

politics. But the popularity of the outlawed party and its perpetually exiled leader only increased as years passed.

Ciro Alegría, a fervent, high-ranking APRA militant, was one of the many nationalists who had to flee Peru. While living in Chile, he began to write fiction inspired by indigenismo. Peruvian novelists had explored indigenismo for decades, since the time of Clorinda Matto de Turner. Still, it is appropriate that the greatest indigenista novel, Alegría's *Wide and Alien Is the World* (1941), emerged from the ranks of APRA. Writers like Alegría defended indigenous people, but the main practical goal of indigenismo was changing its subjects to fit the wider world. Perhaps it is not so odd that Alegría wrote his book for a New York publishing contest. He won and became one of the best-known of the many Latin American writers cultivating non-European roots in the 1930s and 1940s.

Nationalists did not take power everywhere in Latin America, but nationalism showed its political potency even where it did not rule. In many countries conservatives managed to co-opt nationalist influences or hold them in check. That was the case in Colombia, where nationalists tried to outflank traditional rural patron-client networks by unionizing urban workers and appealing directly to their self-interest. The conservatives' hold on Colombia was too strong, however, to allow nationalist reformers to gain much headway. Rural oligarchies held their ground, region by region, while popular discontent accumulated in the enormous following of a fiery popular leader, Jorge Eliécer Gaitán. Gaitán rose to national fame denouncing a massacre of banana workers who worked for a U.S. multinational corporation, and his angry condemnations of power and privilege put the word *oligarchy* into Colombia's everyday vocabulary. Two decades later, discontent would finally explode in violence.

Meanwhile, effective nationalist reform had to wait in other countries as well. One was Venezuela, despite (or perhaps

because of) the country's oil wealth—all of it flowing through concessions to foreign companies. As a result of the freely bubbling black gold and easy money, Venezuela's rulers were able to avoid the popular outreach that essentially defined nationalist movements. Such outreach was often carried out by communist and socialist grassroots organizers, new players on the political stage of Latin America. Chile saw plenty of that kind of outreach, however, especially during the thirteen-day "Socialist Republic" associated with a flamboyant leader known as Marmaduke Grove, but Chilean nationalists of the Right vied quite successfully against those of the Left, and no single government consolidated power. In Cuba, the overthrow of an unpopular neocolonial-style dictator in 1933 was carried out by a wide nationalist coalition that included inspirational university professors and left-wing students, as well as noncommissioned army officers and enlisted men led by one Sergeant Fulgencio Batista. Batista was a poor man who had been a cane cutter and whose mulatto coloring represented, to some extent, the same nationalist aspirations symbolized by Nicolás Guillén's "Ballad of the Two Grandfathers." But Batista wanted power, above all, and he bowed so compliantly to US instructions that he was allowed to run Cuba as a client state of the United States for decades, his nationalist gestures reduced to mere window dressing.

Nationalism made the most striking changes when stable governments were able to combine mass mobilization with economic transformation. That transformation involved a rejection of the basic neocolonial model of export-oriented economic growth, which brings us to the Great Depression.

ISI AND ACTIVIST GOVERNMENTS OF THE 1930S

The Great Depression of the 1930s finished the demolition of neocolonialism and energized nationalist movements

throughout Latin America. In the years following the 1929 crash of the New York stock market, the volume of Latin America's international trade contracted by half in a violent spasm. Governments that depended on the export boom collapsed everywhere.

As the 1930s progressed, however, an important phenomenon occurred, a positive side effect of the collapse of international trade. The name of this phenomenon—import-substitution industrialization—is a mouthful, and people usually prefer ISI for short. But the name says a lot. Earnings from exports had gone down, down, down, and with them, the ability to import manufactured products. The ISI process occurred as Latin American manufacturers filled the market niches left vacant by vanishing imports. Those who believe that trade is always mutually beneficial should ponder a startling fact: The 1930s interruption of trade—the interruption that idled so many factories in the United States and Europe—had the opposite effect in parts of Latin America, where industrialization took off in these same years. ISI gave the nationalist critics of economic imperialism a persuasive case against the old import/export trade.

✕ ISI had really begun before the 1930s, most notably when World War I interrupted the import/export system in 1914–18. Buenos Aires, São Paulo, Rio de Janeiro, and Mexico City were already becoming major industrial centers. Overall, though, Latin American industries remained minor-league players. Until the 1930s, they could not compete with export sectors like agriculture or mining. Now that changed, and Latin American industrial production increased substantially. Nationalists made industrialization a point of pride. For them, industrialization meant moving out of the neocolonial shadow and controlling their own national destiny. The nationalist governments of the 1930s and 1940s therefore engaged in Batllista-style economic activism: setting wages and prices, regulating produc-

tion levels, manipulating exchange rates, and passing protective labor laws. They also promoted direct government ownership of banks, public utilities, and key industries.

Unfortunately, not all Latin Americans got the benefits of ISI. As a rule, the larger the national market, the more likely import-substituting industries will thrive. Therefore, the most populous countries of the region—Brazil, Mexico, and Argentina—were the main beneficiaries. Chile and Uruguay, despite their small populations, also underwent considerable ISI. Their comparatively high living standards provided more prospective consumers per capita. But small countries with predominantly poor rural populations could not absorb the products of many factories. So ISI meant little in Ecuador or Bolivia, Nicaragua or Honduras, Paraguay or the Dominican Republic.

Nor did ISI bring all varieties of industrial growth, even to the big countries. Light industry (producing mass-consumption items like soap, matches, beer, biscuits, shoes, aspirin, and cheap cloth) responded most to the market opportunities of ISI. Heavy industry (producing "durable goods" like cars, radios, and refrigerators) responded less. Heavy industry required equipment that simply had to be imported. And it required steel. A national steel industry meant joining the big leagues. Only Brazil, Mexico, Argentina, and Chile did so during the 1940s.

Brazil—with over twice as many inhabitants as any other Latin American country in 1930, but still heavily rural and dependent on agricultural exports—offers an excellent example of ISI in action. Within two decades, industry would surpass agriculture as a percentage of Brazilian GDP. Although market forces explain most of this gain, economic nationalism played its part as well. The story of nationalist politics in Brazil centers once again on an individual leader, by far the best known and most beloved of all Brazilian presidents—Getúlio Vargas.

Those in search of US analogies might well call Getúlio Vargas the Franklin D. Roosevelt of Brazil. Note that, from a

Latin American perspective, FDR and his relative, Theodore Roosevelt, stand worlds apart, never to be confused. The first Roosevelt seemed an enemy to Latin Americans, the second a friend. Vargas's first period in office (1930–1945) parallels FDR's multiterm presidency, except that Vargas later returned, for a total of nineteen years as Brazilian president. Vargas, like FDR, made famous use of the radio and vastly expanded the national government. Both men were masterful politicians, but physically unimposing: FDR paralyzed by polio, Vargas short and jolly. Both exuded a contagious optimism. Both died in office—Vargas, memorably, by his own hand.

The Brazilian “coffee kingdom,” Latin America's largest oligarchic republic, had begun to crumble during the 1920s. Considering Brazil's oligarchic politics hopelessly corrupt, rebellious young army officers, collectively known to history as the *Tenentes* (lieutenants), staged desperate symbolic uprisings. One was a bloody gesture of defiance on Rio's glamorous Copacabana beach in 1922. A bit later, other *Tenentes* formed a thousand-man armed column and marched for two years and countless miles through the Brazilian backlands trying to drum up support for their revolutionary nationalist vision. Meanwhile, the coffee economy lurched from crisis to crisis in a permanent state of overproduction. By 1927, the government's coffee valorization program was fighting a losing battle. Its vast stockpiles of unsold coffee only continued to accumulate. Then came the Depression, and the price of coffee dropped to less than a third of its already low price on the world market.

The rise of Vargas magnificently illustrates the political consequences of 1929. The following was an election year, and Vargas, governor of Rio Grande do Sul, a rising state but not a coffee producer, ran against the official candidate of São Paulo, a representative of the pro-coffee interests that had dominated Brazil for two generations. Although the electoral managers produced an official victory for King Coffee's candidate, the old

king had lost his grip. This time, opposition forces forcibly disputed the election results. With the support of the army, Vargas seized the presidency. This “Revolution of 1930” became a clear turning point in Brazilian history.

For seven years, Vargas ruled as a more or less constitutional president over a country suddenly filled with new political energies. No more would conservative liberalism alternate with liberal conservatism. All sorts of new ideologies were afoot. The “revolutionaries” of 1930 had included both frustrated liberals opposed to King Coffee and the idealistic young *Tenentes*, strong nationalists who despised liberals. The *Tenentes* absorbed the new radical ideologies of the day. Some of the most famous *Tenentes* joined the Communist Party, making it the heart of the Alliance for National Liberation (ALN). With the ALN, the radical left became a real power contender in Brazil for the first time. Meanwhile, on the far right, a group calling themselves Integralists drew inspiration from European fascism. The Integralists saluted each other with out-thrust arms, used a symbol (the Greek letter sigma) slightly reminiscent of the Nazi swastika, and wore colored shirts, like Hitler's brownshirts or Mussolini's blackshirts, when they acted tough in the streets. Their shirts were patriotic Brazilian green.

Vargas deftly negotiated the political tangles of the early 1930s, playing liberals, conservatives, communists, *Tenentes*, and Integralists against each other. Then, in 1937 he seized dictatorial power with the support of the army and went on the radio to announce a nationalist institutional makeover for Brazil: the *Estado Novo*, or New State. The *Estado Novo* was a highly authoritarian government, in which all legislative bodies were dissolved, political parties were banned, and mass media were censored. Vargas scrapped liberal-inspired federalism and sent centrally appointed “interventors” to direct state governments. The police of the *Estado Novo* operated with brutal impunity. Yet, despite all this, Vargas remained popular. Why?

Vargas was pragmatic, flexible about his means, more interested in results than basic principles—another trait he shared with FDR. Always, too, he was a nationalist. Nationalism was the common ground of his multiclass alliance and the animating spirit of the Estado Novo. From far left to far right, everyone, it seemed, was a nationalist now. These were the 1930s, after all, when nationalist movements were on a roll around the world.

Everything was “national this” and “national that” in the Estado Novo. Vargas even ceremoniously burned Brazil’s state flags to symbolize the unchallenged primacy of the national government. The Estado Novo spawned dozens of government boards, ministries, and agencies, a bit like the “alphabet soup” agencies of FDR’s New Deal, to further the nation’s common goals and welfare. National councils and commissions were created to supervise railroads, mining, immigration, school textbooks, sports and recreation, hydraulic and electrical energy, and so on. The Estado Novo founded a National Steel Company and built a massive steel mill between the two most industrialized cities, Rio and São Paulo. Its National Motor Factory turned out engines for trucks and airplanes. It prohibited foreign ownership of newspapers. And in the far south of Brazil, where German, Italian, and other European immigrants had established agricultural colonies and maintained a separate culture and language, the Estado Novo exerted new assimilationist pressures. Immigrants were told to speak Portuguese and integrate themselves into the national society.

Like Mexico’s Revolutionary Party, the Estado Novo celebrated race mixing, and it encouraged Brazilians to embrace their African heritage. In 1933, the positive qualities of racial and cultural “fusion” had been promoted in a landmark study, *The Masters and the Slaves*, by a young anthropologist named Gilberto Freyre. Freyre argued that Brazil’s African heritage, far from constituting a national liability, as in racist theories,

had created Brazil’s distinctive national identity and imbued all Brazilians, whether or not they knew it, with aspects of African culture. Brazilians seemed eager for Freyre’s unifying message, and a whole field of Afro-Brazilian studies suddenly arose with official encouragement. During these years, too, the spirited Afro-Brazilian samba became accepted as the country’s cultural signature, vigorously promoted by the mass media of the Estado Novo.⁴

Carmen Miranda—a singer, dancer, and actress whose trademark was headgear apparently made of fruit—rode the nationalist samba wave to movie stardom first in Brazil, which now had its own movie industry, and later in the United States. Carmen Miranda embodied paradox. In Brazil, her movie roles filled the niche—national musicals featuring national music—that the charro singing cowboys did in Mexico. But her later US movie-star image was a generic, gesticulating, “hot Latin” caricature that today seems far from nationalistic. She created this persona to suit US rather than Brazilian taste. Still, her outrageous costume, often blamed on Hollywood, was pure Rio de Janeiro; a carnival-kitsch version of traditional Afro-Brazilian Bahiana dress. Her samba moves were carefully studied from Bahian teachers. But Miranda was not Afro-Brazilian herself. In fact, she was Portuguese, although she grew up in Brazil. Still, her dancing made her Brazilian—both according to her (“Tell me,” she said, “if I don’t have Brazil in every curve of my body!”) and according to the Brazilian public that applauded her in the 1930s. Miranda made nine sold-out South American tours. In 1940, after performing for FDR at the White House, she returned to a hero’s welcome in Rio de Janeiro. But her popularity in Brazil plummeted when Brazilians heard her sing in English.

Across Brazil, a process of cultural self-discovery was underway. A landmark festival, São Paulo’s Modern Art Week of 1922, inaugurated an innovative nationalist current in the Brazilian

organizations and, unlike Vargas, defended their right to strike. Government support of striking workers even led to a major international confrontation in 1938. These workers were employed by British and US oil companies that operated along the northeastern gulf coast of Mexico. When the companies and the strikers submitted their dispute to government arbitration, the arbitrators awarded the workers an increase in pay and social services. The foreign owners refused to pay, however. The Mexican Supreme Court reviewed and upheld the decision, but still the foreign companies stonewalled. The foreign owners were shocked when Cárdenas then decreed the expropriation of the oil companies in accord with Article 27 of the Mexican constitution. Few measures have ever been more popular with the Mexican people, who voluntarily contributed part of their meager earnings to help the government compensate the foreign owners. Even the Catholic Church, despite its long and bitter conflicts with the revolutionary government, rang its bells in jubilation when the oil expropriation was announced. Mexico's "declaration of economic independence," as it became known inside the country, gave rise to a national oil company, PEMEX. The railroads had already been nationalized, less noisily, in 1937.

Great Britain severed diplomatic relations as a result of the oil expropriation, and the US oil companies clamored for intervention, but FDR had other ideas. The world seemed a dangerous place in the 1930s, and FDR thought the United States badly needed allies in Latin America. As world war loomed on the horizon, he did everything possible to cultivate Latin American goodwill. In his inaugural address, he announced a "Good Neighbor Policy" toward Latin America. The idea was not totally new in 1933. Republican US presidents of the 1920s had already begun to abandon the aggressive interventionism of earlier years, finding that it created more problems than it solved. In 1933, however, at the seventh congress of the Pan-

American movement, FDR's representatives publicly swore off military intervention. In addition, Cuba and Panama were no longer to be "protectorates" where US Marines could come and go at will. The result was a remarkable change in the mood of US-Latin American relations. FDR then took advantage of improved relations to advance hemispheric security arrangements in successive Pan-American conferences during the late 1930s and early 1940s. Carmen Miranda, now living in the United States, made "Good Neighbor" movies, and so did Walt Disney; an example is the 1945 animated feature *The Three Caballeros*, in which Donald Duck joins forces with a Brazilian parrot and a Mexican rooster.

If the nationalization of Mexico's oil industry in 1938 was the acid test of the Good Neighbor Policy, it passed. Relations between Latin America and the United States became friendlier than ever before or since. After the United States entered the war, all the countries of Latin America eventually joined as allies. The small states of Central America and the Caribbean, closest to the United States in all senses, signed on immediately. Sadly, however, some of the quickest to join the war effort were former "beneficiaries" of US military intervention, now in the hands of pro-US dictators. Some of these were outrageous petty tyrants, like Rafael Trujillo of the Dominican Republic, about whom FDR supposedly admitted: "He may be a bastard, but he's *our* bastard." *Ours rather than the enemy's* was the point. Chile and Argentina—much farther away from the United States and diplomatically more aloof, with many immigrants from "the other side," Germany and Italy—were the last to join the US war effort. Brazil, in contrast, became the most helpful ally of all. The "bulge of Brazil," reaching far east into the Atlantic, had major strategic importance in the Atlantic war, and Vargas allowed the construction of US military bases and airstrips there. In addition, a Brazilian infantry division went to fight in Italy alongside US troops. Mexican fighter pilots, for

their part, flew missions in the Pacific, doing much to mend relations between Mexico and the United States.

World War II also gave further stimulus to ISI—more, even, than had the Depression—not only in Brazil, but everywhere. Government spending for war production brought US industry humming back to life—although now building tanks and bombers instead of cars and buses. US demand for Latin American agricultural exports also recovered. Foreign earnings in hand, the Latin American middle classes were ready for a shopping spree, but consumer goods could not be bought in the United States or Europe because of the war. So, with demand up and foreign competition still out of the picture, Latin American industries continued to flourish. In 1943, for example, Brazil's exports totaled about \$445 million, a \$135 million trade surplus. For the first time ever, many Latin American countries had favorable balances of trade with Europe and the United States.

In 1945, at the end of World War II, the nationalists could take credit for leading the major countries of Latin America successfully through stormy times. Great things seemed just over the horizon. If their industrialization continued at the rate of the prior decade, Brazil, Mexico, Argentina, and possibly others would soon get the heavy industries characteristic of the world's most developed countries.

At the same time, a sweeping transformation of public culture suggested that Latin America's bitter legacy of racial hierarchy and political exclusion was fast disintegrating. The hallways of Mexico's palace of government—truly "corridors of power"—now proudly displayed Diego Rivera's huge murals depicting the achievements of indigenous Mexico and the evils of Spanish colonization. The black samba dancers of Rio de Janeiro were now acclaimed as exponents of Brazilian national culture, and their carnival parades received state subsidies. Across the board, Latin Americans were taking pride in themselves and each other. The advent of the phonograph, radio, and cin-

ema had made Argentina's great tango singer, Carlos Gardel, an idol throughout Latin America. Audiences loved the handsome Gardel's tangos so much that they sometimes interrupted his movies to make the projectionist rewind and repeat a song. Gardel was on a triumphant international tour in 1935 when his plane crashed on a Colombian mountainside, tragically ending his still-ascendant career. Then, in 1945, Gabriela Mistral, a Chilean poet, became the first Latin American to receive a Nobel Prize. In literature, as in painting and music, Latin America was finally world-class.

Yet great problems remained. For one thing, nationalism, ISI, and the growth of an urban middle class had left some parts of Latin America virtually untouched. Central America provides a good example. The internal markets of Central American countries were too small to support much industrialization. So old-style landowning oligarchies had not, for the most part, ceded control to more progressive nationalist coalitions on the isthmus between Panama and Guatemala. In the years when nationalists like Cárdenas were breaking the back of Mexico's landowning class, old-fashioned coffee-growing oligarchies still ruled much of Central America.

In Guatemala, many coffee growers were Germans who had little interest in the country's national development. Guatemala's ruler throughout the years of the Great Depression and World War II was a liberal authoritarian of a classic neocolonial cut, Jorge Ubico, who came to power promising "a march toward civilization" and whose main concern was promoting the cultivation and exportation of coffee. Ubico wanted Guatemala to be the closest ally of the United States in Central America, and during his presidency the United Fruit Company became the country's single dominant economic enterprise. El Salvador, a miniature version of the old Brazilian "Coffee Kingdom," represented the worst-case scenario. There, a grim dictator, Maximiliano Hernández Martínez, a dabbler in the occult,

defended El Salvador's King Coffee so brutally that 1932 became known in Salvadoran history as the year of "The Slaughter." Most of the victims—more than ten thousand—were indigenous people. To be an "Indian" became so dangerous in the 1930s that indigenous Salvadorans gradually said good-bye to their ethnic identity. They hid their distinctive clothing, spoke only Spanish, and tried to blend in. Ironically, in the same years when indigenismo became an official creed in nationalist Mexico and elsewhere, the native heritage of stubbornly neocolonial El Salvador practically ceased to exist.

The United States generally put a lid on nationalism in Central America and the Caribbean. US co-optation of Fulgencio Batista's nationalist impulse in Cuba has already been mentioned. In a number of countries, the rulers of this period actually owed their jobs to US intervention. Nicaragua's Anastasio Somoza and the Dominican Republic's Rafael Trujillo had been placed in power, indirectly, by US marines. Both deployed a bit of nationalist imagery, but both distinguished themselves above all, for their greed, corruption, obedience to the United States, and determination to retain power at all cost. Trujillo renamed the capital city after himself and erected a large electric sign that proclaimed the motto "God and Trujillo." His most nationalist undertaking was the massacre of Haitian immigrants.

Even in Latin American countries where nationalism was a more serious force, rhetoric often outran reality. Despite the popularity of indigenismo and mestizo nationalism, racist attitudes lingered everywhere in Latin America. The poet Gabriela Mistral never forgave the Chilean elite that made her feel inferior early on because of her mestizo coloring. Also, urbanization had outrun existing housing and city services. Shantytowns, constructed by rural migrants in search of industrial jobs, sprawled on the outskirts of major Latin American cities.

Hopefully, these would be temporary; in the meantime, blackouts and water shortages became routine. Outside of Mexico, the Latin American countryside had felt few of the improvements brought by nationalism. More industrial jobs were needed for the migrants who arrived day by day in the shantytowns. Meanwhile, Latin American industries remained technologically far behind those of Europe and the United States. They had prospered under the special conditions of ISI during the Depression and World War II, but they would have to improve rapidly to be competitive in the postwar period.