Keeping Up Appearances: British Identity and 'Prestige' in South America, 1910-1925

Matthew Elliott Street Butler

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KEEPING UP APPEARANCES
British Identity and 'Prestige' in South America, 1910-1925

A Thesis
Presented to
The Faculty of the Department of History
The College of William and Mary

In Partial Fulfillment
Of the Requirements for the Degree of
Master of Arts

by
Matthew Elliott Street Butler
2006
APPROVAL SHEET

This thesis is submitted in partial fulfillment of
the requirements for the degree of

Master of Arts

Matthew Elliott Street Butler

Approved by the Committee, March 2006

James N. McCord, Jr., Chair

Hiroshi Kitamura

Kris Lane
This two year effort is dedicated to my parents—for their unwavering support, encouragement, and love.
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ACKNOWLEDGEMENTS

The writer’s advisor and thesis chair, Professor James N. McCord, Jr., provided invaluable assistance and guidance from this project’s inception to its final days of completion. Professor Hiroshi Kitamura remained always available to discuss ideas and directions of the work. He was a source of great encouragement, especially in regard to his reading of the manuscript. Professor Kris Lane was also of great assistance in the formulation of the thesis, suggesting research avenues, and commenting on the draft. Finally, William and Mary’s Inter-Library Loan staff made most of the research possible while always remaining eager to help.
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ABSTRACT

By the First World War British interests had established a preeminent economic position in South America’s Southern Cone (Argentina, Chile, Uruguay, and southeastern Brazil). The United Kingdom was the leading importer, provider of commercial services, and holder of direct and portfolio foreign investment. The British were most dominant in sectors such as banking and railways. This tremendous economic position and its corresponding influence were buttressed by a constructed and carefully maintained British public image. Put simply, the British possessed influence and power based on their reputation. This can collectively be termed prestige.

British interests during the period were able to adroitly exploit the early roots of British commercial and political ties with region. The combination of freelance British fighters having served in Southern Cone revolutionary forces in the early nineteenth century and the recognition of the newly independent republics by the British government gave Britons the ability in the early twentieth-century to claim British linkages were beneficial from their very inception. Subsequent British commerce, investment, and settlement in the region were perceived by the Great War as integral to South America’s extraordinary economic development. Discursive elements consistently reinforced a positive historical interpretation of the British impact on South American economic and political development. Thus by the Great War era, the British enjoyed a prestige strongly rooted in a legacy of past achievements. This was central to the widely held Anglo-South American viewpoint that Britain would continue to figure prominently and positively in the Southern Cone’s future. Paralleling this embellishment of British contribution to the region was the cultivation by the British for a reputation of honesty and superior skills and methods. British prestige inspired admiration and confidence in Southern Cone elites and consumers, conferring British interests with tangible advantages over their foreign rivals.

During the years under discussion, 1910 to 1925, British official and private actors engaged in a concerted policy of prestige cultivation. These activities shed tremendous light on Anglo-South American interchange as well as British identity. Ultimately, prestige allowed Britain to maintain a postwar position not commensurate with its actual economic power, conferring British influence considerable resiliency.
KEEPING UP APPEARANCES
INTRODUCTION

From roughly 1910 to the mid-1920s the British community in South America’s Southern Cone (Argentina, Chile, Uruguay, and to a lesser degree, southeastern Brazil) reached its pinnacle in absolute influence, size, and wealth despite a relative decline vis-à-vis its commercial competitors. In this region British interests focused heavily on commercial services such as banking, insurance, shipping, and, especially, direct foreign investment. The most notable British community was in Argentina, numbering some 30,000-40,000 Britons. However, sizable groups of Britons could be found in Montevideo, Valparaiso, Santos, Sao Paulo, and Rio de Janeiro. The bulk of this population viewed itself as a temporary expatriate community. Bringing with them their families or starting new ones there, Britons worked in the import-export sector, as professionals, as expert ranch hands, or, more frequently, on the staffs of the large British-owned railways and public utilities. Once careers neared completion or fortunes were accumulated, many returned ‘home’ for retirement.

Unfortunately, investigation and analysis of the British presence in Latin America regarding perceptions, concerns and identity has been generally neglected.1 Though some very admirable work has been done regarding British communities2 in South

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1 Rory Miller states, “[T]here has been relatively little [study] of the mentalities either of British officials and businessmen who were primarily concerned with Latin America.” Britain and Latin America in the Nineteenth and Twentieth Centuries (London: Longman, 1994): 244.

America up to 1914, there has been little study of the era of World War I, especially the challenging years of the war and post-armistice recovery.\textsuperscript{3} This thesis aims to fill that void in historiography, at least partially by trying to define British ‘prestige’ and studying its important role in these foreign lands. Though ‘prestige’ might be a nebulous term and difficult to define or appreciate, it was real and important to Britain’s “gentlemanly capitalists” and government officials. Overall, ‘prestige’ was important to Britons communally and individually. British diplomatic dispatches,\textsuperscript{4} travel literature,\textsuperscript{5} and newspapers (e.g., \textit{South American Journal})\textsuperscript{6} concerning the region consistently referred to ‘prestige’ and ‘reputation’ as one of Britain’s most durable forms of strength and pride.

British prestige in South America rested on several legs, such as its long history of political and commercial relations with the region, overwhelmingly positive evaluations of what was seen as British character, and British power and wealth. Each of these elements was adroitly exploited depending on the context of a particular situation; whether it was a naval visit, the opening of a new British business, or a banquet of Anglo-South American elites. Britain’s relations with South America can be categorized as a history of being perceived as first; first to break into the Iberian mercantile monopolies to trade: first to recognize their independence; and first to trade and invest in the region on a large scale. British interpretations constructed a rather embellished narrative of these events, resulting in the conclusion that they were a positive force in the

\textsuperscript{3} Roger Gravil, \textit{The Anglo-Argentine Connection, 1900-1939} (London: Westview Press, 1985). Gravil’s is an account of British commercial relations with Argentina; his focus is mainly of economic statistics and economic trends, coupled with the high-politics of trade agreements.
\textsuperscript{5} A particularly prolific author of English language travel literature was William H. Koebel.
\textsuperscript{6} \textit{South American Journal and Brazil and River Plate Mail} (London), 1910-1925. This weekly newspaper was published in London, its primary concern being British free-standing companies, import-export trading, investments, and communities in South America.
region, economically and politically. Besides a storied legacy, British prestige was based on confidence-inspiring character, friendship, respectability, and trustworthiness. These constructions facilitated Anglo-Southern Cone relations, especially commerce. Thus British influence or sway rested heavily on its reputation and high esteem in South American eyes.

What will also be stressed is how very self-conscious the British were; they saw nearly everything British as a vehicle to enhance or possibly tarnish their prestige. Before, during, and following the First World War, British state agents, the Royal Navy, and private citizens engaged in acts intended to cultivate prestige. Generally, these activities can be termed prestige diplomacy. This consistent, albeit rather uncoordinated policy was a major bulwark of the British maintenance of the status quo in the Southern Cone, yet this remains neglected by scholars. In contrast to the numerous works on the United States Navy in Latin America as a public relations tool, coverage of the Royal Navy in South America is limited. Ultimately, evaluating British prestige in the Southern Cone sheds further light on British identity as well as their view of the region and its peoples and vice versa. Our understanding of the strong British commercial and

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political position, especially its resiliency, in this region during the years under discussion needs to include the subjective, yet important, element of prestige
CHAPTER I
THE BRITISH PRE-WAR POSITION IN THE SOUTHERN CONE

Several influential works on British foreign policy, economic expansion, and imperialism have situated Latin America within their discussion; they deserve a brief mention before proceeding. John Gallagher and Ronald Robinson’s seminal work, “The Imperialism of Free Trade,” stated that imperialism “may be defined as a sufficient political function of this process of integrating new regions into the expanding economy.”\(^\text{10}\) Their contention was that British imperialism was predominantly economic in nature, one that went beyond formal territorial control, such as India, to also include independent nations, such as those in Latin America. Gallagher and Robinson maintain that British imperialism was a sliding scale of control: “The difference between formal and informal empire has not been one of fundamental nature but of degree.”\(^\text{11}\) Thus, nations like those of South America could be considered part of an informal empire due to the exertion of commercial, financial, and social power over local elites. The intent was to further access, development, and integration in order to accrue profit. Informal empire was opened to establish reciprocating trade of British imports, mainly manufactures, and native exports, usually raw materials.\(^\text{12}\) The work of P.J. Cain and A.G. Hopkins largely concur with this thesis but place more emphasis on British commercial services and finance, whereas Gallagher and Robinson emphasize


\(^{11}\) Ibid., 7.

\(^{12}\) Ibid., 9
manufacturing. In the Western Hemisphere, the British “sought to turn the conquered or the co-opted into productive economic partners, and sometimes exported [their] own resources of capital and people as developmental agents.” Strong economic pressure was exerted upon the South American governments to follow London’s economic rules and practices and, above all, remain creditworthy. Both sets of authors agree that informal empire was active and successful in Latin America, especially in Argentina, Brazil, and Chile. Similarly, Peter Winn’s local study in Uruguay found that “informal empire was both British policy and Latin American reality.”

The most extreme interpretations of ‘informal empire’ regarding Latin America have come to collectively be termed ‘Dependency Theory.’ Built heavily on the ideas of center versus periphery and zero-sum game economics, this line of inquiry argues that metropolitan powers were able to mold and keep peripheral Latin American nations in a subservient economic position by making them largely, if not completely, dependent on foreign capital, technology, commercial services, and markets.

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15 Ibid., Ch. 9; Gallagher and Robinson, “The Imperialism of Free Trade,” 8, 13.  
The concept of British informal empire has not received universal consensus among historians with the predominant trend in the past twenty years being decidedly against interpreting the British role in South America as indeed 'imperial.' "Only at the highest level of abstraction can Latin America...in the mid-nineteenth century be described as parts of a British informal empire," Martin Lynn argued recently.19 Alan Knight contends that by 1914, when Britain was arguably at its absolute pinnacle of strength in South America, the British "'imperialist' role, if 'imperialist' it was, had run its course."20 Some studies have failed to find any consistent exertion of control over nations that were part of Britain's supposed 'informal empire'. Instead, they have portrayed a rather laissez-faire-minded British government that intervened rarely, often only to save life and property during crises.21 In addition to these conclusions based on regional studies, studies pertaining to specific countries have been particularly set against characterizations based on 'informal empire,' particularly in Argentina22 and Chile.23 As

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22 H.S. Ferns concludes: "The Argentine Government has always possessed the power to forbid, to encourage, or to shape the economic relations of Argentina with other countries including the British community. The British Government has never had the power to oblige Argentina to pay a debt, to pay a dividend, or to export or import a commodity whatever." Britain and Argentina in the Nineteenth Century (Oxford: Clarendon Press, 1960): 488; also see his "Argentina: Part of an Informal Empire?" in Hennessey and King, The Land that England Lost; Andrew Thompson, "Informal Empire? An Explanation in the History of Anglo-Argentine Relations, 1810-1914," Journal of Latin American Studies 24 (May 1992).

for ‘Dependency Theory,’ there has been resounding rejection of its tenets in recent decades by informal empire proponents and critics. Recent theories in the United States and Latin America posit Latin America’s lack of economic maturation more on internal factors, such as Latin American culture and elites as well as market forces beyond anyone’s control. Victor Bulmer-Thomas, a scholar of Latin American economic history, convincingly argues that “escape from the [economic] periphery has always been possible,” exemplified by the United States, Scandinavia, British Dominions, Japan, and, recently, East Asia. “Thus the main reasons for the relative backwardness of Latin America are to be found within the region itself.” In recent years this interpretation has found Latin American proponents. As Lawrence E. Miller argues that both extreme advocates of informal empire and the opposite approach

23 Cain and Hopkins, British Imperialism 1688-2000, 244-5.
25 With specific reference to Argentina, James H. Street argues, “Dependency was not so much imposed upon Argentina by greedy design as it reflected the fortuitous union of two cultures at significantly different stages of historical development.” Argentina became dependent on external linkages, especially manifested in the introduction of outside technology and expertise of which its elite took little concern in mastering. See his “The Platt-Stein Controversy over Dependency: Another View,” Latin American Research Review 16, no. 3 (1981): 173-79.
28 Lawrence E. Harrison, Underdevelopment is a State of Mind: The Latin American Case (Lanham, Maryland: Madison Books, 2000), xvi.
“distort and overlook the complexities of the subject.” He contends interpretations limiting “imperialism in terms of conscious political or economic control and the extraction of excessive profits, and to pose autonomy as the antonym to dependence” downplay the influential predominance Britain enjoyed among Latin American nations.\textsuperscript{29} When considering the extent of British interests in South America, this emphasis on structural power appears warranted.

The power underlying British prestige in South America was economic. From the mid-nineteenth century to the First World War was the heyday of British commercial expansion and remuneration in Latin America. While British trade with Latin America increased threefold between 1865 and 1913, London saw its comparative advantage in South America being service sector capitalism.\textsuperscript{30} Prior to the First World War Britain possessed a flourishing relationship with the Southern Cone countries; many British businesses, across a wide scope of sectors, had been in place for decades.\textsuperscript{31} The easiest generalizations can be made regarding British commercial services and imports to the region.\textsuperscript{32} In all these countries British banks played a key role in providing credit, discounting, and mortgaging.\textsuperscript{33} A great number of insurance policies, especially marine accounts, were held with British insurance companies, registered locally or in Britain.\textsuperscript{34}

\textsuperscript{29} Miller, \textit{Britain and Latin America}, 241, 243; Articles stressing the ‘structural power’ Britain could wield, but South America could not, include: Charles Jones, “Business Imperialism’ and Argentina, 1875-1900: A Theoretical Note,” \textit{Journal of Latin American Studies} 12 (November, 1980); A.G. Hopkins, “Informal Empire in Argentina: An Alternative View” \textit{Journal of Latin American Studies} 26 (May, 1994). These interpretations, especially Hopkins’s, argue ‘informal imperialism’ does not have to agree with or support ‘Dependency Theory.’


\textsuperscript{31} Bulmer-Thomas, \textit{The Economic History of Latin America}, Chapter 3, 4, and 5.

\textsuperscript{32} Cain and Hopkins, \textit{British Imperialism 1688-2000}, 245-52, 271-4; Miller, \textit{Britain and Latin America}, Chapters 5, 6, and 7.

\textsuperscript{33} David Joslin, \textit{A Century of Banking in Latin America} (London: Oxford University Press, 1963), Chapters 2, 6, and 12; Robert Greenhill, “Commercial Banks and Mortgage Companies” in Platt, \textit{Business Imperialism}, 17-52; Miller, \textit{Britain and Latin America}, 130-33.

\textsuperscript{34} Robert Greenhill, “Insurance Companies” in Platt, \textit{Business Imperialism}, 54-73.
Southern Cone urban centers that grew in response to economic development granted concessions to foreign utility companies; a great many were British.36 Predominantly national, but also state and municipal governments, negotiated loans, many with houses in London, to restructure their debt and to fund a whole host of projects, most infrastructural.37 Finally, the means by which goods and people were transported, land and sea, were built mainly with foreign capital, materials, and engineers and fueled by imported coal, much of it all being British.38

However, generalizations can only go so far; the anatomy of British relationships with each republic was unique. In Argentina and Uruguay, British capital, pedigree

36 In Montevideo British utilities included the gas, water, telephone, and tramway companies. For a rather thorough list of British utilities in Latin America, see J. Fred Rippy’s “Notes on Early British Gas Companies in Latin America,” The Hispanic Historical Review 30 (February 1950); and especially “British Investments in Latin American Electrical Utilities,” The Hispanic American Historical Review 34 (May 1954). For an overview of these companies’ operations, especially their relations with local, state, and national governments, see Linda and Charles Jones and Robert Greenhill, “Public Utility Companies” in Platt, Business Imperialism, 77-118; Miller, Britain and Latin America, 136-7; M.H.J. Finch, “British Imperialism in Uruguay: The Public Utility Companies and the Batllista State, 1900-1930” in Latin America, Economic Imperialism and the State: The Political Economy of the External Connection from Independence to the Present, eds. Christopher Abel and Colin Lewis (London: Athlone Press, 1985), 250-65. Almost all the major British utilities and railways were free-standing companies capitalized through direct investment and quoted on the London Stock Exchange. They were registered and headquartered in the United Kingdom. However, the bulk of their onsite technical and managerial staff was British. For a good overview of how such companies were formed and functioned, see Mira Wilkins, “The Free-Standing Company, 1870-1914: An Important Type of British Foreign Direct Investment,” Economic History Review 41, no. 2 (1988): 261-9.


38 Miller, Britain and Latin America 133-6; Robert Greenhill, “Shipping” in Platt, Business Imperialism, 119-55; Robert G. Albion, “Capital Movement and Transportation: British Shipping and Latin America, 1806-1914” The Journal of Economic History 11 (Autumn 1951): 361-2, 364-5, 369-70; For an interesting and thorough contemporary survey of British railways in South America, see W.S. Barclay’s “The Geography of South American Railways,” The Geographical Journal 49 (March 1917): 161-84, 187-201; and “The Geography of South American Railways (Continued),” 50 (April 1917): 241-48, 272-6. As Barclay told the Royal Geographical Society during his paper’s presentation, “The British public have a great stake in these South American railway undertakings, not only in money, but in prestige.” South American Journal, January 13, 1917, 61. Whereas the majority of Argentine and Uruguayan railways were British-owned and operated, in Brazil and Chile the government owned the majority of rail routes in 1914. In the latter nations, however, the British still owned the majority of foreign rails. Nearly 93 per cent of South American imported coal prior to the Great War was from the United Kingdom. Jermain Kinder, “British Export Promotion in South America 1918-1932.” Ph.D. dissertation, University of Chicago, 1976, 11-14.
livestock, and railroads helped develop the nations’ frontiers further. However, unlike Uruguay, Argentina was the destination of several hundred millions more in pound sterling and many thousands of more Britons. Moving away from wool and hide production, the Plata republics in a remarkably short period of time became integrated within the Atlantic economy as major food exporters (meat and grain) and manufacture importers. In Brazil, British commercial services, railways, and infrastructure helped construct an export economy built heavily on coffee and rubber and a domestic economy of sugar and cotton production and processing. For the west coast similar generalizations can be hazarded; British merchants, bankers, and capital helped construct and facilitate an import-export economy aided by infrastructural improvements constructed and operated by joint-stock companies registered mainly in London. The primary Chilean exports, however, were mined, such as nitrate and minerals.


To fully comprehend Britain’s very substantial presence in the Southern Cone between 1910 and 1925 one must appreciate how dominant Britain was in the world economy by the eve of the First World War. In describing the global economy in 1914, one American economic historian wrote that “the overlord of this international system was Great Britain: its capital London.”\footnote{Edward C. Kirkland, \textit{A History of American Economic Life} (New York: Appleton-Century-Crofts, 1951), 524.} Though Britain was behind the United States and Germany in the relative share of world manufacturing, her commercial services comfortably made up for it.\footnote{Paul Kennedy, \textit{The Rise and Fall of the Great Powers} (New York: Vintage Books, 1989), 202}

Britain truly commanded the commercial seas. She possessed forty percent of the world’s total merchant marine tonnage and carried fifty percent of its commerce. In contrast, the United States’ shipping was absolutely pitiful, transporting only 9.7 percent of just its own foreign trade.\footnote{Kirkland, \textit{A History of American Economic Life}, 525, 533.} This disparity was strikingly evident even in the Western hemisphere, especially in South America (Appendix I, Table 1). In 1912 United States’ imports to Brazil had “increased by leaps and bounds;” the United States was also Brazil’s best customer, receiving thirty-nine percent of her exports. What is remarkable is that Britain gained from increases in commercial traffic between Brazil and the United States because Britain performed the bulk of the insuring and shipping.\footnote{That same year British shipping had a growing and undisputed lead, with 2,868 vessels calling on Brazilian ports. Germany was second with 1,008, while the United States had only 18. Doc. 39. Robertson, “Annual Report on Brazil for the year 1913,” Petropolis, Brazil, January 15, 1914 in Philip, \textit{British Documents on Foreign Affairs, “Latin America 1845-1914,”} Vol. 9, 173.}

A study of British shipping in Latin America between 1806 and 1914 concluded the decision to employ British rather than other shipping often depended upon the long-established, well-entrenched, and closely interlocked British interests ashore—on the waterfront, in the business and financial districts,
and in the hinterlands of the seaports, as well as upon the local representatives of the Foreign Office and Royal Navy.\textsuperscript{46} British ownership of key infrastructure, such as "docks, lighterage, repair facilities" and most Latin American coaling facilities augmented the Union Jack's preponderancy.\textsuperscript{47} British shipping investments in Latin America in 1913, as reported by the London business monthly \textit{South American Journal}, totaled £15,362,230 and enjoyed an annual return of 6.2 percent.\textsuperscript{48}

Britain could rightly be called the world's financier. The stability of the British pound had given rise to the sterling standard over gold. Even during the First World War an American business writer termed the pound sterling in Latin America as "Emperor Supreme in the Realm of Finance."\textsuperscript{49} Between 1910-1913 British foreign investments as a percentage of domestic savings was the highest in the world at 55.3 percent. France was second with 12.5 percent. British financial export power during this period accounted for 8.7 percent of the Gross Domestic Product. The United States would not even approach that level until the 1980s.\textsuperscript{50} Niall Ferguson comments on the prewar situation, that "in reality the most important economic factor in early twentieth-century world politics was not the growth of German economic power at all. Rather, it was the immense extent of British financial power."\textsuperscript{51} In Latin America, as Cain and Hopkins explain, "Britain's competitors [namely Germany and the United States] were unable to

\textsuperscript{46} Albion, "Capital Movement and Transportation," 369.

\textsuperscript{47} Ibid., 370.


\textsuperscript{51} Niall Ferguson, \textit{The Pity Of War} (New York: Basic Books, 1999), 35.
dent her supremacy in finance and commercial services. In 1914, the City [London] and sterling still dominated short-term trade finance and the market for long-term development capital."\textsuperscript{51}

Britain's 1913 Latin American holdings totaled nearly £1.18 billion, accounting for roughly one-fifth of British overseas investments.\textsuperscript{52} British direct and portfolio investments were not only substantial, but comfortably the majority share in each Southern Cone nation in 1913 (Appendix I, Table 2).\textsuperscript{53} The South American continent was ranked first in the world in terms of international non-industrialized debt.\textsuperscript{54} Second to government loans, the leading field for British investors was railways followed by finance and public utilities, such as water, gas, electricity, telephone, and urban mass transportation (Appendix I, Tables 3, 4, and 5).\textsuperscript{55} British-controlled railways in the Southern Cone exceeded their foreign competitors in mileage and capital in all four nations (Appendix I, Table 6). They employed several thousand Britons on their technical and managerial staffs and placed steady orders for British coal and railway materials. By far the most impressive achievement was the British Railways in

\textsuperscript{51} Cain and Hopkins, \textit{British Imperialism 1688-2000}, 251.

\textsuperscript{52} For a thorough breakdown, see Stone, "British Direct and Portfolio Investments," 690-722. To place British investments in Latin America in a more global historical perspective, see John R. Oneal, "Foreign Investments in Less Developed Regions," \textit{Political Science Quarterly} 103 (Spring 1988): 131-7, 146-8.

\textsuperscript{53} Though hardly precise, consult J. Fred Rippy's estimates of other foreign holdings in the region during the war era. Estimates for German investments in the Southern Cone in 1918 (US Dollars): Argentina $250 million (£ 51 million); Brazil $150 million (£ 30.8 million); Chile $75 million (£ 15.4 million); Uruguay $2.5 million (£ 0.5 million). Estimates for 1914 United States investments in the Southern Cone are: Argentina $36 million (£ 7 million); Brazil $28 million (£ 5.75 million); Chile $180.5 million (£ 37 million); Uruguay $5.5 (£ 1.1 million). Rippy estimates French investments in Latin America at $1.6 billion (£ 329 million) in 1913. "German Investments in Latin America," \textit{The Journal of Business of the University of Chicago} 21 (April 1948): 64; "Investments of Citizens of the United States in Latin America," \textit{The Journal of Business of the University of Chicago} 22 (January 1949): 21; "French Investments in Argentina and Brazil," \textit{Political Science Quarterly} 64 (December 1949): 560.

\textsuperscript{54} Cain and Hopkins, \textit{British Imperialism 1688-2000}, 249.

Argentina; they were 14,630 miles long, compromising 70 per cent of the nation’s route mileage in 1914.  

Despite improvements in American and German finance, British banks grew profitably. The four leading British commercial banks in South America in 1914 held combined assets of £88.8 million while holding a third of domestic deposits in Brazil and a quarter of them in Argentina and Chile. At the time British commercial banks in Latin America accrued annual profits of 13.4 per cent, well above the average British return on Latin America investments of 4.7 per cent and Southern Cone investments of 5.0 per cent.

By 1913-1914 Britain was the leading importer in Argentina, Brazil, Chile, and Uruguay, the larger and more stable republics (Appendix I, Tables 7 and 8). It should be appreciated, however, that Argentina, Brazil, and Chile accounted for eighty-five percent of Latin America’s total foreign trade. Between 1911 and 1913 Britain provided 39.77 per cent of South American imports and purchased 35.85 per cent of its exports; the leader in both respects. During the late nineteenth and early twentieth centuries Britain experienced relative export decline in Latin America. British exports suffered due to increased alternatives, that being foreign competition (especially from Germany and the United States) and local production, and, to an ever-increasing extent, dependence on aging technology and poor marketing strategies. Britain’s strongest products were decades-old staples: cotton textiles, coal, iron, and steel. Capital goods, such as

56 Colin Lewis, British Railways in Argentina, 197.
57 Joslin, A Century of Banking in Latin America, 108-10.
61 Miller, Britain and Latin America, 202.
machinery, locomotives, and rolling stock, were also important. Where Britain lagged in volume and competitiveness would become some of the twentieth-century’s most dynamic fields: electrical goods, processed chemicals, and automobiles.⁶²

Not only did Britain lead in the key South American import markets and the continent’s service sector capitalism, but it also possessed the prestige attached to these accomplishments—the essence of its very strong economic and political position. As closer inspection of South America has revealed, on the eve of World War I British commercial power was well beyond what America or Germany, its closest rivals, possessed despite a closing gap in trade statistics. Even after the commercial havoc caused by the First World War, so observed University of Nebraska Professor Jacob Warshaw in 1922, “The British commercial edifice in Latin America is without question the most substantial structure erected by any foreign nation. Its foundations are an integral part of the foundations of most of the important Latin American countries.” ⁶³ “If Britain’s inability to retain her position as an industrial leader proved, in the very long run, to be her undoing as an imperial power of the first rank,” as Cain and Hopkins have asserted, British leaders and subsequent scholars were “right to believe that her empire, her enormous accumulation of financial assets spread across the globe, and the banking and commercial skills of the City [London] would be critical in keeping her at the centre of the world economic stage well into the twentieth century.” ⁶⁴ Nowhere else was this more apparent than in the major independent republics of South America.

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⁶² For a very good overview of British trade with the region, see Platt, *Latin America and British Trade*, 103-6, 136-42, 302 and Kinder, “British Export Promotion,” Ch. 1.
This paper proposes a framework that situates Britain between the controls described by informal empire theory and the interpretation of its critics. Martin Lynn argues that the label of ‘informal empire’ “distorts” rather than reflects Britain’s relationship with the developing world and was “much more pluralistic and mutually permeable.”65 British interests within Latin America were neither omnipotent nor alone, yet they were hardly weak or secondary. America’s rise as an imperial and commercial power within the Western Hemisphere carried significant weight, as did German commercial competition before and after the war. What can best describe Britain in the Southern Cone preceding, during, and shortly following the Great War was the enjoyment of a first position or primary presence that resulted from a combination of structural and prestige elements.

Many authors have oversimplified the foreign policy and economics involved in the transference of ‘hegemony’ in the Western Hemisphere from Britain to the United States.66 It does seem that the United States possessed military hegemony in the Western Hemisphere by 1914; however, in terms of economics and politics, the picture is less clear-cut. Britain’s primary presence in South America was far from declining. In fact, it was growing healthily. Within the Southern Cone power dynamic, Britain commanded a primary foreign presence, similar to the external power dynamic in late nineteenth and early twentieth century China, but was not the only presence.67 Others exerted power and

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65 Lynn, “British Policy, Trade and Informal Empire,” 120.
wielded influence, such as the French, Germans, and Americans. The strong British presence rested heavily on concrete realities, such as leading trading statistics, investment holdings, shipping manifests, and naval presence. The argument that will be made is that Britain’s primary presence, its privileged position, or even its ‘informal empire,’ in the fifteen year period of 1910 to 1925 rested on its high prestige among the republics almost as much as it did on the structural power of economics. The United States had become the leading military power in the hemisphere, but Britain was still senior in regard to economics and finance south of the equator. This was something the United States was intentionally trying to emulate and ultimately surpass.

American business author, William E. Aughinbaugh, writing in 1915, proved prescient: “The war in Europe developed the most remarkable business situation for the United States ever presented to any nation.” In brief, the war years were a tremendous shock to the British domestic and global economy. This naturally impacted its interests in South America. Industrial production, human talent, and capital were diverted to the war effort, thus largely ending the large stream of investments Britain sent South America for the rest of the period. With a dramatic reduction in manufactures exported from Europe, the United States stepped in to the fill void, thus capturing a market share that after the war it would lose little of as competition returned. American bankers and investors started to make their debut in force as well. In the postwar years, the United States made its presence more and more felt, particularly in Brazil and Chile. The damage wrought to Britain’s position and the response through a policy to cultivate prestige will be discussed.

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69 Aughinbaugh, *Selling Latin America*, 3-4.
CHAPTER II
BRITISH PRESTIGE—A CONCEPTUAL FRAMEWORK

The word 'prestige,' and to a lesser degree 'reputation,' were used consistently by Britons concerned with South America, whether they were businessmen, diplomats, journalists, or travelers. In the decades prior to the First World War prestige had added significance. Prestige was one of the central elements to Ronald Hyam's explanation of British, as well as European, foreign policy and imperialism from 1815 to 1914: "the dynamics of government thinking are driven by prestige." Having, recognizing, and valuing prestige comported well with a widely-shared contemporary worldview that all nations could be gauged on a linear path or ladder of progressive development. Prestige diplomacy was something many states engaged in, including those of South America.

In an argument devoted to identifying British prestige, assessing its impact, and identifying activities directed towards its enhancement, it is essential to develop the concept fully. The most exacting, if not scientific, definitions of prestige can possibly be found in the study of sociology. A 'prestige model' is "a frame of reference in which the holder sees society as divided into many layers of differentiated status groups" and is an "attitude that sees society as relatively open, with those at the top of society deserving their positions on account of their merit or talent." Studies of societal hierarchies based on prestige find that they "usually end up as a defense of the status quo."

70 Hyam, Britain's Imperial Century, xvi-xvii.
71 As Grant Hugo explains, "Prestige is among the most potent, and the least precise, of the many abstractions which...dominate the deplorably unquantifiable discussion of international disputes." See his Appearance and Reality in International Relations (New York: Columbia University Press, 1970), 141.
Though the sociological definition is by no means wrong, for our purposes it would be best to use a contemporary British diplomat’s view of prestige as our analytical framework. Arguably, Harold Nicolson was one of the first to develop prestige as a concept and define it as pertaining to British foreign policy in the early twentieth century. He was the son of Foreign Office titan, Arthur Nicolson, 1st Baron Carnock, who after a long and distinguished career of diplomatic posts served as the Under Secretary for Foreign Affairs from 1910 to 1916. It was only natural for the younger Nicolson to follow paternal footsteps; his diplomatic career began in 1909, scoring second highest that year on the Foreign Office’s competitive examination. After a succession of postings mainly in Europe, the opinionated Nicolson butted heads with superiors in London and left the Foreign Office in 1929. During the 1930s he became a pre-eminent writer and respected parliamentarian concerning British foreign policy.\(^7^3\)

In an April 1937 Rede Lecture at the University of Cambridge, Nicolson tackled “The Meaning of Prestige” in regards to British foreign policy. He posed the question to the audience, “how comes it that what we carelessly call ‘British prestige’ is so different in quality from the [other] various forms of national glory and honour...?” The comment gives added significance to the fact that Britons referred to their prestige often and rather loosely. This did not mean, however, that prestige was so abstract it was beyond capture. Firstly, Nicolson saw ‘British prestige’ as unique from other nations, elaborating, “the particular meaning of prestige in our own philosophy is: ‘Power based upon reputation rather than reputation based upon power.’”\(^7^4\) To the French, prestige “implies an emotion rather than a method,” resting dually on “military capacity” and “magnificent cultural

achievements.”\textsuperscript{75} Whereas for Germans, Nicolson believed prestige signified a need to make known their perception of Germany’s unrecognized greatness. German prestige before and after the war was best understood as an insecure sense of “national honour.”\textsuperscript{76} In his opinion, British policy used the most unemotional, consistent, and coherent application of prestige for politico-economic ends.

To answer what exactly were the components of Britain’s exceptional prestige status, Nicolson had observed that “our reputation is based partly upon present wealth and power, partly upon past achievements and partly upon national character.”\textsuperscript{77} But Nicolson was very careful to specify that the British reputation was “based, above all, upon our national character.”\textsuperscript{77} What exactly were the characteristics reputed as ‘British’? Nicolson listed four pillars of British character:

1. ‘Honesty’: As Nicolson explained, “not merely the ordinary every-day honesty of a commercial race...but predominantly our constant endeavour to approximate public to private morality.” Thus fiscal responsibility, transparency, impartiality, and integrity were what Britons prided themselves on and foreigners recognized as a recurring behavior. Moral reserves were felt to distinguish Britons from other nationalities.

2. ‘Fair Play’: A natural British “dislike of bullying” exemplified in their “sympathy with the oppressed.” British methods were not venal, nor tricky, but instead straightforward.

3. ‘Objectivity’: Nicolson had found Britons were more willing to consider “the other person’s point of view” in a variety of situations, economic and political.

4. ‘Unity’: The phenomenon that “the majority of Englishmen are apt...to think alike.” Collective British action and solidarity were a source of strength and admiration.\textsuperscript{78}

\textsuperscript{75} Nicolson, \textit{The Meaning of Prestige}, 14-16.
\textsuperscript{76} Ibid., 13, 17.
\textsuperscript{77} Ibid., 23. Rephrased slightly differently, Nicolson also said, “...our prestige is founded, not so much upon power or [past] success, as upon our national character.” Ibid., 25.
\textsuperscript{78} Ibid., 25.
Gerald Martin argues that it was difficult for the British to “exploit respect based on such qualities.”\textsuperscript{79} Much of the evidence surrounding the Great War and interwar years points to the opposite conclusion. Rather than prestige based on martial qualities or exceptional skills, moral character was the underpinning of British international renown. According to Nicolson, this gave British prestige a remarkable degree of durability and staying power: “…a prestige which contains a high percentage of reputation is able to withstand a loss of power; whereas even a temporary decline in power will destroy a prestige which is devoid of reputation.” Thus British prestige was based on a mix of reputation and power in optimum “proportions.”\textsuperscript{80}

Nicolson was not so foolish as to disregard ‘hard power,’ that being especially of a financial and military character.\textsuperscript{81} As he explained, British virtues “shine with a richer lustre when combined with immense wealth and power.” Briton’s financial resources, strong navy, and expansive empire accentuated immeasurably their positive attributes. In South America the most visible manifestations of British power were probably its railways, urban utilities, banks, and the endless stream of British liners, as well as tramps, that unloaded and loaded in port. Thus ‘prestige’ bed-rocked on ‘reputation’ had built an empire and capitalist world order (‘past achievements’). Whereas in the present, empire and wealth augmented that prestige and reputation only further; it was a self-reinforcing circle of three distinct, but interrelated elements.

\textsuperscript{79} Gerald Martin, “Britain’s Cultural Relations with Latin America,” in Bulmer-Thomas, \textit{Britain and Latin America: A Changing Relationship}, 27.
\textsuperscript{80} Nicolson, 30.
\textsuperscript{81} Though Nicolson did not use this exact terminology of ‘hard power,’ his referencing of wealth and military might comports closely with current scholarly definitions of outright power. Probably one of the most rigid definitions of ‘hard power’ is that of John J. Mearsheimer, being: “the particular material capabilities that a state possesses…a function of tangible assets.” Power “represents nothing more than specific assets or material resources that are available to a state.” \textit{The Tragedy of Great Power Politic}, 57.
How was prestige a method of diplomatic policy? Returning to Nicolson, he believed, and is hardly alone in this respect, the British foreign policy tradition was “mercantile.” Thus, “The mercantile conception of policy carries with it an equally mercantile conception of prestige.” Rather than military or high-state political objectives, a policy of prestige towards mercantile ends hoped to avoid flexing the muscles of outright power. “[F]or us,” explained Nicolson, “the idea of prestige is not so much the exercise of power, as the maintenance of our reputation and credit at such a level as will render the exercise of power unnecessary…. [I]t is closely analogous to the general theory of an old-fashioned banking-house, under which credit precedes, creates and maintains power, but does not necessarily derive from it.”

That Britain’s presence in South America was almost solely commercial gives this definition added applicability to British prestige in the region. Subsequent treatments of prestige’s role in foreign policy parallel Nicolson rather closely. With this framework, how the British attempted to keep up a positive and, above all, ‘British’ prestigious appearance in South America will be examined.

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82 Nicolson, 21-3. This concept was nearly identical to Walter Bagehot’s nineteenth century description of prestige regarding British banks, “an old established bank has a ‘prestige’ which amounts to a ‘privileged opportunity’; though no exclusive right is given it by law, peculiar powers is given it by opinion.” Quoted in Cain and Hopkins, *British Imperialism, 1688-2000*, 118.

83 Hugo’s explanation is quite analogous to Nicolson: “Prestige is influence acquired by past achievement or, more precisely in this particular context, by a reputation for successful persistence in the enforcement of demands, in the implementation of threats and in the fulfillment of undertakings.” Hugo, *Appearance and Reality*, 142; Hans J. Morgenthau describes prestige as one “of the state’s ‘instrumentalities’” to engage in foreign affairs. “Its purpose is to impress other nations with the power one’s own nation actually possesses, or with the power it believes, or wants other nations to believe, it possesses.” According to Morgenthau, it is used very frequently “in support of a policy of the status quo.” See his *Politics Among Nations* (New York: Knopf, 1963), 72-84.
CHAPTER III
THE DISCURSIVE ELEMENTS OF PRESTIGE: LEGACY AND CHARACTER

Britain, on the eve of the First World War, as Alan Knight explains, “having helped make Latin America stable, capitalist, and productive...had no political monopoly on the fruits of those advances.”84 British companies, merchants, investors, and diplomats had to advance and maintain their interests in competition with many other countries. However, the British did enjoy a near monopoly on the fruits of historical interpretation of those advances, especially regarding the nineteenth-century. British activities, official and private, in South America from the final years of Iberian rule to the Great War were remembered as glorious triumphs on the battlefield, in the marketplace, or the international stage. These ‘past achievements’ were an integral part of the British prestige edifice. This interpretation also reflected how the British viewed their connection with the continent and its peoples as overwhelmingly positive.

British interest in Spain and Portugal’s South American possessions has its roots back to the Elizabethan era. During the colonial period, South America was mainly seen as an enticing, but technically forbidden market for British imports. From 1713 to 1739 the Treaty of Utrecht bestowed British vessels with the right to import African slaves to Spanish America. British commercial efforts were not limited to that line of importation or time period. British sea captains and merchants repeatedly violated Spain’s decaying imperial authority in order to sell their contraband wares. The story was different with Portugal’s American empire; trade had been authorized by Britain’s traditional ally since

84 Knight, “Britain and Latin America,” 144. The Foreign Office’s official policy of seeking no special status comported well with its laissez-faire ethos and methods. This is explained more fully in D.C.M. Platt’s *Trade, and Politics in British Foreign Policy;* and *Latin America and British Trade 1806-1914.*
the mid-seventeenth century. Once Spain joined the forces of Napoleon in 1796 the British, as usual, waged war on peripheral frontiers, its naval superiority the instrument. With encouragement from business interests, but without London’s authorization, Sir Home Popham landed an expeditionary force from the Cape at Buenos Aires in June 1806. After securing the city he sent detachments across the Plata to besiege Montevideo, finally carrying its walls in January 1807. The vastly outnumbered garrisons did not remain in control for long; uprisings in Buenos Aires led to the capture of 1,200 British soldiers, the ignominious loss of royal colours, and the flight of the garrison’s remnants. The bloody failure to recapture Buenos Aires in June of 1807 forced Popham’s replacement to withdraw his forces from the Plata in return for British prisoners. The first major British foray in the region was nothing to be proud of.

LEGACY

Selective memory and tradition construction over the rest of the century would gloss over such blemishes and produce a story embellishing subsequent British contributions to South America’s progress. Michael George Mulhall, co-founder in 1861 of the Buenos Aires Herald, a daily newspaper to serve the British community, felt the role of Britons in the struggle for South American independence was being lost and forgotten as time progressed. Mulhall’s 1878 The English in South America was a
600-plus page tome to rescue such ‘past achievements’ from obscurity. As his introduction asserted, “the brilliant achievements of numerous Englishmen in this part of the world are falling into oblivion.” His chronicle spanned from the earliest colonial days to the time of its writing and from it “will be seen how much South America is indebted to Englishmen in arms, arts and commerce; and how Great Britain has reason to take pride.”

This was a British attitude that would not go away.

The key heroes were British military and naval commanders who joined the independence movement. Admiral Brown, an Irish ship owner, joined the revolutionary government in Buenos Aires in 1814 as a Commodore in command of three ships. By the time his career ended he had driven the Spanish fleet from the Plata, commanded the city’s naval campaigns against Brazil in the late 1820s, and finally served as a peace delegate to end the internecine war in 1828.

If Brown was the British naval hero on the east coast of the Southern Cone, Thomas Cochrane, the tenth Earl of Dundonald, was it on the west coast. Driven from England due to a stock exchange fraud trial, Cochrane, an officer in the Royal Navy, accepted a commission in the Chilean Navy offered by Bernardo O’Higgins, an Irish-born, but Spanish-raised governor of revolutionary Chile. Arriving in late 1818, Cochrane reorganized and commanded the Chilean fleet against Spanish strongholds in Peru. Ironically, Cochrane’s services were hired by the Brazilian government in 1823 and his ships would fight Brown’s Argentine navy in addition to the Portuguese.

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88 Ibid., 144-67.
89 Ibid., 185-207.
British freelance soldiers achieved legendary status as well, such as Bolivar's Anglo-Irish Legion.\textsuperscript{90}

If such British assistance, albeit of private subjects, was the martial glory of British 'past achievements' in South America, the foreign policy of Foreign Secretary George Canning topped it off. Skillfully allowing for Latin American independence to occur without alienating the Spanish and preventing French intervention through naval power, Canning is famously quoted, "I called the New World into existence to redress the balance of the Old."\textsuperscript{91} British de facto recognition of Buenos Aires came in 1823 through the posting of a British Consul General. The action was followed by a £1 million loan from the London House of Barings in 1824 and by a Treaty of Amity and Commerce in 1825. The city's first incorporated bank, the Banco de Buenos Aires, had three of its original nine directors as Britons. Recognition and treaties with the other nascent South American nations followed. British diplomatic pressure was even instrumental in the creation of Uruguay in 1828.\textsuperscript{92} The Monroe Doctrine, enforced mainly by the Royal Navy and America's tongue, was intended to prevent European aggrandizement in the New World, facilitate commercial expansion, and political stability.\textsuperscript{93} Referring to Latin American independence and the Monroe Doctrine, in 1825 Canning proclaimed, "If we do not mismanage our affairs sadly, she is English."\textsuperscript{94} Because Britain had unrivalled naval, financial, and industrial power, it was far better situated to reap the benefits than

\textsuperscript{90} Ibid., 142-3.

\textsuperscript{91} Cain and Hopkins, \textit{British Imperialism, 1688-2000}, 243.


the United States or the rest of Europe. As Ronald Hyam explains, "there can be no question that British power counted far more than that of the United States. The Monroe Doctrine was so much windy rhetoric without the unseen hand of the Royal Navy."\(^{95}\) However, the development and integration of the newly independent Latin American republics experienced many false starts and disappointments. The main impediments were internecine warfare, the diminutive size and dispersion of the Latin American population, and the limits of contemporary technology.\(^{96}\) Not until after the mid-nineteenth century, with the benefits of capital investments, mass immigration, steam-powered ships, trains, and the telegraph would Latin America begin to develop and be integrated with the world economy on a major scale.\(^{97}\) As described, the British played a major role in the export-led growth of these nations.

Serving with revolutionary forces as well as participating in the commercial development of South America were reflective of British character, Mulhall had no doubt. South America's growth exhibited "the unquestionable proofs of the indomitable energy of our race, the love of freedom which inspired our countrymen to throw in their destinies with the emancipation of South America, and the vigorous impulse that this continent has received in later years from the commerce, enterprise, and the genius of Englishmen."\(^{98}\) The British role in South American independence and development, political and economic, achieved near-legendary status among the British by the First World War. The legacy was buttressed in print again by W.H. Koebel, a prolific British

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\(^{95}\) Hyam, *Britain's Imperial Century*, 56.  
\(^{97}\) Hyam, *Britain's Imperial Century*, 59.  
writer of travel literature and amateurish business surveys. His nineteenth book on Latin America was another thick volume (over 600 pages) of identical subject matter to Mulhall’s. Its unwieldy and long title summarized his intentions: *British Exploits in South America: A History of British Activities in Exploration, Military Adventure, Diplomacy, Science, and Trade in Latin-America.*99 That it was published during the middle of the Great War should also be appreciated.

During the interwar years the legacy and ‘achievements’ under-girding British prestige were still felt to be a salient feature of their identity. In *Activities of the British Community in Argentina During the Great War 1914-1919*, a high production value scrapbook of sorts compiled and published by the *Buenos Aires Herald* in 1920, the recent heroics and sacrifices toward the war effort were felt to be on par with the previous British record. In its preface the usual discursive elements were mentioned to emphasize the British legacy: the policy of George Canning; the recognition of Buenos Aires; the 1825 Treaty of Amity and Commerce; the first bank in Buenos Aires; the first foreign loan; the first British settlers to the Plata. It was ever so confident to proffer, “It has been truly said that to obtain an insight into the history of Latin-America it is necessary to study the writings of English authors,” since many had been “eyewitnesses of the most notable incidents of the wars of independence.”100

Whatever the occasion, however the medium of dissemination, the British rarely failed to play on their legacy. The British reveled in reminding themselves, other Europeans, North Americans, but most especially, South Americans of their past

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achievements. During nearly every major political and economic development in South America's nineteenth-century history the British claimed to have played a role.

For the sake of brevity, only a sampling of South American acceptance and participation in this discursive tradition will have to do. Writing in relation to the British-Argentine Exhibition of 1905, former Argentine President Bartolomé Mitre, himself an honorary president of the event, wrote: "When in the centuries to come, the Argentine Nation tells the world of the use which it has made of its sovereignty, the name of Great Britain will figure in its story as the principal factor of its political, social and economic progress, whose influence has been at all times beneficial for the fortunes of the Republic, and must be so with even greater efficacy in the future." At the St. Andrew's Society of the River Plate's Silver Anniversary Banquet in December 1909, itself an occasion celebrating Scottish presence and unity in the region, the guest of honor was Victorino de la Plaza, Argentine Minister of Foreign Affairs and future Vice President and President of Argentine (1914-1916). He reciprocated the toast to Argentina by stating, "How in many ways, this country is bound to the little isles across the sea are well known to you. The co-operation, friendship, and material assistance extended this Republic by the British Government during its nascent days now indelibly figures in history, and is to-day recorded gratitude of a thriving country which welcomes to its shores the members of a nation which rendered efficacious help in the dark day of trial."

Carlos Pellegrini, Argentine Minister of Foreign Affairs during part of the First

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102 There was a St. Andrew's Society in Uruguay as well. South American Journal, January 1, 1910, 2; January 8, 1910, 49; January 7, 1911, 7. After Plaza became Vice-President-elect, he attended another British social occasion in Buenos Aires on April 12, 1910. He sat at the head table with the Minister of Public Works, a Senator, and British Minister Walter B. Townley. The purpose was simply the going away
World War, commented on the British role: "Great Britain rocked the cradle of our revolution, and...intervened in a decisive manner in the definite recognition of our independence..." Argentine intellectual, Dr. Francisco Moreno, in a lecture, stated "Irish, English and Scotch sailors...gave us the victory on the sea through [Admiral] Brown, and on land the roll of the army of the Andes is full of British names."

The Argentine Minister of Public Works, a position of supreme importance because British railways fell under his jurisdiction, attended a banquet in his honor at the Savoy Hotel (again, another British action to cultivate prestige) in London in the spring of 1913. Don E. Ramos Mexia did not pull any complements or his adherence to the British litany of 'achievements.' He told an audience of Lords, baronets, and railway board members, first, that

I must begin by confessing the great admiration and the old sincere love for the British people. I started in my appreciation of England as a student of history, seeing in her the mother of human liberty, the cradle of self government, a sower of civilization all over the world, and in relation to my own country, the first European people to take even notice of its incipient existence..., the first to recognize its independence, the only one to promote our material progress at her own expense.

On the west coast the British legacy hit all the key elements: participation of Britons in the independence struggle, political recognition and inspiration, and British commerce and investment. Regarding the British role in Chile's independence, the South American Journal noticed, "This fact is always a fruitful theme on occasions...when..."
approaches are made to grounds for mutual appreciation and honour." These themes (or discursive elements) were evident during a 1911 Royal Naval visit to Valparaiso. The host, the Chilean Minister of War, stressed to the crowd and the British,

The bonds which unite us to Great Britain are as ancient as the existence of Chili, and as an acknowledgement of our independence and the enrolment of this young Republic in the circle of civilized nations, England being the great mother of parliamentarism, gave us excellent lessons on liberty and order, created our commerce and contributed towards its progress with her vast and efficient experience truly up-to-date with the times, invested her finances to give life to the first industries and railways.107

The First World War did not seem to dent such admiration in the Southern Cone.

Historical ties seemed to lay at the root of the premier Buenos Aires newspaper La Prensa’s stance during the conflict: “[W]e declare without circumlocution our close adhesion to the cause of the Allies, in conformity with the ties which unite Argentine civilisation to Great Britain, France, and Italy....Historic relations are indestructible.”108

The leading Chilean newspaper, Valparaiso’s El Mercurio, praised Britain several days before the first anniversary of armistice day as if it were reading off the same script: “We knew that in Great Britain we had the greater master of our fundamental political institutions and of our navy; the powerful friend who guaranteed our external credit, always giving an adequate reception to our signature; the admirable champion of our trade, who sent us ships and supplies, received our products, and firmly established on our soil strong aggregations of capital and solid business enterprises.”109

Other examples

106 “Chile and Great Britain,” Ibid., November 15, 1918.
107 South Pacific Mail (Valparaiso) inserted in South American Journal, May 20, 1911, 593.
108 La Prensa, January 19, 1916, quoted in Ibid., July 1, 1916, 5. Hosting British Minister Sir Reginald Tower during his 1918 spring tour of Argentina’s provinces, the Governor of La Plata told the large crowd: “We are united to Britain by bonds of steel. Britain is great because of her sincere love of liberty. Wherever Britain has planted her institutions the people feel themselves ennobled and raised to the rank of free peoples.” Ibid., October 5, 1918, 218.
of this prestige-maintaining discursive tradition are ample in regards to Chile throughout the First World War era.¹¹⁰ Legacy seemed to matter to everyone.

The discursive elements could be found in the Portuguese tongue as well. In 1918, a Brazilian professor told an Allies luncheon, “One cannot forget that in the first pages of our history as a free nation are inscribed the names of Great Britain and its famous Minister [Canning], whose noble efforts helped on the movement of emancipation.”¹¹¹ The Brazilian Minister to Britain, on the occasion of a visit from his navy, had only praise for the Royal Navy’s anti-submarine warfare against the Germans. As he explained, the “seas had been cleared of it, just as they have been cleared of piracy and the slave trade since Britannia has ruled the waves.”¹¹²

Even American economists and business observers, in other words direct competitors to the British, adopted and disseminated the repetitive and sometimes tedious account of British achievements. An example out of many, but notably from the interwar period:

From the earliest times it has been English capital in the hands of Englishmen which has given the initial impetus to Argentine development

¹¹⁰ El Mercurio professed to its Valparaiso readership in 1916, “We believe that the North Americans will never dislodge Europeans from our markets, because our national spirit and education are in greater affinity with the latter who know us better. . .France and England will still represent our ideals as in the past.” Quoted in South American Journal, June 10, 1916, 504-5. In 1918 the paper proudly proclaimed, “We have learnt from the English our great liberties, our great tolerance.” Quoted in Ibid., April 20, 1918, 246. In early June 1918, on the occasion of the visit of the British Mission led by Sir Maurice de Bunsen, El Mercurio was only praise: “Great Britain is the incarnation of the liberty of nations and their rights as well as of commercial progress.” Quoted in Ibid., June 8, 1918, 364. In that same year Maximo del Campo at a dinner held by the Viña del Mar Club to raise funds for the Franco-Chilean Hospital in Paris still included the British in his laudatory speech: “As Chileans we have to pay a debt of gratitude for the brave sons of noble France and illustrious England who aided our fathers in our struggle for liberty and independence, and have set our feet in the paths of culture and progress. Cochrane, Mackenna, Simpson, Miller [British generals] . . . and Wheelwright [founder of the Pacific Steam Navigation Company] . . . and many others have honoured our country and have benefited it in works that will not pass away.” Quoted in Ibid., June 1, 1918, 348.

¹¹¹ Enclosure to Doc. 3 “Address delivered by Professor Sà Vianna on behalf of the Brazilian Pro-Allied League” in Foreign Office, Correspondence Respecting the British Mission to South America, 1918 (London: H.M. Stationary Office, 1919), 5.

¹¹² South American Journal, February 8, 1919, 94.
and always impelled it to augmented momentum. English money has built the railroads, established the banks and loan houses, encouraged the breeding of fine horses, cattle and sheep, built many of the great slaughtering plants, and supplied merchandise suitable for use in all these great enterprises...British men and money form essential pillars of commerce with the Argentine.¹¹³

The script might as well have been written by Mulhall or Koebel.

There was a downside of such a positive self-image, especially when reinforced by others. Arrogance and smugness were often a result, as evidenced by Percy F. Martin, a British business journalist-columnist, in the summer of 1910: “The fact remains that Argentina to-day owes all her greatness, all her prosperity, and all her brilliant future which is believed to be in store for her, to the money-bags of British investors, to the shrewd and cautious advice of British financiers, and to the unswerving good-faith of all the British doing business in the Republic.”¹¹⁴ Most Britons likely felt similarly about South America, but rarely were they so explicit, especially in public. During the war some Britons felt South America not only owed them a material, but “moral debt.”¹¹⁵

THE LEGACY CONSENSUS

What is amazing is the extent of consensus among elite circles on the basic historical interpretation of Britain in South American history. To the

¹¹⁵ During the First World War the South American Journal adamantly argued, “From the very first week of war we have repeatedly emphasized this deep obligation to Western Europe of the Ibero-American peoples, which is now embodied in a moral debt to the Allied nations who are fighting strenuously for that democratic civilisation and liberty so vital to their independence and progress.” March 9, 1917, 146. Addressing accusations of pro-German sympathies in Chile in 1917, the paper questioned, “What has become of her inheritance of liberal ideals...How can she reconcile the iron tyranny of Teuton despotism with her association with the aims and impulses of rational democracy[?]” “Is Chili Pro-German?,” Ibid., March 23, 1917, 178.
British’s credit much of it was founded on truth, as the *Buenos Aires Standard* noted with a bit of smugness in 1922:

No one knows better than Dr. Alvear [President of Argentina] how loyally [the] British...contributed to the funding and building up of the Republic. The same influences are still active, still potent...the first Argentine loan was...sought and negotiated in London...British shippers created the first regular line between the River Plate and the parts of Europe. Trade followed the flag. The first bank was a British bank. The first successful attempt to carry the civilising rail across the camp [pampas] was made by British enterprise. To-day of the total of Argentina’s exports a good third goes to British parts.

There was absolute certainty in this narrative: “These are facts, not fancies. Like all concrete facts they have their explanation in real things.” The British fostering, encouraging, and perpetuating this tradition should be acknowledged: however, like any idea, once loose it can hardly be said to have been under the control or direction of the British. The embellishments and constant referencing by South Americans themselves reflected an utter acceptance of British prestige. This legacy became the basis of a shared discourse that only reinforced the positive British reputation in the southern cone. They reflected grand ‘past achievements,’ wealth and capability. At Anglo-South American ceremonies, banquets, naval visits, and anything calling for public utterances, the British legacy was often central to the speaker or writer’s message. As Grant Hugo explains, “[T]he creation of prestige demands a long period of relatively unbroken success...It is not to be achieved in a decade.”

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116 *Buenos Aires Standard* quoted in *South American Journal*, August 19, 1922, 148. The comments were in response to President-Elect Alvear’s visit to Britain during his European tour in the summer of that year. Alvear’s speeches in Britain only reinforced the Anglo-Argentine legacy consensus.

In the late 1920s, when Anti-Americanism was rampant in the Plata and British investments were unsettled by labor and economic nationalism,\textsuperscript{118} the acceptance of the British legacy was far from gone. When the British Legation to Buenos Aires was raised to an Embassy in 1926, Six Deputies in the Argentine Chamber authored and passed a resolution, “as a token of homage and an expression of sincere friendship for the British Empire.” Its opening read, “The British Government was the first to recognize our political emancipation; it was with it we made our first treaty of amity and commerce. British capital was the first to come to the country to give value to the immense wealth of our soil, and Britain is to-day the principal consumer of our agricultural and pastoral products.”\textsuperscript{119} In the same year, after the Chilean government had recently laid the foundation stone for a statue of George Canning, an Argentine Senator urged his colleagues “to comply with our sacred debt to that illustrious statesman by erecting to him a monument” as well.\textsuperscript{120}

CHARACTER

A major factor influencing the British public face in the Southern Cone was the composition of its community’s members. By the twentieth-century, colonization schemes were no more, the majority of Britons came to the Argentine as employees (or as their relatives) of existing British enterprises. Manual labor was supplied mainly by the natives and the influx of Mediterranean immigrants, whereas the British, Germans and French provided technical and managerial skills. Yale Professor Hiram Bingham commented on his 1908 trip to Buenos Aires, “The Anglo-Saxon that you see briskly

\textsuperscript{118} Albert, \textit{South America and the First World War}, 313-17; Miller, \textit{Britain and Latin America}, 194-7.
\textsuperscript{119} \textit{South American Journal}, October 2, 1926, 286.
\textsuperscript{120} Ibid., August 28, 1926, 183.
walking along the sidewalks are not Americans, but clean-shaven, red-cheeked, vigorous
Britishers.” In discussing Brazilian modernization in his 1960s study Richard Graham
asserted, “There were so many British engineers in Brazil that the Brazilian image of an
Englishman came to be that of an engineer.” British travel-writer C.R. Enock wrote of
Britons in Latin America shortly following the First World War:

The Englishman in Latin America is still to a certain extent a ‘milord’. He
comes for great enterprises; his pockets are always overflowing with silver, which he is supposed to dispense liberally. The traits of
impartiality and general commercial rectitude of Great Britain have been the cause. Furthermore, Englishmen who travel or reside in Latin American countries are generally men not falling below a certain standard of education, and if not always of independent means, they have come as representatives of wealthy firms, companies or syndicates. They are managers of branch houses, engineers, travelers, sportsmen, financiers. The lower-class Briton is rarely encountered... There has been no influx of poor class immigrants from Britain.

Enock’s impression might reflect the widely held perception, but the British community in the Southern Cone was not so homogenous or monolithically affluent. It possessed a “multi-tiered occupational structure” into the twentieth century. Up to 1895 at least a quarter of the British population in Argentina were engaged in manual labor. However, the British were disproportionately represented in white collar fields; in 1895, 32.5 per cent of Britons were in professional fields compared with 16.4 per cent of the overall Buenos Aires population. Those British males engaged in manual labor, however, “achieved significant upward mobility” over the course of their career. That Britons were employed in some of the most visible and economically vital enterprises, such as

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122 Graham, *Britain and the Modernization of Brazil*, 137.
railways, tramways, utilities, and banks probably augmented the impression of Britons as educated, gainfully employed, and, most especially, important.

Ronald C. Newton found in his study of Germans in early twentieth-century Buenos Aires, that “admiration (tinged with envy) of the British was nothing new in the German community.”125 British self-charity manifested through philanthropy and hiring internally was seen as most admirable. How one German community member commented on British assistance for new arrivals is revealing: “[W]hen someone knocks on the door and says, ‘Civis Britannicus sum,’ the simple fact that he is a British subject suffices to get him a position right away.”126 Records indicate that between 1872 and 1923 some 27 per cent of German immigrants to Argentina required assistance from the government in seeking employment. The number of Britons on such rolls was much smaller.127

It also appears that once one was incorporated into the British community, he or she enjoyed a modicum of social status and acceptance not found within other foreign communities. As one German commented, “even the least significant person is somebody” in the British community.128 Ysabel Rennie found firsthand the same of British expatriates: “At home they might have been small clerks and tradesmen, or poor sheep farmers; but in Argentina they represented the Empire, they had standing in the community, and they were gentlemen.”129 Unlike many other nationalities, excepting migratory labor, the British could always return ‘home’ or find an Empire destination,

125 Ronald C. Newton, German Buenos Aires, 1900-1933: Social Change and Cultural Crisis (Austin: University of Texas, 1977), 106.
126 Newton, German Buenos Aires, 105.
128 Newton, German Buenos Aires, 106.
acting as a sort of "psychological 'escape hatch.'"\textsuperscript{130} This idea that Britons were always away from 'home' appears to be widespread. Britons, even after decades of residence and work in Argentina, would often retire back to the United Kingdom as Sir David Kelly described the phenomenon, "as though they had merely moved from Birmingham to London."\textsuperscript{131}

Ultimately the British community and diplomats' policy toward immigration to South America, especially to the Plata, was one of discouragement. In terms of keeping up appearances relative to other nationalities, this can be explained simply in trying to avoid diminution of the middle and upper classes' share of the community population, as well as an honest concern for those who would become hard pressed once they arrived. Out of a combination of sincere charity and a desire to avoid the visibility of destitute Britons, the community's charitable mechanisms would care for impoverished compatriots until they could find work or were returned home in a relatively quick manner. Sir Reginald Tower, British minister to Argentina, vented his frustration in 1913: "I have constantly pointed out both here and home that there is very little opening in Latin America for British unskilled labour." Such Britons would be better off finding their fortunes within the Empire, not Argentina or the rest of South America.\textsuperscript{132} Due to the "distress among immigrants from the United Kingdom" in early 1913, the British Immigration Office in London finally released a notice strongly warning Britons of what awaited them in Argentina if they had not secured employment before embarkation.\textsuperscript{133}

\textsuperscript{131} Sir David Kelly, \textit{The Ruling Few, or the Human Background to Diplomacy} (London: Hollis & Carter, 1952), 111.
\textsuperscript{132} Doc. 52 Tower, "Annual Report on Argentine Republic for the year 1913," 320.
Only after the war was there some palpable encouragement for British immigration, and
that was primarily directed towards facilitating the return of those nearly 10,000 who
volunteered during the war.\textsuperscript{134}

Sir Reginald Tower’s responsibility, not just for the United Kingdom, but for the
Empire, was evidenced in his care of some 500 Indian Sikhs in Buenos Aires in 1912.
Somehow they had been persuaded that work was plentiful; it proved to be otherwise.
Denied the normal temporary government assistance for new arrivals because they were
“Asiatics,” Sir Reginald told London he “spared no effort to induce the Argentine
authorities to reconsider,” but to no avail. The Legation endeavored to find them
employment and enlisted the Salvation Army to provide food and shelter for over a
hundred. Tower notified the Indian Civil Service to prevent any further such incidents.\textsuperscript{135}

One British Vice-Consul to Latin America described the rationale behind such
responsibilities, beyond simply humanitarian concerns, “[I]t has been felt that British
prestige would suffer if people who considered themselves and were considered by others
to be British subjects were not helped.” Thus denial of relief and medical support to any
of Britain’s imperial subjects would “not at all be to the credit of the Empire, or add to
our prestige, which remains high.”\textsuperscript{136}

\textsuperscript{134} One columnist worried about the reduction in the British population in postwar South America
explained the need for concern, “[A]part from the intrinsic value of his commercial activity, every patriotic
European there represents for his homeland a positive wealth of propaganda, the danger of diminished
communities may well be manifest...those British volunteers from South America who survive war should
be accorded every conceivable encouragement and facility to return.” F.H.W., “South American
Expansion—A Passing Opportunity,” Ibid., November 16, 1918, 319. However, commenting on the surge
in interest among demobilized soldiers in seeking employment in South America, the \textit{Journal} warned, “the
ordinary British colonist class is not as a rule suitable for Latin America.” In a subsequent issue it advised,
“Only as selected and salaried officials, engaged by the managements of the British companies and
business houses, is there any opening.” Ibid., November 30, 1918, 350; “Employment in South America,”
April 9, 1921, 286; September 23, 1922, 242.


The British community viewed each and every member as a visible representative of Britain. Probably the best summation of this notion that each Briton was an individual agent of British prestige is found in a lecture given to the Royal Society of Arts, replete with photos and cinematograph visual aides, by Campbell P. Ogilvie, Chairman of the Santa Fe Land Company in Argentina. He reminded anyone contemplating immigration that,

> England is judged by the conduct of her persons...Argentina offers to-day a splendid opening for the best of England’s sons, but she does not want the loafer....England’s prestige is seriously injured when so many of the ‘wasters’ and worse are sent from the country....It is but natural that from those, who go to foreign countries, England is judged. We should send abroad men who are bound to succeed, men who never forget that from their behaviour the Mother Country will be appraised.137

Like those who went to be pro-consuls and civil servants in the formal empire, the supposed informal empire requested, in the tradition of Rudyard Kipling, that the home islands also ‘send forth the best ye breed.’

SPANISH LANGUAUGE COLLOQUIALISMS FOR BRITISH CHARACTER

Professor Jacob Warshaw, of the University of Nebraska, found in his study of *The New Latin America*, “Due to the Englishman’s reputation for efficiency, honesty, and business-sense, other public and quasi-public utilities have confidently been given over to his charge. Tramways-systems, docks, water, light, and power plants have been initiated through British activity, and have become landmarks of high advertising value to the British nation.”138 Similar to Harold Nicolson, this American felt the British position rested heavily on ‘character.’ Some of the strongest evidence that the British had

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137 *South American Journal*, December 3, 1910, 641.
impressed upon themselves and the South American psyche of British character's storied and successful past was through Spanish colloquialisms or everyday figures of speech. There were many and nearly every Briton in South America seemed to know them and revel in repeating them.

The most commonly mentioned referred to British 'honesty.' "If a verbal promise is made," explained the 1911 book *Twentieth Century Impressions of Argentina*, "the native, to seal the contract, usually says *palabra de ingles*, meaning he will act as an Englishman, whose word is his bond."\(^{140}\) Warshaw informed his American readers, "‘The word of an Englishman’ (*palabra de ingles*) is the gold standard of commercial honor throughout Latin America."\(^{141}\) Sir Maurice de Bunsen, head of the British Mission to South America in 1918 concluded, "It is impossible after such a journey not to feel impressed by the great position which Great Britain has achieved for herself in those regions. ‘Palabra de Inglés’ (‘on the word of an Englishman’) is still the proverbial expression."\(^{142}\) British honesty translated into punctuality and dependability: "If an appointment is made, and the hour fixed, it is usual for the natives to say *hora de ingles*, meaning that the Englishman’s hour, who is always on time."\(^{143}\)

John King argues the British always retained an intense "skepticism about the value of spreading such intangibles as language, literature, the arts and civilized values."\(^{144}\) King and Alistair Hennessey are correct in the general deference of the British to the French, as well Italian and Spanish, influence in the fine arts. However,

\(^{142}\) Doc. 25 Sir Maurice to Balfour, Steamship *Megantic*, 18 September 1918, in *Correspondence Respecting the British Mission to South America*, 30.
\(^{144}\) King, "The Influence of British Culture in Argentina," 163.
this is taken too far in stating, “In this battle for cultural supremacy the British were mere skirmishers.”145 Too many scholars examining the British presence in South America only look for what could be termed ‘high’ cultural diplomacy. There seems to be a consensus that “certain cultural manifestations” by the British were limited to the introduction of sports (golf, polo, tennis, and soccer especially), educational practices, and liberalism.146

Team sports certainly became a source for cultural interchange between Britons and South Americans. Even when matches were between Britons, they often garnered an audience of locals. British and Argentine polo teams reciprocated visits throughout the early twentieth century. Lord Hawke’s M.C.C. cricket team toured the Plata in February of 1912, more for British expatriates than anything else.147 But football (soccer) became undoubtedly the most popular British game for South Americans to watch and participate in—many forming their own teams and leagues once they learned its rules. In 1909 touring teams of Everton and Tottenham held an exhibition match in Buenos Aires in which the President and Cabinet attended.148 In 1914, Koebel found in Uruguay, “As is general throughout almost the length and breadth of South America, [that] football is much in vogue here.”149 A British team sailed for Buenos Aires on July 24, 1914, only to have its planned tour cut short when war broke out.150 Argentine President Alvear, in what was perceived as an official endorsement, provided the first kick for the last game in

147 South American Journal, January, 20, 1912, 76; February 17, 1912, 194; January 21, 1922, 92.
150 South American Journal, August, 1, 1914. 116.
a 1923 series between a visiting Scottish team and one of Argentines; the Argentines went 2-1 in the three matches.\textsuperscript{151}

In the 1920s football began to really take off in Brazil, the product of decades of British football clubs. Prior to the war G.J. Bruce found English language terminology, such as ‘pass,’ ‘goal,’ and ‘kick’ were shouted by the watching and playing Portuguese-speaking majority. He was certain, that “if there is going to be a universal language, English leads for the honour, and British sports, especially football, will help to secure it.” Lawn tennis was “played as widely almost as football, but by a different set of people. It is yet the pastime chiefly of the wealthier classes.”\textsuperscript{152} Referring to sports in general, Koebel stressed, “The importance of this is not to be underrated; for the football and the golf-club, the lawn-tennis racquet and the racing craft, the polo ball and the coachhorn, and all the rest of such gear, have been vitally instrumental in evoking a real intimacy and mutual respect between the British and the South Americans.”\textsuperscript{153} During the interwar years sports would be at the vanguard of public life and leisure; American basketball and baseball were quite absent in the Southern Cone. An activity that crossed class lines and would only grow also had commercial benefit. British sporting apparel and equipment were considered naturally the best for their respective sports, whether they

\textsuperscript{151} Military Attaché, “Population and Social Conditions—Argentina,” Buenos Aires, July 1, 1923 in \textit{U.S. Military Intelligence Reports Argentina, 1918-1941} Reel 1 (Frederick, Maryland: University Publications of America, 1985), 292.

\textsuperscript{152} G.J. Bruce, \textit{Brazil and the Brazilians} (New York: Dodd, Mead, 1914), 259-60; Also see Darién J. Davis, “British Football with a Brazilian Beat: The Early History of a National Pastime (1894-1933),” in Marshall, \textit{English-Speaking Communities}, 262-77.

were soccer balls, racquets, or golf pants.\textsuperscript{153} The less physical games of golf and tennis also appear to have crossed gender lines as well. Rosita Forbes found in Argentina, “Except on a golf course it is unusual to see a man and a women walking together.”\textsuperscript{154}

Values, as Nicolson argued, were central to British reputation, and it appears to identity as well. Gerald Martin states, “Early in this century the concept of selling Britain to the world was considered demeaning and needing to do so out of the question.” This was based on the assumption, “Everyone knew what an Englishman stood for.”\textsuperscript{155} The discursive elements present at the time appear to prove “everyone,” who at least mattered to the British, or at least who the British thought mattered, knew what the stereotypical ‘character’ of a Briton was. If they did not then they were reminded through innocuous colloquialisms and stories of the British ‘legacy’ of contributions to South America. A positive stereotype had been established. It was a subtle, unsystematized, but consistent manner of keeping up British appearances. Yet subtlety was crucial to the mystique of the British. Warshaw explained, the British businessman “has earned a reputation for solidity, for sincerity, often times withheld from the more brilliant better advertised house.”\textsuperscript{156}

Despite the British’s ‘enclave’ mentality, they remained visible. The effect was considerable, as Warshaw had observed. “They preserve a social aloofness, yet set the styles in sports, men’s dress and, in some instances, in household economy. The wealthy Argentine family often boasts a hall and an English governess [nanny], and the educated

\textsuperscript{153} The Bank of London and South America’s \textit{Monthly Review} in 1926 found British sporting goods to be taking off in popularity in the Plata. For example, “golf stockings, for instances at one time exclusively confined to the British community, being every year more in demand as a result of the extension of this sport among other communities in the country.” Quoted in \textit{South American Journal}, August 28, 1926, 192.
\textsuperscript{155} Martin, “Britain’s Cultural Relations,” 38.
\textsuperscript{156} Warshaw, \textit{The New Latin America}, 116.
Argentinian or Chilean interlards his speech with Anglicisms."\textsuperscript{157} A frequent British traveler of the continent agreed. Speaking of Buenos Aires, "[T]he features which distinguish the social life, business and sports of the capital, wheresoever they depart from Spanish tradition, are very markedly British." Bland noted the respect for French culture in the fine arts and intellectual pursuits, but felt, "in other directions the prevailing influence is conspicuously English. Your Argentine blade gets his clothes from London, owns an English terrier, decorates his walls with English pictures, knows all about football, and belongs to a rowing club."\textsuperscript{158} In 1926, an American observed, "...the Argentine citizen cares less for price than for attractiveness of design and novelty; he dresses according to Parisian and London styles."\textsuperscript{159} The Briton in South America, so it was explained, "sticks to his English habits....He lives his life approximately as he would have lived it in England. It is not he who conforms; nor is his non-conformity a sign of surliness or lack of sociability." Yet Latin Americans adopted British customs, fashion, and recreations "as they usually do for the purposes of invidious distinction in Latin America wherever there is a nucleus of Englishmen."\textsuperscript{160} Speaking rather disdainfully of the Argentine "plutocracy," Sir David Kelly recalled their waiting

until a foreign community had done the spade work in building up some institution and then quietly absorb[ing] it. Thus the British community had...started and built all the first class clubs; but already in 1919 all these...were being absorbed by the Argentines....The English social and country clubs in all the provincial centres were first infiltrated by

\textsuperscript{157} Ibid., 43-44.
\textsuperscript{158} Bland, \textit{Men, Manners and Morals}, 97. These post-war assessments of Argentine consumer tastes are corroborated by a commercial traveler writing for the \textit{Birmingham Post} from Buenos Aires in 1914. He observed, "Among the better class of Argentines, as far as clothing and articles of personal use are concerned, English goods are very popular, and are preferred to those of German and American make; in fact, there is a mania for everything English." Quoted in \textit{South America Journal}, May 9, 1914, 584.
\textsuperscript{159} Jones, "Argentine Trade Developments," 390.
\textsuperscript{160} Warshaw, \textit{The New Latin America}, 117.
Argentine members and then gradually transformed until the English element was frozen out.\textsuperscript{161}

It appears the British manner of setting themselves visibly apart, yet remaining largely accessible, gave them a social distinction or exclusivity that became desired and thus imitated. Speaking of what were first considered British idiosyncrasies, Koebel admitted, “It is true that for generations the man of the Iberian stock took some pleasure in referring to the Northerner as the \textit{l}oc\textit{o} \textit{I}ng\textit{les}—the mad Englishman.” However, it was not in derogatory manner, “the adjective, emitted in jocular resignation, was devoid of sting; for at all times the Iberian considered the other an honest \textit{l}oc\textit{o}, and now for more than a generation he has joined him in his madness—in almost all forms, from hygiene and social clubs to the cult of balls [soccer]! Moreover is not the word of an Englishman—\textit{Palabra de un Inglez!}—an oath in itself? Is not the expression \textit{Hora Inglessa} an appeal to punctuality?\textsuperscript{162} After taking joy in the prevalence of tastes for English goods and styles in Argentina, Bland asserted: “All this is very grateful, an abiding testimony to the virtue of those pioneers of bygone days, traders and estancieros, who built on the sure foundations the tradition of the \textit{palabra d’Ingles}.\textsuperscript{163} British observers believed their acceptance in Southern Cone society was facilitated, if not the product, of their ‘past achievements’ and ‘character’—all coalescing into one prestige supporting reputation.

Throughout the First Word War era the British never let down this distinction they had partly earned and partly constructed for themselves. During the war the \textit{Times of Argentina} lambasted British commercial rigidity, but did concede “that British

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\textsuperscript{161} Kelly, \textit{The Ruling Few}, 114-15.  \\
\textsuperscript{162} Koebel, \textit{British Exploits in South America}, 528-29  \\
\textsuperscript{163} Bland, \textit{Men, Manners and Morals}, 97.
\end{flushleft}
businessmen have a reputation for honesty and straightforwardness which is not exceeded by any nationality.”^{164} South Americans often accepted these sentiments, participating in the same discursive dialog. In the sixth month of the war *La Prensa* commented on “the world-wide faith which the British Empire inspires.”^{165} In Britain during his European tour in the summer of 1922, Argentine President-Elect Alvear was feted for several days. At a farewell luncheon in which speeches and toasts were reciprocated between Alvear and Prime Minister David Lloyd George, Alvear praised the stereotypical characteristics of British ‘character’: “We admire your energy, your constancy, your calmness. Tolerant, loyal, generous, respectful of the dignity of others because you mean your own to be respected, you form that type of man honoured and known throughout the world under the name of gentleman.”^{166} A Chilean’s July 1915 letter to the *South American Journal* echoed this Argentine confidence or ‘faith’ in the British: “The Chilians will never forget their indebtedness to France and England. While it is true that Englishmen have found Chile a profitable country to them from a financial standpoint, it is equally true that they have not been content to selfishly drain our country of its riches and abandon it after satisfying themselves, as very often happens.”^{167} In contemplating the postwar trade battle that would erupt, the Uruguayan Minister to Britain, Pedro Cosio believed the most beneficial of all Britain’s commercial strengths was its “traditional

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^{164} *Times of Argentina* (Buenos Aires) quoted in *South American Journal*, December 16, 1916, 489. In 1921 the Journal chastised British manufacturers for not taking full advantage of British commercial prestige, since, “There is every reason to believe that our old reputation for good and honest trading is an asset which still belongs to us.” “British Trade Push,” Ibid., October 15, 1921, 301-2.
^{165} *La Prensa* quoted in Ibid., February 27, 1915.
^{166} *South American Journal*, July 29, 1922, 88-9.
^{167} Ibid., July 10, 1915, 23. The *South American Journal* observed that this trust in the British was manifested by “Chilian statesmen cling[ing] to their commercial and financial liens with the Old World.” It, however, admitted, “This feeling may be more sentimental than practical.” Ibid., February 10, 1917, 134.
reputation for honesty and fair dealing.”\(^{168}\) Until a coup in the mid-1920s, Chilean political stability through much of the nineteenth and early twentieth century gave it cause to refer to itself with the treasured label, ‘the England of South America.’\(^{169}\) When speeches were made at the dedication of a statue of George Canning upon the Prince of Wales’s 1925 Visit to Chile, former longtime Chilean Minister to Britain Augustin Edwards exclaimed, “For a century British commerce has enjoyed in America the prestige which it has acquired through its legendary honesty.”\(^{170}\)

This British ‘reputation’ contrasted with what the *South American Journal* termed “‘yanqui bluff,’ a [South American] phrase used for North American methods to distinguish them from ‘palabra Inglesa.’”\(^{171}\) An American business writer lamented the “unwarranted idea that the Yankee is tricky in all his dealings” was prevalent in Latin America.\(^{172}\) This dilemma of a poor public image and ill reputed character was echoed by an author for *The American Economic Review*, “Many of the people in South America...have distrusted our purpose, and feared our power.” He had been told “at one important place in South America, that until within a comparatively few years when an American appeared in their city as a settler, he was usually asked what his name used to be.”\(^{173}\) Latin American perceptions of American character deficiencies, led the *South
American Journal to believe predominant European influence, including British, was quite safe for years to come.\textsuperscript{174}

CONCLUSIONS ON BRITISH LEGACY AND CHARACTER

Britain was not burdened by its past, but rather propelled by it. No other foreign power could draw on the pride of the revolutionary era like the British did in the Plata or Chilean coast. The recognition of past British accomplishments gave the British strength in the present and helped persuade themselves and others that greatness was also in store for the future. The stereotyping of British ‘character’ as honest, dependable and always within respectable bounds was also integral to British prestige. Well into the twentieth century, acting British or emulating the British, if only in certain spheres of life, was felt to be desirable to many in the Southern Cone. Sports were to prove a dynamic cultural front in the twentieth century and the British, so to speak, got the ball rolling. Sports allowed British ‘fair play’ to be seen in person, gave justification for Anglo-South American interchange through reciprocating team tours, helped proliferate the English language, and steered South Americans to stores like Harrod’s to buy British sporting equipment.

\textsuperscript{174} In a 1916 leading article entitled “South America After the War,” the newspaper editorialized: “We believe that the future of these matters will be controlled entirely by economic factors, and that most of the expectations that they may be strengthened by common American ties of political, ethical or social concordance are based upon weak and illusory suppositions....There exist potential influences antagonistic to anything approaching exclusive American consolidation, and we believe that the United States will never occupy a predominant place in Latin-American sympathies or preferences.” South American Journal, June 29, 1916, 81-2. This line of thought in postwar predictions remained prevalent: “...looking at the onerous terms which the Americans have demanded [in Latin American business transactions]...it may be doubted if the United States will supplant Great Britain to the extent which Americans hope when the war is over, especially in view of the general distrust of the United States in South America.” Ibid., January 10, 1917, 21.
CHAPTER IV

THE PRESTIGE OF AGRICULTURE AND LIVESTOCK

The British monthly *Review of the River Plate* (Buenos Aires) in 1915 described the British agricultural edifice in the Plata: “Not less than 100 British companies, of varying importance, have placed very large sums in Argentine rural exploitations, whilst the number of British *estancieros* is considerable. The same cannot be yet said of any other nation. Although there are numerous foreigners devoting their energies to this class of business, non-English firms owning rural establishments are non existent, or practically so.” It proudly concluded, “The Anglo-Saxon race is eminently agricultural and pastoral.”

Similar to other sectors, such as banking or railways, pastoral agriculture reinforced the notion that British influence was overwhelmingly beneficial among South Americans and Britons themselves. The development of an export economy centering on pastoral products had eighteenth century roots when cattle hides from the River Plate Basin satisfied demand elsewhere on the continent and in Europe. Augmented by the introduction of large scale sheep-herding in the 1830s, the Plata’s exports depended heavily on hides, tallow, and wool. Argentina and Uruguay did not become dependent on the British market until the turn of the twentieth century, as pastoral goods turned toward the more remunerative sale of meat—a development only made possible through political stability, improvements in stock bloodlines, and refrigeration technology.

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175 *Review of the River Plate* quoted in *South American Journal*, July 31, 1915, 92.
hectares of grain. All of these commodities required credit, insurance, and sophisticated, capital-intensive transport networks by rail and sea.\textsuperscript{177} Britain's need for food and the Plata's need for these services and manufactures created what has been termed the 'Anglo-Argentine Connection.'\textsuperscript{178} The cultural influence, and thus prestige, garnered through pastoralism should be appended to this 'connection.'

The typical attack on the British in South America, especially from recent scholars, has been that British relations were too business-oriented and not socially or culturally driven. For example, Gerald Martin has chastised past British practice in the region, arguing that "people do not live by trade alone and do not wish to talk about business all the time," especially in Latin America.\textsuperscript{179} However, this and other arguments that Britain abstained from cultural work or social functions rests on the notion that business cannot be embedded up in a larger social and cultural system. This is not always the case. In no other sector was this more apparent than in the culture of pastoral industries in Argentina, Uruguay, and the temperate southern states of Brazil, particularly Sao Paulo.\textsuperscript{180} Britain was the overwhelming external influence in the livestock sectors of cattle and sheep, and, to a lesser degree, in horses. Because these geographic regions were largely dependent on pastoral exports, both the rural pampas, where livestock was raised on \textit{estancias} (ranches), and the urban railroad and coastal towns, where livestock was transported, processed, and shipped, made these disparate regions interconnected not

\textsuperscript{177} Lewis, \textit{British Railways in Argentina}, 1-3, 217-21.
\textsuperscript{178} Gravil, \textit{The Anglo-Argentine Connection}. See especially chapter 1.
only commercially,\textsuperscript{181} but in a way culturally. In scholarly treatments of Anglo-
Argentine interchange, this aspect is remarkably absent.\textsuperscript{182}

Sir Reginald Tower explained in his 1912 Annual Report on Argentina, "The
question of cattle is one of the most important to this country and one at the same time
vitally interesting the United Kingdom."\textsuperscript{183} Great Britain dominated pedigree livestock
imports more than almost any other pre-war trade sector, save coal. Of Argentina’s
importation of pedigrees, between 1885 and 1904 Britain provided 87.8 per cent of the
cattle, 92.2 per cent of the sheep, and 55.4 per cent of the horses (Appendix II, Table
1).\textsuperscript{184} The only hindrance to the trade was the outbreak of foot and mouth in both
countries, leading to temporary embargos.\textsuperscript{185} Concomitant to the flow of British breeds
were British methods, techniques, and ideas on agriculture as well as thousands of
Britons who became a part of pastoral communities, especially as managers. British ‘past
achievements’ in Argentine and Uruguayan livestock were indeed considerable, adding
further to their pastoral reputation, and thus their overall prestige. Scottish and Irish
colonization on the Plata frontier in the nineteenth century helped introduce pedigree
lines. Many of these early settlers became assimilated into the population; one observer

\textsuperscript{181} Arthur P. Whitaker, \textit{The United States and the Southern Cone: Argentina, Chile, and Uruguay}
\textsuperscript{182} For instance, there is little or no commentary of the subject in Martin, "Britain’s Cultural Relations with
Latin America" or King, “The Influence of British Culture in Argentina.”
\textsuperscript{183} Doc. 52 Sir Reginald Tower, “Annual Report on Argentine Republic for the year 1912,” Buenos Aires,
\textsuperscript{184} "Preface," in Holder, \textit{Activities of the British Community in Argentina}, 16.
\textsuperscript{185} These could sometimes be circumvented by sending breeding stock from elsewhere in the Empire. For
example, one shipment valued at £10,000 and consisting of sixty-seven Shorthorn bulls and five heifers
was shipped from Ireland to Argentina in the winter of 1913-14. \textit{South American Journal}, 9 April 1910,
408; January 24, 1914, 151.
writing in 1920 found of those “who go racing on a Sunday afternoon you find good old English, Scotch and Irish names, pronounced à l’espagnole.”

Bloodlines were continually improved for cattle, with the introduction of Shorthorns and Herefords; for horses, through Clydesdales, Lincolns, and Hackneys; and through superior sheep breeds, such as Leicesters, Lincolns, Southdowns, and Shropshires. Prior to the First World War Merino stud rams and ewes were imported in large quantities by British land companies from Australia and New Zealand. Between 1909 and 1913, 5,915 British breeding-quality sheep stock were imported to Argentina. When Donald Maclenan was feted in 1914 for being a pioneer breeder of Shorthorns in Argentina during the 1880s, the South American Journal explained “the vast export trade in beef, worth millions of pounds annually, could never have been developed but for the importation to that country of good cattle. For these magnificent economic results the Republic owes a debt of gratitude to Mr. Maclennan.”

This improvement of bloodlines along British auspices continued well into the interwar years. As railways were central to the meat business, quality studs and expert breeding practices were critical as well.

The intricacies of livestock directly affected the lives of the estanciero elite, whether it involved importing pedigree studs to improve bloodlines, discussing preventive veterinary medicine, or planting of fattening grazing grasses. Social occasions

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186 Bland, Men, Manners and Morals, 251.
187 Koebel, British Exploits in South America, 496, 499-500; Mulhall, The English in South America, 337, 408-9, 427-28; South American Journal, January 24, 1914, 151; August 7, 1915, 103;
188 Ibid., November 16, 1912, 573; November 23, 1912, 605; November 30, 1912; 652, December 7, 1912, 666; February 28, 1914, 285. A special correspondent for the Journal covering Uruguayan wool prizewinners at 1918 Bradford, United Kingdom fair, commented: “[I]t will always be an historical fact of which sheep breeders of England may well be proud, that the present excellence of flocks in other parts of the world is due primarily to an infection of blood from their established breeds.” “South American Sheep and Wool: British Blood Responsible for General Improvements,” Ibid., September 21, 1918, 182.
189 Ibid., March 7, 1914, 310.
190 Clarence F. Jones wrote in 1927: “The introduction of pure-bred cattle has been a prime factor in the evolution of the meat trade....As in Argentina, the British have had a good part in the improvement of the [Uruguayan cattle] herds.” “The Trade of Uruguay” Economic Geography 3 (July 1927): 378f.
such as livestock shows, horse races, auctions, and veterinary lyceums were both a socially prestigious hobby as well as an entrepreneurial-minded pursuit. What Sir David Kelly found during his first stint in Argentina in the early 1920s and again in the 1940s was that in male conversations, "horses and cattle were certain to infiltrate" at even the most recreational of gatherings.191

British influence was ubiquitous in this culture of pastoralism. It entrenched a general acceptance of British techniques as being superior. As horseracing grew in popularity it followed British practices; starting the race with a gunshot was referred to as "à l'anglais." Races and riding techniques were shifted along British lines, focusing on the long gallop instead of short bursts.192 Apparel for such events took their cues from the British or was indeed the genuine article.193 One of the founding members of the Argentine Rural Association, one of the most important landowner social clubs through World War II, was an early British estanciero.194 Robert Whitworth, a Yorkshire manufacturer and horse breeder, who served as the hackney horse judge at the National Argentine Show in 1909, commented in an interview, "The British nation is esteemed above any other [in agriculture], and that there is no prejudice against our people as such is proved by the fact that many of the big estancias are managed by Englishmen." And like their urban countrymen, Whitworth emphasized that only "Men of the right sort would be welcomed" by the British rural community.195 In a lecture before the Royal Colonial Institute in 1914, Herbert Gibson, who would later be decorated for his work as

191 Kelly, The Ruling Few, 124-25
192 Koebel, British Exploits in South America, 496-97.
194 Mulhall, The English in South America, 608.
the Royal Wheat Commissioner in Argentina during the First World War, corroborated Whitworth’s observations: “It is impossible, we are informed, to travel through the Argentine without being struck with how large a share in proportion to their number is taken by men of British nationality or origin in the more responsible part of her rural industry.” He also stressed that those Britons contemplating working in Argentine agriculture “must be men of education, energy, and intelligence.” The British reputation for expertise and character had to be upheld.

Whitworth was not alone. Time after time Britons served as livestock show judges, traveled in agriculture-pastoral missions, and manned booths at expositions. When Britain sent an official mission, led by Sir Maurice de Bunsen, to South America in 1918, pastoralism was not far from the agenda. While in Uruguay, the delegation spent some relaxation time on the Finance Minister’s estancia near Montevideo. As de Bunsen elaborated, “He is a successful breeder of cattle, from stock purchased in England.” In Argentina the Mission visited the Agricultural Museum and was officially received by the President of the Rural Society. As Rosita Forbes traveled the Brazilian state of Sao Paulo, she found the English language pervasive:

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196 South American Journal, February 14, 1914, 224.
197 Ibid., February 14, 1914, 224.
198 Ibid., June 14, 1913, 762;
199 Agricultural Missions were often reciprocated back and forth during the period. In December of 1926 the Argentine Rural Society sent delegates to London. In 1928 the Society invited a Parliamentary Cattle Mission, led by the Under Secretary of Agriculture, Lord Bledisloe, which had already been preceded by the National Farmer Union of England. Ibid., December 18, 1926, 370; A.M. Welby, “Current Events for the month of October,” Buenos Aires, October 31, 1928 in U.S. Military Intelligence Reports, Reel 1, 416.
200 At the 1910 Argentine Centennial Exhibition in Buenos Aires the British Board of Agriculture and Fisheries provided a 10,000 square meters indoor and outdoor display touting British livestock, agricultural machinery, and agricultural colleges. Designed to evoke a feeling of Britishness, the exhibit’s structure had a Tudor façade and its large marquee was of an Indian motif. South American Journal, January 22, 1910, 92; April 16, 1910, 422.
201 Doc. 8 Sir Maurice de Bunsen to Arthur Balfour, Estancia Martin Chico, Uruguay, May 30, 1918 in Correspondence Respecting the British Mission to South America, 14; Doc. 10 Sir Reginald Tower to Balfour, Buenos Aires, June 6, 1918 in Ibid., 16.
“Owing to the initiative of British and American land development or meat companies, it is possible to travel many thousand miles speaking only English.” 202 That British land companies’ properties in Argentina and Brazil totaled 7.2 and 4.7 million hectares, respectively, her observation does not seem too exaggerative. 203

The amount paid at auctions and shows for prized calves and sires, often adjudicated by British judges, demonstrated that a socio-cultural element of pride influenced cattlemen’s business decisions as much as rational self-interest. At the Argentine Rural Show in 1915 a British judge “caused a sensation” by awarding champion to a Shorthorn calf of only twenty months; it thus fetched $60,000 (Argentine dollars) (£5,240) in the auction that shortly followed. A less handsome, but hardly atypical, price of £910 was garnered in 1916 for a Shorthorn bull with all the proceeds going to the Agricultural Relief of Allies Fund. 204 Reporting on the 1921 Palermo Show, the United States Military Attaché in Buenos Aires had to concede, “The visiting judges sent out by the Royal Agricultural Society of England were all authorities and well known breeders of the different classes of animals they judged.” 205 Prizewinners from Britain were also highly sought and fetched a premium; one British Shorthorn bull was sold and shipped to Argentina in the winter of 1919 for £7,000. 206

203 In 1913 there were 139 British land companies in South America owning 15.14 million hectares of land. Though not all holdings were devoted to ranching or agriculture, in Argentina most were. In 1908 British companies and British nationals owned 28.6 per cent of the Santa Fe province’s total area. A.J. Christopher, “Patterns of British Overseas Investments in Land, 1885-1913,” Transactions of the Institute of British Geographers 10, no. 4 (1985): 455-62.
204 South American Journal, September 18, 1915, 226; July 15, 1916, 43; October 16, 1926, 346.
205 Military Attaché, “Items of Interest—Argentina,” Buenos Aires, September 14, 1921 in U.S. Military Intelligence Reports, Reel 4, 715.
206 Such purchases also occurred during the war; a Durham bull that placed First Prize at the 1916 Perth show was sold in the Plata for $34,000 (£3,000). Other Plata purchases from the same event ranged between $4,000 (£350) and $14,000 (£1,270). South American Journal, October 28, 1916, 343; January 17, 1920, 47.
Because a critical amount of their traffic depended on agricultural and pastoral products, British railways in the Plata and Sao Paulo appear to have appreciated and participated in this rural culture as well. For example, the Argentine North Eastern Railway hired an outside expert in fruit planting to educate farmers in their district; the massive Central Argentine Railway distributed pamphlets on crop diversification; and the Buenos Aires Western Railway held local maize-growing competitions for prizes of cash and agricultural machinery.\textsuperscript{207} British lines in Uruguay were no less active; they operated or funded experimental tree farms, distributed higher yielding wheat strains for free, carried emerging crops, such as potatoes, at no cost and acted as an agricultural extension office, disseminating information on topics such as pest control.\textsuperscript{208}

Because British capital funded much of the major transportation and commercial services of the Plata’s food exports, estancieros and farmers were able to place their domestic capital into herd, land, and tool improvements rather than “low-yielding infrastructure projects” such as railways and port works.\textsuperscript{209} It was not lost on the Plata elite that Britain provided their herds with bloodline improvements, means of conveyance to port, and, finally, a consuming market. Prior, during, and after the war the Plata was a critical cog in Britain’s Atlantic food economy.\textsuperscript{210} By 1929 the pastoral linkages had become evermore intimate and evermore more critical to the export economy of the Plata. Of Argentina’s exports in 1928, Britain purchased 54 per cent of its frozen beef, 94.5 per cent of its frozen mutton, and a staggering 99 per cent of its chilled beef. The British

\textsuperscript{207} South American Journal, October 16, 1926, 353; November 13, 1926, 455;  
\textsuperscript{208} Forbes, Eight Republics, 80.  
\textsuperscript{209} Lewis, British Railways in Argentina 1857-1914, 219.  
\textsuperscript{210} Avner Offer, The First World War: An Agrarian Interpretation (Oxford: Oxford University Press, 1989), Chapters 6, 10, and 15.
market was also crucial for Argentina cereals. As Imperial Preference came closer and closer to being a reality in the early 1930s, Argentina's invaluable British market for beef was threatened, and there were no comparable substitutes with continental Europe and the United States behind tariff walls.

However, Argentines did not seem overly worried; they seemed to firmly believe the meat and grain linkage with Britain was unbreakable. The Argentine Minister of Agriculture assured estancieros at the 1932 Rural Society's Palermo stock show that the issue would be resolved satisfactorily, because the "indestructible moral bonds uniting the two nations" could never be ruptured. A more appropriate setting could probably not be found for an expression of such irrational faith in the 'Anglo-Argentine Connection' than a cattlemen social gathering with decades of tradition. American economist Clarence F. Jones believed it to be the same across the Plata. In referring to Anglo-Uruguayan trade in 1927, he asserted "no stronger natural bond exists between Uruguay and any other country than that between Uruguay and the United Kingdom." The Argentine issue was temporarily resolved with the Roco-Runciman Pact of 1933, codifying a relationship of relatively stable, closed bilateral trade until the Second World War. British pastoral repute remained into the 1940s; British Ambassador Sir David Kelly spoke at the Rural Society's centennial celebration of the Shorthorn's introduction from England. Besides the presence of the Argentine President and Minister of

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Agriculture the crowd was over 2,000. The entire affair was “calculated to enhance our prestige” among the elite and the public, as Sir David put it.\textsuperscript{215}

Joseph Tulchin has argued that Argentine government thinking, well into the 1930s, focused on maintaining its politico-economic “commitments to Europe and the international division of labor.” Even the nationalism of radical Argentine President Hipolito Yrigoyen that made so many Britons uncomfortable, “never questioned the Anglophile assumptions underlying the traditional policy” of international trade.\textsuperscript{216} The Plata sought a postwar that mimicked the comfortable belle époque. The ‘cultural internationalism’\textsuperscript{217} of pastoralism deserves importance when explaining the resilience of British influence in the region and why 1930s Argentina had a “conservative, Anglophile, estanciero regime.”\textsuperscript{218} The constant cross-directional flow of experts, fashions, and ideas between British and Plata pastoral interests was accompanied with its respective social occasions, offering the British an ability to influence not only the business of the estancia and stockyard but its culture as well. In many respects British prestige in the Plata could be said at times to rest on four hooves.

\textsuperscript{215} Kelly, \textit{The Ruling Few}, 293-94.
\textsuperscript{216} Tulchin, \textit{Argentina and the United States}, 27.
\textsuperscript{217} Akira Iriye, \textit{Cultural Internationalism and World Order} (Baltimore: Johns Hopkins Press, 1997).
\textsuperscript{218} Knight, “Latin America,” 634.
CHAPTER V
MONITORING AND ENHANCING BRITISH PRESTIGE

Of scholars who have analyzed the British presence in Latin America, one of the most acclaimed and prolific has been D.C.M. Platt and he has concluded, "Trade, in fact, was the beginning and the end of British diplomacy in Latin America." This statement is echoed in the Annual Reports of British legations and embassies immediately before the First World War into the early 1920s. Reginald Tower, the British minister to Argentina, opened his 1913 Annual Report, thus: "I take it that the machinery of Government, the composition of the Cabinet, the actions of the provincial governors and the like possesses little or no interest to His Majesty’s Government. It is only commercial development of the republics that we desire, and it is natural that in the United Kingdom results should be looked for." To the Foreign Office in London, primarily concerned with policy formulation on a global scale, trade was the "beginning and the end of British diplomacy in Latin America," but for minister Tower and his colleagues in South America it was not so simple. Sustaining "results" for London required a jack-of-all-trades, a formal diplomat who could conduct official foreign policy; a lobbyist who could advocate British interests to politicians; a knowledgeable tracker of the economy; and, with implications on all these responsibilities, a public relations expert who monitored, upheld, and enhanced British prestige. This required extensive

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219 Platt, Finance, Trade, and Politics in British Foreign Policy, 352.
221 "The work of this Embassy," explained the British Ambassador to Brazil in 1921, "is concerned not only with the ordinary diplomatic and commercial relations between the two countries, but with the affairs of the great British institutions in this country: the banks, the railways, and the public utility undertakings."
knowledge of South American political systems and the diligent maintenance of professional and social networks. The sizable British communities of the Southern Cone looked to him as a leader and directly and indirectly worked with him to cultivate British prestige. As the British Minister to Cuba realized trade "depends a good deal on [the] sentiment" of local elites and consumers. In most capitals he was the top British citizen, requiring a socialite existence among business, cultural, and political movers and shakers. Personality and etiquette mattered; the last sentence in a serious and scholarly American book on Latin American business read: "For a little sentiment goes a long way with the Latin races." British diplomats, businessmen, and journalists largely did not admire South Americans privately, but fawned over them at times so publicly provides


222 Speaking of the many meetings, grand openings, and events of the British organizations, clubs, and charitable institutions in Argentina, Sir Reginald commented, “At these ceremonies the British Minister is usually expected to appear, and generally to preside at the numerous committee, general, and other meetings connected with the community.” Britons both wanted and expected their onsite authority figure to play an active, albeit non-authoritarian, role in their lives. Doc. 52 Sir Reginald Tower “Annual Report on the Argentine Republic for the year 1912,” Buenos Aires, January 1913 in Philip, British Documents on Foreign Affairs, “Latin America 1845-1914” Vol. 9, 256.


224 Sir David Kelly, third secretary to Argentina in the early 1920s and later Ambassador in the early 1940s, was certain, that in Latin America, “Human relations are what really count—‘Es la persona que cuenta.’” Kelly, The Ruling Few, 7. This view was widely shared by Britons as well as Americans. Another British diplomat in South America, Sir Robert Marett, professed, “The loyalties of a Latin American are to people rather than institutions…In Latin American business life the ‘old boy net-work’ is of immense importance.” Marett, Latin America, 185. An American business expert concurred, concluding “The amount of flattery that he will stand for and assimilate is beyond belief.” Aughinbaugh, 243-44.


226 As Joseph Smith found, “In general, the statements of British diplomats on Latin American affairs and politicians were rather scathing.” Illusions of Conflict: Anglo-American Diplomacy Toward Latin America, 1865-1896 (University of Pittsburgh Press, 1979), 14.
proof that a policy of prestige was consistently pursued. Appearances had to be kept, no matter who was the target audience.

Generally speaking, both the British ministers and community felt their prestige within Southern Cone republics, despite numerous challenges from the United States and Germany, remained unassailable during the years in question. However, this did not preclude them from trying to cultivate prestige through various gestures, events, and ceremonies. British ministers and British interests appreciated prestige as a valuable tool and thus monitored it closely. The role played by British ministers in the opening festivities of British undertakings in South America and the orchestrated activities between the minister and the Royal Navy in cultivating British naval prestige will be examined.

The cultivation of prestige through diplomacy comported well with British strengths, but was also resorted to out of weakness. An angry letter to The Times (London) complained, “The British trade in the Argentine wants the diplomatic support of his Government.”\textsuperscript{227} The press argued this was in marked contrast to the efforts it saw being expended by governments of United States and Germany in furthering their trade.\textsuperscript{228} Interestingly, British ministers appreciated the complaints of the business community. Their actual tools to exert power over South American governments were

\textsuperscript{227} As the correspondent complained, British rivals, especially France, the United States, and Germany were aided by their diplomats’ capability to negotiate a “flexible tariff.” “The only one who does nothing—and can do nothing—is the British Minister, who has nothing to offer. He cannot trade because his Government carefully emptied his pockets before they sent him to market.” “Letter to the Times,” South American Journal, 5 February 1910, 163. Well into the First World War The South American Journal continually lambasted the Foreign Office’s “laissez faire” policy stances as “submissive.” It lamented, “If we are to judge by the action of the people in Downing Street, it is the business of England to hold the candle for the United States.” “British Trade with Central America,” Ibid., 7 May 1910, 520; “Our Submissive Foreign Office,” September 1910, 266.

\textsuperscript{228} “The United States and South American Trade,” in Ibid., 267-68; “The Kaiser Courteous,” September 10, 1910, 295; July 1, 1911; “The United States and Latin America,” August 19, 1911, 210; “United States Diplomacy in Latin America,” April 20, 1912, 458; August 10, 1912, 159
limited; they did not have the authority to prevent loans, cut off British immigration, or negotiate tariffs. "[T]herefore," reported the Brazilian Legation, we "reply upon the weight that the British name carries throughout the world and on the personal relations of the head of the mission and his staff with the Ministers of State and various Government Officials." The thrust of British public relations was to play on British legacy and ‘character’ in the region as well as stress British power in the present and its potentialities for the future.

British ministers’ perception of their nation’s primary presence in South America was reflected in their comments on British prestige. In the 1913 Annual Report on Chile, the British minister proudly reported, “I think it is not too much to say that of all the foreign nations, England is perhaps the best liked in Chile.” Despite an influx of competition, “the Englishman occupies a privileged position in Chile.” Similar assessments were made in Argentina and Uruguay. During the war years and afterward, British confidence in their prestige rarely wavered. Despite losing major shares of trade to United States during the war years (Appendix III, Tables 10, 11, and 12), Britain’s diplomatic corps perceived commercial reputation as their nation’s most durable, and at the time, valuable asset. Comparing themselves to their rivals, especially

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231 In the conclusion to his 1913 Annual Report on Argentina, Sir Reginald Tower asserted, “I have said that optimism is the rule in this country. A general blind faith in the future [for British interests] is everywhere apparent.” Doc. 52 Tower to Sir Edward Grey, “Annual Report of Argentine Republic for the Year 1912”, Buenos Ayres, 3 January 1913, in Ibid., 272.
232 Speaking of British prestige in Uruguay prior to the war, W.H. Koebel praised Robert J. Kennedy, the British Minister to Uruguay: “There can be no doubt, moreover, that the present satisfactory phase is very largely due to the efforts of Mr. R.J. Kennedy, the British Minister Plenipotentiary and Envoy Extraordinary, whose tact and conscientious ability have won for him respect and popularity on the part of Uruguayans and resident British alike—a consummation to which it is the lot of sufficiently few ministers to attain.” Koebel, Uruguay, 34.
the United States, reinforced the optimism of British businessmen, diplomats, and commercial journalists. The British minister to Brazil in 1915 reported on both rigorous American efforts and successes to expand trade, but concluded, "Yet I doubt whether their business methods are wholly suitable to South America, and I should have little fear of them if we could make a serious effort ourselves." He suggested that the sending of a goodwill mission "to see the country, to judge personally of its potentialities and to get into touch with the right people...would flatter Brazilian vanity and bear good fruit." This was to come to all of South America with the Sir Maurice de Bunsen Mission of 1918.

The resources expended in winning the Great War were considerable for the British Empire; this had incredible economic repercussions. Britain was no longer a net creditor with the United States, owing her $4.7 billion. This debt, lower gold reserves, and currency instability (the gold standard was dropped in 1919) led the Bank of England and Treasury to implement stringent fiscal policies. The loss paid by the British expatriate communities in blood was considerable as well. As the world

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234 After his extensive tour, Sir Maurice informed the Foreign Office with undoubtedly good news, "I saw enough of the British Legations at the different capitals to lead me to believe that, taking it all round, no Government is better represented than the British in these countries. The British Legation is generally the centre of the Allied [Patriotic] Committees. Everywhere it is looked up to and respected." Doc. 25 Sir Maurice to Balfour, Steamship Megantic, September 18, 1918, in Correspondence Respecting the British Mission to South America, 30.

235 As economic historian Eric Hobsbawm described the situation, "The single liberal world economy, theoretically self-regulating, but in fact requiring the semi-automatic switchboard of Britain collapsed between the wars." Industry and Empire (New York: New Press, 1999): xiii.

236 Reinstituting the gold standard in 1925 with pound sterling set at $4.86 was considerably arduous. Enforcing strict economy resulted in less loan floatation in London. From 1924 to 1930 London issued £132 million in new capital to Latin America. This was only one-third of Manhattan issuances to Latin American governments alone. Frank C. Costigliola, "Anglo-American Financial Rivalry in the 1920s" Vol. 37 (December, 1977): 914; Cain and Hopkins, British Imperialism 1688-2000, 453-60; Miller, Britain and Latin America, 186.

237 Out of a male population of about 19,500, the British Argentine community sent 4,852 to serve in British Empire forces—528 were killed or died in service. Among what came to be called the "River Plate
economy tried to put itself back together under the aegis of Anglo-American leadership, the British commercial recovery in Latin American would be difficult.

A prime difficulty revolved around the fact that the “City” was no longer the financial capital of the world. London’s strongest card in Latin America had been its ability to supply fresh investments continually.238 A 1920 Foreign Office memorandum on protecting and advancing British Latin American commercial interests commented, “[W]e have in the past been able to use a very effective weapon of which we shall be deprived in the near future, namely, the control of surplus funds for investment abroad.”239 Lacking what it termed the “power of the purse,” British diplomats would need to exploit their belief that Latin American republics were “markedly accessible to flattery and personal influence....It follows that the personality of our diplomatic representatives [in South America] makes possibly more difference than it would in large and more highly developed countries.”240 In the postwar decade, despite the horrendous damage wrought by the war, British “policy-makers did not accept that Britain’s future lay behind her after 1914.”241 Britain was retooling its methods; the maintenance and utilization of British prestige and reputation became even more official policy in the

Contingent,” there were 1,704 officers and 820 non-commissioned officers. They were an extremely skilled cohort, reflecting further on the composition of the British community. Though all Southern Cone nations sent sizable groups of British volunteers, the losses among the Argentine staffs of British banks are telling. See “Volunteers from Argentina,” in Holder, Activities of the British Community, especially 118-9. 238 Miller, Britain and Latin America, 146.

239 The diplomatic corps would need to take a more active role in protecting British interests as compared to laissez faire-leaning pre-war practices. In a statement of stiffened resolve, the memorandum proclaimed, “In the sphere of protection, however, it would appear that the Foreign Office must remain the supreme authority, especially in countries like Latin America.” Doc. 52. R.S. Report, “The Protection of British Interests in Latin America,” 1920, in Philip, British Documents on Foreign Affairs, “Latin America 1914-1939,” Vol. 1, 342.

240 However, the Foreign Office found in the years 1910 to 1920 “the best men in the [Foreign] Service have not been sent to South America. Considering our great need during the period of reconstruction for securing the greatest possible return on our investment abroad, it maybe hoped that this tradition will not be continued.” Ibid., 341-342.

1920s. The United States might have concrete advantages over a war-bedraggled Britain, but long-held British commercial reputation and recently-acquired American ill repute would drive customers back to tried-and-true British suppliers and service brokers. At least that’s what British interests hoped as they tried to use “flattery and personal influence” more and more.242

The large republics of Argentina, Brazil, and Chile were of primary concern. British prestige was felt to be resilient in Argentina, favored by their legacy and heavily entrenched business operations.243 In postwar Brazil British ministers expressed similar feelings, for example Sir Ralph Paget’s 1919 Report asserted: “I was assured by the editor of the Paiz that at no time in the history of Brazil had British prestige stood higher than at the present moment.”244 “I am convinced,” wrote the British Minister, “that British methods of doing business and British goods are infinitely more to the liking of Brazilians than are American ways and American products.”245 ‘Sentiment’ disfavored ‘Yankees’ according to H.G. Chilton. In his 1920 Report London was told, “The United States and her citizens are undoubtedly unpopular in Brazil to-day.”246 In his Annual

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242 The South American Journal professed, “The British name and prestige is still a magnificent factor in Latin-America....We must, however, be determined to put our ‘back’ into the business and throw off our former lethargy and laissez faire, remembering that we are practically opening a new chapter in our commercial history.” October 19, 1918, 246.


244 Paget also stressed, “It is true that American commercial men are not popular.” “Annual Report on Brazil for the year 1919,” April 5, 1920, in Ibid., 62-3.


246 Chilton also reported, “Great Britain enjoys a considerable amount of prestige in this country, which undoubtedly sincerely admires us for the part we played during the war.” Doc. 48. H.G. Chilton, “Brazil,
Report on Chile for 1919, J.C.T. Vaughan professed, “Great Britain undoubtedly enjoys the position of first favourite among foreign nations, and she certainly deserves it, as Britons and men of British extraction have done more for the country than those of any other nationality.” Vaughan echoed these evaluations regularly. British ministers felt their prewar prestige was intact, if not enhanced by the war, thus a postwar commercial recovery was believed to be entirely possible. Such confidence stemmed from consistent monitoring of prestige. However, British ministers could do more than just monitor.

ENHANCING PRESTIGE THROUGH BRICK AND MORTAR

A hitherto unacknowledged aspect of British public relations, especially during the First World War, was the construction and grand openings of British-company buildings or services in Southern Cone urban areas. Excellent examples were the series of completions by British businesses in Buenos Aires. Each was capped with opening ceremonies replete with speeches, press, and politicians. At every occasion the British Minister, Sir Reginald Tower, was present, often directing the festivities. These events


247 In the immediate postwar period, Vaughan reported from Chile that “‘Yankees’ are not popular in this country…due partly to distrust and partly to resentment at the patronizing attitude” of the United States. Anglo-Chilean bonds, however, were reinforced through various formal and informal social functions. The Chilean Ministry of Foreign Affairs held a banquet for the British legation at the “Union Club of about 150 covers, which was attended by all the leading Chilean statesmen, and to which heads of the Foreign Missions were invited.” Besides a preeminent commercial and foreign policy presence, Britain was felt to enjoy an ideological favoritism in Chile too. Vaughan glowed, “I believe it is not to Spain that Chile—I do not like to say South America—looks for ultimate support in defense of her liberties in the future, but to the champion of Liberalism—Great Britain.” Doc. 49. J.C.T. Vaughan, “Annual Report on Chile for 1920,” February 25, 1921, in Ibid., 259-260; Doc. 32. Vaughan, “Annual Report on Chile for the year 1919,” March 20, 1920, in Ibid., 94; Doc. 43 Vaughan to Earl Curzon, Santiago, Chile, December 31, 1920, in Ibid., 172-173.
gave Britain valuable official and public attention to help rebut German propaganda and trumpet the British legacy in Argentina.

The Buenos Aires correspondent for the *South American Journal* wrote on the flurry of British wartime building activity in November 1915: “British capital has adorned the city with two handsome buildings, one being the new Central Argentine Railway Station at Retiro, and the other the Anglo-South American Bank in Calle Reconquista....The Station is reputed to be the finest in existence in any country; it is replete with accommodation and convenience of every kind.”\(^{249}\) The massive and ornate Retiro Station located on the aptly-named Plazo Britannico opened in August 1915. Sir Reginald accompanied Argentine President Vitorino de la Plaza and other politicians. M. Mayano, the Argentine Minister of Public Works, in his keynote address spoke to the effect of such visible signs of British capital and industry: “If there is any doubt of the strong and intimate ties in which these [railway] companies are bound to the national life and expansion of national progress, such doubt must decidedly disappear when contemplating such examples of activity and power.”\(^{250}\) The British message was simple; Britain had helped develop Argentina, was developing her now, and would do so in the future, and native politicians were only concurring with the idea.

Twelve months later, in August 1916, another Central Railway project completion was organized as a major public event. The Argentine President, Minister Tower, the diplomatic corps, politicians, and society elites crowded into the Retiro Station once again. On platform number 3, the opening of the electric train service between the Retiro

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\(^{249}\) *South American Journal*, September 4, 1915, 187; December 4, 1915, 449.

\(^{250}\) “Opening of the New Retiro Station,” in Holder, *Activities of The British Community*, 261-2. For a partial listing of British suppliers and contractors associated with the project, see *South American Journal*, September 28, 1912, 351.
Station and the city Tigre was given jubilant fanfare. The Argentine president of the company’s local board of directors echoed the Minister of Public Works the year before, “This system which we are now inaugurating further reveals the power of British capital and industry, which in spite of the European conflagration have managed to fulfill their contracts.” Moyano’s speech followed; he spoke on the modernity of the service and showered compliments on the railway company and its Retiro Station. Minister Tower gave the final address. It was a history lesson of British rails and capital coming to Argentina for decades. Tower skillfully turned the British legacy of “progress” around to lay compliments on Argentina as well: “The British investor was content with the low rate of interest from Argentine railways because he was sure of the safety of his investment. He placed his savings so freely and so cheaply at the disposal of the Argentine Republic because of his confidence” in it. Discussion of British legacy shifted to the other pillar of prestige, British character: “The Argentine people and Government, on their side, have had an opportunity of testing the character and methods of British enterprise. They have been brought into contact with all that is best in British finance and commerce;...they can say whether the result has been satisfactory.”

The Argentine elite were, indeed, evincing their satisfaction once again.

British construction garnered attendance at the Argentine President Plaza once more with the unveiling of the British community’s 1910 Centennial gift. On May 24,
1916, across from the Retiro Station in the center of the Plaza Britannico, Sir Reginald unveiled a clock tower built exclusively from British donors; the total cost was over £30,000. Still standing today, the Elizabethan four-sided clock tower was complete with chiming bells, an electric lift to an observation deck, and interior paneling. Its location in the park square accentuated its height of 207 feet to a weather vane of a three-masted British sailing ship. It was meant to be a generous gift of permanence and functionality. Staying true to its location, the structure was to be obviously British. Sir Reginald told the crowd in Spanish: “We decided unanimously that the construction should be entirely British; British in character, British in substance.” The Elizabethan motif set the context for the minister to insert elements of the British legacy midway through his speech with the exploits of Sir Francis Drake in the Plata. Sir Reginald did not conclude his remarks without mentioning, naturally, the service of Admiral Brown, Britain’s recognition of the republic, and the early roots of Anglo-Argentine commerce. The Argentine Minister of Foreign Affairs gave the reply, hitting conventional legacy elements as well; laudatory references were made to George Canning, the amount of British investments in the country, “Parliament and the Habeas Corpus Act,” and the British Empire.\textsuperscript{253}

This all starkly contrasted with the rest of the city’s “paralyzed” construction due to the war-induced building materials shortage. A correspondent reported, “Only the

\footnotesize{the benefits which the Argentine Republic has derived from such enterprise.” Among the largest donors were the ‘big four’ British railroads in Argentina, each subscribing £2,500. British banks, estancias, merchant houses, and other concerns fill the donor rolls. A scale model was placed on display during the centennial and the foundation stone laid with a silver trowel later presented to the Argentine Minister of the Interior. \textit{South American Journal}, January 8, 1910, 33-4; March 16, 1910, 340; June 11, 1910, 653; March 4, 1911, 249. The donor lists were published in Ibid., February 10, 1910, 189; April 2, 1910, 373-4. They were intended, as the committee explained, “as a reminder to those who have no yet contributed to this Memorial.”

\footnotesize{\textsuperscript{253} “The British Memorial Clock Tower,” in Holder, \textit{Activities of the British Community}, 263-7; \textit{South American Journal}, June 3, 1916, 479; June 15, 1916, 48. The \textit{South American Journal}’s Buenos Aires correspondent reported, “the sound of the [tower’s] great bell is now heard regularly in a large portion of the city.”}
metallic framework of the great building for the Royal Mail Steam Packet Company is being constructed.” As progress towards its completion kept moving, so did the ships of its owner at the docks of Buenos Aires despite the war. Continuity and perseverance was the message imparted once again. It provided another soiree in which the British Minister and Argentines could exchange complements, express their optimism for Argentina’s future and trumpet British prestige elements. The tall triangular structure was aptly named the Edificio Británánico. Besides holding the offices of all the primary British shipping companies, its entire sixth floor housed the British legation and consulate; the official London bankers for the Argentine government, the House of Barings, were located two floors down. During the 1920s the localization of such powerful and prestigious interests under one impressive roof had to redound with intangible benefit for the British.

No other external power, even the United States, was able to produce such visible concrete manifestations of wealth in Buenos Aires during the war years than the British. Each opening was an orchestrated public relations event between the British state’s onsite agent and private British interests. The attention and participation at these

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254 South American Journal, December 18, 1915, 494; May 6, 1916, 403. The newspaper reported that Sir Reginald Tower’s speech “was very warmly applauded.”
255 “Chronological References,” in Holder, Activities of the British Community, 227; Kelly, 128-9; South American Journal, June 8, 1918, 361. In addition to the Royal Mail’s offices, the building also contained its large subsidiary shipping lines of Lamport and Holt and the Nelson Line.
256 Other high visibility construction works by British concerns included the Anglo-Argentine Tramways wartime extension of their line between the suburb of Quilmes and Plaza de Mayo. Work that begun late in the war finished by the end of 1919 for Harrod’s new department store at the prominent intersection of Calle San Martin and Cordoba. The eight floor building had 643 feet of sidewalk frontage to display its wares and twelve acres of floor space. At the time it was the largest and most modern retail store in South America, boasting the motto: “Everything under one roof.” Its tearoom became a popular destination for Britons and Argentines, especially ladies. As the company’s chairman boasted in 1920, “Our stores system has brought about a change in the social life of the [Argentine] women., who were seldom seen about in public. Now afternoon tea at the [Harrod’s] Stores is one of the social functions.” A multilevel store was also opened in Santiago, Chile in the summer of 1920. South American Journal, December 5, 1914, 397; December 6, 1919, 469; January 24, 1920, 69; November 6, 1920, 366-7; August 14, 1920, 124.
events provided a free venue to put British prestige on display and thus enhance it. The overall message was the longevity of the British presence and its contribution to Argentina's development at every step. As time and progress went on, British capital, industry, and construction went along with it. Argentines were being reassured that, like their past, Britain would figure positively in their future. Both believed it steadfastly. This notion would not go away for at least two more decades. It was also an indirect jab at the relatively recent arrival of Germany and the United States on the Argentine scene. What it certainly reveals is a British public relations campaign to cultivate prestige with the urban populace and Argentine elite. During what were years of overall stagnation and occasional regression for British interests in Argentina, high profile events helped stem that impression. Since the subject of these commemorations were all visually prominent and provided public functions, it can be assumed the effect produced longevity for British aims.

A PRESTIGE THAT FLOATS: THE ROYAL NAVY IN THE SOUTHER CONE

The Royal Navy played an integral role for the British presence in the Southern Cone during the era of the Great War. This important role has been underappreciated. Based on the functions it carried out in conjunction with the British Ministers up to the Second World War, the Royal Navy knew its presence in South American waters had less

257 Among those few who have addressed the topic, Barry Gough situates British withdrawal of influence and presence from South America far too prematurely in the twentieth-century, concluding that, by the First World War, "the old techniques of the Pax Britannica under the aegis of the Royal Navy came to an end." Gough further contends, "Once the United States had supplanted British naval power in the western hemisphere, as it did clearly after 1914....The more benign symbol of the white ensign supporting consuls and bankers ashore gave way to a new system of Yankee imperialism." "Profit and Power," 80-1; Knight seems to also suggest the Royal Navy's role in the Southern Cone was no longer in need by the end of the nineteenth-century because South American elites were thoroughly 'collaborating' with British interests. "Britain and Latin America," 139.
to do with the maintenance of order, but more to do with public relations. From all
indications, it was one of the most successful of British initiatives in the region. During
the war's early years the British deployments in the South Atlantic were quite active in
hunting down German commerce-raiders—a decisive victory being the Battle of the
Falklands and the patrolling of the coastlines.\textsuperscript{258} During the pre- and postwar years
British ministers welcomed the Royal Navy's courtesy visits because such visits
impressed the local military and politicians; and in the eyes of the public and press such
visits were integral to British prestige.\textsuperscript{259} Impressing upon South American statesmen
and their peoples of the Royal Navy's power, nearly constant presence, and storied
tradition involved the coordination not only of H.M.'s ships, but the planning of onshore
diplomatic staff and the participation of the British expatriate community.

The basic "tactics" a navy could implement to enhance its prestige and its nation's
prestige in a neutral nation included: an operational presence, ceremonial and informal
naval visits, and naval aid.\textsuperscript{260} Britain, for the most part, provided all of these to Southern
Cone nations preceding, during, and following the Great War. It appears, above all the
other powers, Britain had the most consistent and heavy naval presence in the Southern
Cone. This led to visits of an operational character, to replenish supplies and provide

\textsuperscript{258} For helpful and concise treatments on the Royal Navy in the South Atlantic during the war, see Robert
K. Massie, \textit{Castles of Steel: Britain, Germany, and Winning of the Great War at Sea} (New York: Random
House, 2003), Chapters 10, 11, 12, and 14; John Keegan, \textit{Intelligence in War: Knowledge of the Enemy
from Napoleon to Al-Qaeda} (New York: Knopf, 2003), Chapter 4; Ronald H. Spector, "The First Battle of
the Falklands," in \textit{The Great War: Perspectives on the Great War}, ed., Robert Cowley (New York:
Random House, 2003). For Winston Churchill's contemporary assessments, see his \textit{The World Crisis}
(New York: Scribner's, 1931), Chapter 15.

\textsuperscript{259} Robert Albion concluded: "The Royal Navy's constant showing of the flag in distant waters also
promoted British interests. Only in occasional emergencies did naval forces actually intervene ashore, but
their very presence had a valuable psychological effect. That is attested by occasional plaintive memorials
from American mariners and merchants in Latin American ports, urging the presence of United States
warships; the Royal Navy, they pointed out, was always present, and no one ever pushed the British

\textsuperscript{260} Ken Booth, \textit{Navies and Foreign Policy} (London: Croom Helm, 1977), 40.
shore leave, as well as good-will visits of ceremonial in character and often coordinated with an appropriate welcome organized by the British minister. In the early twentieth century the Royal Navy could be said to specialize in display and pomp. As Jan Morris described it:

The Royal Navy did not lack self-esteem. It loved to show off its brilliance and its seamanship. There was nothing on the seas to equal the panache of a British warship, when she sailed into a foreign port all flags and fresh paint, the Marine band playing on the forecastle and the captain indescribably grand upon his bridge. This was a genial sort of conceit....Appearances counted most of all. The success of a commander was judged chiefly by the appearance of his ship, how white its paintwork, how burnished his brass, how smart its time-honored drills.\(^{261}\)

Thus naval diplomacy was a favored British tool in competing for influence.\(^{262}\) Putting British power on display, as Nicolson argued, gave added “lustre” to other British prestige elements such as legacy and character. An example of a concerted policy of prestige by British ministers and the Royal Navy are the naval visits and aid sent to Chile before and after the war in order to maintain Britain’s preeminence.

That Southern Cone nations believed in naval prestige is evidenced by a prewar naval arms race among Argentina, Brazil, and Chile that went well beyond their needs or means. None of the countries had the expertise or the facilities to build warships, so they


\(^{262}\) For example, Charles Des Graz’s 1913 Annual Report for Peru mentioned three separate times that the Peruvian government was trying their utmost to ingratiate themselves with the United States. In light of the heightened competition with the United States for attention and influence in Peru, Des Graz suggested more naval visits since “the policy of periodical or even occasional visits of ships of His Majesty’s navy contribute directly to further the interests and increase the prestige of Great Britain.” When three Royal Navy vessels visited the republic in 1913 it “was looked upon with the greatest interest by the Peruvians.” A different minister repeated these same sentiments in 1919, feeling “sure that the presence of His Majesty’s ships in Peruvian waters has done much towards cementing friendship between the two countries.” Doc. 43. Charles Des Graz, “Annual Report on Peru for the year 1913,” Lima, 5 January 1914, ,” in Philip, *British Documents on Foreign, Latin America 1845-1914,* Vol. 9, 193-205; Doc. 30. Ernest Rennie to Earl Curzon, “Peru Annual Report, 1918,” Lima, 28 January 1919, in Ibid., 61.
were forced to buy from the Great Powers and have them funded through loans.\textsuperscript{263} Precipitated by Brazil's ordering of two massive 21,000 ton battleships in 1906, Argentina answered with its own naval building program: two 28,000 ton battleships and destroyers.\textsuperscript{264} The naval arms trade was rightly seen as "an entering wedge" for future remunerative orders, as well as conducive to enhancing political and commercial influence.\textsuperscript{265} When Argentina awarded the winning tenders, £2,200,000 per battleship, to United States shipyards in January 1910 it caused an uproar, especially among the British. When it became known, generally and rather quickly, that the reason was not due to price or technical specification, but was largely a matter of political horse-trading, the aggrieved powers became more incensed.\textsuperscript{266} Britain\textsuperscript{267} and Italy\textsuperscript{268} were especially insulted.

Their sense of being wronged reflected how sure they were in their naval prestige. As Seward Livermore described the British frustration, "England was not accustomed to playing second fiddle to any country in naval matters." At least, from the British point of view, the Argentine order pressured Brazil to order a third battleship with their Elswick

\textsuperscript{263} Though battleships were rarely dispatched to the South American station, the presence of cruisers certainly helped increase the desirability for naval prestige. Wanting naval prestige signified a respect for naval prestige. The Anglo-German naval race's product of 'dreadnought'-style battleships came to be, as John Keegan argues, "a symbol of a state's international standing, whether or not it served an objective national purpose." This was no different in South America. \textit{The First World War} (New York: Vintage, 200), 259.


\textsuperscript{265} Ibid., 31, 35. A total of thirty-three international firms placed a total of 144 tenders (sixty-seven for the battleships and seventy-seven for the destroyers) to win orders from the Argentine Naval Commission.

\textsuperscript{266} Peterson, \textit{Argentina and the United States}, 294-7; Livermore, "Battleship Diplomacy in South America," 36-8. The United States lifted the duty on hides as well as issued a last second six-point list of diplomatic concessions, including a promise not to oppose current Argentine Latin American claims, the appropriation of substantial funds for the Pan American Conference to be held in Buenos Aires, and the sending of an official squadron to the Argentine Centennial Celebration in May 1911.

\textsuperscript{267} \textsl{Times} quoted in \textsl{South American Journal}, January 29, 1910, 116

\textsuperscript{268} Ibid., February 12, 1910, 170, 175.
yards almost immediately. With Chile certain to augment its fleet, the British were not to be out-done. Their efforts to secure not only the Chilean order, but assert to everyone that the Chilean Navy was Britain's domain of influence provide an excellent example of British naval prestige in action.

If British naval prestige had been high in Argentina before the contracts were announced, it was felt to be unassailable in Chile before tenders were even requested. Chile's Director-General of the Navy was Admiral Jorge Montt, a former president; he had filled the post since 1896. Under his 'la República Chica' naval program the service was reorganized to copy the British Admiralty. Separated from the national government and army in Santiago, having the Naval Board, Naval Academy, and Naval War Academy in Valparaiso also gave the large British community in the port city further influence and access to naval circles. An ideal opportunity to further cultivate naval prestige in Chile was offered with its upcoming centennial. Preceded by Argentina's celebration in May 1910, the United States sent four light cruisers and a scout ship to participate. Though it had plans to send ships, the Royal Navy was precluded from attendance due to the mourning of King Edward VII's death. In London the centennial occasion was celebrated at banquet in which Sir Edward Grey spoke. It did not seem to matter in the short term, as Royal Naval prestige seemed secure and the chance of the

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269 Livermore, "Battleship Diplomacy in South America," 37, 40; South American Journal, January 29, 1910, 134.
270 For a relatively recent article that argues British naval influence in Argentina has been overestimated, see Varun Sahni, "Not Quite British: A Study of External Influences on the Argentine Navy," Journal of Latin American Studies 25 (October 1993).
272 South American Journal, January 15, 1910, 58; May 14, 1910, 549; August 6, 1910, 142; September 3, 1910, 254; September 24, 1910, 340, 345. However, the British still participated in the Centennial's exhibitions, including even a paintings exhibit.
273 South American Journal, November 26, 1910, 608.
American firms winning any naval orders seemed slim. Despite all their efforts, the American Naval Attaché informed Washington, “I do not believe that the Chilean Government wants, intends, or can order its ships elsewhere than in England.”

Joining British and American efforts to win the Chilean orders was Germany. In the meantime, on December 30th, the Chilean Naval Commission had arrived in London and opened tenders. The British community and press, especially in Chile, were distraught that their government had not sent vessels to Chile by this point; however, four Royal Naval vessels had attended the Argentine presidential inauguration in lieu of missing the centennial. The Foreign Office and Admiralty responded. It was timely announced that four Royal Navy officers were to be sent to Chile to augment the British Naval Mission already present, including a Commander to become head of the Naval War College for a period of two years. The newly appointed Chilean Minister to Great Britain was hosted at a banquet by the British Minister in Chile. A Chilean General and Admiral were formally invited to attend the coronation of King George V. However, true relief came when British residents and diplomats in Chile learned a compensatory visit of ships was scheduled for April 1911 comprised of HMS Kent and Challenger.

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274 Commander A.P. Niblock, October 1, 1910 quoted in Livermore, “Battleship Diplomacy in South America,” 41.
275 The new battle cruiser SMS Van der Tann was sent on a South American tour to display German naval engineering. The United States answered with a second naval cruise by the brand new USS Delaware. Ibid., 41-2; “The Kaiser Courteous,” South American Journal, September 10, 1910, 295.
276 Ibid., September 10, 1910, 282; October 29, 1910, 488.
277 The South American Journal’s complaints reflected how the community of British interests valued naval prestige, especially its commercial spin-off. As the Journal opined, “It is thought all the more difficult to understand the British policy since the Argentine orders were already placed, while Chili within three months will spend £6,000,000 in naval construction, for which will be the keenest competition.” December 3, 1910, 626.
278 Ibid., December 10, 1910, 670; December 17, 1910, 758; January 28, 1911; February 11, 1911; February 25, 1911, 226.
The British newspaper in Valparaiso, the *South Pacific Mail*, felt the visit was certainly a success. The occasion was one for drumming up the British legacy with Chile. "To no other country is Chili so deeply indebted for the magnificent support and encouragement given in her path of progress than to England," wrote the British paper, "and that Chili fully appreciates it and is truly grateful has been manifested over and over again during the two weeks' stay" of the British vessels. The officers were taken on a round of social occasions by the British Minister and Consul including functions with the British community and Chilean elite; they were received even by the President and Cabinet. In giving the main banquet's toast, the Chilean Minister of War, exhibited plainly that British naval prestige had its own discursive elements based on the British South American legacy:

Lord Cochrane and a group of noble English officers laid the foundations of our national marine...[I]n no other sphere has our friendship with Great Britain been more effective and constant than in the navy, which was founded by Britishers on British traditions, in addition to the fact that to every possible extent we have considered Great Britain our tutor and guide in the development of this noble institution.\(^{280}\)

It came as little surprise when the British won the tender for the first battleship in July 1911.\(^{281}\) British naval prestige was vindicated.

Visits, naval aid, and ceremonies further cemented Anglo-Chilean diplomatic relations before the First World War. Every time a British-built ship for the Chilean Navy was launched and christened it was another occasion for visually and vocally

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\(^{280}\) *Kent's* commander reciprocated the toast with the more suave British Minister, Henry C. Lowther, giving the final speech. *South Pacific Mail* quoted in *South American Journal*, May 20, 1911, 593-4.

\(^{281}\) Livermore, "Battleship Diplomacy in South America," 42; *South American Journal*, August 26, 1911, 233; September 2, 1911. Admiral Montt presided over the meeting to vote on the battleship tenders on August 2\(^{\text{nd}}\). The final vote was nine to four in favor of the winning British firm.
strengthening British prestige. Royal Navy visits and technical assistance also continued. In 1912 King George V awarded Vice-Admiral Montt the highest grade of the Most Distinguished Order of St. Michael and St. George. The distinction was celebrated at a 250 person banquet in Valparaiso by the Vice-Admiral, several cabinet members, and British Consul Allen C. Kerr. As the *South American Journal* reported, “The utmost enthusiasm prevailed. The health of King George was drunk standing, and the British and Chilian National Anthems were sung with heartiness.” When the medal finally arrived in Chile, the December 20, 1912 bestowal-ceremony evoked pomp, glitter, and speeches. British Minister Lowther, who presented the medal, was accompanied by his legation staff, the British military attachés, and British community notables. They were in the company of the Chilean President, Cabinet, legislators, and military brass. Besides a banquet and a pinning ceremony to congratulate Vice-Admiral Montt, a third event was hosted by Lowther at Valparaiso’s Union Club later in the month. It was evident the Chilean Navy and political elite felt honored. As David Cannadine has argued, such British honors formed “the most complex and comprehensive titular hierarchy in existence anywhere in the western world, rewarding and recognizing the greatest range of

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282 Ibid., February 8, 1913, 220.
283 In addition to these gestures, the impressive battle cruiser HMS *New Zealand* called at Valparaiso for seven days in September 1912. This was followed by the British community forming a Navy League in the city to further Royal Navy public relations locally. The British Naval Mission continued to operate in Chile with positions of importance; in addition to the head of the Naval War Academy, Royal Navy lieutenants were in charge of gunnery instruction and torpedoes and submarines. An engineer in the Chilean Navy was invited to study in the United Kingdom. Meanwhile, British maritime interests were enjoying large contracts in Chile; the British firm of S. Pearson and Sons was awarded a seven year contract to build docks, quays, cranes, and warehouses for the port of Valparaiso. *South American Journal*, September 7, 1912, 263; September 14, 1912, 291, 300; October 5, 1912, 371; October 12, 1912, 405, 413; December 21, 1912, 720; February 1, 1913, 185, February 21, 1914, 285; Doc. 56 Allen C. Kerr, “Annual Report on Chile for the year 1913,” March 1914 in Philip, *British Documents on Foreign Affairs*, “Latin America 1845-1913,” Vol. 9, 338, 354-6.
people, racially, geographically and sociologically.” Britain was incorporating Chile’s Naval Commander-in-Chief directly and Chile as a nation indirectly into its hierarchy of prestige.

Besides the purchase of the battleships (a second order was placed in June 1912), an order for four destroyers had also been placed with the United Kingdom. Better also was the fact that Chileans seemed to take pride in their previous British-built vessels, telling Kerr that one British-built ship was a fourth of a knot faster than its original trials seventeen years ago. Those in Chilean naval and political circles were also taking satisfaction in the delays incurred by their Argentine neighbors’ battleship construction in the United States. Kerr assured London “of the determination in naval circles in Valparaiso to have nothing but British material in the navy.” Also to Britain’s benefit was the fact Anglophiles remained in charge of the Chilean Navy after Montt retired in 1913.

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284 As Cannadine argues, “the acceptance of an honour did not merely elevate someone in the social and imperial hierarchy; it also put them formally in a direct, and subordinate, relation to the [British] monarch.” David Cannadine, *Ornamentalism: How the British Saw Their Empire* (Oxford: Oxford University Press, 2001), 98, 100.
285 Kerr, Consul to Chile, felt an anecdote merited inclusion in his report. After introducing the officers of HMS *New Zealand* to the Chilean President in September 1913, as Kerr explained, the British cohort followed the other diplomatic corps that had preceded them through the main exit with no fanfare. However, as Kerr recalled, “as soon as our party appeared at the door cries were raised on all sides, ‘Viva los Ingleses!’ and ‘Viva la Marina de Ingleterra!’” “It was a small incident perhaps,” admitted Kerr, “but being quite spontaneous it showed that the affectionate regard for the British navy among the usually undemonstrative Chilean crowd is firmly rooted and something more than a tradition.” Doc. 56 Allen C. Kerr, “Annual Report on Chile for the year 1913,” March 1914 in Philip, *British Documents on Foreign Affairs, “Latin America 1845-1914,”* Vol. 9, 338, 354-6. Submarines purchased from the United States, under the intense scrutiny of the Chilean press, were charged as defective. *South American Journal*, May 9, 1914, 578.
287 Montt’s replacement was Vice-Admiral Luis A. Goñi, who had been the head of the recent Naval Commission to London. While there he had been given golden treatment with his vessel awarded the place of honor next to the Royal Yacht during the coronation review at Spithead in 1911. Like Montt, Kerr was certain, “He also is possessed of British ideas and methods.” It appears heading the Naval Commission in London was one of the last steps in becoming Director-General of the Chilean Navy; Vice-Admiral Muñoz Hurtado assumed the post in 1916 after commanding in London for several years. His tenure paralleled the
During the first December of the war, Francis Stronge informed London, "Public opinion in Chile is undoubtedly favourable to the Allies, and the same feeling exists in the civil service. The Army is generally on the side of the Germans, but the navy is overwhelmingly British." Stronge, however, was slightly worried in 1915 that future Chilean naval orders might be placed with the United States since Britain was unable to fulfill orders due to the war.\(^{288}\) In fact, Chile's prewar naval orders were acquired by the Royal Navy once the war broke out. The battleship *Latorre* was temporarily recommissioned as *Canada*. As part compensation, the Royal Navy presented Chile with fifty airplanes and five submarines Britain had ordered for itself that were completed in 1917.\(^{289}\) The 1918 de Bunsen Mission that toured nearly all of South America augmented British prestige in Chile.\(^{290}\) In December of that year Chilean authorities unveiled a statue of Lord Cochrane in Valparaíso followed by the speeches of Chilean Admirals and the British Minister.\(^{291}\)

The early 1920s were punctuated with increasing anxiety over Britain's naval influence vis-à-vis the United States, especially in the South American republics of Brazil.
London was advised in early 1920 that, "Attention should be drawn to the increasing United States influence in Brazilian naval affairs. In the past, and until the beginning of the war, the navy was quite imbued with British ideas. Latterly, however, it has become evident that the Americans intend with every prospect of success to usurp our place." Prior to the war Britain filled many of Brazil's naval orders and obligingly fulfilled a request for a naval mission in late 1912. However, during the war the United States Navy went to considerable lengths to cultivate South American countries, particularly Brazil. In 1919 the United States Navy had a Rear Admiral posted to instruct Brazilian officers and introduce American fire controls and Brazilian dreadnoughts, which were British-built, had been sent for refitting in New York, whereas, Britain only had a mine laying mission in Brazil.

In contrast to Brazil, during the years of 1919 and 1920 the British felt their naval influence was secure in Chile. In that first year HMS *Southampton* and *Dartmouth* performed an official visit, in which "many festivities were given in their honour," especially with the President and Minister of War and Marine touring the flagship. Competing with the flurry of French and Italian air missions that descended on Latin America following the war, the British military gave Chile a squadron of Bristol aircraft.

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292 After assessing the post-war naval influence situation, the Royal Navy Attaché in Washington DC reported in 1922: "There can be little doubt that the United States Government have a definite policy aiming at the establishment of American naval influence in all South American countries which maintain an effective navy and at the ousting of British naval influence where it still lingers. It cannot be gainsaid that the success of such a policy would have far-reaching effects to the lasting detriment of British interests." Doc. 44. Captain Bailey, Royal Navy, "Extract form the Report on the Naval Situation in Brazil by the Naval Attaché, Washington," Washington, D.C., 23 October 1922, in Philip, *British Documents on Foreign Affairs, "Latin America 1914-1939,"* Vol. 3, 127.

293 Other Brazilian Naval procurements from Britain included Marconi wireless sets for its fleet. *South American Journal*, December 14, 1912, 700; January 4, 1913, 4; June 14, 1913, 762.


accompanied with an officer adviser. All told, Britain delivered some fourteen seaplanes and fifty other aircraft along with maintenance equipment to Chile. In 1920 ties were strengthened further through the Chilean Navy’s purchase of five Royal Navy vessels, the posting of a British Commander as a head naval instructor, and the hiring of British military aviation experts. HMS Dartmouth, Weymouth, and Yarmouth also made formal visits. Britain was making such impressive inroads that Minister Vaughan suggested expansion of British influence into the army, a branch usually dominated by French or German missions. “The introduction of British instructors into the Chilean army,” he confidently hypothesized, “might lead to valuable commercial results. It would mean that the Chilean navy, army, and air force would probably [all] come under British influence.” A year later two British officers were attached to the Chilean Army and British firms were filling its aviation orders.

However, in 1921 angst over British naval influence would spread from Brazil to Chile and the rest of the Southern Cone. Alarm among the British diplomats revolved around two elements: the Admiralty’s 1921 decision to withdraw the South Atlantic Squadron due to budget cuts and heightened American efforts to supplant British naval influence. That year Sir John Tilley, the ambassador to Brazil, reported the British community believed “the departure of the squadron is likely to be damaging to British prestige, and I share the hope that the squadron may be recommissioned.” The intensity of Anglo-American competition to curry Brazilian naval favor was palpable.

Four Royal Marine instructors were posted to Brazil, as were three United States Navy lecturers at the Brazilian Naval College. Considerable anxiety hung on whom the Brazilians would invite to head their planned foreign naval mission. Tilley attested to the implications, the “advantages of supplying this mission would be many and important, politically and commercially.”

From 1921 Vaughan’s worry over British naval influence in Chile became one of his passions. His complaints over the South Atlantic Squadron’s withdrawal were rife in his dispatches and reports:

The decision will, I fear, adversely affect our commercial interests for the following reason: It will be interpreted as a sign that we are willing to abandon South American markets to our United States competition. The retention of the squadron for the actual protection of commerce is of course merely a form of speech, but the presence of such a squadron is undoubtedly of value as an external and tangible sign that we are not abandoning the [commercial and financial] field, and for that reason is conducive to the maintenance of our prestige in these parts.

Vaughan’s concern was echoed on the east coast by the British business community. The British Chamber of Commerce in San Paulo and Southern Brazil joined its counterpart in Uruguay in lodging a formal request to keep the ships on active station. In their letter to the British Ambassador at Rio de Janeiro, the Chamber spoke of “the adverse effect which the withdrawal of the British Naval Unit from South American waters must have on British prestige, and therefore on British trade.”

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302 Ibid., 70-71.
304 The Chamber also explained how much it enjoyed the visits of Royal Navy ships themselves, since the British community “were very much cut off from the home country, and often have cause to think they have been completely forgotten by His Majesty’s Government, and, therefore the withdrawal of the Unit would still further increase that sense of isolation.” Quoted in South American Journal, October 15, 1921, 328-29.
A great power who valued a close relationship with a Southern Cone market was expected to station a fleet off its coasts. Not only were the British losing face, but Vaughan was also certain that with the absence of permanent Royal Navy vessels, the United States was “seizing the opportunity to impress her [Chile] with naval strength.” Making it worse, British policy was perceived as conciliatory to the United States. Vaughan’s severe chagrin seems overreacted since Chile once again purchased ships from Britain and the current directors of the war academy, naval target practice, and naval aviation school were all British. Even the army had taken on two British officers as advisers. When HMS Southampton visited that year its crew “received every consideration;” the officers dined privately with the Chilean President. Upon the Prince of Wales’ visit in the late summer of 1925 the President of Chile personally and officially requested “that His Majesty’s Government would be good enough to send to Chile a complete naval mission.”

Britain obliged and enjoyed the consequent benefits. Reformist elements in Chile’s navy used Royal Navy expertise to affect a “complete re-organization on British lines.” Besides attaining strong administration and doctrinal influence, the British also sold Chile submarines and destroyers and secured the refitting of the battleship Latorre.

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305 As Vaughan explained: “The decision of His Majesty’s Government to withdraw the British squadron from South American waters is in some quarters actually attributed to this motive... and it is hinted that we would rather sacrifice our trade in South America than impair our relations with the North.” Doc. 25. Vaughan to Earl Curzon, Santiago, Chile, 27 April 1921, in Philip, British Documents on Foreign Affairs, “Latin America 1914-1939,” Vol. 3, 32. Vaughan hammered this theme home to London. In a concerned dispatch later that year, he had found, “The idea appears to prevail, that following the European war, His Majesty’s Government decided to withdraw from active interest in Central and South America and to leave the field clear for the United States. The withdrawal of the South American squadron served to lend colour to the idea.” Doc. 31 Vaughan to Earl Curzon, Santiago, Chile, September 1921 in Ibid., 41.


307 The visit was felt to be a “most complete success,” especially owing to the fact it had “already borne practical results” in naval affairs. Doc. 99. Sir T. Hohler to Austen Chamberlain, Santiago, Chile, 19 September 1925, in Philip, British Documents on Foreign Affairs, “Latin America 1914-1939”, Vol. 4, 130; Doc. 133 Hohler to Chamberlain, Santiago, Chile, September 22, 1925 in Ibid., 133-4.
for British shipyards.\textsuperscript{308} British consternation, such as Vaughan's, likely reflected the near unchallenged nature of British naval influence in Chile in previous years, which had recently come under American competition.

Up to the mid-1920s Britain was able to keep a primary naval influence in Argentina and Chile, but had lost major ground in Brazil. In fact, the United States' new naval mission to Brazil pushed Argentina closer to Britain, leading the Argentine administration to request a British naval mission in retaliation.\textsuperscript{309} The Royal Navy had seemed to suffer a reduction in naval prestige among certain South American Republics which, whether true or not, British diplomats felt would eventually translate into an erosion of both commercial and political prestige. It certainly coincided with an erosion of Britain's relative share in the major South American import markets, especially Brazilian (Appendix III, Tables 10, 11, and 12). Those nations where Britain retained the most naval missions, attaches, and envoys, such as Argentina and Chile remained the most dependable South American markets for British exports (Appendix III, Table 13). As a percentage of total exports to Latin America, Argentina in 1920 accounted for 37.5 per cent, by 1930 its share had increased to 45.5 per cent; Chile's share increased from 8.4 per cent to 11 per cent, respectively. In Brazil, where British naval influence was felt to be plummeting,\textsuperscript{310} its share of British Latin American exports fell from 21.2 percent in

\textsuperscript{308} Somervell, "Naval Affairs in Chilean Politics," 395-7. Chilean personnel were also sent to Britain to undergo wireless signal training. \textit{South American Journal}, October 30, 1926, 391.


\textsuperscript{310} Shipbuilder Sir John E. Thornycroft, in an interview with the \textit{Evening Standard}, was quite pessimistic after visiting Brazil for three weeks in 1922: "The outstanding fact of interest is that while Brazilians generally, and the Government in particular, are very sympathetic to Great Britain, we have lost considerable ground during the war. This is partly due to our inability to assist them by sending a Naval
From 1920 to 14.7 percent in 1930. A difficult question is whether British naval prestige declined due to decreased commercial share or commercial share declined due to a decrease in naval prestige. Most definitely it was the cause of the former; British industry could not produce cutting-edge goods in adequate quantity or at competitive prices. However, there was indeed a reciprocal relationship to a limited degree between the naval prestige and commercial success in the large South American Republics. British diplomats were wise to seriously monitor this situation.

Commission, as requested, towards the end of the war. The Americans accordingly took the opportunity to push forward and dominate the situation to such an extent that now they are firmly established in the country as Brazil's naval advisers." Quoted in South American Journal, November 25, 1922, 427.

Miller, Britain and Latin America, 190.
CONCLUSION

ASSESSING PRESTIGE’S IMPACT

What constituted prestige to the British in the Southern Cone has hopefully been explored satisfactorily. Prestige in the British case had multiple legs of support; this gave it added strength and undoubtedly explains its durability into the 1920s. This survey of British prestige cultivation and monitoring affirms the unconventional assertions of Cain and Hopkins, that prewar and interwar "Britain remained a dynamic and ambitious power" and the "war had dented Britain’s resources...but it had stiffened her resolve to win the peace and given her the chance of doing so."\(^{312}\) Appreciating British prestige in the Southern Cone offers larger suggestions about British confidence in the face of their global challenges during the early interwar years. It also allows us to expand the role of British influence and sway in South America beyond commercial services, particularly high finance.

The British were extremely self-conscious in South America. As explained, this should not be interpreted as just insecurity, but a constant need to assert Britishness, manifested in a pride of past and moral character. For it was these qualities that the British thought set them apart from the ‘Teuton’ or the ‘Yankee.’ The reputation elements of ‘past achievement’ or legacy, ‘character,’ and ‘power’ helped produce closer ties with and inspire confidence in South Americans; this situation redounded with commercial benefit. Overall, the British prestige edifice trumpeted the positive benefits South Americans accrued through their British linkages, such as railways, purebred sheep, or parliamentary government. Keeping up appearances had made and kept ‘British’ a positive adjective. Probably the audience most receptive and accepting of

British prestige in the region were themselves. It should not be understated how important prestige cultivating activities were in galvanizing British identity for immediate and long-term goals. Prestige diplomacy's impact on its own actors should not be seen as just vain ego-satisfaction, but as a mechanism for regenerating and maintaining morale.

It seems previous inquiries have limited 'culture' to the realm of the museum, library, or concert hall; places exactly where the new consumer culture was not to be found. Instead British culture was conveyed through values, recreational practices and their corresponding fashions, and 'Britishness.' Ultimately, Britons continually reminded their South American audience of how great they had been, how great they were, and great they would remain. That they deluded themselves and South Americans at times is obvious. Gerald Martin has made the indictment that "historically, our diplomatic effort towards Latin America has been fundamentally—culturally, intellectually, and politically—lazy, passive, reactive, neglectful and often patronizing." Though the Foreign Office was far from masterful in its handling of Latin American affairs during this period, the description is inaccurate and unfair, at least as applied to those British officials and businessmen who were concerned with the Southern Cone. As evidenced in the activities of pastoralist circles, grand opening festivities in wartime Buenos Aires, and the Royal Navy's visits and aid, British efforts toward that particular region can hardly be termed "lazy, passive, reactive, [or] neglectful." Briton's valued what South Americans perceived.

As for Britain's reduced postwar import trade to the Southern Cone, the British undoubtedly felt, more privately than openly, that their true competitive edge was nearly gone. British products remained uncompetitive primarily because of domestic British

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313 Martin, "Britain's Cultural Relations with Latin America," 27.
problems: currency exchange (higher prices), labor unrest, and industrial malaise.

However, a lack of dynamism in merchandising and banking was also quite apparent.\textsuperscript{315} Noting the fact that Britain did regain its Argentine and Brazilian markets, albeit for only a couple years, despite having just emerged from the war was no mean feat. If the British postwar economy had not been wracked with so many domestic issues, it is plausible a more successful commercial recovery could have occurred due to Britain's positive image in the region. However, this was not the case and British interests on the ground had to make the best they could of the situation, focusing more on selling items for 'British quality' more so than their newness or attractiveness. Cultivating prestige aided and abetted this policy of selling a brand name over value. It was probably just as much an inability to adapt her wares as it was culturally difficult for Britain to make itself produce cheap, glossy goods for mass consumption.\textsuperscript{316} The British Chamber of Commerce in Argentina believed in 1922, "British goods to-day in almost every line sell here for two reasons; their quality and the reputation of British and Anglo-Argentine firms for square dealing."\textsuperscript{317} H.O. Chalkley, the Commercial Secretary to the Plata commented, "The competition of British with locally-made products, since it cannot be

\textsuperscript{315} Kinder, "British Export Promotion," Chapters 6, 9, 10 and 11. As Kinder comments, "There was a general lack of vigor, initiative and enterprise on the part of representatives of British exporters, even in the face of heavy competition, and a complacency which is amazing...The British export community seems to have been psychologically incapable of the radical changes necessary for the recovery of its prewar position in South America." 346-7. For a scathing survey of British industrial decline and its global implications, see Corelli Barnett, The Collapse of British Power (New York: William Morrow, 1979), Chapter 3.

\textsuperscript{316} As one commercial observer before the war explained this merchant smugness, Britons do not "enter into competition for cheap articles, being, for the most part, content to be regarded as makers of 'the best,' and the best only." Percy F. Martin, "British Trade Competitors in South America," South American Journal, August 13, 1910, 178. For a more in-depth analysis see Platt, Latin America and British Trade, chapters 7 and 8.

\textsuperscript{317} Monthly Journal (Buenos Aires) quoted in South American Journal, July 29, 1922, 91.
on prices, must be intensified on brands and qualities... full use [should] be made of such terms as ‘Made in England.’”

In the years 1926 and 1927 Clarence F. Jones performed in several articles a survey of South American foreign trade for the journal *Economic Geography*. With United States imports in the lead in most countries, Jones was fairly certain that British industry’s competitive edge had “reached its peak and appears to be on the decline.” However, a recurring theme of his articles was the long legacy British interests had within the region and the commensurate benefits that still entailed. British prestige was not to be taken lightly. Jones warned his fellow Americans that Britain’s drop in the Uruguayan import trade “may not be considered permanent, because... the traditional custom of South American merchants to buy from those in whom confidence and friendship repose, enjoys special advantages in the market.” As for Chile, British manufactures had “enjoyed for many years an excellent reputation. Since the Chilean is accustomed to purchasing and using a certain brand of goods, many old British lines practically sell themselves.” Where American postwar gains had been the best, in Brazil, Jones still lauded British resiliency in commerce. Their first strength was that “they have been in the local market for years and have built up a clientele, which means a

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318 H.O. Chalkley, Commercial Secretary, “Report (Consular) on Argentina,” excerpt in Ibid., January 26, 1924, 121. The 1929 Department of Overseas Trade D’Abernon Mission to the Southern Cone found the habit still alive, reporting “in the markets which we investigated the criticism is frequently made that British goods last long... We aim, in short, too much at intrinsic merit and not enough at show or novelty.” It was still difficult to reconcile with British commercial practice, that “Quality and durability come after” price. *The Report of the British Mission*, 45.
321 Jones concluded: “With all the advantages of an early start, a favorable basis for interchange of goods, an active resident population, and mounting investments, the British stand in a position to hold a prominent place in Chilean commerce; they may even crowd the United States as the principal source of a variety of good quality manufactured wares for the Chilean market.” Clarence F. Jones, “Chilean Commerce” *Economic Geography* 3 (April 1927): 164.
great deal in South American markets....They are firmly established in Brazilian
commerce and will be able to hold their place in competition with the United States and
neighboring countries.”

Devoting attention toward a policy of prestige seems to have been a wise course.
Remembering that British interests were becoming less import-oriented and centered
more on investments, cultivation of prestige directed toward the Southern Cone’s
conservative elite, was aimed at protecting fixed-capital interests: railways, utilities, and
commercial services. The British felt they were under assault by nationalist elements that
were vocal but without final say. In 1927 the United States Embassy to Argentina
reported the positive results of British efforts:

For many years England has invested capital in large quantities in
railroads and in the animal industry. Some of these industries in times
passed rendered very little return on the funds invested. This fact has been
impressed very strongly on the Argentine mind, and through clever
propaganda England has brought herself in the happy position to have
Argentines believe that all her investments are for the benefit of
Argentina.

Argentines and their South American neighbors in large numbers believed the British
presence was a force for good, especially materially. Frustrations, especially Argentine,
regarding international and domestic issues were given vent toward the United States.
That Britain, for the most part, was able to keep nationalist critics and labor unrest to at

322 Clarence F. Jones, “The Evolution of Brazilian Commerce” Economic Geography 2 (October 1926):
566, 570.
323 For an overview, see chapters 9 and 14, Latin America, Economic Imperialism and the State: The
Political Economy of the External Connection from Independence to the Present, eds. Christopher Abel and
324 Major C.T. Richardson, “Foreign Relations,” Buenos Aires, May 18, 1927 in U.S. Military Intelligence
Reports, Reel 2, 105.
325 Glen Barclay, Struggle for a Continent: The Diplomatic History of South America 1917-1945 (London:
least a tenable level until the World Slump began in 1929 can partly be attributed to its cultivation of prestige through passive and active public relations methods.\textsuperscript{326}

Though foreign capital was becomingly increasingly vulnerable to domestic politics, most British companies continued to enjoy good business throughout the 1920s. For example, the aggregate return on London Stock Exchange nominal investment in Uruguay was higher later in that decade than prior to the war. In 1913 the aggregate return was 4.6 per cent, in 1924 it was 4.7 per cent, in 1928 and 1929 it was 5.1 per cent, and in 1930 it reached 5.2 per cent.\textsuperscript{327} Similar trends occurred in Argentina, Brazil, and Chile. British Southern investments would also continue to grow; by the end of the decade Britain was still by far the largest foreign investor in all four countries except Chile (Appendix IV, Tables 14-23). From 1923 to 1928 the average return on British capital in the region was 4.4 percent. Putting this in perspective, one historian reminds us that this rate of return was "possibly as high as for any period of equal length in the long history of English investments in Latin America."\textsuperscript{328} The 1920s were hardly bad for the British in South America; it was the start of the following decade, coinciding with the


\textsuperscript{327} During the 1920s, of the four major British utilities in Montevideo, none did horribly. The Montevideo Gas Company’s average dividend between 1923 and 1932 was 5.1 per cent. The Montevideo Waterworks Company’s average dividend between 1909 and 1928 was 8 per cent. Both survived the Second World War and were also remunerative afterward. The Montevideo Telephone Company paid a dividend of 3 per cent between 1920 and 1922, of 5 per cent in 1923 and 1924, and 7 per cent in 1926. It was sold by the shareholders in 1927 at double each share’s face value. The United Electric Tramways company fared the worst. In the 1920s it paid dividends only in 1921 (4 per cent) and 1925 and 1926 (3 per cent). It was sold to a large British utility holding company, Atlas Electric and General Trust, in 1927. For further details see J.Fred Rippy, "British Economic Activities in Uruguay: An Example of Profitable Foreign Investment," \textit{The Journal of Business of the University of Chicago} 25 (April 1952): 125-29.

\textsuperscript{328} J. Fred Rippy, "British Investments in Latin America at Their Peak," \textit{The Hispanic American Historical Review} 29 (February 1954): 94-5, 102.
onset of the global depression that would finally topple what Germany, the United States, and a World War could not. Cultivating prestige aided competition vis-à-vis other foreign competitors while cultivating good will among the public and the elite especially. That one of Britain’s worst enemies in the region eventually resulted in South American nationalist and autarkic economic policies shows there was limited long term success.

Joseph Tulchin argues that during early postwar years the “majority of Argentines refused to see the shift in relative power from Great Britain to the United States,” having repercussions on economic policies, especially during Yrigoyen’s second term, that gave Argentina a pro-British orientation.\(^{329}\) As Paul Kennedy has commented on the interwar years, “it still seemed a Eurocentered world.”\(^ {330}\) Speaking of the Second World War, Rory Miller, argues that, still, “most Latin American officials remained under the spell of Britain’s reputation as the world’s leading trading and financial centre.”\(^ {331}\) Why, however, this was the case does not seem to have been satisfactorily answered. Taking into consideration the pro-British and anti-American manifestations of Southern Cone elites and its major press organs during the 1920s, in addition to American complaints that they were not getting their due consideration,\(^ {332}\) commercially or politically, might seem to suggest that the prestige policy was instituted with positive effect well into the

\(^{329}\) Tulchin, *Argentina and the United States*, 41.


\(^{331}\) Miller, *Britain and Latin America*, 231.

\(^{332}\) As Tulchin describes: “The Americans complained...that they did not sell as much as their comparative advantages warranted and did not enjoy the same influence as the British. This was true. Argentina officially and unofficially continued to favor the British and to defer to them because of their perception of the complementarity of interest they shared with the British and the strong reinforcement provided by the network created by the deeply rooted Anglo-Argentine community.” Tulchin, *Argentina and the United States*, quoted from 50-51. Also see 46-52, 59, 62-76; Whitaker, *The United States and the Southern Cone*, 84-5.
Great Depression. South Americans saw the British as a global imperial power, evidenced by Argentina’s and Chile’s repeated requests for Royal Navy Missions and orders for naval arms; as a global financial power, as seen in Britain’s continuing dominance as a leader in investment holdings in the Southern Cone in all but Chile by the late 1920s; as great transportation engineers; as unrivalled livestock experts and insatiable livestock eaters. Maintaining strong links with Britain was seen as wise.

Alan Knight argues that, ultimately, Britain in the postwar years “could not stand” against the changes of “mutually reinforcing, economic, political and cultural currents” that favored the United States. Appreciating British prestige in the region might shift the explanation for Britain’s fall more toward economic currents more so than political or cultural factors. The British were still relatively perceived as having been a force for good. Also, South Americans seemed to have questioned British character much less than their other foreign competitors. Professor Jacob Warshaw, a 1920’s observer, was at a loss to explain the British position: “Something, evidently, in the British temperament which defies analysis, has been responsible for the freedom from suspicion of sinister motives with which the British progress in Latin America has been viewed. Neither of the leading rivals of Great Britain has been able to inspire such trustful confidence.” Warshaw partly found the answer when he argued elsewhere in his book for the need in “national advertising” to polish the United States’ image in Latin America. As he put it,

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334 Knight, “Latin America,” 639.
“Great Britain has owed not a small part of her position to her unceasing; if somewhat subtle, self-display.”\textsuperscript{335} This ‘position’ would not last, but it’s safer to believe now that British power declined somewhat well before British reputation during the interwar years. In the face of serious challenges the durability of British prestige buoyed British power and commercial near-dominance in the Southern Cone.

\textsuperscript{335} Warshaw, \textit{The New Latin America}, 119, 348.
APPENDIX A

TABLES FOR CHAPTER 1

TABLE 1

RELATIVE PERCENTAGE OF FOREIGN SHIPPING TONNAGE ENTERING PRINCIPAL SOUTH AMERICAN PORTS, CIRCA 1913

<table>
<thead>
<tr>
<th>Port</th>
<th>British</th>
<th>USA</th>
<th>French</th>
<th>German</th>
<th>Italian</th>
<th>TONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rio De Janeiro, Brazil (1912)</td>
<td>46.3%</td>
<td>0.1%</td>
<td>9.5%</td>
<td>13.5%</td>
<td>9.9%</td>
<td>5,032,000</td>
</tr>
<tr>
<td>Santos, Brazil (1913)</td>
<td>43.9%</td>
<td>-----</td>
<td>8%</td>
<td>18%</td>
<td>13.2%</td>
<td>4,424,000</td>
</tr>
<tr>
<td>Montevideo, Uruguay (1909)</td>
<td>53.6%</td>
<td>0.2%</td>
<td>10%</td>
<td>21%</td>
<td>7.3%</td>
<td>6,364,000</td>
</tr>
<tr>
<td>Buenos Aires, Argentina (1912)</td>
<td>56.2%</td>
<td>-----</td>
<td>8.4%</td>
<td>14.8%</td>
<td>8.3%</td>
<td>5,428,000</td>
</tr>
<tr>
<td>Valparaiso, Chile (1912)</td>
<td>50.2%</td>
<td>0.6%</td>
<td>3.4%</td>
<td>38.5%</td>
<td>-----</td>
<td>1,753,000</td>
</tr>
</tbody>
</table>


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TABLE 2

BRITISH SHARE OF DIRECT AND PORTFOLIO INVESTMENTS IN THE SOUTHERN CONE, CIRCA 1913

<table>
<thead>
<tr>
<th>Country</th>
<th>Of Public External Debt</th>
<th>Of Direct Foreign Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>50.80%</td>
<td>46.70%</td>
</tr>
<tr>
<td>Brazil</td>
<td>83.40%</td>
<td>50.90%</td>
</tr>
<tr>
<td>Chile</td>
<td>73.00%</td>
<td>43.10%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>75.00%</td>
<td>43.40%</td>
</tr>
</tbody>
</table>

Latin America Total 67.80% 47.40%

### TABLE 3

**COMPOSITION OF BRITISH INVESTMENTS**

**IN LATIN AMERICA, 1905 AND 1913**

<table>
<thead>
<tr>
<th></th>
<th>1905</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Loans</td>
<td>£307,800,000</td>
<td>£445,500,000</td>
</tr>
<tr>
<td>Railways</td>
<td>£237,300,000</td>
<td>£404,500,000</td>
</tr>
<tr>
<td>Financial</td>
<td>£50,900,000</td>
<td>£139,000,000</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>£40,900,000</td>
<td>£96,900,000</td>
</tr>
<tr>
<td>Raw Materials</td>
<td>£27,200,000</td>
<td>£38,200,000</td>
</tr>
<tr>
<td>Industrial and Miscellaneous</td>
<td>£18,500,000</td>
<td>£37,400,000</td>
</tr>
<tr>
<td>Shipping.</td>
<td>£6,000,000</td>
<td>£18,300,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>£688,500,000</strong></td>
<td><strong>£1,179,900,000</strong></td>
</tr>
</tbody>
</table>

---

### TABLE 4

**GEOGRAPHIC DISTRIBUTION OF BRITISH INVESTMENTS IN SOUTH AMERICA, 1905 AND 1913**

<table>
<thead>
<tr>
<th></th>
<th>1905</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>£253,600,000</td>
<td>£479,800,000</td>
</tr>
<tr>
<td>Brazil</td>
<td>£124,400,000</td>
<td>£254,000,000</td>
</tr>
<tr>
<td>Chile</td>
<td>£42,100,000</td>
<td>£76,100,000</td>
</tr>
<tr>
<td>Uruguay</td>
<td>£39,200,000</td>
<td>£47,300,000</td>
</tr>
<tr>
<td>Peru</td>
<td>£22,500,000</td>
<td>£29,700,000</td>
</tr>
<tr>
<td>Venezuela</td>
<td>£9,600,000</td>
<td>£9,800,000</td>
</tr>
<tr>
<td>Colombia</td>
<td>£7,600,000</td>
<td>£12,900,000</td>
</tr>
<tr>
<td>Bolivia and Paraguay</td>
<td>£4,000,000</td>
<td>£6,100,000</td>
</tr>
<tr>
<td>Ecuador</td>
<td>£2,900,000</td>
<td>£4,200,000</td>
</tr>
</tbody>
</table>

**TABLE 5**

SOUTHERN CONE LONDON STOCK EXCHANGE INVESTMENTS AND RETURNS FOR 1913

<table>
<thead>
<tr>
<th></th>
<th>Total Investment</th>
<th>Total Annual Return</th>
<th>Avg. Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>£357,740,661</td>
<td>£17,662,309</td>
<td>4.90%</td>
</tr>
<tr>
<td>Brazil</td>
<td>223,895,436</td>
<td>10,932,077</td>
<td>4.80%</td>
</tr>
<tr>
<td>Chile</td>
<td>63,938,237</td>
<td>3,807,332</td>
<td>5.90%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>46,145,393</td>
<td>2,146,367</td>
<td>4.60%</td>
</tr>
</tbody>
</table>

Total £691,719,727 £34,548,085 5.0%

Source: *South American Journal and Brazil and River Plate Mail* (London) February 21, 1914, 285.

---

**TABLE 6**

SOUTHERN CONE LONDON STOCK EXCHANGE RAILWAYS, 1912

<table>
<thead>
<tr>
<th></th>
<th>Miles</th>
<th>Total Capital</th>
<th>Avg. Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>14,294</td>
<td>£210,143,753</td>
<td>4.70%</td>
</tr>
<tr>
<td>Brazil</td>
<td>3,372</td>
<td>24,501,549</td>
<td>7.00%</td>
</tr>
<tr>
<td>Chile</td>
<td>1,430</td>
<td>14,539,729</td>
<td>9.60%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>1,314</td>
<td>14,401,460</td>
<td>5.20%</td>
</tr>
</tbody>
</table>

Total 20,410 £263,586,491

TABLE 7

ARGENTINE, BRAZILIAN AND CHILEAN IMPORTS FROM SELECT COUNTRIES IN 1913

<table>
<thead>
<tr>
<th>From</th>
<th>Argentine Imports</th>
<th>Brazilian Imports</th>
<th>Chilean Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>£30,505,614</td>
<td>£16,449,977</td>
<td>£7,470,503</td>
</tr>
<tr>
<td>USA</td>
<td>14,457,954</td>
<td>10,575,192</td>
<td>4,142,094</td>
</tr>
<tr>
<td>France</td>
<td>8,874,303</td>
<td>6,585,515</td>
<td>1,365,620</td>
</tr>
<tr>
<td>Italy</td>
<td>8,108,341</td>
<td>2,546,505</td>
<td>652,650</td>
</tr>
<tr>
<td>Japan</td>
<td>202,360</td>
<td>35,756</td>
<td>29,164</td>
</tr>
<tr>
<td>Austria</td>
<td>1,382,903</td>
<td>1,014,781</td>
<td>2,933</td>
</tr>
<tr>
<td>Germany</td>
<td>16,620,551</td>
<td>1,176,100</td>
<td>6,102,709</td>
</tr>
</tbody>
</table>

Source: “Opportunities After the War,” *South American Journal*, July 17, 1920; September 18, 1920, 228; November 20, 1920, 415.

TABLE 8

RELATIVE SHARE OF LATIN AMERICAN IMPORTS AND EXPORTS, 1913

<table>
<thead>
<tr>
<th>Percentage of Latin American Imports From (1913)</th>
<th>Percentage of Latin American Exports To (1913)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRITAIN 30%</td>
<td>20%</td>
</tr>
<tr>
<td>USA 30%</td>
<td>30%</td>
</tr>
<tr>
<td>GERMANY 17%</td>
<td>12%</td>
</tr>
<tr>
<td>FRANCE 7%</td>
<td>7%</td>
</tr>
<tr>
<td>ITALY 4%</td>
<td>24%</td>
</tr>
<tr>
<td>OTHERS 15%</td>
<td></td>
</tr>
</tbody>
</table>

APPENDIX B

TABLE FOR CHAPTER 4

TABLE 9

ARGENTINE IMPORTS OF PEDIGREE LIVESTOCK, 1885-1904

<table>
<thead>
<tr>
<th></th>
<th>From the United Kingdom</th>
<th>% From UK</th>
<th>All Other Countries</th>
<th>% From Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>8,149</td>
<td>87.8%</td>
<td>1,127</td>
<td>12.2%</td>
<td>9,276</td>
</tr>
<tr>
<td>Sheep</td>
<td>49,721</td>
<td>92.2%</td>
<td>4,182</td>
<td>7.8%</td>
<td>53,903</td>
</tr>
<tr>
<td>Horses</td>
<td>1,709</td>
<td>55.4%</td>
<td>1,374</td>
<td>44.6%</td>
<td>3,083</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>59,579</strong></td>
<td><strong>89.9%</strong></td>
<td><strong>6,683</strong></td>
<td><strong>10.1%</strong></td>
<td><strong>66,262</strong></td>
</tr>
</tbody>
</table>

## APPENDIX C

### TABLES FOR CHAPTER 5

#### TABLE 10

**ARGENTINE WARTIME IMPORTS FROM SELECT COUNTRIES**

<table>
<thead>
<tr>
<th>From</th>
<th>1913</th>
<th>1915</th>
<th>1916</th>
<th>1918</th>
<th>1919</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>£30,505,614</td>
<td>£18,066,216</td>
<td>£20,436,430</td>
<td>£24,744,574</td>
<td>£30,589,803</td>
</tr>
<tr>
<td>USA</td>
<td>14,457,954</td>
<td>14,968,294</td>
<td>21,185,843</td>
<td>33,565,732</td>
<td>46,112,552</td>
</tr>
<tr>
<td>France</td>
<td>8,874,303</td>
<td>3,587,749</td>
<td>5,001,667</td>
<td>5,139,501</td>
<td>5,126,514</td>
</tr>
<tr>
<td>Italy</td>
<td>8,108,341</td>
<td>5,642,106</td>
<td>7,115,493</td>
<td>3,962,133</td>
<td>4,241,901</td>
</tr>
<tr>
<td>Japan</td>
<td>202,360</td>
<td>217,944</td>
<td>394,260</td>
<td>3,011,451</td>
<td>5,126,852</td>
</tr>
<tr>
<td>Austria</td>
<td>1,382,903</td>
<td>70,214</td>
<td>3,366</td>
<td>255</td>
<td>4,262</td>
</tr>
<tr>
<td>Germany</td>
<td>16,620,551</td>
<td>1,506,803</td>
<td>117,006</td>
<td>43,886</td>
<td>298,261</td>
</tr>
</tbody>
</table>

Source: *South American Journal*, September 18, 1920, 228.

#### TABLE 11

**BRAZILIAN WARTIME IMPORTS FROM SELECT COUNTRIES**

<table>
<thead>
<tr>
<th>From</th>
<th>1913</th>
<th>1916</th>
<th>1917</th>
<th>1918</th>
<th>1919</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>£12,692,800</td>
<td>£6,088,101</td>
<td>£5,928,563</td>
<td>£7,153,002</td>
<td>£8,528,940</td>
</tr>
<tr>
<td>USA</td>
<td>8,122,996</td>
<td>10,994,705</td>
<td>14,683,347</td>
<td>14,814,609</td>
<td>28,629,457</td>
</tr>
<tr>
<td>France</td>
<td>5,067,793</td>
<td>1,403,852</td>
<td>1,387,308</td>
<td>1,656,078</td>
<td>2,022,923</td>
</tr>
<tr>
<td>Italy</td>
<td>2,011,611</td>
<td>1,073,996</td>
<td>642,420</td>
<td>807,461</td>
<td>702,040</td>
</tr>
<tr>
<td>Japan</td>
<td>28,807</td>
<td>11,872</td>
<td>50,681</td>
<td>213,928</td>
<td>452,631</td>
</tr>
<tr>
<td>Austria</td>
<td>785,425</td>
<td>300</td>
<td>17</td>
<td>0</td>
<td>86</td>
</tr>
<tr>
<td>Germany</td>
<td>8,978,552</td>
<td>10,005</td>
<td>46,217</td>
<td>0</td>
<td>3,4940</td>
</tr>
</tbody>
</table>

Source: *South American Journal*, February 14, 1920, 131.

#### TABLE 12

**CHILEAN WARTIME IMPORTS FROM SELECT COUNTRIES**

<table>
<thead>
<tr>
<th>From:</th>
<th>1913</th>
<th>1916</th>
<th>1917</th>
<th>1918</th>
<th>1919</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>£7,470,503</td>
<td>£4,127,625</td>
<td>£4,842,225</td>
<td>£6,108,419</td>
<td>£5,840,398</td>
</tr>
<tr>
<td>USA</td>
<td>4,142,094</td>
<td>7,068,900</td>
<td>13,055,100</td>
<td>15,258,891</td>
<td>14,389,092</td>
</tr>
<tr>
<td>France</td>
<td>1,365,620</td>
<td>709,875</td>
<td>1,058,625</td>
<td>1,035,064</td>
<td>1,289,813</td>
</tr>
<tr>
<td>Italy</td>
<td>652,650</td>
<td>359,175</td>
<td>399,950</td>
<td>267,513</td>
<td>0</td>
</tr>
<tr>
<td>Japan</td>
<td>29,104</td>
<td>12,1275</td>
<td>245,175</td>
<td>882,173</td>
<td>604,286</td>
</tr>
<tr>
<td>Austria</td>
<td>2,933</td>
<td>108</td>
<td>468</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Germany</td>
<td>6,102,709</td>
<td>93,328</td>
<td>13,923</td>
<td>2,212</td>
<td>52,484</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>South America</th>
<th>1920</th>
<th>1925</th>
<th>1928</th>
<th>1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>£42,921,000</td>
<td>£29,145,000</td>
<td>£31,210,000</td>
<td>£25,234,000</td>
</tr>
<tr>
<td></td>
<td>37.50%</td>
<td>39.90%</td>
<td>43.70%</td>
<td>46.50%</td>
</tr>
<tr>
<td>Brazil</td>
<td>24,289,000</td>
<td>16,155,000</td>
<td>16,034,000</td>
<td>7,970,000</td>
</tr>
<tr>
<td></td>
<td>21.20%</td>
<td>22.10%</td>
<td>22.40%</td>
<td>14.70%</td>
</tr>
<tr>
<td>Chile</td>
<td>9,662,000</td>
<td>6,029,000</td>
<td>5,128,000</td>
<td>5,963,000</td>
</tr>
<tr>
<td></td>
<td>8.40%</td>
<td>8.30%</td>
<td>7.20%</td>
<td>11.00%</td>
</tr>
<tr>
<td>Peru</td>
<td>4,733,000</td>
<td>2,381,000</td>
<td>1,954,000</td>
<td>1,443,000</td>
</tr>
<tr>
<td></td>
<td>4.10%</td>
<td>3.30%</td>
<td>2.70%</td>
<td>2.70%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>5,916,000</td>
<td>3,179,000</td>
<td>3,106,000</td>
<td>3,578,000</td>
</tr>
<tr>
<td></td>
<td>5.20%</td>
<td>4.40%</td>
<td>4.30%</td>
<td>6.60%</td>
</tr>
<tr>
<td>Bolivia &amp; Paraguay</td>
<td>916,000</td>
<td>716,000</td>
<td>639,000</td>
<td>495,000</td>
</tr>
<tr>
<td></td>
<td>0.80%</td>
<td>1%</td>
<td>0.90%</td>
<td>0.90%</td>
</tr>
<tr>
<td>Colombia, Venezuela, &amp; Ecuador</td>
<td>10,919,000</td>
<td>7,043,000</td>
<td>6,316,000</td>
<td>3,589,000</td>
</tr>
<tr>
<td></td>
<td>9.50%</td>
<td>9.70%</td>
<td>8.80%</td>
<td>6.60%</td>
</tr>
<tr>
<td>Rest of Latin America</td>
<td>£15,076,000</td>
<td>£8,753,000</td>
<td>£7,048,000</td>
<td>£5,983,000</td>
</tr>
<tr>
<td>(Spanish Caribbean, Central America, and Mexico)</td>
<td>13.200%</td>
<td>12.00%</td>
<td>9.90%</td>
<td>10.90%</td>
</tr>
</tbody>
</table>

APPENDIX D

TABLES FOR CONCLUSION

TABLE 14

NET ANNUAL RETURN FOR LONDON STOCK EXCHANGE INVESTMENTS IN THE SOUTHER CONE, 1913, 1924, AND 1928

<table>
<thead>
<tr>
<th></th>
<th>1913</th>
<th>1924</th>
<th>1928</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>4.90%</td>
<td>4.90%</td>
<td>5.60%</td>
</tr>
<tr>
<td>Brazil</td>
<td>4.80%</td>
<td>4.00%</td>
<td>4.90%</td>
</tr>
<tr>
<td>Chile</td>
<td>5.90%</td>
<td>7.50%</td>
<td>4.90%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>4.60%</td>
<td>4.70%</td>
<td>5.10%</td>
</tr>
</tbody>
</table>

Source: *South American Journal*, February 21, 1925, 198; March 21, 1925, 277-8; April 18, 1925, 357-8; June 6, 1925, 509-10; J. Fred Rippy, “British Investments in Latin America at Their Peak,” *The Hispanic American Historical Review* 34 (February 1954): 95.

---

TABLE 15

LONDON STOCK EXCHANGE INVESTMENTS IN ARGENTINA, 1910-1925

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Capital</th>
<th>Interest Paid</th>
<th>Avg. Annual Return</th>
<th>Amount Not Paying Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>£290,629,884</td>
<td>£13,958,983</td>
<td>4.80%</td>
<td>£8,739,060</td>
</tr>
<tr>
<td>1913</td>
<td>357,740,661</td>
<td>17,662,309</td>
<td>4.90%</td>
<td>8,841,064</td>
</tr>
<tr>
<td>1918</td>
<td>379,489,826</td>
<td>14,575,614</td>
<td>3.80%</td>
<td>42,664,901</td>
</tr>
<tr>
<td>1923</td>
<td>396,114,573</td>
<td>18,827,691</td>
<td>4.70%</td>
<td>37,340,716</td>
</tr>
<tr>
<td>1924</td>
<td>395,048,454</td>
<td>19,468,905</td>
<td>4.90%</td>
<td>26,662,800</td>
</tr>
<tr>
<td>1925</td>
<td>400,804,340</td>
<td>19,917,113</td>
<td>4.70%</td>
<td>23,718,744</td>
</tr>
</tbody>
</table>
TABLE 16
LONDON STOCK EXCHANGE INVESTMENTS IN ARGENTINE RAILWAYS, 1910-1925

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Capital</th>
<th>Interest Paid</th>
<th>Avg. Annual Return</th>
<th>Amount Not Paying Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>£174,464,274</td>
<td>No data</td>
<td>4.80%</td>
<td>£700,000</td>
</tr>
<tr>
<td>1913</td>
<td>215,001,961</td>
<td>£10,358,851</td>
<td>4.80%</td>
<td>6,358,004</td>
</tr>
<tr>
<td>1918</td>
<td>226,551,936</td>
<td>6,941,791</td>
<td>3.00%</td>
<td>23,768,004</td>
</tr>
<tr>
<td>1923</td>
<td>232,930,414</td>
<td>11,589,269</td>
<td>4.90%</td>
<td>15,087,246</td>
</tr>
<tr>
<td>1924</td>
<td>232,928,754</td>
<td>11,564,378</td>
<td>4.90%</td>
<td>13,979,954</td>
</tr>
<tr>
<td>1925</td>
<td>236,545,457</td>
<td>11,752,819</td>
<td>4.90%</td>
<td>12,432,181</td>
</tr>
</tbody>
</table>

TABLE 17
LONDON STOCK EXCHANGE INVESTMENTS IN ARGENTINE MISCELLANEOUS ENTERPRISES, 1910-1925

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Capital</th>
<th>Interest Paid</th>
<th>Avg. Annual Return</th>
<th>Amount Not Paying Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>£35,098,415</td>
<td>No data</td>
<td>No data</td>
<td>£1,739,060</td>
</tr>
<tr>
<td>1913</td>
<td>61,156,514</td>
<td>£3,740,757</td>
<td>6.10%</td>
<td>2,482,240</td>
</tr>
<tr>
<td>1918</td>
<td>70,143,864</td>
<td>3,936,713</td>
<td>5.60%</td>
<td>18,750,177</td>
</tr>
<tr>
<td>1923</td>
<td>84,059,148</td>
<td>3,722,651</td>
<td>4.40%</td>
<td>22,106,750</td>
</tr>
<tr>
<td>1924</td>
<td>82,543,839</td>
<td>4,369,155</td>
<td>5.20%</td>
<td>12,536,126</td>
</tr>
<tr>
<td>1925</td>
<td>88,879,943</td>
<td>4,821,192</td>
<td>5.40%</td>
<td>11,139,843</td>
</tr>
</tbody>
</table>

Source (Tables 16, 17, and 18): *South American Journal*, September 18, 1926, 251.
### TABLE 18

**LONDON STOCK EXCHANGE REGISTERED RAILWAYS**

**IN ARGENTINA, 1925-26**

<table>
<thead>
<tr>
<th></th>
<th>Mileage</th>
<th>Total Capital</th>
<th>Net Profit</th>
<th>Ordinary Share</th>
<th>Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buenos Aires Great</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southern</td>
<td>4,721</td>
<td>£67,685,197</td>
<td>£4,558,891</td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>Buenos Aires Western</td>
<td>1,882</td>
<td>31,849,914</td>
<td>1,770,335</td>
<td></td>
<td>7%</td>
</tr>
<tr>
<td>Buenos Aires Pacific</td>
<td>2,628</td>
<td>43,959,923</td>
<td>2,265,155</td>
<td></td>
<td>7%</td>
</tr>
<tr>
<td>Central Argentine</td>
<td>3,304</td>
<td>59,352,476</td>
<td>3,392,342</td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>Entre Rios</td>
<td>729</td>
<td>8,025,189</td>
<td>557,712</td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>Cordoba Central</td>
<td>1,202</td>
<td>20,724,182</td>
<td>1,032,525</td>
<td></td>
<td>2%</td>
</tr>
<tr>
<td>Argentine North-Eastern</td>
<td>752</td>
<td>62,21,690</td>
<td>234,599</td>
<td>nil</td>
<td></td>
</tr>
<tr>
<td>Argentine Transandine</td>
<td>111</td>
<td>2,110,563</td>
<td>19,437</td>
<td>nil</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>15,329</td>
<td>£239,929,134</td>
<td>£13,830,996</td>
<td></td>
<td>----------</td>
</tr>
</tbody>
</table>


### TABLE 19

**LONDON STOCK EXCHANGE INVESTMENTS**

**IN CHILEAN RAILWAYS, 1915-1926**

<table>
<thead>
<tr>
<th>Year</th>
<th>Mileage</th>
<th>Total Capital</th>
<th>Avg. Annual Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915-16</td>
<td>1,495</td>
<td>£14,811,207</td>
<td>7.00%</td>
</tr>
<tr>
<td>1916-17</td>
<td>1,512</td>
<td>14,789,107</td>
<td>9.70%</td>
</tr>
<tr>
<td>1917-18</td>
<td>1,511</td>
<td>14,672,517</td>
<td>10.70%</td>
</tr>
<tr>
<td>1918-19</td>
<td>1,481</td>
<td>14,727,959</td>
<td>8.60%</td>
</tr>
<tr>
<td>1919-20</td>
<td>1,484</td>
<td>14,775,277</td>
<td>5.10%</td>
</tr>
<tr>
<td>1920-21</td>
<td>1,383</td>
<td>15,290,660</td>
<td>7.40%</td>
</tr>
<tr>
<td>1921-22</td>
<td>1,376</td>
<td>15,510,660</td>
<td>2.00%</td>
</tr>
<tr>
<td>1922-23</td>
<td>1,377</td>
<td>15,489,960</td>
<td>5.30%</td>
</tr>
<tr>
<td>1923-24</td>
<td>1,383</td>
<td>15,468,460</td>
<td>8.70%</td>
</tr>
<tr>
<td>1924-25</td>
<td>1,383</td>
<td>15,734,860</td>
<td>9.40%</td>
</tr>
<tr>
<td>1925-26</td>
<td>1,385</td>
<td>15,734,860</td>
<td>7.90%</td>
</tr>
</tbody>
</table>

TABLE 20
LONDON STOCK EXCHANGE INVESTMENTS IN BRAZILIAN RAILWAYS
NET ANNUAL RETURNS, 1917-1925

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Return on Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917</td>
<td>4.80%</td>
</tr>
<tr>
<td>1918</td>
<td>3.80%</td>
</tr>
<tr>
<td>1919</td>
<td>4.50%</td>
</tr>
<tr>
<td>1920</td>
<td>4.20%</td>
</tr>
<tr>
<td>1921</td>
<td>2.80%</td>
</tr>
<tr>
<td>1922</td>
<td>4.00%</td>
</tr>
<tr>
<td>1923</td>
<td>4.30%</td>
</tr>
<tr>
<td>1924</td>
<td>5.20%</td>
</tr>
<tr>
<td>1925</td>
<td>6.00%</td>
</tr>
</tbody>
</table>

Source: South American Journal, August 18, 1923, 121-2; July 26, 1924, 61-2; June 20, 1925, 554; June 12, 1926, 598.

TABLE 21
LONDON STOCK EXCHANGE INVESTMENTS IN URUGUAYAN RAILWAYS
NET ANNUAL RETURNS, 1912-13, 1922-1926

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Annual Return on Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>1912-13</td>
<td>5.20%</td>
</tr>
<tr>
<td>1922-23</td>
<td>6.50%</td>
</tr>
<tr>
<td>1923-24</td>
<td>6.60%</td>
</tr>
<tr>
<td>1924-25</td>
<td>6.10%</td>
</tr>
<tr>
<td>1925-26</td>
<td>6.10%</td>
</tr>
</tbody>
</table>

**TABLE 22**

BRITISH AND UNITED STATES INVESTMENTS IN THE SOUTHERN CONE, 1913 AND 1929

(Current US$ Millions)

<table>
<thead>
<tr>
<th></th>
<th>1913 USA</th>
<th>1913 UK</th>
<th>1929 USA</th>
<th>1929 UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>40</td>
<td>1,861</td>
<td>611</td>
<td>2,140</td>
</tr>
<tr>
<td>Brazil</td>
<td>50</td>
<td>1,161</td>
<td>476</td>
<td>1,414</td>
</tr>
<tr>
<td>Chile</td>
<td>15</td>
<td>332</td>
<td>396</td>
<td>390</td>
</tr>
</tbody>
</table>


**TABLE 23**

LONDON STOCK EXCHANGE REGISTERED CHILEAN NITRATE COMPANIES’ NET ANNUAL RETURNS, 1918-1925

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Return on Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>1918</td>
<td>14.90%</td>
</tr>
<tr>
<td>1919</td>
<td>8.90%</td>
</tr>
<tr>
<td>1920</td>
<td>19.70%</td>
</tr>
<tr>
<td>1921</td>
<td>13.40%</td>
</tr>
<tr>
<td>1922</td>
<td>11.40%</td>
</tr>
<tr>
<td>1923</td>
<td>13.10%</td>
</tr>
<tr>
<td>1924</td>
<td>12.70%</td>
</tr>
<tr>
<td>1925</td>
<td>9.80%</td>
</tr>
</tbody>
</table>

Source: South American Journal, June 30, 1923, 549-50; September 13, 1924, 203; August 29, 1925, 162; July 10, 1926, 26.
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VITA

Matthew Elliott Street Butler

Matthew Elliott Street Butler was born in Indianapolis, Indiana on March 13, 1982 to Richard and Jamie Butler. Matt graduated Phi Beta Kappa and "With Distinction" from Purdue University in 2004 with a Bachelor of Arts in History. He subsequently enrolled in the fall of that year in the College of William and Mary’s Masters Program in British history. Currently, he plans to pursue a doctorate but has not yet decided among the programs to which he has been offered admission.