CHAPTER IX

THE REPUBLICS OF SOUTH AMERICA

EVEN so huge and conservative a country as Brazil could not start out upon the pathway of republican freedom without some unrest; but the political experience gained under a régime of limited monarchy had a steadying effect. Besides, the Revolution of 1889 had been effected by a combination of army officers and civilian enthusiasts who knew that the provinces were ready for a radical change in the form of government, but who were wise enough to make haste slowly. If a motto could mean anything, the adoption of the positivist device, "Order and Progress," displayed on the national flag seemed a happy augury.

The constitution promulgated in 1891 set up a federal union broadly similar to that of the United States, except that the powers of the general Government were somewhat more restricted. Qualifications for the suffrage were directly fixed in the fundamental law itself, but the educational tests imposed excluded the great bulk of the population from the right to vote. In the constitution, also, Church and State were declared absolutely separate, and civil marriage was prescribed.

Well adapted as the constitution was to the particular needs of Brazil, the Government erected under it had to contend awhile with political disturbances. Though conflicts occurred between the President and the Congress, between the federal authority and the States, and between the civil administration and naval and military officials, none were so constant, so prolonged, or so disastrous as in the Spanish American republics. Even when elected by the connivance of government officials, the chief magistrate governed in accordance with republican forms. Presidential power, in fact, was restrained both by the huge size of the country and by the spirit of local autonomy upheld by the States.

Ever since the war with Paraguay the financial credit of Brazil had been impaired. The chronic deficit in the treasury had been further increased by a serious lowering in the rate of exchange, which was due to an excessive issue of paper money. In order to save the nation from bankruptcy Manoel

Ferraz de Campos Salles, a distinguished jurist, was commissioned to effect an adjustment with the British creditors. As a result of his negotiations a "funding loan" was obtained, in return for which an equivalent amount in paper money was to be turned over for cancellation at a fixed rate of exchange. Under this arrangement depreciation ceased for awhile and the financial outlook became brighter.

The election of Campos Salles to the presidency in 1898, as a reward for his success, was accompanied by the rise of definite political parties. Among them the Radicals or Progressists favored a policy of centralization under military auspices and exhibited certain antiforeign tendencies. The Moderates or Republicans, on the contrary, with Campos Salles as their candidate, declared for the existing constitution and advocated a gradual adoption of such reforms as reason and time might suggest. When the latter party won the election, confidence in the stability of Brazil returned.

As if Uruguay had not already suffered enough from internal discords, two more serious conflicts demonstrated once again that this little country, in which political power had been held substantially by one party alone since 1865, could not hope for permanent peace until either the excluded and apparently irreconcilable party had been finally and utterly crushed, or, far better still, until the two factions could manage to agree upon some satisfactory arrangement for rotation in office. The struggle of 1897 ended in the assassination of the President and in a division of the republic into two practically separate areas, one ruled by the *Colorados* at Montevideo, the other by the *Blancos.* A renewal of civil war in 1904 seemed altogether preferable to an indefinite continuance of this dualism in government, even at the risk of friction with Argentina, which was charged with not having observed strict neutrality. This second struggle came to a close with the death of the insurgent leader; but it cost the lives of thousands and did irreparable damage to the commerce and industry of the country.

Uruguay then enjoyed a respite from party upheavals until 1910, when José Batlle, the able, resolute, and radical-minded head of the *Colorados,* announced that he would be a candidate for the presidency. As he had held the office before and had never ceased to wield a strong personal influence over the administration of his successor, the *Blancos* decided that now was the time to attempt once more to oust their opponents from the control which they had monopolized for half a century. Accusing the Government of an unconstitutional centralization of power in the executive, of preventing free elections, and of crippling the pastoral industries of the country, they started a revolt, which ran a brief course. Batlle proved himself equal to the situation and quickly suppressed the insurrection. Though he did make a wide use of his authority, the President refrained from indulging in political persecution and allowed the press all the liberty it desired in so far as was consistent with the law. It was under his direction that Uruguay entered upon a remarkable series of experiments in the nationalization of business enterprises. Further, more or less at the suggestion of Batlle, a new constitution was ratified by popular vote in 1917. It provided for a division of the executive power between the President and a National Council of Administration, forbade the election of administrative and military officials to the Congress, granted to that body a considerable increase of power, and enlarged the facilities for local self-government. In addition, it established the principle of minority representation and of secrecy of the ballot, permitted the Congress to extend the right of suffrage to women, and dissolved the union between Church and State. If the terms of the new instrument are faithfully observed, the old struggle between *Blancos* and *Colorados* will have been brought definitely to a close.

Paraguay lapsed after 1898 into the earlier sins of Spanish America. Upon a comparatively placid presidential régime followed a series of barrack uprisings or attacks by Congress on the executive. The constitution became a farce. No longer, to be sure, an abode of Arcadian seclusion as in colonial times, or a sort of territorial cobweb from the center of which a spiderlike Francia hung motionless or darted upon his hapless prey, or even a battle ground on which fanatical warriors might fight and die at the behest of a savage López, Paraguay now took on the aspect of an arena in which petty political gamecocks might try out their spurs. Happily, the opposing parties spent their energies in high words and vehement gestures rather than in blows and bloodshed. The credit of the country sank lower and lower until its paper money stood at a discount of several hundred per cent compared with gold.

European bankers had begun to view the financial future of Argentina also with great alarm. In

1890 the mad careering of private speculation and public expenditure along the roseate pathway of limitless credit reached a veritable "crisis of progress." A frightful panic ensued. Paper money fell to less than a quarter of its former value in gold. Many a firm became bankrupt, and many a fortune shriveled. As is usual in such cases, the Government had to shoulder the blame. A four-day revolution broke out in Buenos Aires, and the President became the scapegoat; but the panic went on, nevertheless, until gold stood at nearly five to one. Most of the banks suspended payment; the national debt underwent a huge increase; and immigration practically ceased.

By 1895, however, the country had more or less resumed its normal condition. A new census showed that the population had risen to four million, about a sixth of whom resided in the capital. The importance which agriculture had attained was attested by the establishment of a separate ministry in the presidential cabinet. Industry, too, made such rapid strides at this time that organized labor began to take a hand in politics. The short-lived "revolution" of 1905, for example, was not primarily the work of politicians but of strikers organized into a workingmen's federation.

For three months civil guarantees were suspended, and by a so-called "law of residence," enacted some years before and now put into effect, the Government was authorized to expel summarily any foreigner guilty of fomenting strikes or of disturbing public order in any other fashion.

Political agitation soon assumed a new form. Since the Autonomist-National party had been in control for thirty years or more, it seemed to the Civic-Nationalists, now known as Republicans, to the Autonomists proper, and to various other factions, that they ought to do something to break the hold of that powerful organization. Accordingly in 1906 the President, supported by a coalition of these factions, started what was termed an "upward-downward revolution" — in other words, a series of interventions by which local governors and members of legislatures suspected of Autonomist-National leanings were to be replaced by individuals who enjoyed the confidence of the Administration. Pretexts for such action were not hard to find under the terms of the constitution; but their political interests suffered so much in the effort that the promoters had to abandon it.

Owing to persistent obstruction on the part of Congress, which took the form of a refusal either to sanction his appointments or to approve the budget, the President suspended the sessions of that body in 1908 and decreed a continuance of the estimates for the preceding year. The antagonism between the chief executive and the legislature became so violent that, if his opponents had not been split up into factions, civil war might have ensued in Argentina.

To remedy a situation made worse by the absence — usual in most of the Hispanic republics — of a secret ballot and by the refusal of political malcontents to take part in elections, voting was made both obligatory and secret in 1911, and the principle of minority representation was introduced. Legislation of this sort was designed to check bribery and intimidation and to enable the radical-minded to do their duty at the polls. Its effect was shown five years later, when the secret ballot was used substantially for the first time. The radicals won both the presidency and a majority in the Congress.

One of the secrets of the prosperity of Argentina, as of Brazil, in recent years has been its abstention from warlike ventures beyond its borders and its endeavor to adjust boundary conflicts by arbitration. Even when its attitude toward its huge neighbor had become embittered in consequence of a boundary decision rendered by the President of the United States in 1895, it abated none of its enthusiasm for the principle of a peaceful settlement of international disputes. Four years later, in a treaty with Uruguay, the so-called "Argentine Formula" appeared. To quote its language: "The contracting parties agree to submit to arbitration all questions of any nature which may arise between them, provided they do not affect provisions of the constitution of either state, and cannot be adjusted by direct negotiation." This Formula was soon put to the test in a serious dispute with Chile.

In the Treaty of 1881, in partitioning Patagonia, the crest of the Andes had been assumed to be the true continental watershed between the Atlantic and the Pacific and hence was made the boundary line between Argentina and Chile. The entire Atlantic coast was to belong to Argentina, the Pacific coast to Chile; the island of Tierra del Fuego was to be divided between them. At the same time the Strait of Magellan was declared a neutral waterway, open to the ships of all nations. Ere long, however, it was ascertained that the crest of the Andes did not actually coincide with the continental divide. Thereupon Argentina insisted that the boundary line should be made to run along the crest, while Chile demanded that it be traced along the watershed. Since the mountainous area concerned was of little value, the question at bottom was simply one of power and prestige between rival states.

As the dispute waxed warmer, a noisy press and populace clamored for war. The Governments of the two nations spent large sums in increasing their armaments; and Argentina, in imitation of its western neighbor, made military service compulsory. But, as the conviction gradually spread that a struggle would leave the victor as prostrate as the vanquished, wiser counsels prevailed. In 1899, accordingly, the matter was referred to the King of Great Britain for decision. Though the award was a compromise, Chile was the actual gainer in territory.

By their treaties of 1902 both republics declared their intention to uphold the principle of arbitration and to refrain from interfering in each other's affairs along their respective coasts. They also agreed upon a limitation of armaments — the sole example on record of a realization of the purpose of the First Hague Conference. To commemorate still further their international accord, in 1904 they erected on the summit of the Uspallata Pass, over which San Martín had crossed with his army of liberation in 1817, a bronze statue of Christ the Redeemer. There, amid the snow-capped peaks of the giant Andes, one may read inscribed upon the pedestal: "Sooner shall these mountains crumble to dust than Argentinos and Chileans break the peace which at the feet of Christ the Redeemer they have sworn to maintain!" Nor has the peace been broken.

Though hostilities with Argentina had thus been averted, Chile had experienced within its own frontiers the most serious revolution it had known in sixty years. The struggle was not one of partisan chieftains or political groups but a genuine contest to determine which of two theories of government should prevail — the presidential or the parliamentary, a presidential autocracy with the spread of real democracy or a congressional oligarchy based on the existing order. The sincerity and public spirit of both contestants helped to lend dignity to the conflict.

José Manuel Balmaceda, a man of marked ability, who became President in 1886, had devoted much of his political life to urging an enlargement of the executive power, a greater freedom to municipalities in the management of their local affairs, and a broadening of the suffrage. He had even advocated a separation of Church and State. Most of these proposals so conservative a land as Chile was not prepared to accept. Though civil marriage was authorized and ecclesiastical influence was lessened in other respects, the Church stood firm. During his administration Balmaceda introduced many reforms, both material and educational. He gave a great impetus to the construction of public works, enhanced the national credit by a favorable conversion of the public debt, fostered immigration, and devoted especial attention to the establishment of secondary schools.

Excellent as the administration of Balmaceda had been in other respects, he nevertheless failed to combine the liberal factions into a party willing to support the plans of reform which he had steadily favored. The parliamentary system made Cabinets altogether unstable, as political groups in the lower house of the Congress alternately cohered and fell apart. This defect, Balmaceda thought, should be corrected by making the members of his official family independent of the legislative branch. The Council of State, a somewhat anomalous body

placed between the President and Cabinet on the one side and the Congress on the other, was an additional obstruction to a smooth-running administration. For it he would substitute a tribunal charged with the duty of resolving conflicts between the two chief branches of government. Balmaceda believed, also, that greater liberty should be given to the press and that existing taxes should be altered as rarely as possible. On its side, the Congress felt that the President was trying to establish a dictatorship and to replace the unitary system by a federal union, the probable weakness of which would enable him to retain his power more securely.

Toward the close of his term in January, 1891, when the Liberals declined to support his candidate for the presidency, Balmaceda, furious at the opposition which he had encountered, took matters into his own hands. Since the Congress refused to pass the appropriation bills, he declared that body dissolved and proceeded to levy the taxes by decree. To this arbitrary and altogether unconstitutional performance the Congress retorted by declaring the President deposed. Civil war broke out forthwith, and a strange spectacle presented itself. The two chief cities, Santiago and Valparaiso, and most of