

Oral History Interview
with
PAUL C. DANIELS

U.S. Foreign Service officer, 1928-53, with service as counselor of the Embassy, Bogota, Colombia, 1943-45; Rio de Janeiro, Brazil, 1945-47; Ambassador to Honduras, 1947; U.S. rep. Inter-Am. Economic and Social Council, 1947-48; director American Republic Affairs, U.S. Dept. of State, 1947-49; U.S. delegate to the 9th International Conference of American States, Bogota, 1948; Ambassador to the Council of Organization of American States, 1948-50; and as U.S. Ambassador to Ecuador, 1951-53. Also served later as a special adviser on Antarctica, U.S. Dept. of State, 1957-59.

Lafayette, Louisiana
June 11, 1974
by Richard D. McKinzie, Harry S. Truman Library

The Harry S. Truman Library
Independence, Missouri
September, 1978

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[1]

MCKINZIE: Mr. Ambassador, many historians are interested in the general subject of why people go into the Foreign Service. How did you happen to come to that?

DANIELS: It first occurred to me while I was in college at Yale. In fact, when I worked on a ship going to Europe in the summer of 1923, I called on Consul General [George S.] Messersmith in Antwerp. I asked him about the Foreign Service, or the Consular Service, as it was then called, as well as the Diplomatic Service. And

[2]

he said, "Young man, the same talent, brains, and energy applied to something else will get you much further." Well, in other words, he wasn't trying to proselytize; quite the contrary. I then gave up the idea for a while because I had to go back to college, and I later went to France for a year. Then to earn money I went to Riverdale School to teach French for a year, just to earn my bread and butter. But it wasn't my calling, so, after a little thought, and with suggestions from friends of my mother, I looked into the Foreign Service, as it was called after the Rogers Act of 1924. That was just beginning, and it sounded as though they were trying to make a decent Foreign Service. So, I went down to Washington and took cram courses on different subjects, international law, history, economics and so on, passed the exams, and in due course entered the Foreign Service. That was in 1927, and I stayed through it from the

[3]

bottom until I voluntarily left in 1954 after my tour of duty as Ambassador to Ecuador.

MCKINZIE: Did you have any special interest in the Latin Americas, or did that simply fall to you?

DANIELS: Well, this was an amusing thing, as a matter of fact. While I was going through what they called then the Foreign Service School, which meant that you went to different sections of the Department to learn the ropes, I figured that Russia was a pretty big place, and we weren't doing anything about it much. I thought that maybe since obviously sooner or later we would have to, it might be good to look into Russia specialization, because they did have such a thing anticipating that.

I went to see Bob Kelly, who was head of the Eastern European Division, and I said that I thought I'd inquire about the possibility of becoming a specialist in Russian affairs.

[4]

"Well," he said, "are you really interested in that?"

I said, "I just thought it might be interesting." (Lackadaisical was my nature, and I wasn't going out eager beaver.)

Well, he kind of figured that I wasn't interested enough, so he dropped it and therefore I dropped it. But if I had, I think, showed a little more enthusiasm for it, I'd have gone into that Russian service. I hadn't at that point given any thought to specializing in Latin America, though it subsequently turned out that my entire career was in that field. That started when they assigned posts for our new class. All of us were sent out as Vice Consuls. I was assigned to Valparaiso, Chile, and that began it.

Valparaiso was then a Consulate General. It has since been closed, which was a mistake. We should have an office there for public relations,

[5]

if nothing else.

One day the Consul General got a telegram from the State Department saying, "Daniels proceed immediately to Cali. Travel paid." Well I didn't know where Cali was. I wondered if they meant California and in the office we bustled all around and finally figured out that it must be this town in the southern part of Colombia, called Cali, which actually today is a very fine, big, prosperous city. There was no airplane travel in those days at all, and the ships were not very frequent either, but I got on the next freighter, which carried mostly copper bars; went up to Buenaventura, Colombia, the port near Cali; then went inland to Cali. Well, I was then Vice Consul there. I found out that why I was transferred was because the previous Vice Consul, whom I was replacing, had thrown the Consul down the stairs, knocked him down. They had had this argument which became

[6]

physical, and so he was transferred and I was called up, being, apparently, the most available. That's how I went to Cali, my second Latin-American post.

Having been there several months and getting used to it (it was really a nice place, too), I received another telegram; "Daniels proceed immediately," or words to that effect, "to Buenaventura to take charge." That was a small place with just one officer. Well, I was surprised, but I just packed my suitcase and took the train that goes over the mountains and down to Buenaventura, which was the worst post of the Service, I guess. There may be some worse ones now, but it certainly was then. The reason for my assignment was because the Vice Consul there, a very decent chap, had been there too long. He was getting D.T.'s, delirium tremens, and they figured they couldn't leave the office in charge of somebody who had the D.T's. So, I was sent down, and with some enthusiasm I took over, after I managed to get him off on a ship, somehow. The staff consisted

[7]

of myself and a little colored boy who would get the mail. I was tempted to send a photograph to the *American Foreign Service Journal* with the caption that this was the staff at Buenaventura, Colombia. It would show this little colored boy and nobody else, and say that the other member of the staff took the photograph. I never got around to that. Somewhat later they sent a young American chap down as clerk. He could do a little more of the typing, which I wasn't too good at. But I worked like the devil there; it was a busy place.

Then I came back up to the States in July. I was due home on leave, because I hadn't been back for a while, and it was granted. They didn't pay your way then, so I arranged to sign myself on a ship. Being Vice Consul then in charge, I had to sign all the shipping papers, so I signed myself on a freighter as a utility man at one cent a month. That was free passage, and this

[8]

was all I wanted. This ship was to call at the port of Buenaventura on July 4th. Well, my replacement, Mr. Meyers, was an older man and was coming down from Panama. I met him, of course. He got in there, I think, only one day before I was supposed to leave. He was gaunt and frail -- didn't look very robust.

The Chinese colony, which was very important in Buenaventura and ran a lot of stores, selling groceries and stuff like that, gave me a banquet, because they thought I had protected them. At that time we had charge of Chinese interests all around the world, and they thought I was helpful once when there threatened to be an election riot. Well, I did walk around the streets, and they would look out through the windows, and I would wave. That was all. Anyhow, they were good enough to offer a nice banquet, and they did it very well, even in a place like Buenaventura. And, of course, with the new Vice Consul coming,

[9]

my idea was to invite him. So we had a good banquet with plenty of libations, exotic food, and so on. The next morning Mr. Meyers, the new Vice Consul, was very ill. That created a problem, because I had to get on the boat, and yet I didn't want to leave and have him die three hours later. He already looked as though he was half dead. That was a real difficult situation, whether to miss my transportation (God knows how I would have gotten up without that) or to leave him and take the chance that he might not die. Well, I elected to take the trip on the theory that other people could take care of him. I was no doctor. But I was relieved when I found out in Panama that he had not died. It was a close decision. Anyhow, that brought me up to the States.

That was the summer of 1930. I went up to Massachusetts a couple of months, then I went back to Washington and they asked me if I'd like to go to La Paz, Bolivia.

[10]

"Well," I said, "I hadn't thought about it." But they said that they needed me there; that's what they always say. I had no particular objections. Still, at that time you could send up what they call a transfer record, in which you indicated where you'd like to go, sort of for morale purposes, obviously. I said that I'd like to go to Paris. Of course, they paid no attention to that. Anyhow, I went to La Paz, and was there for over two years. It is a high place. Then I came back on leave, and I was reassigned. This was '32. Ed [Edwin C.] Wilson was then in charge of the Latin-American Division. He was one of the best we ever had in that job. He said, "Paul, how about going to Managua, Nicaragua?"

"Well," I said, "that's another 'unhealthful' one. I've already had three. I'd just as soon go there, but I am afraid it would look kind of funny on the record if you keep sending me

[11]

to these odd places."

And he said, "No, that's very important." It turned out he was right. So, I went to Managua in '32. The U.S. Marines were still there. In fact, I saw them evacuated after the end of the year. I came in September. And a while later I had to dig up several corpses in the middle of the night. It was very gruesome.

I was in Managua for the elections. We had an electoral mission there under Admiral [Clark H.] Woodward. They elected a Liberal President, [Dr. Juan B.] Sacasa, and I stayed on and things

went very quietly. [Augusto Cesar] Sandino was trying to make a deal with him, but then some people, probably the National Guard, assassinated him along with some of his people in February of '33. It was quite a night. The people got very excited. It eliminated Sandino anyhow, even though it was a cruel assassination. We had nothing to do with it in case anybody asks.

[12]

MRS. DANIELS: What was that about the corpses that you were talking about?

DANIELS: Oh, yes. We got instructions to send home some poor Marines who had been killed. They would go out putting up wires and exploring and scouting for the bandits, these Sandino people. The Marines were sometimes jumped and killed. Some of the corpses were mutilated. That was pretty gruesome stuff. There were about four or five of the bodies that they recovered and buried in Managua. I was Charge d' Affaires at the time. (That was a good break for me, because Minister [Matthew] Hanna had left, and it was some time before Arthur Lane came. For about six months I was about the youngest Charge d' Affaires in the Service, so it was just fine.) I then got instructions to send the bodies home. They sent down some very nice caskets, and I consulted with some of the authorities there. If we did it at high noon there would be a lot of crowds

[13]

and events might be a little unpredictable, so, we decided that the safest thing was to do it at night, which we did. We got some laborers, and they had to dig down quite a way. I had to identify the corpses. They had tags and were only semi-decomposed. Then we had to transfer them from the rough graves into these very nice coffins, silk and all; close them up and identify each one. And then transport them over to the railroad train to Corinto on the Pacific Coast, where they were shipped back. That was all there was to it, but that business at night, with these flaring lights around and digging these corpses, was kind of an odd job.

Anyhow, in the middle of '34 I finished at Managua and came up again on leave, and that gave me my four unhealthful posts in a row. I forgot to mention Corinto. While the Marines were still there, in the latter part of '32, another emergency call came from Corinto.

[14]

That's a little port on the Pacific Coast, where the railroad comes down from Managua. They had a Vice Consul there, again only one person, and he was a nice chap, too. But they reported up through other sources that he was running around the streets naked at night, and he had the D.T.'s. He'd been there too long, also. So, I was assigned to go down there immediately. I got my little grip with my pajamas and got in one of the Marine planes. They had these little planes they called Hell Divers. They gave me a big bundle of a sort of khaki cloth and said, "Here." It turned out that was a parachute. It's a good thing I didn't have to use it. I didn't know how it worked. And so we came over to Corinto. It's only thirty minutes, I think, by plane. And that made four so-called unhealthful posts in a row for me, which was a record, I think.

Well, in the States again, Ed Wilson said that he wanted me to put in some time in the

[15]

Department to work there on the trade agreements. That program was just beginning. Cordell Hull was pushing it and he brought in Henry Grady to help. They decided that I could help in the Latin-American part, so I worked on that line for a good many months, particularly the Brazilian Trade Agreement. Then another thing came up in '35. Panama was complaining, as they always have, about the Canal and the arrangements there, and sent up Ricardo Alfaro, a distinguished man, and Narciso Garay to sort of keep tabs on each other and to negotiate with Sumner Welles about revisions. I was asked by Welles to keep track of things and revise the stenographic record, which was taken professionally, to make sure that it was okay. The Panamanians had their Mr. Chevalier, who did the same thing. We compared notes and agreed on a final version of what went on. There are five, six volumes of that stuff, which everybody today has forgotten, which is

[16]

unfortunate. We had been very thorough, but people working on Panama now, I think, have never heard of it. Anyhow, it ended up with revisions of the treaty including the annual payments, which was adjusted to take care of our dollar devaluation. (They couldn't call it that because that would be a bad precedent for the Treasury, so they made it part of the new general treaty.) If they revised upward a dollar obligation, they would open the door to a lot of claims on Treasury bonds.

Well, I was involved in this Panama thing for quite a while. Coming back to the trade agreements, I was asked to go down to Venezuela to negotiate a trade agreement with Venezuela; so I went down. I had a separate status in the Embassy. I worked on that for over a year down there, because, while I could get along pretty well with the Venezuelan Foreign Office and Finance Ministry, it would take about two or three months to get a reply to an inquiry from

[17]

Washington, which was very embarrassing to me. So, the delay was on our side and not theirs, contrary to what anybody would normally expect. Anyhow, it was just about wound up in fact, for practical purposes it was wound up when the Nazis and Russia invaded Poland and started the war. That didn't involve us immediately, but it was quite obvious that the U.S. would have to take a serious interest in that. Sumner Welles, who was really more concerned with Latin America than Cordell Hull because he was closer to things, decided to have a meeting of Foreign Ministers that had been provided for in earlier conferences. That was arranged to take place in Panama, and Welles asked me to return to Washington to go back down with the delegation, primarily himself, on a ship. He wanted to go on the ship to get everybody briefed and that sort of thing. It only takes four or five days to get to Panama. I did go and I sat through that conference there. I didn't do much. That was the one where various measures were passed, including what they called the "chastity belt" around the hemisphere where the Nazi submarines had better stay out of. I won't go into the international law intricacies of that.

At the end of '38, came the question of whether I could stay on in Washington, because there was generally a time limit of four years. Welles decided that I should, and he was in a position where he could adjust things more or less the way he wished. So, I was reassigned to the State Department in 1939.

MCKINZIE: That would explain why you were still in Washington in 1943.

DANIELS: Yes, I was assigned there from then until '43. At the end of '43 I went to Colombia.

Early in April, 1940, the coffee problem became bad. That's the biggest thing in my whole

[19]

career, I guess.

MCKINZIE: I once talked to Jose Figueres in Costa Rica and I asked him if he believed that the Latin-American nations had made contributions to the war effort in such magnitude that they could legitimately feel entitled to postwar American assistance. He looked at me and said, "Yes." He said that the contribution of Costa Rica was three coffee crops; that they had sold coffee to the United States at the agreed price, and had they sold that on the world market it would have been the equivalent of three more coffee crops. Therefore, their contribution was the price of three coffee crops, and they thought they should be compensated.

DANIELS: Well, of course, what he says is completely wrong and misleading. What happened was that, with the outbreak of the war in Europe and submarine warfare interrupting shipments, the

[20]

European market for coffee was eliminated. At that time it amounted to over ten million bags. Well, there was pressure on the part of producing countries, including Costa Rica as well as Brazil and Colombia, to sell it to the United States. They figured that we could take fifteen million bags or a little less maybe. Well, total production then was about 25,000,000 bags, and you can't squeeze that much coffee into the United States; there's no way. As a result, the prices declined to fantastic levels, below cost. Santos 4, the normal Brazilian coffee, got down to below six cents, and it had been up around fourteen or more. It was the same with the mild coffee from Central America, including Costa Rica. In fact, most of their coffee had gone to Europe, anyhow, more than to the United States. But we gave them a pretty good quota, and they like everybody else benefited since we agreed to this treaty. The treaty went into

[21]

effect in early '41, and more than doubled the price of coffee. And the only reason is because we as a consuming nation collaborated in a control system whereby we the consumers paid double of what we were paying. They should pay us for that, the hell with us paying them. Figueres has to be a politician. Well, that gives you a little better picture of that, needless to say, but to say that we owe them for that -- hell, they owe us.

One good thing about Costa Rica is that they declared war before anybody else on the Nazis. Arthur Lane was down there at the time and he was quite proud of that. He must have high-pressured it.

MCKINZIE: So, in '41 when you negotiated this coffee problem you dealt with all of the delegations from the various countries?

DANIELS: There were thirteen of them, fourteen

[22]

counting ourselves. We met regularly at the Pan American Union. In addition, I met with them frequently after hours, the cocktail hour or 'til midnight. I also had other jobs in the Department and I was pretty busy then.

I was the only witness before the Senate Foreign Relations Committee, which considered the Inter-American Coffee Agreement. There was nobody else. This whole thing is interesting, since it did represent a tremendous added expense to the consumer by this restricting of imports. But it meant saving the economies of these thirteen countries. Otherwise they would have collapsed, with bad results.

MCKINZIE: How did you arrive at the quotas?

DANIELS: It took months and months, many a whiskey soda, many an argument. Berent Friele, who was the biggest coffee man in the private business (he was with the A&P), didn't think it was possible,

[23]

especially between Colombia and Brazil. So, it took a little dealing here and there. It was difficult. The pressure was such that even though nobody was satisfied, the probable gain outweighed the probable loss. The treaty lasted, I think, until I left Rio, or about then. I was asked by Phil Nelson (a coffee importer) whether it would do any good for that to continue. I said, "No. The war is over, and I'm not by nature in favor of these commodity agreements." And it was terminated. It's one agreement of that character. It was done promptly when it was needed, and when it was no longer needed it was terminated. That's better than we do in the Agriculture Department here at home.

MCKINZIE: How did they happen to send you down to Hot Springs in '43?

DANIELS: That was the first United Nations Conference.

[24]

It was on food and agriculture. Very few people know that the first United Nations Conference (it was called that) was held as early as early as 1943. The reason for calling it that was propaganda, I suppose. I went down because of coffee, because I was a coffee expert. In fact, I was chairman of the Inter-American Coffee Board. It was possible that questions would have arisen or proposals might have been made regarding other commodity agreements, and our experience in coffee might or might not have been of some value. In any event, we decided I'd go down. Actually, I did very little there.

MCKINZIE: Other people I've talked to who went to that conference said they didn't have time to prepare.

DANIELS: That's right. The Russians did, though. I remember they showed a moving picture of how some of the brave Russian soldiers were defending Stalingrad or some other place. You can't beat

[25]
them.

MCKINZIE: Did you ask to go to Bogota?

DANIELS: No. By then I had become pretty well identified with Latin America. Arthur Lane might have asked for me, because he had been Minister part of the time when I was in Managua, and then he was Ambassador at Bogota. We became very good friends. So, he may have asked, I'm not sure. Anyway, I went down as Counselor there in December of '43.

MRS. DANIELS: That was right after Fletch [Fletcher] Warren was there.

DANIELS: Yes, we took Fletch Warren's house.

I can't think of any other reason except that by then I'd been around Latin America quite a bit, always by circumstance. I had become interested in Latin America by then.

MCKINZIE: Did you continue to be a sort of resident

[26]
expert on coffee, then?

DANIELS: Yes, I was both there and later in Brazil. In Bogota there wasn't much to do, but I did make trips to Medellin, Manizales and such places because I felt a certain moral obligation. I went out there and made speeches consisting of platitudes and goodwill, and they were good enough to put on very hospitable parties. It was a very successful little trip to these coffee centers, but from the standpoint of substantive work I didn't have much to do, although I had good relations with them.

And in Brazil, about the only thing that happened was when the Army needed a lot of coffee, about two million bags. This must have been in '45. I was asked to help J. Aron & Company a very large coffee importer in New York and New Orleans, conclude this contract with the Brazilian coffee department. I accompanied the man they sent down to see Sousa Costa, the Minister of Finance, to talk about

[27]
it. In general I indicated that it seemed to be a good idea, and the deal was made. That's about the last substantive thing I did on coffee.

Incidentally, here's an interesting thing, parenthetically, which I did in Brazil. This was at the time when Juan Peron was in Argentina. Spruille Braden was then Assistant Secretary, and they didn't like each other, of course. He brought out the "bluebook," telling how bad Peron was and sending copies all around the continent. I had to take one to the Brazilian Foreign Office. That began to worry me a little bit, and so I wrote a despatch. I was then Charge. I was Charge there about six months between Adolf Berle and Bill [William] Pawley, who came later. I was delighted to have the opportunity to write this despatch, but I didn't want to call it "American-Argentine Relations," because that would seem out of place coming from the Charge d'Affaires in Rio. So, I called it,

[28]

I think, "Brazilian, Argentine, and American relations" -- something like that. It's fairly long and in substance raised questions about the way we were going at this. Well, I thought that was very important. About two years ago I checked the volume of *Foreign Relations*, which are brought out about twenty-five years later. I happened to be in Washington when this one for '45 came out. I was curious to see if they had this despatch I'd written, which I thought was a pretty good one. I only found two long telegrams about that coffee purchase and it only mentioned Daniels there. They selected that and put it in, and left out what I thought was extremely important, and, I think, influential, too.

MCKINZIE: Do you mean influential in getting a resolution?

DANIELS: Yes, and it was also influential in affecting views and opinions. I'm sure that Braden must

[29]

have been sort of not pleased. I should give him credit, because he later was influential in naming me to Ambassador to Honduras, so he took it like a man. But I sent copies, likewise, to Argentina and the Embassy there. Anyhow, the people who did the *Foreign Relations of the United States* elected to leave that out and to put in the fact that I helped buy some coffee. I thought that was pretty dumb.

MCKINZIE: Your view was that Braden was just taking too hard a line toward the Peron affair?

DANIELS: He was messing in too much. I've always thought that, including when I was down there. That gave Peron the slogan, "Are you voting to Peron or Braden?" In other words, it was Argentina or the United States. That's pretty hard to lick. Anyhow, that's nothing to say in defense of Peron, who did a lot of nasty things, obviously. The question was the best

[30]

way of coping with them.

MCKINZIE: When you were in Bogota and then you went down to Rio, had both those governments already taken care of the problem of property owned by the Germans? I know that was a concern of all the embassies all through the war.

DANIELS: It was indeed. When I got down to Rio, that was then pretty well over and I don't recall too much. But in Colombia I even went to see the Minister of Government, not on my initiative but on Arthur Lane's (at that time my boss). I was to pressure the Government of Colombia to intern a whole lot of Germans around there, and in fact they did. Most of them didn't deserve to be interned. They were hard-working people and they didn't like the Nazis any more than the rest of us. But those were the instructions all around; so, in Colombia they took some action along that line

[31]

I am sure that it didn't do any good at all.

MCKINZIE: Were you at the Rio Conference in 1947, when Marshall came down and signed the Rio Pact?

DANIELS: No, I didn't go to that one, though I was instrumental in invoking it the first time later on through the Council of the OAS.

MCKINZIE: The first one was in the Caribbean?

DANIELS: No, the first incident was between Costa Rica and Nicaragua in '48.

MCKINZIE: How did you happen then to go from Rio to get involved in planning and that actual participation in this conference at Bogota?

DANIELS: Well, in 1947 I was at Tegucigalpa, Honduras. Everything was going smoothly. There were no major problems, unfortunately, because you like to have something to chew on; but it was very nice. I got a telegram and they wanted me to

[32]

come up and help prepare the economic phase of the forthcoming Bogota Conference scheduled for early '48. It turned out to be around March and April. So, I went up and was appointed to the Inter-American Economic and Social Council, which was to draft a treaty regarding Inter-American economic matters, covering trade, finance, and so on. Well, I worked on that for several weeks. Then Jim Wright, who was at that time head of ARA (that's the American Republics office) died. It was too bad, because he was a competent fellow. That job had to be filled, and when something went wrong they had me. So, I had to give up what was daily work on the Economic and Social Council and take over ARA, as head of the Latin American work. The arrangements for the conference had already been started, but there was a lot of work to be done. The general feeling was there should be a charter or a treaty creating an organization of American States, something which had not existed before. Well,

[33]

that's pretty important business, and if you are going to sign a treaty you don't want it to be something to be sorry about. Quite a number of us worked on that, especially Bill [William] Sanders and several other people as well. That was really supposed to be the main event of the Bogota Conference, to conclude this first charter of the organization. In spite of the Bogotazo, as

they called it -- the riots, murders, fires, and so on -- that was accomplished. I was there throughout the entire conference. General [George] Marshall -- then Secretary of State -- went down and was through the riots and the fires, but then had to leave in due course to go back to his duties in Washington.

MCKINZIE: When they were planning that conference everyone seemed to be afraid that the Latin Americans were going to ask for a lot of money. The Marshall plan had just been proposed and was in the process of being passed at the time

[34]

that conference was convened. And there were a lot of Latin-Americans who evidently felt that they were being relegated to second-class status.

DANIELS: Well, it doesn't matter whether they really felt that way, that is the way they talked. That's true.

MCKINZIE: Evidently General Marshall himself, didn't want, if he could help it, a whole lot of talk about money.

DANIELS: Well, he finally offered five hundred million dollars -- I think it was -- Export-Import Bank loans. While that seemed like quite a reasonable amount, it didn't create great cheers on the other side either.

MCKINZIE: Did you have to deal with any Latin-American on that subject?

DANIELS: No. I was busy on the more political

[35]

things. Bill Pawley and, I think, Walt [Walter] Donnelly were involved in that. There were two or three others on that; I forget now. The most that could be obtained from Washington or the Export-Import Bank, I think, was five hundred million.

MCKINZIE: You say that whether the Latin-Americans felt or didn't feel that they had been relegated as second-class citizens, they sort of talked like they were.

DANIELS: Oh, yes. They were always talking for money.

MCKINZIE: What about their economists? Some people thought maybe the Latin economists had a different philosophy about handling the whole thing. In fact, Bill Braden said that he didn't think they were very sophisticated.

DANIELS: Well, that's probably true, but I dare say that the difference of view between the Latin-American economists among themselves, or with us,

[36]

are no greater than between any other one hundred United States economists. It's a very unscientific science. So, it boils down to the fact that the politicians want more money.

MCKINZIE: How did some Latin Americans talk about the need of Marshall plan in Latin America? They said in 1948 that their problems was that they had been too friendly. If they had demonstrated that they were about to go Communist, as Italy and France were, then they would have gotten the money they wanted.

DANIELS: Well, it's hard to pin it down, but I can recall hearing that type of talk down there.

MCKINZIE: Were you pleased with the charter that was finally hammered through? You hadn't yet made any concessions which concerned you at that time?

DANIELS: No, I don't recall any. I think it reflected pretty much what we thought we could live with.

[37]

The charter was all right and it didn't strike me as a bad idea to have something like that; a better organized hemisphere. The charter went along pretty well. It functioned reasonably well I think, until a few years ago when people began to get grandiose ideas. They had another conference and now they've got a revised charter. I may change my mind on this if I read it carefully, but my impression is that it's too big and not nearly as good as the original one. It gives jobs to all kinds of politicians.

MCKINZIE: I wonder if I could get you to talk about Ecuador a little bit?

DANIELS: Well, yes. I was going to be assigned to Guatemala and Rudy [Rudolph E.] Schoenfeld was going to be assigned to Ecuador, but he had a bad heart. Quito is very high, so the State Department exchanged us. I went to Ecuador and Schoenfeld went to Guatemala. And in retrospect I'm pleased, because we made many good

[38]

Ecuadorian friends of all political parties. The controversies we had weren't nasty or vicious. The Commies went around putting slogans on the walls. I would just say to the Foreign Minister that it's too bad that they had this sort of monkey business going on, but it was under control.

MCKINZIE: President Truman in '49 talked about the Point IV program, and then the Institute for Inter-American Affairs kind of became the operating agency for all of that. Henry Bennett took over at least the main part of it. While you were there they had some kind of thing called the Servicio. Was that a good form of aid? I think it would be impossible, because it kind of puts American nations right inside the government of another country.

DANIELS: Yes. One of the best things there was the one that Galo Plaza, who at that time was President, liked. We had a cattle expert, whose name I can't recall, and he'd go out on these farms

[39]

and tell them about the good points of cattle breeding. He'd stage judging shows and that sort of thing, aiming at helping them increase the value of their agriculture, in this case cattle. And Galo Plaza thought that was splendid. I did myself. We went out to see some of the things being done, and that was part of that program. There were other programs too. We also had a good cultural center there.

MCKINZIE: Your assessment would be then that during those years '51 to '53, that there were no outstanding U.S.-Ecuadorian problems that were all consuming.

DANIELS: No. Probably the biggest and nastiest one is the one that they still have, only worse, and that is tuna boats. Every now and then they would catch a tuna fish boat off the shore. I just kept hoping that they wouldn't get another one, because it was a nuisance. That's been much worse since then. I think that was before they

[40]

went out two hundred miles. It didn't reach major proportions until later.

As for relations with Peru there was a little question there, but it wasn't acute. They weren't entirely satisfied with the situation at the Peruvian border. There were no hostilities, and it seems to be quite quiet now.

MCKINZIE: A lot of the stuff that's being written about that period indicates that everyone was acutely aware of the revolution in the rising expectations of the common people, and they certainly were nervous about that. Do you recall that as being true?

DANIELS: I think that's been going on for a hundred years and will be for the next hundred. I don't see anything special in that period. I think that's sort of routine. Just like they say in Brazil, "Brazil has a future. It always has had a future and always will have."

MCKINZIE: Thank you very much, Mr. Ambassador.

[41]

INDEX

Alfaro, Ricardo, 15
American Foreign Service Journal, 7
American Republic Affairs, Office, 32
Argentina, 27-28
 elections in, 29

Bennett, Henry, 38
Berle, Adolf, 27
Bluebook, 27
Bogota, Colombia, 25, 30,
Bogota Conference, 31-32, 33-34

Organization of American States, work on charter at, 32-33
Bogotazo, 33
Braden, Spruille, 27, 28-29
Brazil, 20, 23, 28, 40
 J. Aron & Company, contract negotiations with, 26-27
 "Brazilian, Argentine, and American Relations," memorandum concerning, 27-30
Buenaventura, Colombia, 5, 6-9

Cali, Colombia, 5-6
Coffee crop, from Latin America sold to the United States during World War II, 19-21
Coffee quotas, 22-23
Colombia, 18, 20, 23
Corinto, Colombia, 13-14
Costa Rica, 31
 coffee crops sold to the United States during World War II, 19-21
Costa, Sousa, 26

Daniels, Paul C.:
 biographical information, 1-3
 Bogota, Colombia, as Counselor of the Embassy, 25-26
 Bogota Conference:
 attendance at, 31-33
 work on a charter creating the Organization of American States, 32-33
 Brazil, J. Aron and Company helps negotiate a contract with, 26-27
 "Brazilian, Argentine, and American Relations," memorandum on:
 influence of, 28-29
 reasons for writing, 27-28
 Brazilian trade agreement, work on, 15
 Buenaventura, Colombia:
 assignment in, 6-9
 attends banquet at, 8-9
 Cali, Colombia, assigned to, 5-6
 coffee quotas, discussions on developing, 22-23
 Colombia, assignment in, 18
 Colombian government, mission to seek internment of Germans by, 30-31
 Corinto, Colombia, work in, 13-14
 Ecuador:
 as Ambassador to, 3
 assignment in, 37-38
 Foreign Ministers Conference in Panama, attends, 17-18
 Foreign Service:
 attends Foreign Service School, 2-4
 interest in joining, 1-2
 Honduras, as Ambassador to, 29
 Inter-American Coffee Agreement, work on, 22-23
 Inter-American Economic and Social Council, as a member of, 31-32

LaPaz, Bolivia, assignment in, 9-10
Managua, Nicaragua, assigned to, 10-13
Office of Inter-American Affairs, as Director of, 32
Panama Canal Treaty revisions, work on, 15-16
Pan American Union meetings, attendance at, 22
Senate Foreign Relations Committee, testimony before on the Inter-American Coffee Agreement, 22
Union of Soviet Socialists' Republics, interest in while attending Foreign Service School, 3-4
United Nations Conference, Hot Springs, Virginia, 1943, attends, 23-25
Valparaiso, Chili, assigned to, 4
Venezuela, negotiates trade agreement with, 16-17
Washington, D.C., reassigned to, 1939, 18
Donnelly, Walter, 33
Ecuador, 37-38
Daniels, Paul C., as Ambassador to, 3
territorial limit controversy, 39-40
United States assistance to, 38-39
Export-Import Bank loans to Latin America, 34-35
Figueres, Jose, 19
Foreign Ministers Conference in Panama, 17-18
Foreign Relations of the United States, 28, 29
Foreign Service, 1-2, 2-4
Friele, Berent, 22
Garay, Narciso, 15
Grady, Henry, 15
Hanna, Matthew, 12
Hull, Cordell, 15, 17
Inter-American Coffee Agreement, 22-23
Inter-American Conference on Peace and Security, 31
Inter-American Economic and Social Council, 31-32
International Conference of American States, 9th, 1948, 31-32, 33-34
J. Aron and Company, 26-27
Kelly, Bob, 3-4
Lane, Arthur Bliss, 12, 21, 25, 30
LaPaz, Bolivia, 9-10
Latin American, United States aid to, 33-36

Managua, Nicaragua, 10-13, 14, 25
 elections in, 1932, 11
 United States' Marines in, 11, 12-13
Marshall, General George C., 33, 34
Messersmith, George S., 1-2

Nelson, Phil, 23
Nicaragua, 31

Organization of American States, 31
 Charter, work on, 32-33
 evacuation of, 36-37

Pan American Union, 22
Panama:
 Foreign Ministers Conference in, 17-18
 United States, negotiations for revisions of Canal Treaty, 15-16
Pawley, William D., 27, 35
Peron, Juan, 27, 29
Peru, 40
Plaza, Galo, 38, 39
Point IV, 38-39

Rio de Janeiro, Brazil, 30

Sacasa, Dr. Juan B., 11
Sanders, William, 33
Sandino, Augusto Cesar, 11, 12
Schoenfeld, Rudolph E., 37
Senate Foreign Relations Committee, 22

Tegucigalpa, Honduras, 31
Treasury Department of, 16
Truman, Harry S., 38

Union of Soviet Socialist Republics:
 Daniels, Paul C., interest in specializing in, 3-4
 United Nations Conference at Hot Springs, Virginia, 1943, attendance at, 24-25
United Nations Conference at Hot Springs, Virginia, 1943, 23-25
United States:
 coffee, crops sold to during World War II, 19-21
 Ecuador, resistance to, 38-39
 Latin-American Nations, aid to, 33-36
 Managua, Nicaragua, United States Marines in, 11, 12-13
 Panama, negotiations with for revisions of the canal treaty, 15-16
 Venezualian trade agreement with, 16-17

Valparaiso, Chile, 4-5

Venezuela, trade agreement with the United States, 16-17

Warren, Fletcher, 25

Welles, Sumner, 15, 17, 18

Wilson, Edwin C., 14

Woodward, Admiral Clark H., 11

Wright, Jim, 32