

Ambassador Jefferson Caffery (1886-1974): Latin American Posts

Introduction Life Before Ambassador El Salvador (1926-28) Colombia (1928-1933)

Cuba (1934-37) Brazil (1937-44)



Colombia (1928-1933)

By the time Caffery reached his post in Bogota, Colombia on November 28, 1928, he had been serving in the diplomatic services for a total of 17 years. Colombia was Caffery's second post as ambassador, but the first post where he would actually be tested on his diplomatic ability. Since the beginning of 1928, previous to Caffery's arrival, relations between the United States and Colombia were shaky considering Colombia was attacking American oil companies, Standard and Gulf oil to be specific (Dur 12). Caffery was a rational negotiator when it came to dealing with the countries he was assigned to, making sure to keep the United States interests in mind while also taking into consideration the interests of the countries

he was representing. As a result, leaders of these foreign governments respected Caffery and grew to admire his style of diplomacy, and in some ways United States diplomacy as a whole.

The United Fruit Company was an American business based out of Boston, Massachusetts, which used subcontractors in Colombia to hire local workers in the region to produce bananas that would then be sent back to the United States and distributed (Bucheli 181). Like many American businesses that exploit labor laws in foreign countries for personal profit, the United Fruit Company made working conditions for these Colombian workers so unfavorable that beginning on November 12, 1928, more than 25,000 banana workers went on strike (Caro et al. 2). At this time, Colombia was ranked 3rd as the largest exporter of bananas in the entire world and was the main source of employment for Colombian residents (Caro et al. 2). The strikes only escalated in time eventually leading to the Colombian military's involvement, which did nothing to better the situation except cause more chaos, crime, and unrest (Caro et al. 6-9). The United States considered intervening in the matter considering American workers were still present in the region, but due to Caffery's insistence the United States held back (Dur 12). Instead Caffery requested that warships be sent to the docks of Santa Marta and Ciénaga in case intervention was ever necessary (Caro et al. 7).

Just three weeks after the first strike, the situation escalated when 1,500 banana workers protested in a square in Ciénaga on December 6, 1928, supposedly without permission (Caro et al. 9). The Colombian military had orders from the Governor to end the protest through whatever means necessary (Caro et al. 9). The heavily armed Colombian military warned the protesters that they had 15 minutes to clear the area, but the protesters remained in the square (Caro et al. 9). As a result, the Colombian military opened fire on all of the unarmed protesters killing more than 1,000 innocent people in the process (Caro et al. 9). For the rest of 1928 and throughout 1929, Colombia was marked with complete unrest, distrust of its government, and economic instability;

without the main employer of the region, the political and economic stability of Colombia declined drastically (Caro et al. 4). Caffery knew that he had to do something to encourage and maintain economic and political stability in the region, or things would only get worse. Colombia needed Caffery, and he did not disappoint.



In 1930, former Colombian Ambassador to the United States Dr. Enrique “Olaya” Herrera was elected president of Colombia and maintained his presidency for four years until 1934 (Sawe). A new presidential administration was good for Caffery because it provided an opportunity for him to start fresh and build a new positive relationship

with the new presidential administration. President Olaya was more cooperative with the United States than any other Colombian official Caffery had worked with, which Caffery later rewarded Olaya for (Dur 12). When Olaya took office in February of 1930, Caffery recognized his presidency to the press on behalf of the United States; a move Caffery hoped would play in the United States' favor in the future and it most definitely did throughout Caffery's time in Colombia (Dur 12).

President Olaya wasn't inaugurated until August of 1930 so between February and August, Olaya traveled to the United States to speak with American politicians and secured a 20-million-dollar loan from American private banks that would be renewed in six-month installments (Dur 13). Oil was a common denominator in Colombian and United States interests, encouraging both governments to negotiate and work together to satisfy each country's needs. While Olaya was in Washington, he met with Andrew Mellon who was the Secretary of the Treasury and a prominent investor in Gulf oil, one of the American companies Colombia was affecting (Dur 13). Andrew Mellon assured Olaya that once they finalized the "pending questions on petroleum," the United States would provide the economic assistance Olaya needed to get Colombia back up on its feet and functioning again (Dur 13).

Due to the economic depression in Colombia caused by the United Fruit Company strikes, Olaya viewed the United States' assistance as the only way to get his country's economy stable again. Therefore, Olaya did everything in his power to assure that the United States' requests were met when it came to their ability of accessing petroleum in Colombia (Dur 13). President Olaya drafted new oil contracts that would benefit the American oil companies, and assured his Congressmen that if they voted in favor of these new contracts he would share portions of his loan among their jurisdictions (Dur 13). Olaya's loyalty to the requests of the United States would not go unnoticed by Caffery, which is clearly evident in the months to come when Caffery defends Colombian interests over those of the United States.

Again, Caffery was a rational negotiator, never taking advantage or exploiting the countries to which he was assigned. In a letter to Caffery dated April 21, 1930, an unknown sender expressed to him stating, “I hear such nice things about you here. All the Colombians and the U. Fruit Co. people are loud in their praises of you, and I am pleased, as you know how few people and especially Americans are apt to get on here” (Unknown sender from the Republica de Colombia to Jefferson Caffery). Without rational negotiations and mutual respect between the United States and leaders abroad, as Caffery believed, successful diplomacy would never be able to occur. As Caffery wrote in a letter (Figures 1-4) to President Franklin D. Roosevelt on March 8, 1935:

“The value of diplomacy, both in tangible accomplishments and in good will, is very largely a matter of person contact and human relationships, and results are obtained because of mutual understanding fostered by our officers in their out-of-office association with the citizens of the country wherein they are stationed: were it not for this all-important factor of the human equation, our foreign relations could almost be carried on by note, cable, and telephone from Washington”

–AMBASSADOR JEFFERSON CAFFERY TO UNITED STATES PRESIDENT
FRANKLIN D. ROOSEVELT (FIGURE 4)

C O P Y

Habana, March 8, 1935.

Dear Mr. President:

I have heard that some Chiefs of Mission have been giving you their ideas about the Foreign Service. Therefore, I venture to give you some of my own. I will immodestly say that I can speak with authority, because I believe that in the last twenty-four years (I have been twenty-four years in the Foreign Service) no Chief of Mission, either career or non-career, has done as much for protection and assistance of American interests abroad as I have. I claim that possibly I have helped them in one way or another in a figure running into the hundreds of millions of dollars.

I, personally, know Foreign Service officers who are very efficiently doing their part; that is, rendering efficient service in helping to furnish legitimate protection to the interests of the United States abroad and at the same time cultivating on the part of foreign peoples

The President,
The White House.

Figure 1

- 2 -

peoples confidence in the United States Government and people, and good will toward them. The efficiency of a Foreign Service officer is based on three things: intelligence, personality, and prestige. By prestige I mean the respect and esteem in which the officer is held by the officials and people of the country in which he is stationed. An officer is not efficient if he lacks one of these qualities. Intelligence and personality explain themselves, prestige is a bit more elusive: whether we like it or not, this prestige is based in good part on externals; that is, the way the officer and his family live, et cetera. Now this may be all wrong, but it is a hard, cold fact that in the majority of countries other than our own, an officer's mode of living, habits, and associations are subject to keen and not always friendly scrutiny, and things which to us may seem trivial and unimportant weigh heavily in the foreigner's scale of values. I know officers in the Foreign Service now who are simply not making the grade, that is, they are of little use to the Missions they serve because their salaries are so small (and they have no independent income) that they cannot get around as much as they should in cities where they are located, or know people there in

the

Figure 2

- 3 -

the manner they should know them. I point this out merely because I believe that fact is being lost sight of (or people are afraid to say so) at this juncture. I can say this all the more freely because I never have had a large personal income myself. I have always known that it behooved me to make the best showing on what I had; otherwise I had much better quit and go home.

I believe that few people in the United States appreciate how much can be done in dollars and cents, and I mean big dollars and cents, by an efficient Chief of Mission; but no matter how efficient the Chief is, unless he has an adequate staff, his own efforts will, obviously, be hampered. (I have a good staff here; have picked them myself and have no complaint, personally, on the score.)

Strangely enough, this is not a plea for larger salaries; salaries at present are high enough. However, I do highly approve of an expansion wherever possible of the present system of rent, heat, light allowances, et cetera. (This, however, is merely by the way.)

The point I want to make is simply this: that nothing is more mistaken than the idea which, I hear, prevails in some quarters that you can get satisfactory results out of Foreign Service officers who work efficiently in the office and then, outside, to all intents and purposes, pass out

of

Figure 3

- 4 -

of circulation. That is nonsense. The value of diplomacy, both in tangible accomplishments and in good will, is very largely a matter of personal contact and human relationships, and results are obtained because of mutual understanding fostered by our officers in their out-of-office association with the citizens of the country wherein they are stationed: were it not for this all-important factor of the human equation, our foreign relations could almost be carried on by note, cable, and telephone from Washington. The Foreign Service officer who cannot or does not do his part outside the office (and most of the really worthwhile work is done outside of the office -- by worthwhile work, I mean, on the one hand, direct results in thousands and millions of dollars to American interests and, on the other, results in the way of confidence and good will on the part of foreign peoples --) is little good to me. I take this Foreign Service business seriously; I know that a lot can be done to create work and improve business conditions in the United States of America by efficient work abroad; and I believe that an efficient Service is worth saving and fighting for.

Faithfully yours,

JEFFERSON CAFFERY.

Figure 4

In order to inform the State Department on the positive actions Olaya was taking in order to ensure that oil was restored to the American oil companies, Caffery sent the Department a telegram debriefing them on the matter (Dur 13). These telegrams

unintentionally made their way to United States Senator Hiram Johnson's desk who was consequently already working on a case at the time pertaining to the United States granting loans to foreign countries through privatized American banks (Dur 13). Upon reading the information contained inside the telegram, which mentioned the 20-million-dollar loan given to Colombia, Senator Johnson accused the United States of lending money to Colombia as a reward for Colombia reinstating the Barco oil concessions (Dur 13). Though, after many testimonials in front of Congress, all of Senator Johnson's accusations were dismissed because 1) Olaya was not inaugurated as President of Colombia when he secured the loan, and 2) the Barco oil concessions was not finalized at the time Olaya secured the loan (Dur 13). Because Olaya was not officially inaugurated as president of Colombia when he secured the loan, the United States government technically did not lend money to a foreign government; Olaya would have had to been president at the time he secured the loan for Senator Johnson's accusations to have been upheld.

Although the United States and Caffery faced much backlash regarding Senator Johnson's accusations, John Basset (J.B.) Moore who was a respected international attorney, previous Assistant Secretary of State, and Colombia University Law School professor sent a letter to William Phillips, Under Secretary of State at the time, defending Caffery's actions (Figure 5) (International Judicial Monitor; Office of Historian "Under Secretaries of State").

According to J.B. Moore, Caffery did nothing wrong concerning the way he handled the situation, and even went so far to say that Caffery's actions deserved "commendation." If someone as well respected and educated as J.B. Moore was, to say that Caffery's actions were in no way unlawful proves that Caffery did exactly what he was supposed to do in such a situation (Figure 5) (John Bassett Moore to Honorable William Phillips).

26-XII-36

Sagaponack, New York,
July 26, 1933.

Dear Mr. Phillips:

Referring to your letter of June 10, 1933, I desire to say that I have examined the papers sent to me relating to the so-called Catatumbo Contract of 1931, containing the terms on which the Colombian Government revalidated the Barco oil concession, and to a loan made to that Government by a group of bankers, headed by the National City Bank of New York, in 1931. The papers submitted to me are quite voluminous, but I have gone through them very carefully, and with particular reference to the subject mentioned in our brief conversation by telephone, to which your letter adverts, namely, the part borne by Mr. Jefferson Caffery in both matters, so far as they became the subject of diplomatic representation or negotiation. Mr. Caffery was our Minister at Bogota when both matters were concluded, but the diplomatic interchanges relating to the Barco concession began some years before he was transferred as minister from El Salvador to Colombia.

I find in the papers every indication that Mr. Caffery at Bogota followed his instructions, endeavoring faithfully to carry them out but in no respect going beyond them. He was very diligent in gathering information from all available sources concerning local conditions, political, industrial and financial, and concerning the state and trend of local opinion and sentiment on subjects of national and international interest. Of all these things he kept the Department very fully and candidly advised, so that it might be in a position intelligently, and with entire appreciation of what it was doing, to decide upon the instructions it should give him. Thus, from the point of view of the public service, as directed by the Department of State, his conduct appears to have been worthy of commendation.

Sincerely yours,

J. B. MOORE

The Honorable
William Phillips,
etc., etc., etc.,
Department of State,
Washington, D. C.

Figure 5: John Bassett Moore to Honorable William Phillips

Despite these turn in events, Caffery remained dedicated to his duties as Ambassador to Colombia remaining loyal to Colombian interests. On March 4, 1931, Olaya signed into law the new bill that would settle the ongoing dispute between the United States oil

companies and Colombia, in addition to reinstating the Barco concession to the Gulf, which would benefit United States oil production (Dur 13). Without Caffery's positive relationship with President Olaya, none of these negotiations could have been accomplished. Caffery knew that he had to take advantage of the "pro-American" Olaya, and he did so respectfully and without exploitation (Randall 102).

In March of 1931, the United States was entering the beginning of the Great Depression, and consequently, the United States tried to prevent Olaya from securing the third installment of his 20-million-dollar loan (Dur 14). Staying true to Colombian interests, especially since Olaya had just aided in the passage of the new law benefitting American oil companies, Caffery refused to ruin the positive relationship he had with Olaya and reminded the State Department that it was "imperative for them to act towards the Governments and peoples south of the Rio Grande in the same manner as they act towards people and concerns in the United States" (Dur 14). While the United States was, and still is, the number one world power to this day, Caffery never viewed other countries as inferior or free to manipulate. Caffery stayed true to his word and refused to let United States interests dehumanize interests abroad, especially in the countries he represented. Olaya had produced successful results for the United States, and therefore the United States had to return the favor. The State Department ended up agreeing with Caffery and presented Olaya with the third installment of his loan (Dur 14).

It is "“imperative for them to act towards the Governments and peoples south of the Rio Grande in the same manner as they act towards people and concerns in the United States”

–JEFFERSON CAFFERY TO THE STATE DEPARTMENT (DUR 14)

By July of 1931, just four months after the State Department granted Olaya's third installment, the Great Depression in the United States had significantly deepened and Caffery knew that it would be nearly impossible for Olaya to receive the fourth installment of his loan (Dur 14). Caffery had to relay this information to Olaya and knew that it would not go over well considering they had just gone through all that hassle in securing the third installment. Caffery relayed this information to Olaya, and at this point Olaya was extremely agitated with the United States and became hard for Caffery to work with (Dur 14). Considering all of the negotiating Caffery had done at this point, along with all of the court hearings pertaining to Senator Johnson, and all of the back and forth between Olaya and the United States, Caffery requested a well-deserved leave of absence to the State Department (Dur 14). The Department granted Caffery's request and he spent the next 8 months on leave, and didn't return to Colombia until June of 1932 (Dur 14).

When Caffery arrived back to Colombia in June of 1932, he continued to provide his diplomatic assistance to Olaya and the Colombian government, which paid off during the Leticia dispute that would occur just months later (Dur 14). In 1922, ten years previously, Peru and Colombia signed a treaty that designated the district of Leticia to Colombia (Woolsey 317). Leticia was a small district located along the Colombian port with access to the Amazon River, and both Peru and Colombia had agreed when they signed the treaty that the territory belonged to Colombia; there were no stipulations at the time (Woolsey 317). On September 1, 1932, a group of heavily armed Peruvian military men traveled down the Amazon River and captured the entire village of Leticia holding the Colombian authorities as captives and taking over nearly every aspect of the towns' government (Woolsey 317). The Peruvian military men guarded the Leticia territory and refused to give it up to Colombian forces, despite the fact that the territory

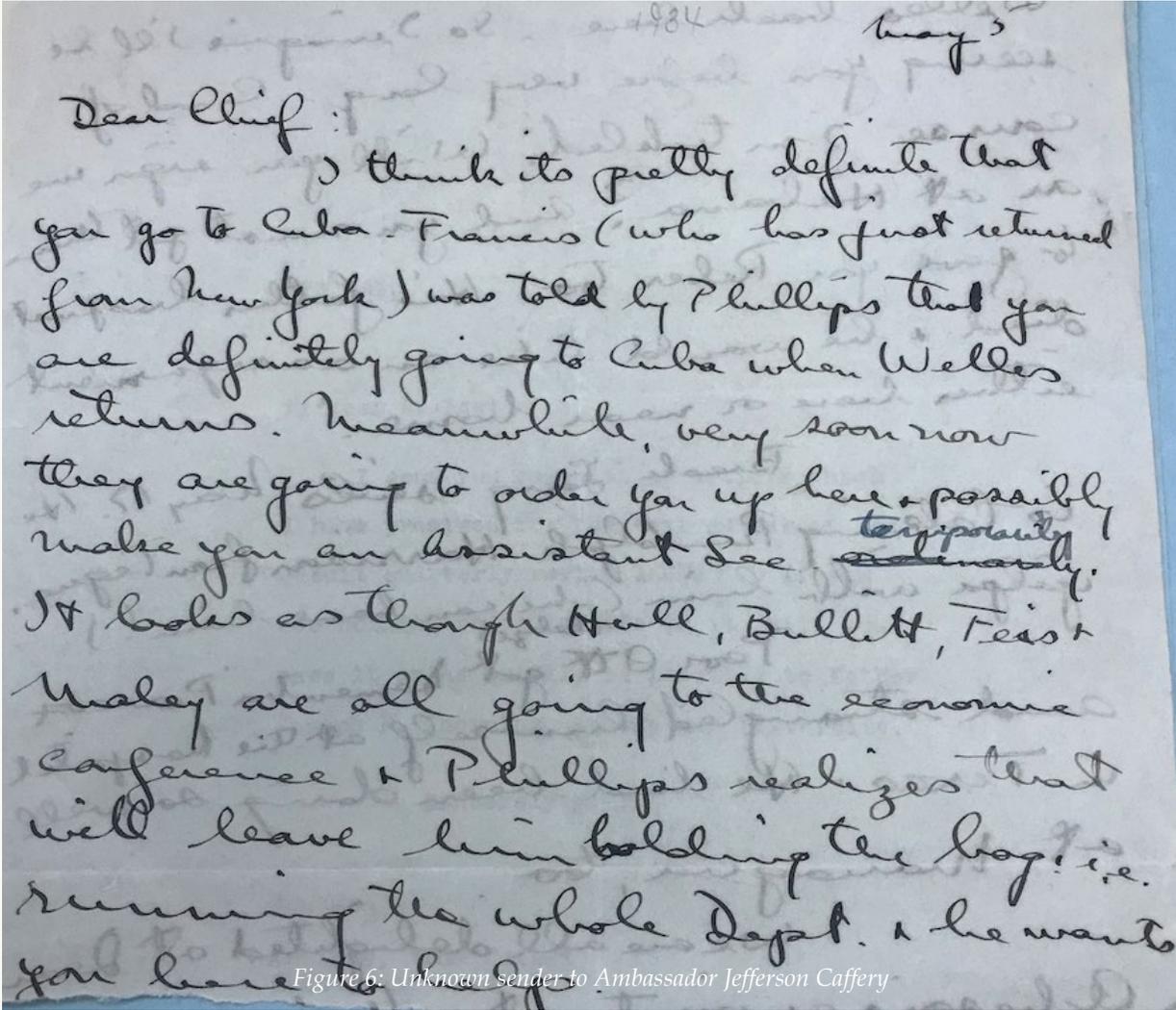
rightfully belonged to Colombia (Woolsey 318). Considering Peru was the one that invaded Colombian territory, Colombia had the right to take military action against Peru in order to secure Leticia if they wanted or needed to (Woolsey 318). War should always be the last option and Caffery defended that throughout all of his posts, always immediately resorting to compromise and negotiation before letting things get out of hand. Over the next year, Peru refused to give up the Leticia territory, but Caffery insisted that Olaya not take military action against Peru but rather to stay back and defend Colombia from the homeland; Olaya agreed (Dur 14).

The Leticia dispute continued until May 25, 1933, just five days after Caffery left his post in Colombia; the Peruvian and Colombian governments finally agreed to a cease-fire with Peru surrendering the Leticia territory back to Colombia, all without a war (Office of the Historian “Jefferson Caffery (1886–1974)” ; Dur 14). If Ambassador Caffery had not convinced Olaya to not take military action, Olaya could have easily initiated a war with Peru killing thousands of innocent people in the process, over something that could have been settled through negotiations. Diplomacy is all about building relationships and communicating with the leaders abroad, and Caffery consistently employed this diplomatic skill to his advantage.

On May 20, 1933, Caffery’s time as Ambassador to Colombia came to an end (Office of the Historian “Jefferson Caffery (1886–1974)”). Caffery’s next assignment was as Assistant Secretary of State, where he would replace Assistant Secretary of State Sumner Welles while Welles completed an assignment in Cuba under direct orders from President Franklin D. Roosevelt (Figure 6) (Unknown sender to Ambassador Jefferson Caffery). Caffery acted as Assistant Secretary of State for five months beginning with Welles’ leave in July of 1933 and ending upon Welles’ return in December of 1933 (Dur 15). Sumner Welles was unsuccessful in accomplishing the mission President Roosevelt assigned to him in Cuba, so Roosevelt ordered Welles to leave Cuba and return home, only to replace him with Caffery (Figure 7) (FRANKLIN).

When Sumner Welles returned home he continued his duties as Assistant Secretary of State while Caffery prepared for his new assignment as Ambassador to Cuba. As we will see, Caffery successfully accomplished what Sumner Welles couldn't in Cuba: compromising, negotiating, communicating, and building honorable relationships with the leaders abroad; without it, as Caffery expressed to President Roosevelt in his letter on March 8, 1935, successful diplomacy could never be achieved (Figures 1-4).

Nearly a year after Caffery's departure from Colombia on April 13, 1934, as a repercussion of the United States' scandal with Senator Hiram Johnson, the Johnson Act of 1934 passed the House of Representatives and Senate with bipartisan support; the Act prevented the United States from granting loans to foreign countries until previous debts were cleared (Dur 13; Pare Lorentz Film Center).



May 3
Dear Chief:
I think its pretty definite that you go to Cuba. Francis (who has just returned from New York) was told by Phillips that you are definitely going to Cuba when Welles returns. Meanwhile, very soon now they are going to order you up here & possibly make you an Assistant Sec ~~Secretary~~ ^{temporarily}. It looks as though Hull, Bullitt, Fess & Malley are all going to the economic conference & Phillips realizes that will leave him holding the bag, i.e. running the whole Dept. & he wants you here to help.

Figure 6: Unknown sender to Ambassador Jefferson Caffery

at the present time that we haven't yet got a provisional government that clearly has the support of the majority of the Cuban people. What can we do? We can't do anything. The matter rests.

Q You seem to have pretty good confidence that we may get a good government down there, from that statement.

THE PRESIDENT: And then the only other thing there -- the only real bit of news in that statement was that we are going to do shortly what we were planning on for some time, and that is to swap Welles and Caffery. Of course that has been planned for some time.

Q There is a big mystery here, Mr. President. We had you and Morgenthau and Hugh Johnson meeting all afternoon.

(Laughter)

THE PRESIDENT: Just between ourselves, I talked to old man Doherty about Warm Springs and also to Judge Lacy about Warm Springs, and now I am going to take a sweat bath and get back in time to see Morgenthau.

Q Is it perfectly safe for us to report, as we have been doing, that there is no change in your present policy contemplated?

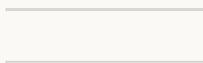
THE PRESIDENT: I think you are pretty safe in doing that.

Q Who is Judge Lacy? Is he from New York?

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