North Atlantic Treaty Organization (NATO)
- oligarquía
- Pearl Harbor
- proxy wars
- Sandinistas
- Truman Doctrine

The Americas during the twentieth century are discussed in *The Earth and Its Peoples*, 4th and 5th eds., Chapters 28–33.

WORLD WAR I

On the eve of World War I, most countries in the Americas could be defined by two common characteristics. First, most had sharp social divides between a small, very wealthy class and a large population of poor. Second, most were victims of foreign intervention or some sort of foreign economic control. Despite the success of the revolutions that rid them of colonial rule, Western Hemisphere nations had difficulty shrugging off the economic hold of European nations. The United States had proved one of the few exceptions to the second rule. It not only gained economic independence, but also became an imperial power itself, strategically positioned to exert economic influence over its neighbors in the Americas. Nonetheless, the social divide and foreign control caused simmering tensions in most American societies. In many cases, it was as if the revolutions of the nineteenth century were not yet complete.

Consider Mexico. Close to 1 percent of the population owned 85 percent of the land. These few wealthy families were mostly of direct Spanish origin and lived on huge estates. In contrast, the vast majority of the population consisted of poor peasants of Native American or mixed ancestry (commonly referred to as mestizos). Industry in Mexico was dominated by companies from the United States and Great Britain—both imperial and industrial powers—that controlled most of Mexico's railroads, mines, plantations, and other major industries. Wealthy Mexicans were often closely tied to the foreign companies, and together they forced the peasants to endure harsh working and living conditions. Thus, popular resentment was high, military coups were frequent, and revolutionary sentiment was rife. In southern Mexico, Emiliano Zapata led peasant revolts to wrest land from wealthy hacienda owners and return to the Amerindian villages to which it had once belonged. Similarly, Pancho Villa organized peasant revolts in the northern Mexico, where 95 percent of the people had no land at all. They also seized haciendas in an effort to redistribute wealth. Neither Zapata nor Villa was able to gain support outside their own locales, but their demands were heard. By 1920, a group of middle-class leaders known as the Constitutionals had defeated all their adversaries, including Zapata and Villa, to gain control of Mexico. They did, however, restore communal lands to Amerindians and establish social programs for the poor. In an effort to chip away at foreign economic control, they also placed restrictions on foreign ownership of property.

Argentina and Brazil faced circumstances similar to those of Mexico. The governments of both nations represented the interests of a few wealthy landowners. In Argentina, this elite, known as the oligarquía, controlled vast tracts of farmland and made Argentina, like the United States, one of the world's largest producers of meat and wheat. As a result of its tremendous agricultural success, the oligarquía was quite content to let foreign companies control other industries such as public utilities and railroads. Likewise, Brazil's elite focused on coffee, cacao, and rubber exports, and let foreigners

control industries. Railroads, harbors, public utilities, and other forms of infrastructure were controlled by Great Britain. While Argentina and Brazil exported agricultural goods, they imported almost all manufactured goods. During World War I, European nations slowed the importation of crops, which weakened the landowning classes in both Argentina and Brazil. The urban middle class was able to gain power during this time. However, little was done for the masses of poor, landless peasants, many of whom were of Native American and/or African ancestry.

World War I had a very different effect on the United States. A young yet growing industrial and imperial nation, the United States was catapulted into the position of a global power by the war. In the United States, as in other nations in the Americas, wealth was fairly restrictive, and much of it was secured for those of European descent. However, the United States had extensive and varied industries, a growing middle class, and a number of colonial territories from which to extract resources. At the start of World War I, the United States, seemingly content with its status, maintained an official position of neutrality. But the neutrality was only technical. While no military was involved in fighting, U.S. businesses were providing supplies to France and Great Britain. German submarines, therefore, began attacking all ships heading to Great Britain, resulting in numerous American civilian casualties. In 1917, President Woodrow Wilson asked Congress to declare war on Germany. That proved costly for the Central Powers. The arrival of fresh, healthy troops from the United States turned the tide in favor of the Allies. The Germans were soon in retreat. They signed an armistice to end the war in November 1918.

Most surprising however, was the social and economic impact on the United States. To help the war effort, civilians were encouraged to invest in war bonds. As soldiers left their jobs and went off to war, employment opportunities opened up for women and African Americans. Job openings in cities in the north led to large-scale migrations of African Americans from the rural south. Social equality was by no means achieved, but the progress provided an impetus for groups that were discriminated against to fight for greater freedoms and opportunities. Businesses prospered too, especially if they were engaged in war production. All in all, the United States was the one nation that grew rich from the war.

AP Tip

The effect of World War I was drastically different on the United States than on other nations in the Americas. The United States thrived economically. Most nations in the Americas, however, suffered economically. You will need to be able to analyze and compare the reasons for such differences.

THE INTERWAR PERIOD

The first event that symbolized U.S. ascendancy as a world power was the Paris Peace Conference. U.S. president Woodrow Wilson, along with British prime minister David Lloyd George and French premier Georges Clemenceau, laid out the framework for the Treaty of Versailles. In addition, Wilson proposed a League of Nations to help safeguard peace and foster international cooperation—ironically, the United States, in an effort to return to isolationism, refused to join. Many in the United States were comfortable with the newfound prosperity that the war had provided. A steady economic boom, the result of European nations borrowing American money and repaying wartime loans, brought an air of optimism to the United States in the 1920s. Many who had been marginalized increased their demands for equality and greater participation in American society—demand for social change seemed to accompany the economic growth. Having joined the labor force during the war, women pressed for the right to vote, which they got in 1920 with the Nineteenth Amendment. For most African Americans, on the other hand, the right to vote was merely theoretical. Increasingly, organizations such as the National Association for the Advancement of Colored People (NAACP) and the United Negro Improvement Association (UNIA) pushed the nation to grant first-class citizenship to African Americans.

South American countries also experienced growing prosperity during the 1920s. Trade with European nations, curtailed by the war, resumed, and agricultural exports once again commanded high prices. Both Argentina and Brazil used their profits to industrialize and improve their transportation and public utilities systems—a goal helped by Great Britain's need to sell many of its transportation holdings and industrial companies to Argentina and Brazil in order to pay its war debt. Still, with the introduction of new technologies, South American nations remained dependent on foreign companies. British, French, Germans, and Americans formed a cartel to control all radio communication in Latin America. The cartel set up a national radio company in each nation, held all the stock and received all the profits. European and American companies also controlled aviation technology in Latin America. Aeropostale and Pan American Airways introduced airmail services throughout the continent and were linked to cities in the United States and Europe.

Economic prosperity in Latin America also led to social changes. However, the more stratified societies of Argentina and Brazil witnessed various levels of turmoil as workers and middle-class professionals demanded social changes and a greater say in politics. Junior military officers in Brazil rose up to demand universal suffrage and freedom for labor unions, among other social reforms. In Argentina, demonstrations were crushed. However, they not only laid the groundwork for later change but also opened a space for the middle class to share power with the wealthy elite. Throughout both North and South America, the middle class was growing, but the growth was often at the expense of poor, landless peasants and urban workers. Social progress was perhaps greatest in Mexico, where the revolution ensured that representatives of rural communities, unionized workers, and public employees gained a greater voice in

society. In 1928, President Plutarco Elías Calles established the National Revolutionary Party (PNR) to provide a forum in which businessmen, peasants, laborers, landowners, the military, and members of other interest groups could reach compromises for the good of the nation.

Throughout the Americas, prosperity and access to technology were spreading beyond the realms of the elite. In the United States, the economic boom gave rise to an overconfidence that foreshadowed the impending crisis. Few had anticipated the fall of the New York stock market, but sure enough, on October 24, 1929, the market plunged; the downward spiral would last for three years. Investors lost money, people lost their savings, and banks collapsed. The crisis grew circular, as consumers purchased less, so businesses produced less, so companies were forced to lay off workers, and laid-off workers could purchase less. In 1930, to protect American businesses from foreign competition, Congress passed the Smoot-Hawley tariff, the highest import duty in U.S. history. Other nations around the world retaliated by raising their tariffs. World trade was crippled, dropping by 62 percent. Three years after the stock market crash, the American economy was cut in half, and unemployment had reached a record high of 25 percent of the workforce.

The Depression devastated Latin America as well. Most Latin American countries depended on exports and were thus hit hard, as most industrial nations imposed high tariffs and reduced their imports. Sugar exports from the Caribbean fell. Coffee exports from Brazil and Colombia dropped, as did tin exports from Bolivia and beef exports from Argentina. Exports from Latin America fell by two-thirds from 1929 to 1932. Again, the devastation was circular. Nations could no longer import manufactured goods. Industrialization efforts within nations were set back. Unemployment and homelessness increased dramatically.

In many nations, military officers seized power, and governments began imposing authoritarian rule. Getulio Vargas of Brazil, one such authoritarian ruler, staged a coup and came to power in 1930. He initially made some socially progressive changes—for example, broadening the franchise, allowing labor unions, and installing pension plans—but his reforms were largely geared to urban workers. He did little to help the millions of landless peasants for fear of provoking the ire of the powerful landowners. Vargas was, however, successful in helping Brazil recover from the Depression. His policy of import-substitution industrialization, which aimed at building the nation's industry by restricting foreign trade, became a model emulated by other Latin American nations. By 1938, however, Vargas had abolished his own constitution, banned political parties, and jailed opposition leaders. Argentina followed a path similar to Brazil's. In 1930, General José Uriburu overthrew the popularly elected President Hipólito Irigoyen. The new government protected the interests of the oligarquía and big business. Tension among the poor and the working class continued to build.

Mexico, however, proved different from the others. The revitalized revolution saw Lázaro Cárdenas come to power, renaming the PNR the Mexican Revolutionary Party (PRM). Cárdenas removed generals from government positions and redistributed more than 44 million acres of land to peasant communes. In an effort to break the foreign

economic stranglehold, Cárdenas nationalized railroads and foreign-owned oil companies. The revitalized revolution under Cárdenas brought some of the most widespread changes of any nation in the Americas, but Mexico remained stubbornly poor, with little industrialization. Like Mexico, the United States did not fall to an authoritarian regime, and had to use dramatic intervention to overcome the Depression. When Franklin D. Roosevelt became president in 1932, he implemented his New Deal program to stimulate and revitalize the economy. Despite the many critics who complained that the New Deal resembled socialism and communism, it was extremely successful. But it would take the Second World War to fully push the United States out of the Depression.

WORLD WAR II

When war erupted in Europe and Asia during the latter half of the 1930s, the United States once again adopted an official policy of isolationism. But as in the First World War, it began profiting from the war by making loans and selling supplies to France and Great Britain. The guise of neutrality remained thin when the United States, along with Britain, stopped shipments of steel, oil, and other materials that the Japanese needed for their war and industrial efforts. That action led the Japanese to attack the United States by bombing Pearl Harbor in 1941. The bombing of the naval base put an end to the nation's isolationist stance, as the United States joined Britain, the Soviet Union, and other nations in an alliance commonly known as the Allies. Once again, U.S. involvement in the war was crucial in turning the tide in favor of the Allies. The Americans played an essential role in forcing Italy to surrender and in storming the Normandy Coast, which pushed the Germans into retreat. In May 1945, Germany surrendered. Turning its attention to Japan, the United States dropped atomic bombs on Hiroshima and Nagasaki in August. Japan surrendered a week later.

World War II clearly helped the United States escape from the Depression. The economy flourished during the war. The United States alone produced more weapons and supplies than all of the Axis Powers combined. Such demand and production capacity led to plentiful jobs and opportunities. The war effort was boosted by the sale of bonds and rationing, which resulted in a tremendous growth in personal savings. Like the First World War, the Second built up national and individual wealth. And it once again gave strength to the efforts of minorities and women in fighting for democracy and equality. As job opportunities opened up during the war, employers hired women, African Americans, Latinos, and other minorities. The many minorities who fought and died on the battlefield alongside white Americans, in a war billed as a fight for freedom and democracy, returned home demanding the same freedom and democracy in the United States. The demand of soldiers and laborers was a huge impetus for the impending Civil Rights movement.

Despite turning Brazil into a fascist state, Vargas's regime allied itself with the United States during World War II. Argentina, on the other hand, remained officially neutral. However, the military rulers of Argentina were clearly inspired by Nazi Germany. In 1943, under the leadership of Colonel Juan Péron, Argentina hoped to conquer South

America just as the Nazis were conquering Europe. But as the Nazis began losing ground, the popularity of Argentina's military officers began to wane as well. In an effort to regain the trust of the populace, Péron departed from his previous military stance. He and his charismatic wife, Eva Duarte Péron, began appealing to urban workers, pushing for social benefits for women, children, and the poor. With his wife's help, Juan Péron became a popular leader and won the presidency in 1946. Under him, Argentina was essentially a populist dictatorship, much like Brazil under Vargas. Like Brazil, Argentina also industrialized rapidly. But industrialization only masked internal social and economic problems. When Eva Péron died in 1952, her husband lost his popular appeal and was overthrown in a military coup later that year.

THE COLD WAR

Devastation throughout Europe at the end of World War II, combined with the tremendous wealth amassed by the United States during the war, resulted in the further ascendancy of the United States as a world superpower. The Soviet Union also emerged from the war a global superpower as it too had witnessed stunning industrial growth. But the United States distrusted the USSR and its communist economic system, which ran counter to American capitalism. Suspicion grew between both new superpowers. In 1947, the United States issued the Truman Doctrine, which promised military aid to any nation that was fighting communist or socialist insurrections. In 1949, the United States and various western European nations established the North Atlantic Treaty Organization (NATO), a military alliance. In response, the Soviet Union and eastern European countries formed the Warsaw Pact. Measures meant to quell the tensions only exacerbated them. Even the United Nations, which had been established to maintain world peace, became just another arena in which the Cold War would be played out.

Early Cold War conflicts all took place on the back of post-World War II settlements. When the Soviets blockaded Berlin, Germany, in 1948, the United States orchestrated an airlift to get supplies to the people of West Berlin. In Asia during that same year, Korea split into a communist North Korea and a capitalist South Korea. When North Korea invaded South Korea in 1950, the United States came to the aid of the South Koreans, while communist China sent troops to assist the North Koreans. Fighting lasted for three years before a truce was signed that fixed the border at its original post-World War II line, the thirty-eighth parallel. The Korean War convinced many Americans that the USSR was fomenting communist revolutions worldwide. Fear of communism even spilled onto the domestic scene when the government, as well as private individuals, began blacklisting, harassing, and discriminating against people thought to be members of the Communist Party in the United States. Thousands of Americans lost their jobs, many as a result of the vaguest unsubstantiated accusations.

In the same vein, the government adopted a foreign policy, known as containment, that communism should be stopped at all costs anywhere in the world. When the Cold War reached Vietnam, the containment policy took on greater urgency. Some Americans began to

cite the domino theory—that if Vietnam became communist, the rest of Southeast Asia, nation by nation, would fall to communism. The United States supported the noncommunist government of South Vietnam against North Vietnam and the Viet Cong, the communist rebels in the south. The United States supported South Vietnam despite the fact that the government was corrupt, unpopular, and undemocratic. Nonetheless, the United States was so committed to containment that it spent more than a decade fighting a war to defeat the Viet Cong and the North Vietnamese. The United States finally withdrew in 1973. The Vietnam War had profound domestic consequences. A huge antiwar movement developed during the war that questioned not only the handling of the war but also its validity. At times the antiwar movement meshed with the civil rights movement, which highlighted the contradiction of fighting a war overseas in the name of freedom and democracy when those were not realities at home. Nonetheless, the obsession with fighting communism worldwide continued to affect both foreign and domestic policy.

The U.S. desire to contain communism often came into direct conflict with the ideals of the people and nations of Latin America. In seeking economic freedom, Latin Americans were essentially challenging the supremacy of the United States. Even after World War II, U.S. corporations controlled large portions of industry there—communication networks throughout Latin America, sugar in Cuba, coffee in Colombia, bananas in Guatemala, and copper in Chile. Efforts by Latin Americans to rid their nations of foreign control were often perceived by the United States as communist insurrections, financed and fueled by its arch-nemesis, the Soviet Union. In fact, Soviet involvement was minimal. Latin American nations had been attempting to reclaim their economic power for over a century. Even their attraction to communist ideals was less about the Soviet Union and more about efforts to address the vast economic and social disparities within their own nations. Nonetheless, Latin American nations were effectively dragged into the middle of the Cold War. During the 1950s, Guatemalan president Jacobo Arbenz Guzmán attempted to nationalize various industries, including the U.S.-controlled United Fruit Company. Perceiving this as a move toward communism, the U.S. Central Intelligence Agency (CIA) sponsored a military coup that resulted in the removal of Arbenz from power and decades of civil war and instability in Guatemala.

In Cuba, however, the CIA did not experience the same success. U.S. economic control in Cuba was even more extensive and overwhelming than in Guatemala. Public utilities, banking, transportation, and sugar, Cuba's most important industry, were all controlled by U.S. companies. Wealth was held by foreigners and the small Cuban elite. Moreover, President Fulgencio Batista's regime was undemocratic, corrupt, and repressive. Still, the United States gave Batista wide support. In 1959, Fidel Castro led a popular rebellion that forced Batista from power. The Cuban Revolution under Castro was a huge blow to U.S. power in Cuba. Castro redistributed land, lowered urban rents, raised wages, and nationalized foreign-controlled corporations. Within a year, Castro had effectively transferred 15 percent of the national income from the rich to the poor. In response to the Revolution, the CIA hoped to overthrow Castro, just as it had overthrown Arbenz in Guatemala. However, the CIA-sponsored Bay

of Pigs invasion failed. His reputation bolstered, Castro asked the Soviet Union for assistance to help prevent a U.S. takeover. The Soviets were more than willing to oblige by placing nuclear missiles in Cuba—U.S. missiles were already deployed in Turkey. A crisis ensued. Eventually, Soviet president Nikita Khrushchev backed down and withdrew the missiles from Cuba. The 1962 Cuban missile crisis was perhaps the closest that the United States and the USSR came to direct military confrontation. However, Castro had proved that U.S. economic domination could be challenged and that economic and social reform could be achieved. Cuba would serve as a model for revolutionary change even in the post-Cold War era.

A conservative response to the Cuban Revolution erupted in Brazil as military officers, claiming that civilian leaders could not protect the nation from communist rebellion, staged a coup. The constitution was suspended, and paramilitary organizations known as death squads were sanctioned by the government in order to eliminate opposition leaders. Thousands of civilians were detained, tortured, and executed. Brazil's mix of military dictatorship, violent repression, and industrialization through import-substitution, known as the Brazilian solution, was adopted by other Latin American nations. In 1973, Chile's democratically elected president Salvador Allende was overthrown in a CIA-backed coup as he attempted to nationalize U.S.-owned copper mines. Coup leader Augusto Pinochet took control of the nation and, with the backing of the United States, implemented various aspects of the Brazilian solution. Civilians were imprisoned, tortured, and executed. Socialist reforms in Argentina also resulted in the rise of military dictatorship. Between 1976 and 1983, Argentineans would experience what was known as the Dirty War, in which thousands of civilians were tortured and executed.

Revolutionary movements in Central America found a bit more success than those in South America. In 1979, revolutionaries known as the Sandinistas overthrew the U.S.-backed Nicaraguan dictator, Anastasio Somoza. With support from Cuba, they then fought off the Contras, rebels supported by the United States. In El Salvador, the United States intervened to prevent Salvadoran revolutionaries from overthrowing the U.S.-allied military dictatorship. As a result, a decade-long civil war ensued.

AP Tip

The quest for economic independence in Latin America often ran counter to the Cold War ambitions of the United States. As such, proxy wars erupted throughout the Americas. Be sure you can analyze U.S. involvement in various Latin American nations and compare the causes and effects of these interventions.

THE POST-COLD WAR WORLD

In many ways, the Cold War contributed to the transformation of Latin America into a region of revolution, counterrevolution, violence, and

repression. In search of economic independence and social equality, nations unwittingly became arenas for proxy wars, in which the United States and the Soviet Union armed and financed the warring parties. However, U.S. military interventions in Grenada and Panama, in 1983 and 1989 respectively, sent a powerful message that the United States was to be the dominant force in the region. The 1990s, therefore, ushered in a new era throughout the Americas. The military dictatorships of Brazil, Chile, and Argentina all came to an end after being undermined by reports of corruption, torture, and violence. Civil war came to an end in Nicaragua as the Sandinistas called for free elections in 1990; the election of a moderate coalition led by Violeta Chamorro clearly signified that Nicaraguans were tired of decades of violence and civil war. The end to civil war in neighboring El Salvador was also negotiated during the 1990s.

Economically, Latin American nations found themselves in debt at the end of the Cold War. Many nations had borrowed heavily during the Cold War era, and the rise of oil prices during the 1980s forced many nations to build up greater debt. This escalation of Latin American debt, along with the collapse of the Soviet Union, provided even greater opportunity for the United States to gain more influence in the area. Latin American nations introduced economic reforms that were advocated by the United States. Industries that had earlier been nationalized were sold to foreign-owned companies, and free-market policies that reduced protectionism were implemented. By 1994, the North American Free Trade Agreement (NAFTA), which eliminated tariffs among the United States, Canada, and Mexico, governed the largest free trade zone in the world. With the United States leading the way, free market capitalism was taking hold and connecting economies around the world. Although democracy has become almost universal in Latin America, poverty has continued. The people of the Americas, like those elsewhere, are still primarily driven by the hope of economic stability.

Technological advances were also helping to spread U.S. culture around the world. American organizations like CNN ensured the airing of television programs and viewpoints from the United States.

In 2001, a group known as Al Qaeda successfully organized attacks on the World Trade Center in New York City and on the Pentagon in Washington, D.C. In response, the United States began a global war against terror.