

## American Diplomacy in the 1920s, John M. Carroll

### THESIS

**“American was *restrained* but *active* in foreign affairs during the 1920s.”**

#### I. Republican foreign policy → “Independent Internationalism”

- 1) avoid political commitments/collective security arrangements (i.e. League of Nations)
- 2) economic progress would make the world interdependent, leading to greater trust among peoples → prosperity will bring peace and preclude war
  - a. businessmen should shape policy → they’re experienced and objective in the face of parochial and narrow political interests
    - i. “Hide” diplomatic engagement from the Senate and from voters
  - b. agreements should be voluntary, mutually beneficial, and enforced by public opinion
- 3) since US is militarily and economically secure, avoid risks and avoid sacrifices

#### II. People frustrated with Wilson’s missionary zeal and personal moralizing diplomacy embrace a new approach

- 1) Harding-Coolidge-Hoover play less of an active, personal role; authority is with State Department
- 2) Priority is economic reconstruction of Europe → reconstruction is in US interests and necessary to avoid social upheaval/bolshevism  
“There will be no permanent peace unless economic satisfactions are enjoyed.” – Secretary of State Hughes
- 3) Political considerations in the US and France hamper economic reconstruction
  - a. U.S. public won't forgive debt if it means higher taxes for them
  - b. French occupy Ruhr valley – Germany economy collapses
  - c. Dawes plan sets up a system funded by JP Morgan & Co. to ease reparations burden for Germany
  - d. Young Plan fails b/c Hoover fears connecting debt and reparations will anger Congress
  - e. Hawley-Smoot Tariff – ends up contracting both US and European economies

### III. Disarmament linked to Economic Diplomacy

- 1) Put money into economic production, not weapons
- 2) 5-power treaty reduces size of navies; limits expansion of bases in Asia
- 3) 9-power treaty – reaffirms Open Door, but no enforcement procedures

- 4) Voluntary nature of the agreements *per se* is not the problem; the problem is that economic prosperity did not result
- 5) Kellogg-Briand Pact – “not worth a postage stamp”; French want a security deal, instead they get a toothless treaty

#### IV. Latin America – Closed Door, not Open Door?

- 1) US is interventionist up until the 1920s – defends its interest in maintaining stability with military force
- 2) Cartels and special trading agreements are the standard operating procedure in US-Latin American relations → “continental” policy (this goes against US claims that it supports free trade and open markets – it got “special deals” with Latin American nations because these nations were considered to be in the US sphere of influence.
- 3) 1920s – political and economic stability produces better relations between US and Latin America, with some exceptions (Nicaragua)
- 4) FDR’s Good Neighbor policy has its origins in the 1920s under Hoover.

#### V. Assessment of 1920s Diplomacy

- 1) Mixed bag – some things worked (Dawes Plan) others didn’t (Young Plan)
  - a. Economic cooperation overestimated – nations constantly revert to pursuing short-sighted, selfish policies (high tariffs, refusal to forgive debts, etc.)

- b. Military power underestimated (Japanese and Germans re-militarize and find themselves at an advantage going into the 1930s)

2) Some lessons for later policy makers

- a. There were limits to military force
- b. Globalization would remain a force – interdependence of economies couldn't be ignored
- c. Political alliances could be expensive