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THE AMERICAN BUSINESS COMMUNITY IN MEXICO CITY DURING THE LAZARO CARDENAS ADMINISTRATION: AN AMERICAN ISLAND IN MEXICO CITY

by

Birgit Nielsen

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF ARTS

in the Department of
History

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By the middle of the 19th century, the United States and Mexico had established an economic relationship which was to weather revolutions, depressions, and a world war. From the beginning of the 20th century, Mexico was second only to Canada in attracting American capital investment and by 1930 the United States was Mexico's most important trading partner. A direct result of this economic partnership was the existence in Mexico City of an enclave of 4,000 American citizens. Knowledge of this American enclave, which referred to itself as the American colony, was not readily available. Therefore, a careful study of the colony's newspapers, periodicals, bulletins, as well as data on its various institutions, such as the American School, was imperative. In order to obtain a more complete understanding of this community, 21 Americans, who were part of the American colony in the 1930's, were interviewed during the summer of 1975.

It was discovered that this colony, built on a business foundation, contained some unusual features. Its residents were essentially middle-class in wealth and aspirations. They were atypical in that they formed a sub-culture within, yet isolated from, the host country's upper class rather than following the traditional immigrant path to the lowest strata of society. Only because of their wealth and their business connections were they able to enjoy such high status. It was something of a paradox that this group held some of the most influential positions within the hierarchy of Mexican business, and, yet at the same time, were completely uninvolved with the social and political affairs of their adopted country.
The colony was isolated and cohesive. This cohesion came from the effort, time, and money of the immigrants themselves. In most cases, immigrants are separated from their adopted country's people by social, legal, and economic pressures. The American colony reversed that pattern. It was the colony which remained aloof and apart and refused to be assimilated into Mexican culture.

The Americans funded and maintained clubs and institutions in order to preserve their own values and culture. Of these, the most important was the American School. Because few Americans were Catholics and most Mexicans were, the Union Evangelical Church was also a powerful cultural hedge. Refusing to surrender their citizenship, making many return visits to the United States, sending their children to United States for higher education; all these helped to reinforce Americans and isolate Mexicans. When intermarriages occurred, and they were not uncommon, the Mexican normally became part of the American community. But marriages with Mexicans were discouraged by American parents who felt themselves superior to Mexicans, their beliefs, and institutions. This attitude was easily passed on to children and consequently the isolation was self-perpetuating.

The politics of President Cárdenas was the greatest single source of frustration for colony members of the 1930's. Because his policies opposed unrestrained "free enterprise", most businessmen of the colony found the Cárdenas government difficult to deal with. Prominent American business leaders refused to become friends with him which meant that the traditionally close relationship between the colony's businessmen and the respective Mexican presidents disappeared with the onset, in 1934.
of Cardenas' six year term. Unlike presidents such as Plutarco Elias Calles, who merely paid lip service to Mexican revolutionary goals, Cardenas tried to implement them. While American businessmen complained of favouritism to labour, the colony suffered little from the Cardenas government's legislation until 1938 when the Mexican government expropriated foreign oil holdings.

Following the expropriation, an uneasiness descended over the colony which feared further manifestations of Cardenas' economic nationalism. By 1940, the end of Cardenas' term, the prestige of the colony had diminished and the cynicism of American businessmen had surfaced. The Mexicans, however, too long reminded by the American presence of their own dependence on foreign skills and investments, were pleased.

If it were possible to characterize "typical" colony members, they might be described as self-made individuals who believed in free enterprise and their own innate superiority. Or, as Ambassador Josephus Daniels described them, colony members were well-to-do, conservative people who wished to preserve the status quo. Or, as the writer might describe them after interviewing survivors of the 1930's colony - a group determined to improve their own economic position and preserve their own separateness.
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INTRODUCTION

The 4,000 American citizens who lived in Mexico City during the 1930's constituted only 10.4 per cent of the foreign population and a miniscule 0.3 per cent of the city's total, but they exerted a degree of influence disproportionate to their number.¹ This influence on the Mexican economy and culture becomes understandable when it is noted that Mexico, beginning in 1900, was second only to Canada in attracting American capital investment.

Despite some fluctuation in the 1910-20 period, American investment increased steadily from the 1914 total of $587 million to $709 million in 1929.² With the onset of the Great Depression, the flow of money was reduced and by 1940 had declined to $357 million.³ Even with this sharp reduction in investment Mexico remained during the 1930's, as it had been in the three preceding decades, closely linked economically to the U.S. Figures for 1938 indicated the extent to which Mexican governments depended on trade with the U.S. In that year, 67.4 per cent of all Mexican exports went to the U.S. and 57.8 per cent of its imports came from there.⁴

Such close commercial ties had been in effect as early as 1881 when Western Union, a New York corporation, started operating the Mexican Telegraph Company. In 1890, the Guggenheim family set up the first ore-smelting plant in Mexico. Other American companies and individuals soon followed. In 1901, Edward Doheney, encouraged by President Porfirio Díaz, developed the Huasteca oilfield. Soon thereafter, Standard Oil, Waters-Pierce,
Gulf and Sinclair were investing heavily in commercial oil production. By 1925, the Ford Motor Company had established Mexico's first automobile plant. La Consolidada, an American steel company, and a Mexican steel firm virtually monopolized the Mexican steel production. Business prospects were so promising that the First National City Bank of New York opened a Mexico City branch office in 1929. As American businesses proliferated, many American businessmen took up residence in Mexico City, the nation's capital.

The number of investors and industrialists, some 700 in 1894, increased to 3,000 by 1910 because of Díaz' eagerness for foreign capital and technology. It was these early settlers who laid the foundation for the American colony - a colony in name only. It existed neither within physical boundaries nor under U.S. political jurisdiction. Rather it was bound together by membership in institutions created to further continuing loyalty to the U.S. and self-sufficiency within Mexican society.

Therefore, the term "American colony" refers to the official community created and sustained by American businessmen. Although the majority of Americans in the city associated themselves with one or more of the colony's institutions, some did not. For instance, some individuals who married into Mexican families became assimilated into Mexican life and for various personal reasons had no desire to be associated with the American colony. Others had interests which could not be fulfilled within the official American colony; for example, missionaries such as William Cameron Townsend who devoted his life to converting isolated Indian tribes to Christianity had no need for the American colony. Similarly, a number of
intellectuals such as Hart Crane, Lesley Bird Simpson, Carleton Beals, Anita Brenner, and Eyler Simpson existed virtually outside the official American colony. These and other intellectuals, largely unknown in the official business community, formed a loosely-knit expatriate enclave whose contacts in Mexico City usually were Mexican artists such as David Siqueiros or liberal-minded Mexicans such as Moisés Sáenz.

The American business community population, which had increased steadily from the late 1800's, was affected adversely by the revolutionary disturbances beginning in 1910. Fearful of being victimized by the excesses committed during Mexico's 1910-1920 revolution, many American families left Mexico, in effect reducing the colony's population from 3,000 to a few hundred; nevertheless, the colony and its institutions survived, and by 1930, the beginning of the decade with which this essay is concerned, the population had grown again to nearly 4,000. Growth was virtually halted during the 1930's because of the worldwide economic depression and because of Mexico's determination to control its own future.

The 1930's, when Cardenas was president (1934-1940) is the focus of this study because that era was the turning point for the American colony. By 1940 the colony's prestigious image had been subdued. Gone was its close friendship with Mexico's president; gone were the special considerations from the government. This era also witnessed the beginning of American businessmen's cynicism toward the Mexican government. In contrast to the Cardenas years, the 1920's presented no threat to the American business community. During this period, efforts by Mexican leaders to consolidate their country's revolutionary goals floundered, and by the
early 1930's the anticipated land, labour, and education reforms apparently were forgotten. So-called revolutionary leaders, most notably Plutarco Elías Calles, were growing richer and more conservative. Like Díaz, Calles cultivated friendships with important American colony residents. Cárdenas, in his struggle to attain Mexican sovereignty over foreign-owned corporations, had few friends among the Americans and encountered increasing resentment for his objectives. Ironically, one of these friends was Ambassador Josephus Daniels, who voiced the official U.S. government attitude. The American community, therefore, was at odds with its own as well as the Mexican administration.

In 1975, when the interviews for this paper took place, American businessmen spoke with bitterness about the "ill feelings" between the Mexican government and the American colony as a consequence of Cárdenas' economic nationalism. By the mid 1970's the profile of the American colony in Mexico City was low, mainly because the American presence was precarious. American businessmen generally believed that Mexicans no longer needed or desired American business assistance. Therefore, some of those interviewed were reluctant to voice their opinions on past or present political matters. They thought that the "climate of opinion" was so anti-American that even casual remarks could jeopardize the welfare of the American colony. It appeared that Americans, generally, had resigned themselves to the possibility that the American presence in Mexico would soon terminate. Many were convinced that the animosity which existed in 1975 originated in the Cárdenas era.
The American colony during the 1930's was much smaller and more homogeneous than its 1975 counterpart. The official colony, then, was largely made up of middle-class American businessmen and their families. It was characterized by stable institutions, a relatively permanent population, self-imposed isolation from the Mexicans, a conservative outlook, affluence unknown to the vast majority of Mexicans, and business methods which they assumed to be far superior to the Mexican approach.

Because of the Americans, technical training and comparative wealth, the Mexicans viewed them as representatives of an advanced technology and a superior culture. Compared to immigrants who enter the U.S., Americans in Mexico City were atypical immigrants, who instead of beginning at the bottom of the social ladder began by forming contacts with the upper strata of Mexican society. It was something of a paradox that this group held some of the most influential positions within the Mexican business hierarchy and, at the same time, refused to become involved in the social and political affairs of their adopted country. The way that Americans adhered to their heritage, established and perpetuated their own institutions, and formed a small but influential enclave with expatriate values and attitudes is the basis of this study.

This essay is based on official histories of various American institutions in Mexico City, on information gleaned from colony publications, and on interviews with Americans who lived in Mexico City during the Cardenas era. The first chapter deals with the historical background to American involvement in Mexico and with beginnings of the colony. A synopsis of the Lázaro Cardenas administration is included to provide an
understanding of the Mexican social, political, and economic setting which, on the whole, was not to the colony's liking, as stated before. The second chapter is an analysis of the major American institutions which the Americans used to retain their isolation and aloofness from Mexican society. The final chapter, based primarily on oral interviews, provides examples of then-prevailing colony values and attitudes.
FOOTNOTES

1 According to the official Mexican statistics approximately 4,000 Americans resided in Mexico City 1930-1940. Estados Unidos Mexicanos 6°, Censo de Poblacion, 1940. Distrito Federal, Secretaria de la Economica Nacional, Dirección General Estadistica, 1943.


3 Wilkins, p. 182.


CHAPTER I

AMERICANS IN MEXICO: THE 19TH AND 20TH CENTURIES
CHAPTER I

AMERICANS IN MEXICO: THE 19TH AND 20TH CENTURIES

Foreign capital will undoubtedly be welcomed by every intelligent Mexican, if when invested in Mexico, it shall not attempt to place itself above the law, nor claim any privileges greater than those accorded to Mexicans themselves. There is nothing more useful than capital that comes in with a willingness to share our destinies.

Modern Mexico, May 1935, interview with President Cárdenas.

During the latter part of the 19th century, Mexican President Porfirio Díaz, under the influence of a group of intellectuals called the científicos, encouraged foreigners to invest in Mexico's economy. One immediate result was an upsurge in American capital investment and the establishment of an American community in Mexico City. Although American involvement in Mexico preceded the Díaz regime and can be traced back to pre-independent Mexico, the starting point of this chapter will be the Mexican-American war of 1846-48. This war was more important in setting attitudes on both sides of the border than any preceding event. The purpose of this chapter is to trace the evolution of those attitudes and the origins of the American community in Mexico City.

An uneasy relationship existed between the United States and Mexico even prior to 1846 as the U.S. held Mexico in contempt for its inability to maintain domestic peace. This feeling of contempt provided successive U.S. administrations with a further "justification" for expansionism. In
1819, American Secretary of State John Quincy Adams aptly described "manifest destiny" when he said:

...the world shall be familiarized with the idea of considering our proper dominion to be the continent of North America. From the time we became an independent people it was as much a law of nature that this should become our pretention as that the Mississippi should flow to the sea.¹

Mexico's political disorders, its different racial composition and religion, and its proximity to the U.S. made it from the first an obvious target for American territorial and commercial expansion. Embroiled in political chaos until the 1870's, the former Spanish colony was easy prey for American expansionism in the nineteenth century. Early decades of U.S.-Mexican relations were characterized by the larger country's acquisition of territory, development of trade and, not incidentally, protection of American citizens in Mexico. American hopes of capturing the bulk of Mexico's trade fell short of realization, however, as Mexico passed high tariffs and employed complicated customs regulations to protect her economy.²

Joel Poinsett, first U.S. Minister to Mexico, devoted his time to lobbying against some of the more complex Mexican commercial regulations. While he enjoyed some success, he failed to gain a favourable commercial treaty. Factionalism within the Mexican government, the obvious expansionist movement by the United States, and, especially, the occupation of Texas by American settlers worked against negotiation of a trade agreement.³

In 1829, Poinsett was replaced by Anthony Butler and relations between the two countries became tense as Butler tried to arrange American
purEhase of Texas and California. The attempts to buy these territories, coupled with the move of Americans into Texas, created an unbearable strain in relations. Mexican authorities, who at first encouraged American settlers to migrate to Texas, failed to see until too late that this very migration would create a force to detach Texas from Mexico. The situation worsened in late 1835 when Santa Anna led troops into Texas to quell its bid for autonomy. The Texans defeated him and in 1836 declared their independence.

Relations between the two countries deteriorated when Texas agreed to accept United States terms for annexation after nine years of living in fear of a renewed Mexican invasion. President Polk was eager to expand American territory. He feared that Britain and France had a keen interest in making Texas a satellite and that British "landgrabbers" coveted California. His attempts to purchase California fell through when the Mexicans, bankrupt but proud, refused to sell. The Mexicans also defaulted on their payment of claims to Americans for damages during numerous Mexican revolutionary disturbances. A final effort to buy California and settle other disputes was made when the Americans sent a special envoy, John Slidell, to Mexico late in 1845. But the Mexicans refused to negotiate. On the flimsy pretext of Mexico's refusal to settle the damage claims and upon their rejection of the special envoy, Polk determined to go to war.* When both

*This is the conventional interpretation. Some historians dispute this viewpoint. For example, Seymour V. Connor and Odie B. Faulk in North America Divided: The Mexican War 1846-1848 (New York: Oxford Univ. Press, 1971) assert that although the annexation of Texas touched off the war, President James K. Polk did not provoke the conflict. Instead the authors believe that the origins of the war were the accumulation of events over two and a half decades and that both sides were at fault for the actual outbreak of the war.
countries moved troops into the disputed Texas border area, the issue was
joined.

An empty treasury and a turbulent political situation doomed Mexico
to defeat from the start. Even so, according to Lesley B. Simpson, Mexico
would have withstood the American invasion had it not been for petty
quarrels among generals and the population at large. He asserts that the
Mexicans were defeated in advance by hatreds, jealousies, poverty,
indifference, and apathy and that many of the 'decent people' even welcomed
the American invasion as a relief from the military anarchy.

Setting a pattern for later, the invaders began at once to build a
"little America" in Mexico City. No fewer than four American newspapers
were published in Mexico City during the occupation and they reflected both
American arrogance and paternalism toward Mexico. The Daily American Star
referred to the Mexican poor as "greasers" who "were said to be covered
with fleas and lice." They complained endlessly of the filth in the
streets and scoffed at the Mexicans' peculiar religious behaviour.

Americans believed that the Mexicans failed to observe the Sabbath because
it appeared to Americans that Sunday was the day Mexicans reserved for
gaiety and enjoyment. American arrogance also was manifested in a benign
paternalism when American soldiers took up collections to establish a free
school for the children of the poor in Mexico City.

The occupation newspapers continually emphasized American superiority while ridiculing
Mexicans. The Daily American Star commented that, "within a few years,
the whole population--except those interested in keeping the masses in the
dark--will bless the day the Yankee army invaded Mexico." The North
American made the same point when an editorial bragged that "an acquaintance
with a superior race of people would do much to arouse the Mexicans to an awareness of their degraded position. 12

Some Americans, believing that the occupation would continue for an extended period or perhaps lead to a complete takeover of the Republic, imported goods from their own country and established numerous businesses. Mexico City teemed with Yankee merchants, grocers, tailors, hoteliers, and saloon keepers, who formed clubs of their own, such as the Jockey Club, and chartered Mexican branches of fraternal organizations such as the International Order of Odd Fellows. 13 They did not bother to learn the Spanish language, as they were convinced of the superiority of their own. To judge by the American press in Mexico City, the Americans viewed themselves as Mexico's saviours. They believed that Mexico could progress with U.S. assistance. The Americans would provide proper leadership, effective education, and a form of Christianity free from superstition. 14

Although the Americans began to disperse in the early months of 1848, they believed that Mexico's future would best be served with the help of American investment and entrepreneurial skills. The American occupation changed national attitudes on both sides. The Mexicans came to hate the gringos for their efficiency, superior arms and boundless energy. The Americans began to believe that Mexicans were children who with the help of the U.S. could build a better future. 15

After the Mexican War, as there was money to be made in extracting Mexican resources and constructing Mexican public works, commercial ventures were broadened to include mines development and railroad construction. In 1850, Robert Letcher, American minister to Mexico, negotiated a treaty which
permitted Americans to build an Isthmian railroad. But the Mexicans, fearful of another 'Texas', nullified the treaty when stockholders sold land to American settlers in order to raise capital. Three years later, James Gadsden, president of the South Carolina Railroad, was dispatched to Mexico to seek a settlement of the disputes. He persuaded Santa Anna to sell a portion south of New Mexico and Arizona needed to construct an American continental railroad. While Santa Anna agreed in order to obtain money to support himself and his generals, the American government's greed for land was not satisfied. In 1856, the new minister, John Forsythe, tried to purchase Lower California, Sonora, and a section of Chihuahua, as well as the perpetual right-of-way over the Isthmus of Tehuantepec. Forsythe, an ardent exponent of manifest destiny, hoped that this purchase would prevent Mexico from collapsing until the U.S. was ready to Americanize it. Because of vigorous opposition in Sonora his proposals failed. He was successful, however, in negotiating agreements which gave the United States a greater share in Mexican commerce.

Forsythe's antipathy for the Zuloaga government, from which he had been able to extract but little in the way of agreements, prompted him to attack Mexico in a dispatch to Washington. Using outrages allegedly committed against American citizens as a basis for his personal hostility he recommended that the U.S. break relations with Mexico. Despite Forsythe's desire that his government realize its manifest destiny by taking Mexico by force and despite his own inclination to do so, President Buchanan was too occupied with the slave issue in the U.S. to do more than merely consider establishing a protectorate over Mexico.
By late 1859, the Juárez government in the midst of civil war, desperate for money and fearing an American invasion, ordered Juárez' Minister of Foreign Relations, Melchor Ocampo, to sign a treaty which conceded nearly everything the U.S. had wanted for years. This treaty, which would have given the U.S. virtual control over Mexico, was rejected by the Mexican Congress and the U.S. Senate. The Mexican Congress did not wish to sign this treaty that gave away Mexico's sovereignty. The U.S. Senate rejected the treaty because the North feared that Mexican territories would be absorbed by the slave-owning South. The New York Tribune asserted that the treaty was "a plot of the slave interests to extend their territory and augment their population." The American minister, Robert McLane, another spokesman for manifest destiny, held the attitude that the Juárez government must sign the treaty or face an American invasion. The comprehensive McLane-Ocampo Treaty included provision for American ports of entry, transportation of troops and war supplies, trade reciprocity, religious freedom for American citizens in Mexico, American citizens' exemption from payments of forced loans, the U.S. right-of-way across the Isthmus of Tehuantepec in perpetuity and passage across the northern part of Mexico, all in return for only four million dollars, half of which was to be retained to pay for claims by American citizens against Mexico.

Mexico escaped American intervention only to find itself in French hands in 1862. Napoleon III, taking advantage of a chaotic political situation in Mexico and a U.S. burdened by a civil war, landed French troops and set up the puppet Maximilian for a tragic five-year interlude. Ironically, even though in French hands, Mexico was once again being
invaded by Americans who, during the short Maximilian reign, were welcomed to Mexico. Napoleon thought that Mexico could be made into a modern state through large-scale immigration which would develop its natural resources and provide leadership, stability, and prosperity. This attitude led a number of Americans, largely Confederates, to enter Sonora and Sinoloa in 1862 and 1863 and invest capital totalling $1 million in silver and copper mines and cotton plantations. By 1865, four charters had been granted for colonization companies as the result of a program headed by Confederate Commodore M. F. Maury who presented Maximilian with the idea of establishing a "New Virginia" in Mexico.

Widespread publicity helped to lure thousands of American Southerners to Mexico during and after the Civil War. The Mexican Times, a semi-weekly newspaper operated by an ex-Confederate, served as a mouthpiece for Maximilian's grandiose scheme. It began publishing in Mexico City in 1865 and boasted of the great opportunities available to hard-working emigrants:

This journal will be devoted to the best interests of the Mexican Empire. Its special object will be to advocate immigration and progress in the fullest sense of the word... We shall urge with all our influence, emigrants from the United States and Europe, who wish productive and rich lands, to come to this country without delay, and accept the very liberal offers now made by the Imperial Government. Come and settle where you can grow sugar cane, coffee, indigo, cotton, cacao, and tobacco, with all the tropical fruits. Come where the climate is an eternal spring, and where, strange to say, there are no fevers—no epidemics of any kind, except in the tierra-caliente country of the sea-coast. Bring with you your engineers and mechanics, and such implements of husbandry as may serve as patterns for others...
The French, like the Americans before them, held the Mexicans in contempt and believed that the Europeans and Americans possessed skills and knowledge far superior to anything found in Mexico. Therefore, the French thought it of utmost importance to attract "white" settlers who then would serve as models to Mexicans. But because the Mexicans still remembered the loss of Texas, they were uneasy about the Confederate newcomers. Aware of the unease, Maximilian restricted the Southerners to the central part of Mexico, hoping to prevent the colonies from growing too populous. Among those attracted to Maximilian's Mexico were several prominent officials from the defunct Confederacy. Best-known, perhaps, was General Jo Shelby who proposed to Maximilian a plan to replace his soldiers with Confederate troops. Maximilian declined the offer but did give the General a valuable hacienda in central Mexico. 29

By 1867, however, Napoleon III was facing domestic crises, a threat of Prussian invasion and, more significantly, pointed advice from American Secretary of State Seward that the U.S. disapproved of French violation of Mexican soil. Seward's words were more than rhetoric. Since their own war was over, the United States was free to act. Napoleon pulled out his forces and the Juaristas defeated Maximilian's armies. Meanwhile, the United States had begun to emphasize a policy of emigration and capital investment. 30

American Economic Penetration of Mexico: Diaz and His American Amigos

As early as 1821, Mexico had sought European and American capital to revive its mining industry, but these early investments had been less than
successful as frequent political disturbances, poor communication, and the French Intervention combined to scare off investors. 31 The communication facilities were improved by the 1880's as numerous railroads were built and the mining industry again looked inviting to would-be investors. Thus it was that between 1885 and 1910, Mexico became the recipient of American capital for mine and rail development.

During the Díaz era (1876-1911), American capital poured into Mexico at an unprecedented rate. At the time of Juárez' death in 1872, the United States had been taking 36 per cent of Mexico's exports. Four years later, the figure increased to 42 per cent. Midway through the Díaz years, exports to the United States had soared to 75 per cent. 32 In a similar manner, Mexican imports from the United States grew from 26 per cent to 56 per cent in the same time period. 33 Within 25 years, over 1,000 American companies and individuals had invested $500 million and, together with European investments, dominated the economic life of the nation. 34

Díaz, under the influence of a group of intellectuals called the científicos, believed in the superiority of European and American culture and technology. The científicos as students of Auguste Comte and Herbert Spencer, held that if Mexico were to become a modern industrial society it had to accept being ruled by a "white" enlightened class. Their policy was to attract as much foreign capital as possible. Their goal was to "modernize" and "civilize" Mexico. Quickest to take advantage of Díaz' policy were American railroad builders who had sought concessions since shortly after the close of the American Civil War. They began to make
headway by the end of Díaz' first term in office and, by 1902, railroads represented 70 per cent of the total American investment. In that year, American holdings totalled $300 million; they climbed to $650 million by 1911. With some 16,000 miles of railroads, two-thirds of which were constructed by Americans, there existed easy and direct movement of passengers and goods between the two countries. This brought tourists, mining developers, salesmen, and adventurers from the United States, compelling the Mexican Financiers to report in 1884 that "Mexico City contained more Americans than at any other time since the departure of American troops in 1848." Like the railroad builders, mining developers brought large sums of money, efficient machinery, and superior skills with them.

With the completion of the Mexican Central Railroad, many Americans headed for northern Mexico to exploit the mines which had been almost totally neglected since before 1880. Within six years, forty mining properties were being worked. By 1902, American mining properties had an estimated value of $95 million; by 1911, if one included the smelting industry, the value had increased to $250 million. The elimination of the Spanish legal principle that subsoil wealth was the property of the State was one of the factors which attracted the enormous investments necessary to develop mining; another factor was the granting of tax concessions to foreign investors.

Because of the vast amounts of capital needed, mining attracted giant American companies such as Batopilas, Anaconda, Greene-Cananea, United States Steel, and the American Smelting and Refinery Company. The latter, headed by Daniel Guggenheim, had come to Mexico in 1890 because the
McKinley tariff placed a prohibitive duty on imported lead ores.

Guggenheim received a concession to build a silver and lead smelter in Monterey and the success of this venture led to the building of others until the Guggenheims' American Smelting and Refinery Company monopolized nearly all of northern Mexico. Another success story was that of A. R. Shepherd who bought the Batopilas mines in Chihuahua. Because of the mines' isolation, Shepherd became the virtual ruler of a tight little community. His good friend, Díaz, never objected to Shepherd's jurisdiction within Mexican territory.

Although Díaz, in his desire to modernize his nation, welcomed American settlers and encouraged land ownership, the expected influx of Americans never occurred. By 1912, there were only 15,000 Yankees residing in Mexico. While some small landholders did exist, the pattern for American holdings lay in the acquisition of gigantic tracts of land. A Mexican law, passed in 1883, called for the surveying, subdividing, and settling of public lands, and this monumental task was entrusted to many American companies. In exacting payment for their work, the companies demanded and received one-third of the land and an option to buy the other two-thirds at special rates. The result of this favored treatment was that railroad and mining companies purchased farms, ranches, and timberlands at a fraction of their real value. George F. Hearst, for example, bought 200,000 acres for twenty cents an acre, and the Sonora Land and Cattle Company owned 1,300,000 acres in Sonora. In 1912, estimates placed the worth of American landholdings at $50 to $80 million. By 1923, one-fifth of all privately-owned land in Mexico was in foreign
hands and one-half of this was controlled by Americans. 50

While American capital was invested mainly in railroads, mines, and land, this by no means exhausted the list of investments. After the turn of the century, oil became a major outlet for American investment. According to an American Chamber of Commerce publication of 1942, the first commercial production of petroleum in Mexico was brought about in 1901.51 The year before Edward L. Doheny, an American who received moral support and encouragement from the government of President Porfirio Díaz, had bought nearly three-quarters of a million acres near Tampico for about one dollar an acre.52 Other oil fields were acquired by John D. Rockefeller and by the British firm of Pearson and Son headed by Lord Cowdray. These three giants became the controllers of Mexico's oil production. They were able to acquire fortunes as Mexico demanded no taxes and only a small stamp duty.53

By the end of the Díaz regime, American companies controlled about 70 per cent of the total foreign investment in Mexico and "... the United States had secured more of Mexico's trade than all the European nations together and was maintaining almost twice as many consulates in Mexico as the nearest European rival."54 Railroad and mining accounted for 85 per cent of American capital invested in Mexico in 1910.55 The figure given for 1912 for total American investment was slightly over a billion dollars.56
The Birth of the American Colony in Mexico City

The large-scale economic penetration was accompanied by establishment of American settlements—though never on the grand scale envisioned by Díaz. The largest number of Americans settled in Mexico City, although as late as 1889 only 250 to 300 were believed to reside there. By 1894, there were between 600 and 700 scattered throughout the city. 57

Although the American Benevolent Society (1868), the Union Evangelical Church (1873), and the American Hospital (1886) had been established, there existed no single meeting place where the residents could meet socially or discuss business matters. To remedy this lack, A. B. Ingalsbee circulated a petition among his fellows requesting signatures from those who wished to become charter members of the American Club. 58 One hundred names were gathered and several conferences held, and the American Club came into existence in 1895. 59 Major expenses of the club were underwritten by members who were required to buy one share of stock for $100 and pay annual dues of $100.

In 1890, there was only one English-language newspaper in Mexico City but, by 1901, five English publications were in print and the colony's clubs had increased to nine. In 1898 the American School was founded. By 1910, the more than 3,000 Americans living in Mexico City made up the second largest foreign colony, surpassed in numbers only by the Spaniards. On the whole, Americans were either attached to American firms or were independent businessmen. And if colony members deliberately isolated themselves from the mainstream of Mexican society, they still had Mexican contacts. Díaz, for example, was an honorary member of several American
organizations and many other highly-placed Mexican officials participated in American social activities.\(^{60}\)

**The End of an Era**

In spite of a still-apparent overt friendship for Americans, many Mexican intellectuals and commoners were hostile to the continuing American economic infiltration. Anti-Yankee sentiments became noticeable in the Mexican press. In the late 1880’s, a right-wing journal, *El Nacional*, expressed its fear of Mexico’s subjugation to the U.S. and the Catholic *El Tiempo* accused Americans of propagating Protestantism in Mexico.\(^{61}\) Such intellectuals as Andrés Molina Enríquez and Carlos Pereyra warned of the dangers of foreign domination.\(^{62}\) Although managing to silence attempts by the press to criticize his policies, Díaz and his ministers were becoming increasingly apprehensive over American economic dominance. With this in mind, Díaz tried to counteract American influence by granting railway and oil concessions to England’s Lord Cowdray at the beginning of the century.\(^{63}\) When José Limantour, the Minister of Finance, persuaded Díaz to adopt a more restrictive railroad policy, this led in 1911 to a partial nationalization of the railroads, with the Mexican government buying fifty-one per cent of the railroad stocks.\(^{64}\)

Díaz’ attempt to gain control over Mexico’s economy failed when the Revolution broke out and he decided to resign. During the revolutionary years, 1910–20, anti-foreign feeling increased. The Americans, whose total direct investments in the Mexican economy exceeded those of native
capital, were favourite targets of criticism.65 This, together with the policies adopted by the U.S. officials during the Revolution, worsened the relationship between the two countries. President Taft, pursuing a policy of neutrality in response to Mexican civil unrest, was undermined by his ambassador to Mexico, Henry Lane Wilson. Wilson was hoping and working for an American intervention in Mexico. Just two days before President Díaz' resignation, his conviction that American lives and properties were jeopardized led him to organize an Arms and Ammunition Committee in the American colony.66 Ten months later, Wilson, on behalf of the committee, requested that the State Department supply the colony with 1,000 rifles plus ammunition to help Americans protect themselves.67 Though President Taft wished to adhere to his "no arms export to Mexico" policy, the State Department pressured him to make an exception for Americans in Mexico City. Ironically, by the time the supplies reached Mexico City the majority of Americans had locked up their houses and taken advantage of the U.S. government's guarantee to secure their passage from the port of Veracruz to the U.S.

The Mexican press was extremely critical of this arms importation and charged that the U.S. was planning an invasion of Mexico. The fear of an American invasion as well as Henry Lane Wilson's hostility toward the Madero government and his eventual implication in Madero's assassination, initiated waves of anti-Americanism. Wilson vigorously reinforced the image of the arrogant and meddling gringo. After 1913, U.S.-Mexican relations became even more tense. President Woodrow Wilson, unlike Ambassador Wilson, had no desire to fight U.S. businessmen's battles in
Mexico but he did believe that the U.S. should act like a big brother to Mexico and help it settle its civil disorders. His paternalistic policies resulted in the 1914 occupation of Veracruz, a blunder which nearly started a war between the two nations. Wilson's policies caused violent anti-American sentiments throughout Mexico.68

In the 1917 Mexican Constitution these anti-American sentiments were officially sanctioned. Particularly threatening to U.S. businessmen was Article 27 which aimed to curtail foreign influence by declaring Mexico's ownership of all subsurface mineral deposits.69 Article 33, which gave the Mexican president full authority to deport unwanted foreigners, also was designed to protect Mexico from foreign domination.70 Following the 1917 Constitution, a tug-of-war started between the Mexican government and the powerful foreign oil companies. Venustiano Carranza, whose popular support was based partly on his promise to minimize foreign influence, was prevented by the oil companies from applying the Constitution because of a money shortage.71 When his successor, Álvaro Obregón, refused to guarantee the property rights of the oil companies, the U.S. government withheld recognition of his regime. The U.S. finally recognized Obregón in 1923 when he guaranteed the oil companies' perpetual rights to properties acquired prior to the 1917 Constitution. But two years later the Mexican government under Plutarco Elias Calles limited the oil companies' property rights to 50 years. This law was altered through the efforts of Ambassador Dwight Morrow and once again the oil companies had their properties guaranteed in perpetuity.
The oil industry, the only economic activity which substantially increased in value in the 1911-1929 period, placed the foreign oil companies in an excellent position to bargain with the Mexican governments. The U.S. oil investment, for example, increased ten-fold whereas most other investments in Mexico declined. But from the late 1920's through the 1930's, total U.S. investments dropped. One reason for this was the 1929 Depression. Because the oil companies feared that their property rights would be restricted or abolished, U.S. petroleum investment declined from $206 million in 1929 to $69 million in 1936. The third and possibly most important reason for the withdrawal of much U.S. capital was Lázaro Cárdenas' economic nationalism.

The Mexican Setting: The Lázaro Cárdenas Administration, 1934-1940

Whereas Cárdenas' predecessors had paid lip service to the goals of the Mexican Revolution, Cárdenas spent his six presidential years transferring the 1917 Constitution from paper to reality. This reality, which meant the rekindling of an almost forgotten revolution, created an atmosphere of suspicion, if not outright fear, within the American colony. According to Ambassador Josephus Daniels, an ardent supporter and admirer of Cárdenas, the American colony hated both Cárdenas and Roosevelt.

By 1940, according to official Mexican statistics, American citizens numbered 3,839. However, the statistics recorded an additional 1,761 Americans who, by 1940, had obtained Mexican citizenship, bringing the total
number of Americans in Mexico City to 5,600 by the end of Lázaro Cárdenas' presidency. But generally, the American colony remained small throughout the 1930's and not until the post World War II era did the colony expand substantially.

The American colony, which had been highly favoured by Porfirio Díaz, did not find the Lázaro Cárdenas regime to its liking and as the Cárdenas years unfolded, the American community in Mexico City became increasingly alienated from Mexican government circles. It was as if the American colony withdrew into its shell while hoping the Cárdenas era would quickly pass.

The Cárdenas presidency, which began December 1, 1934, proved to be a new era for Mexican peasants and labourers and created a resurgence of Mexican nationalism. This regime, which favoured labour more than industry and promoted secular education over church guidance, left the Americans

*The accuracy of the Mexican official statistics is somewhat doubtful. What is confusing is that the criterion for determining the number of Americans varies from one census year to the next. For instance, the 1930 Censo de Población (p.64) states that 3,903 Americans resided in Mexico City and that 280 United States citizens had obtained Mexican citizenship by 1930 (p.63). It is not clear, however, whether or not those 280 are included in the 3,903 figure since this total is categorized as Americans instead of U.S. citizens. Conversely, the 1940 Censo de Población states that 3,839 U.S. citizens resided in Mexico City (p.20) and that 1,761 Americans had received Mexican citizenships. It would appear then that 5,600 Americans lived in the city by the end of 1940. This would in effect mean that the 1930-1940 period saw the American colony grow by about one-third. This is unlikely considering American businessmen's uneasiness about the Cárdenas regime. Thus, either the 1930 statistic is too low or the 1940 statistic is too high.*
in Mexico City uncertain as to Mexico's political destiny. Generally, rightists, moderates and leftists, inside and outside Mexico, believed that Cárdenas was converting Mexico into a socialist state. This conviction was based on the president's personal behaviour as well as on his government's labour policies, agrarian reforms, reorganization of the official political party, socialistic educational goals and its confrontation with foreign oil investors.

American colony residents believed that Cárdenas' personality and the empathy he displayed in his relationship to Mexico's workers accounted for his anti-business attitude and his general unwillingness to acquire friends in the American colony. Unlike previous Mexican presidents and many of his closest political allies, he was uninterested in personal power. He lived and dressed modestly and had an aura of peasant stoicism which made him appear unresponsive. Although Cárdenas apparently believed that foreigners could contribute to Mexico's economic well-being, he refused to cater to them. Instead, his time and effort went into touring the nation while handing out advice to governors and peasants alike.

In spite of Cárdenas' humanitarianism, his preoccupation with the welfare of Mexico's masses annoyed and frightened the members of the American colony. The Americans were especially disgusted with the number of strikes which disturbed Mexico's civil peace. Between 1935 and 1938, the average yearly number of strikes was no fewer than 732. But the basic aim of the Mexican government's Six Year Plan was to reorganize the country's economy for the benefit of its workers. The labour section of the Six Year Plan illustrates the importance the government placed on
Mexico's workers. In it workers and farmers are said to compose the most significant parts of Mexico's population. The "Manifesto of the National Executive Committee of the National Revolutionary Party to the Proletarian Classes of Mexico" in 1933 makes the same point. The manifesto points out that, "there is the firmest intention of giving organized labour every aid and comfort within the means of our political institute." 78

Although Mexican governments had been notorious for making idealistic statements which in practice no one carried out, Cárdenas kept his promises to labour. He supported labour out of personal conviction and political necessity. Mexican workers, in his opinion, were being exploited by foreign companies and needed the protection of the federal government. Because his government was attempting to better the worker's lot, the worker's support had to be won. Some success was achieved when Cárdenas received the support of labour leader Vicente Lombardo Toledano against Calles in 1935. Lombardo, who had split away from the disintegrating Confederación Regional Obrera Mexicana (C.R.O.M.) to form the Confederación General de Obreros y Campesinos de México (C.G.O.C.M.) in 1933, was willing to support the Cárdenas government in return for its support of labour in its struggle against capital. Therefore, in 1936, when the Mexican labourers were reorganized into the Confederación de Trabadjadores de México (C.T.M) under Lombardo's leadership, this labour organization became one of the major bulwarks of the Cárdenas government. According to Joe Ashby, the major principle of the Cárdenas labour theory was that the government believed that it was its role to act as the arbiter in the conflict between labour and capital with labour being the benefactor in most disputes. 79 Thus, Cárdenas, who believed in the right of the working
class to obtain its share of society's products, was prepared to give full support to this sector in return for its loyal support of his regime and at the expense of ignoring the needs of the middle class and the foreign investors.

Another prop of the Cardenas administration was the organization of peasants. Although Americans in Mexico City were not directly threatened by the government's land distribution program they saw, in Cardenas redistribution of agrarian lands, an attack on private property and a step toward a socialistic state. Much to the dismay of foreigners, as well as middle and upper class Mexicans, Cardenas, in following the basic principles of the Six Year Plan in regard to the peasants, succeeded in breaking the power of the hacendados. When he left the presidential office in 1940, he had redistributed 70 per cent of the total land distributed since the Revolution. He redistributed more than 10 per cent of Mexico's entire territory and three times as much as had been distributed by agrarian reforms by all his predecessors. The core of Cardenas' agrarian policy was the ejido system which was based on the land being held and worked collectively by peasants. With this objective in mind, he attempted to direct his agrarian reforms toward the organization of large co-operative farms for the production of commercial crops on a profit-sharing model.

While Cardenas envisioned this type of land organization for all of rural Mexico, he fell short of his grand vision because of a number of problems. Unfortunately, his government lacked the necessary funds to furnish the peasants with technical knowledge, credit, seed, animals, and
machinery. Another handicap was that Mexican law permitted the expropriation of land but factories, machinery, or livestock had to be paid for with cash to the hacendados. Consequently the processing plants, in most instances, remained in the hands of the hacendados and the peasants remained at the mercy of their former masters. For the peasant, this newly won freedom was often, in a strict material sense, an illusion. Furthermore, as Stavenhagen points out, the struggle against *latifundia* in Mexico was never directed against private property per se but against excessive concentrations. Thus, between 1930 and 1940, the number of privately owned farm units doubled from 600,000 to 1.2 million. Although the peasant's material lot did not improve much during the Cardenas administration, at least he recognized the peasant as a vital force within the nation which raised his expectation of future benefits. Moreover, the peasant's local *ejido* organization became a member of the state peasant league which, in 1938, was united into the *Confederación Nacional Campesino*, one of the three pillars of the Cardenas regime.

The workers, another pillar of the Cardenas government, were formally recognized by his government in 1938 when the *Partido Nacional Revolucionario* (P.N.R.) was reorganized. The P.N.R., based on geographic and individual membership, was then replaced by the *Partido de la Revolución Mexicana* (P.R.M.). The P.R.M. was divided into four sectors—labour, agrarian, military, and popular. The popular sector, insignificant compared to the other three, was made up mainly of government employees.

To control the four sectors of the P.R.M., the Cardenas
policy was to keep them separated. Thus, the reorganization of the official party failed to create a more democratic political system as Cardenas continued the paternal rule of his predecessors and strengthened rather than weakened the power of the presidency.

Cardenas, realizing the importance of unity within Mexico's working class in order to carry out his government's social reform programs, recognized that a peaceful detente with Mexico's Catholic Church, which still influenced Mexican peasants, was vital. The most contentious issue between the State and the Church was the right to educate the nation's children. The Cardenas administration promoted the Socialistic Education Law of 1934, the opening paragraph (Article 3) of which reads: "the state shall impart socialistic education, and besides excluding all religious teaching education shall combat fanaticism and prejudice. To this end every school shall organize its curriculum and activities so as to permit the young to develop a rational and accurate notion of the universe and of social life."

By 1935, Cardenas recognized that his socialistic education law was unpopular with devout Catholics and created more friction with the Church than he could afford. He realized that the Church's support, which he had received against Calles in 1935, was still needed and in that year he modified his policies toward the Church in return for its support of his government. For instance, to appease the Church he rescinded a previous law which had been passed to prohibit the sending of religious materials by mail. Also, he replaced the anti-religious Canabal with the pro-Catholic Cedillo in the Ministry of Agriculture. Moreover, he repeatedly
stressed in public that his government only was interested in combating religious fanaticism and that it would tolerate religion as long as it was confined to the home. The Cárdenas regime especially wanted the Church to refrain from interfering in its educational policies. Although a total peaceful co-existence never was reached between the Church and the Cárdenas government, the conflict was minimal compared to the Calles administration.

American colony members viewed Cárdenas' conflict with the Church and his education policies as one more sign that the president was attempting to create a socialistic state. The American School in Mexico City, like other schools, was from time to time subject to the scrutiny of the government school inspectors. Nevertheless, these inspection tours did not seriously threaten the existence of the American school. Though the Mexican government in 1935 attempted to impose Spanish and the Mexican school curriculum on the American School, this was prevented by Ambassador Daniels' intervention.

But the 1938 oil expropriation shocked colony members who could not believe that Cárdenas would eliminate such an important and efficient foreign industry. Not surprisingly, the oil expropriation gave rise to much anxiety within the colony because its members feared that other American-owned enterprises would be nationalized. The American oil men within the colony and their friends viewed the oil take-over as a clumsy and unwise economic move on the part of the Mexican government. After all, Americans, along with other foreigners, had been invited by Porfirio Díaz to open and exploit Mexico's oil reserves and technically they had performed an
effective job. Also, the Americans could point to the fact that the Mexican oil workers were highly paid compared to other workers in Mexico. W. E. McMahan, American Vice-president of Huasteca Petroleum Company and a Mexico City resident, expressed the general viewpoint of the Americans when, six weeks after the oil take-over he said,

"if workers had been left free from the influence of political agitation and from constant effort of the revolutionary leaders to create discontent among them, with the object of bringing about government ownership, there would have been no occasion for any trouble between the syndicates and the oil companies but revolutionary leaders wanted turmoil and trouble." However, McMahan presented a simplistic picture of the dispute, neglecting to mention that most of the oil and all of the profits from the industry went abroad, leaving little behind in Mexico beyond royalties on land, minor taxes, and wages.

Although the American oil companies wanted their government's assistance to overthrow the Cárdenas regime, their desires were never realized because the Roosevelt administration made it clear that it would not support a revolt in Mexico. Also, it should be pointed out that other foreign enterprises in silver, copper, and other minerals were left untouched by the expropriation. Cárdenas, who recognized Mexico's dependency on foreign capital and technicians, was too astute a politician to destroy Mexico's capitalistic economy; nevertheless he taught foreign investors that they had to play by his rules if they wished to do business in Mexico.

The oil expropriation which created national unity for the time being, gave Cárdenas personal prestige, but cost Mexico dearly. The foreign
business sector became uncertain as to which course to pursue, oil earnings dropped, and a considerable flight of capital occurred. Sanford Mosk asserts that hoarding as well as capital flight had ill effects on the Mexican economy because these funds which went abroad perhaps would have been used for long term investment in industry. Another and more noticeable effect of the expropriation was the ensuing economic slowdown and inflation. Inflation was further aggravated by the need to import food due to a decrease in the productivity of the newly distributed agrarian lands. Moreover, the economic boycott of Mexican oil by the United States severely damaged the Mexican economy. The result of the oil nationalization was that Cárdenas had to change his policies because his government now had fewer funds with which to continue the agrarian land reforms and the fight for labour against capital. In 1939, for example, Cárdenas distributed only 6,000 hectares of land compared to 100,000 hectares in 1938 and 437,500 hectares in 1937. Likewise, Cárdenas, for fear of damage to the Mexican economy, discouraged strikes. Thus only half as many strikes occurred after the oil nationalization.

Although the Cárdenas' reforms were modified by 1938, he succeeded in alienating the Mexican middle class during the presidential term. Initially the middle class had been hostile to his agrarian reforms and his labour policies and even when these were moderated because of economic necessity, this group remained hostile due to inflation and economic regression. Such matters as free immigration of the Spanish Republicans into Mexico and the granting of asylum to Leon Trotsky as well as the passage of the 1939 Education Law further angered the middle class. American colony residents
in Mexico City shared the feelings of the Mexican middle class, but other than secretly hoping for a Roosevelt-supported revolt against Cardenas and cursing Ambassador Daniels for his approval of the Cardenas government, they merely watched quietly the passing events.
FOOTNOTES


4 Dunn, p. 19.


8 R. Bodson, "A Description of the United States Occupation of Mexico as Reported by American Newspapers Published in Vera Cruz, Puebla, and Mexico City September 14, 1847, to July 31, 1848." Ph.D. Dissertation (Ball State Univ., 1970), p. 65.

9 Bodson, p. 76.

10 Bodson, p. 87.

11 Bodson, p. 87.
12 Bodson, p. 92.
13 Bodson, p. 82.
14 Bodson, p. 94.
15 Bodson, pp. 94-95.
16 Dunn, pp. 55-56.
17 Davids, p. 75.
18 Dunn, p. 79.
20 James, p. 84.
22 James, p. 85.
23 James, p. 86.
24 Rippy, p. 226.
25 James, p. 85.
26 James, p. 85.
28 The Mexican Times, September 16, 1865 (Mexico City), p. 2.
29 Hanna, p. 227.

30 Davids, p. 140.


33 Schmitt, p. 510.

34 Callahan, p. 510.

35 Callahan, p. 510.

36 Rippy, p. 312.

37 Rippy, p. 312.


39 Davids, p. 182.

40 Rippy, p. 313.

41 Schmitt, p. 103.

42 Pletcher, p. 298.

43 Pletcher, pp. 202-205.

44 Pletcher, p. 206.

45 Callahan, p. 516.

51 Noel, p. 17.


53 James, p. 119.

54 Pletcher, p. 3.

55 Pletcher, p. 5.

56 Rippy, p. 318.


58 Kirby, p. 10.

59 Kirby, p. 11.

60 Davids, p. 52.


62 Rippy, p. 325.
63 Rippy, p. 328.

64 Parkes, p. 301.

65 Parkes, p. 309.

66 James, p. 152.

67 James, p. 156.


69 Wright, p. 63.

70 Wright, p. 63.

71 Wright, p. 63.

72 Wright, p. 65.

73 Wright, p. 65.

74 Wright, p. 77.

75 Wright, p. 66.


79 Ashby, p. 68.


84 Hansen, p. 93.


87 Bosques, p. 233.

88 Michaels, p. 37.

89 Michaels, pp. 38-40.


92 Marrett, p. 115.


95 Mosk, p. 60.


97 Michaels, p. 64.

98 Michaels, p. 66.

99 Michaels, pp. 70-74.
CHAPTER II

INSTITUTIONALIZED AMERICANISM IN MEXICO CITY DURING THE 1930'S
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INSTITUTIONALIZED AMERICANISM IN MEXICO CITY DURING THE 1930'S

It is not the mission of the American School to try to educate the masses in Mexico.

Excerpt from a 1935 memorandum from the American School authorities in Mexico City to the Mexican Secretaria de Educación.

In the 1930's, Americans in Mexico City found themselves in a tranquil setting in a city of over a million inhabitants. There were few cars, even fewer tall buildings, and only a handful of good hotels. On the city's main thoroughfare, Avenida Madero, one could shop in a variety of stores carrying mostly imported goods, or one could meet one's American friends at American-owned restaurants such as Sanborns, Lady Baltimore's, or Mrs. Thimgren's Little Green Coffee Shop. During the rainy season when the city streets were deep in mud, the principal intersections were manned by peons who, for a small fee, were willing to carry pedestrians on their shoulders from one side to the other. Paseo de Reforma, the city's most prestigious avenue, was lined with ornate French style homes. At the same time, one could occasionally see a flock of turkeys crossing the Reforma, adding a charming and rustic tone to the city.¹

Possessing, as they believed it did, an aura of Southern romanticism, Mexico City was cherished by the Americans living there. The American colony had no physical boundaries since its members spread throughout the city, living in areas that attracted them. Although the 4,000 Americans...
resided in twenty-six of Mexico City's sixty-six colonias (suburbs),
the majority of Americans resided in six colonias - Colonia Roma, Colonia del Valle, Condesa-Hipódromo, Juárez, the Lomas de Chapultepec, and the downtown area. Logically, the American colony institutions as shown in Diagram 1 were situated in or near the six above mentioned colonias.
Diagram 2 reveals that the Americans, though spread throughout the city, tended to concentrate in six of the city's suburbs which represented some of the wealthiest residential areas. The Lomas, for example, established in 1924 by Americans, was the newest of the prestigious colonias. Housing, as it did, wealthy Mexicans and foreigners, the Lomas was destined to become the showplace of the nation's capital. Despite their physical dispersal, Americans were a cohesive community whose members, through necessity, related to Mexicans in business matters, but whose life-pattern continued to be American oriented.

A majority of those Americans, who formed the official American community, were businessmen. The Anglo-American Directory of Mexico (1938 edition) listed the occupation of 831 Americans as follows:
173 businessmen; 184 managers; 137 professionals; 145 white-collar employees; (mainly company representatives); 27 members of the diplomatic corps. The directory also included 16 craftsmen or tradesmen, seven missionaries, four housewives, three retirees, and what they called a "capitalist". Sixty-five women and 69 males chose not to reveal their occupation; the latter presumably were sons too young to work or dependent on their parents. As the report indicates, there were few tradesmen and labourers. This last was due to the abundance of cheap, unskilled Mexican workers. Also
DIAGRAM 1
INSTITUTIONS OF THE AMERICAN COLONY

1 American School
2 American Hospital
3 American Cemetery
4 Union Church
5 Christian Science Church
6 Catholic Church
7 United States Embassy and Consulate
8 American Grocery
9 Sanborns
10 Country Club
11 American Club
RESIDENCES OF AMERICAN FAMILIES
MEXICO, D.F., 1940

Each dot represents one American family.
notable in this history of the colony was the absence of intellectuals. The small number of writers and artists who did live there existed in self-imposed isolation, the majority of residents unaware of their presence.

The historical background to this official American business community dates back to the Porfirio Díaz era when the American miners, railroad promoters, speculators, bankers, ranchers, oil men, and adventurers entered Mexico and established institutions that permitted them to pursue familiar activities. These organizations; the newspaper, school, church, benevolent society and chamber of commerce, grew and flourished. Together with the American embassy, they provided the centers of activity for the American community in the 1930's. The institutions also had the effect of insulating the Americans from Mexican society and sustaining American values in a foreign land. Most American immigrants in Mexico City in the 1930's saw themselves as innovators whose mission it was to bring American technological knowledge and business skills to Mexico. Sure of their cultural superiority, many of them never learned Spanish. One American pointed out that "the average American came to Mexico as an executive or employee of an American company, was Protestant, seldom learned Spanish, and sent his children to the American School." This was in direct contrast to other foreign nations such as Germany who insisted that their business and government employees in Mexico have a working knowledge of Spanish. It seems that the Americans deliberately opted for minimum contact with Mexicans by not learning Spanish and by turning their energies to maintaining American institutions. By examining the key.
institutions which existed in Mexico City in the 1930's, one should get a better understanding of the conflicts within the colony as well as of its overt attempts to maintain an image of efficiency and superiority.

The American Embassy was, in effect, an integral part of the colony. The first American diplomatic mission to Mexico was established in 1825 and in 1898 the legation became an embassy. The establishment of an embassy coincided with an increased volume of trade between the U.S. and Mexico and with Mexico's desire to attract American technicians. In the 1930's, the U.S. Embassy became a focal point for the colony which held its major social events in the embassy building. More significantly American businessmen in Mexico City believed that the embassy existed to transmit their views and desires to Washington. Thus, it was of utmost importance to these businessmen that the ambassador be favourable to their disposition. Unfortunately for them, they failed to make an ally of Josephus Daniels, the American ambassador from 1933-1942. Daniels' predecessor, Dwight Morrow, had been highly respected in the colony for his willingness to intervene on behalf of the American businessmen. Though a strong supporter of an expanding American foreign trade, Daniels was against negotiating American investors' business with Washington. It was his belief that businessmen should be satisfied with a reasonable return and avoid trying to control local politics.

Ironically, much of Daniels' time and effort went into negotiating payments for newly nationalized land and oil fields formerly held by Americans, as well as in trying to persuade the Mexican government to stop expropriation of remaining American-owned properties. In dispatches
to Washington, however, Daniels invariably presented the Mexican position and only reluctantly negotiated on behalf of American citizens. In 1938 when American oil representatives complained to Daniels that their case before the Mexican supreme court was being prejudged by Mexican government spokesmen, Daniels urged them to make every possible concession to avoid an impasse. The dispatches Daniels sent to Washington testify that at times, he was annoyed at the U.S. State Department's hard-line approach to Mexico. Throughout the oil controversy, Daniels was consistently sympathetic to the Mexican position. Because Daniels refused to pursue a "dollar diplomacy", most American businessmen in Mexico City regarded him as weak and incompetent. They readily recognized that Daniels was a charming and likeable man but thought him far too soft-headed to deal with the Cardenas administration. Without Daniels' "soft" approach, however, the conflict between the American oil men and the Mexican government could have provoked a major break in the U.S.-Mexico relationship.

While the American businessmen were unable to exert a great deal of control over Daniels' behaviour, they did control the American press which, in most instances, attempted to picture Americans as law-abiding and content. The press consisted of a number of scattered publications, some of which aimed to improve U.S.-Mexico relationships and others which simply sought to keep colony members abreast of local and foreign news. Common to all except one was the desire to remain neutral in Mexican political matters.

The English page in each of Mexico City's largest newspapers, El Universal and Excelsior, was the most widely read by Americans. Excelsior contained the most news pertaining to the colony, printing only Mexican
news items directly affecting colony residents and devoid of any analysis. 
For instance, on December 4th, 1934, the English page in Excelsior announced that the Foreign Club, Mexico City's largest amusement and gambling center, which attracted numerous Americans, had been closed by presidential order. No commentary followed this news despite the fact that colony members' social life was being curtailed.

Mexican Weekly News, a small twelve-page paper founded in 1926, had essentially the same material as the English page in the Mexico City's dailies but offered more detailed information about colony events, shopping, hotels, and restaurants. Like the dailies, the Weekly News made no attempt at analysis. The September 7th, 1940 issue, for example, devoted a full page to Cardenas' annual message to the nation without editorial comment. Items from the United States were at times accompanied by News editorials. From these it is evident that the paper was anti-Roosevelt. The September 21st, 1940 issue pointed out that Roosevelt's record was "one of not taking the people into his confidence", and of "scuttling the courts after his re-election". Since advertisements were drawn from American businesses in Mexico City, it is not surprising that the paper reflected the colony's conservative points of view.

These viewpoints were also apparent in the Mexican American Review published monthly by the American Chamber of Commerce. The Review went a step further than the News in its attempt to maintain objectivity regarding Mexican politics. Instead of remaining strictly neutral, the journal, from time to time, praised the Cardenas government. For instance, the February, 1935 issue stated: "Cardenas is cutting many a Gordian knot and
eliminating red tape. Things are being done now that the past administration
discussed and recommended but which it wisely left to the present adminis-
tration."10

Another monthly, Mexican Life, under the editorship of Howard S. Phillips, made a sophisticated attempt to explain Mexico's rich cultural heritage as well as its need for economic independence. In an effort to create an improved relationship between the U.S. and Mexico and to promote American tourism in Mexico, editor Phillips supposedly received funds from Presidents Calles and Cardenas to aid in distributing the magazine to govern ment officials in the U.S. Phillips' son, Alfredo Phillips Olmedo, insisted that his father, although a close friend of Calles and Cardenas, received no financial support from either man.11 But it is difficult to believe that an urbane, richly-illustrated, 50-page magazine could survive exclusively on subscriptions and advertisements--especially since few American colony residents read it.

Unlike other American newspapermen, the Mexico City Post's editor, George McDonald, did not conceal his resentment toward the Cardenas regime. Instead, his right-wing paper blatantly attacked the Mexican government. In the December 23rd, 1939 issue, McDonald reprinted a letter he had received from the head office of a U.S. company with large holdings in Mexico. The letter expressed amazement at the Post's outspoken viewpoints and the writer concluded by saying that, "there may be a shifting to the right to the extent that you [George McDonald] may be enabled to go on and build larger things in the future." Americans who were interviewed
were reluctant to discuss the paper and because copies of it were scarce, it is difficult to estimate its impact. In that its advertisements were derived from American colony businesses, and its content dealt with perceived injustices against American businesses, it may be assumed that its readers were American businessmen. The Post's December 30th, 1939, headline is an indication of its distaste for Mexican government policy. It read, "Deputies Pass New Socialistic Education Bill Already Widely Denounced." This was followed by the subhead, "Objectors claim purpose is to make Mexico Puppet of Russia establishing slavery of conscience." It is doubtful that, as one interviewee claimed, Cardenas was unaware of the existence of the newspaper. For one thing, Cardenas generally accepted criticism of his regime and permitted an opposition press. Furthermore, recognizing his country's need for American capital and technology, he probably thought it better to avoid unnecessary confrontation with the American community.

The American School, like the American press (with the notable exception of the Post), tried to keep a low political profile. Functioning as the colony's cultural focal point, the American School, more than any other institution, enabled Americans to convince their offspring of the superiority of American culture. Educationally, the school maintained so prestigious a reputation that wealthy Mexicans sought to enroll their children. One resident stated that the school existed mainly to promote American culture and specifically to preserve the American language; another maintained that it prepared American children for higher education in the United States. Each of the 21 Americans interviewed for this study asserted
that their highest priority was to give their children an American education and to teach them to cherish American values. The School published a pamphlet in 1926 summarizing its purpose as:

Providing a modern American school in the City of Mexico, in which the American children and youth, and those of other nationalities, can be taught under the same conditions and systems as in the United States.

Employing a full staff of experienced and well trained teachers.

Preparing the students in such a thorough manner that they are admitted to colleges and universities of the United States without examination.

Maintaining absolute freedom of the pupils in matters relating to nationality and religion.\textsuperscript{13}

Evidently written to solicit funds, the pamphlet asserted that the school was doing work of international importance and that it aimed to bring about better understanding between Americans and Mexicans. School authorities apparently believed that the school would help civilize Mexico, pointing out that its work should concern all public-spirited individuals interested in seeing "this great and undeveloped country advance toward the goal of culture and progress ..."\textsuperscript{14} In addition, the pamphlet added that many children of high Mexican government officials and of well-known Mexican business and professional men attended the American School.

The school was founded during the time of Porfirio Díaz when John R. Davis, a Waters-Pierce Oil Company official, became unhappy with the meagre educational facilities Mexico offered his children. Unable to secure a tutor from the U.S., he persuaded fellow Americans to join him in setting up a school. They formed the subsequently-named Mexico Grammar
School, consisting of kindergarten, primary, and grammar grades. The school was supported initially by fund-raising programs and through tuition fees paid by American, British, and Mexican parents of the 96 children enrolled.\textsuperscript{15}

In 1902, the school added secondary grades and changed its name to Mexico City Grammar and High School, at that time with 27 teachers and about 500 students.\textsuperscript{16} During the next 20 years, the school underwent a series of reversals. In 1904–05, epidemics of scarlet fever and measles forced many students to withdraw, bringing about a financial crisis.\textsuperscript{17} To contend with this, businessmen formed the American School Association with preliminary expenses borne by the Society of the American Colony.\textsuperscript{18} The Revolution saw many Americans returning to the U.S. and the drop in enrollment by 1915 made it necessary to close the secondary school for two years. After having been reopened for a year, the school was forced once again to close—this time for a period of two months—when a large number of teachers and students became ill from the world-wide influenza epidemic.\textsuperscript{19} Despite these difficulties, the school not only survived but gained the reputation of being one of the city's best foreign schools. By 1919, when many Americans began to return to Mexico, a decision was made to build a larger school located nearer the main American residential district. Two years later the American School Association met to liquidate their school and in its place create the American School Foundation.\textsuperscript{20} Edward Orrin, a realtor, donated 10,577 square meters of land for the new school while Lewis Lamm and his son, Lewis Jr., drew up the construction plans at no charge.\textsuperscript{21} On Washington's Birthday, 1922, the cornerstone was laid and eight months later the school opened.
To gain accreditation from major U.S. colleges and universities, the school in 1929 invited Dr. James F. Hosic of Columbia University to evaluate its program. Following a six-week survey, Dr. Hosic judged that American School graduates were qualified to enter higher institutions of learning in the U.S. without special examinations. In 1931, school enrollment totalled 761 students, of whom 343 were Mexican, 274 were American and 144 were of various nationalities. By 1933, the American School reached its goal of membership in the Southern Association of Colleges and Secondary Schools and, therefore, full accreditation for its graduates.

A concomitant problem connected with accreditation resulted from the Mexican government's determination to supervise closely its educational system, of which the American school was a part. Under increased federal control, the Secretaría de Educación Pública incorporated the school's elementary department and prescribed its course of study. This meant that half of each school day was reserved for the Mexican government curriculum to be taught in Spanish and only half dedicated to the course of study used in U.S. schools. In addition, adherence to the Mexican school calendar meant that students began their school year in February. This created some difficulty for those who went to college in the U.S.

The calendar, however, was a minor issue compared to the Cardenas government's attempts to legislate a socialistic curriculum. Dr. Henry Cain, school superintendent, was forced to sign a statement in favour of the government curriculum. According to one teacher the school was forced to buy government-prescribed texts of very poor quality. The same teacher recalls a textbook containing a photograph of Sanborns, an
American store, which was described as a picture of a typical "imperialistic" business. Although the store's name was not mentioned in the text, it was familiar to anyone living in Mexico City. An example of the Cardenas administration's attempt to secularize the schools was government refusal to tolerate any references, however remote, to religion. Pictures of churches, for instance, could not be displayed in the school and wearing of religions pendants, thought by inspectors to be indicative of subtle religious influence, was not permitted. Furthermore, any information on Mexico could appear only in Spanish which meant that even an innocent textbook passage about a child's trip from the U.S. to Mexico had to be eliminated. 28

During 1935 a more serious matter threatened the very existence of the American School. The Cardenas government, in its eagerness to promote nationalism, decided that foreign schools should use Spanish exclusively. Thus, the American School Foundation was informed that it could no longer use English as its official language. In response, Dr. Henry Cain, the superintendent, and S. Bolling Wright, the president of the school board, directed a blunt memorandum to the Secretaría de Educación,* pointing out that it was "not the mission of the American School to try to educate the masses in Mexico". Instead, they declared, its purpose was "to educate the American children residing within the Republic of Mexico using the same system used in the U.S." The document emphasized that the school extended

*A copy of this memorandum was found in S. Bolling Wright's scrapbook. The American School Foundation which possibly has the original copy does not allow researchers to examine its files. Its bland official history deliberately avoids making any political statements. See appendix for the complete memorandum.
the privilege of an American education to those Mexicans who wished their children to learn English. Also, the document stated, there were no attempts made to differentiate between Mexican and American children nor were Mexicans asked to become Americans. This implies that such criticism had been launched against the school. Cain and Wright demanded of the Secretaría de Educación that the American School be allowed to continue using the English language and the American system so its graduates could be admitted to colleges in the U.S. without examinations. They said that the school would be closed unless it could operate its program in this way.

The Cardenas government must have assumed either that the American School served a useful purpose or that it was too unimportant to worry about, because the memorandum was handed to the Secretaría de Educación by American Ambassador Josephus Daniels and the government order was subsequently annulled. Cardenas' awareness of Mexico's urgent need for schools and his respect for Ambassador Daniels, an admirer of Mexico in general and the president in particular, probably contributed to revocation of the order. Furthermore, the American School, since its opening had taken part in teaching children of Mexican government officials. By closing the school, Cardenas not only would have jeopardized his cordial relationship with the U.S. but also would have annoyed his own officials. Among some of the children of prominent Mexicans attending the school during the 1930's were the children of Aaron Sáenz, Federal District Governor during the Cardenas presidency, and the two sons of former Mexican president Pascual Ortiz Rubio. Azarrago Gaston, who was to head the Chrysler corporation in Mexico
City, and Julio Hirschfeld and Emilio O. Rabasa, who later became cabinet ministers in Luis Echeverria's government, were also students. 29

Children of such officials benefitted from scholarships which the school was forced to make available to five per cent of its students. According to one teacher who served as cashier and bookkeeper in the school, the Mexican government invariably chose the children of its own officials for these scholarships. 30 Mexican children who were to pursue a university career inside Mexico attended the school only during elementary grades because at that time the Mexican universities did not recognize the American School. These early years were enough to provide children of privileged Mexicans with a fundamental knowledge of English.

Despite the lofty words of Wright and Cain regarding the cordial relationship between American and Mexican children, American children felt superior to the Mexicans. One woman partner of an American-Mexican marriage, who attended the school, remembers being called a half-breed by the American children. 31 A former counsellor in the school recalled that American parents tended to be opposed to their children marrying Mexicans and that it was common practice for parents to send, or threaten to send, their daughters to the U.S. in order to separate them from their Mexican boyfriends. 32 Divorced Mexican parents enrolled their children in the American School because children of divorced parents were often scorned in Mexican schools. 33 One can only speculate about what was most trying for the youngster—being in a Mexican school and facing ridicule because his parents were divorced or being in the American School and facing discrimination because
Because Mexicans believed that it was more important to educate males and because they thought that the American School was too lax regarding male-female relations, few Mexican girls attended the school.

The 21 American colony residents interviewed agreed that the American School was successful in carrying out its function of preparing students for U.S. colleges. For example, in 1937, 23 of the 34 graduates indicated that they were going to pursue a higher education in the U.S. The American School had a highly qualified staff consisting of American teachers who had been with the school for many years, several former pupils who had received their university training in the U.S., and Mexicans, many of whom had attended U.S. colleges. The faculty in 1935 was made up of 22 Americans and 16 Mexicans. Eleven teachers had M.A. degrees, rather unusual in an era when most teachers had only normal school training. Immigration restrictions during the 1930's allowed no new teachers to enter Mexico to work and this accounted for the number of Mexican teachers. Despite this, the school was thoroughly American. Three of the four administrators were Americans and 11 of the 16 Mexican teachers had received extensive educational training in the U.S. Only four of the 38 teachers were males because a teacher's wage was not sufficient to sustain an upper middle class family. One of the few professions acceptable to women of "nice" families in Mexico at the time, teaching did provide a good supplemental income.

S. Bolling Wright and Henry Cain, strong advocates of the preservation of American culture, managed the school with business-like efficiency.
Cain, superintendent from 1926 to 1949, came from a poor family in Louisiana and, like many Americans, never learned to speak Spanish. Viewed by many as a cold but extremely able administrator, he worked diligently to keep the school out of debt. Before his arrival the school had been in constant financial difficulty, but under his leadership it became and remained solvent.

Wright, the American School Foundation president from 1923 to 1952, was, like Cain, an able businessman. Co-owner of La Consolidada, a leading steel firm, he was the most civic-minded American in the colony and at one time or another was the president of many prominent American institutions in Mexico City. A long-time friend of Wright's said that he did not believe the American School could have existed had it not been for Wright's contributions and advice. In fact, it was thanks to Wright's persistent work that the school in 1924 received a tract of land from Edward Orrin. When the American School was relocated in 1945, Wright donated a tract of land for the school and, at the same time, land for the American Hospital and St. Patrick's Church. Readily acknowledging the colossal task done by Cain and Wright, residents nonetheless felt that the two men so dominated the American School that they often disregarded wishes of other colony members. Able but stubborn businessmen, they ran the school their way, providing the stability and prestige which generally reflected the desires of the American community.

Throughout the 1930's, businessmen formed the majority of the American School Foundation Board of Trustees. Twelve businessmen, plus the American Consul General, a medical doctor, and a dentist sat on the 1935 board.
Prominent representatives from Southern Pacific Railroad, Sinclair-Pierce Oil Company, and California Standard Oil Company were often trustees,* testimony that the American School had the support of the colony's most influential residents.

The Union Evangelical Church, one of the four churches in Mexico City that held services in English, was somewhat less important than the American School because not all Americans attended it. A few Americans belonged to the Christ Church Episcopal which was supported mainly by British nationals who made up 85 per cent of the membership.42 A very few Americans belonged to the First Church of Christ Scientist which held services in English and Spanish. American Catholics could attend services performed in English by the Spaniard Father E. de la Peza at the Guadalupe de la Pez Church.43

Yet the majority of Americans belonged to the Union Evangelical Church which had its Mexican origin in 1873. At that time a number of English-speaking Protestants organized the Union Protestant Congregation in Mexico City.44 In 1884, a new constitution was adopted and the church became known as the Union Evangelical Church.45

The securing of permanent quarters, the main problem facing the new Union Church, was resolved in 1890 when Miss Lizzie Blackmore of Jalapa offered on behalf of her mother to donate land in downtown Mexico City for a new church building.46 The history of the Union Church gives no indication of Mrs. Blackmore's affiliation with it but it does point out that the land

*See Appendix for a complete list of the 1935 American School Foundation Board of Trustees.
was given with stipulations that the church would retain the name, "Union Evangelical," and that no secular activities such as games would take place. 47 As it happened, during the opening years of the 20th century a number of small English-speaking congregations in Mexico City were struggling to survive. In 1909 the First Presbyterian Church consolidated with the Union Church and in 1915 the Methodist Episcopal Church North amalgamated with the Union Church. 48

Like other American institutions in Mexico City, the church was entirely self-supporting. This meant that whenever the population of the colony declined, the various organizations were hard-pressed for money. 1914 was an especially difficult year for the church as Americans left Mexico by the hundreds. The church history tells that even its pastor was forced to leave. 49 During the thirteen-month period beginning in October 1914, the Union Church received $50 a month in assistance from the Interdenominational Committee on Religious Needs of Anglo-American Churches in Foreign Lands. 50 This aid, though welcome, was not enough to offset costs and at the annual meeting in 1916 the church seriously considered disbanding, as it lacked money and had a congregation that had shrunk to 21 persons. 51 The church, nevertheless, decided to remain open. Their optimism was rewarded as membership increased to 72 by April 1917 and to 120 by January of the following year. 52

Apart from the usual donations that keep any church alive, the Union Church benefitted in two instances from well-to-do patrons. In 1929, a large donation from U.S. Ambassador Dwight W. Morrow enabled the church to
purchase a pipe organ. In 1934, S. Bolling Wright gave the church a heating plant and a three-story building for the Sunday School and pastor's residence.

Mexican government rulings, as in the case of the American School, affected the Union Church. In the first two months of 1932, anticlerical legislation passed by the Mexican Congress closed the church. The official church history gives no details but states only that, "the matter was finally adjusted and since then the services of the Church have not been interrupted." Although the 1917 Mexican Constitution nationalized all church property, the Union Church property was never formally confiscated by the Mexican government. In the minutes of the church there is frequent reference to plans for placing the church's property in the hands of a holding company or other agency as a precautionary measure, but this was never done. The original property deed was in the hands of the Union Church officers in the 1930's and it was believed by the members that the congregation would be able to use its property indefinitely under government supervision.

Union Church minister Reverend Charles R. McKean was a stabilizing factor during the 1930's. McKean, with his family, arrived in 1927 intending to remain only for six months as acting minister, but he stayed for 32 years. The Union Church suffered as many Americans returned to the States during the depression. Nevertheless, McKean optimistically recorded in the church's history that "the work of Union Church in 1938 is in good condition. Our resident membership is 140. Attendance at services averages close to 100. And our treasury shows a balance. The
Church School is thriving with an average attendance of 168, the largest in the history of the School.\textsuperscript{60} In 1938 in the wake of the oil expropriations, the number of Americans in the colony again declined.\textsuperscript{*} McKean recalls that the expropriation reduced the colony population by a possible one-third and he writes that "attendance in Church and Sunday School was much less and of course finances suffered."\textsuperscript{61}

Because the Union Church served any American who cared to join, almost everyone knew by sight, at least, such leading colony figures as Ambassador Josephus Daniels and his wife. The church was supported, not only by the usual church-goers, but also by those who came to make American acquaintances. Though many residents who married Mexicans attended the church, it did not, like the American School, undergo any modifications.\textsuperscript{62} Instead, the Union Evangelical Church remained a purely American church supported by Americans, with its services conducted entirely in English by an American minister along the pattern used in the United States.

Another purely American institution was the American Benevolent Society. Other foreign colonies had the means to deal with people in distress, and like them, the Americans needed to care for their widows, orphans, and penniless adventurers, however few. The American Benevolent Society, formed in 1868, was to be the agency to perform this function.\textsuperscript{63} The oldest American organization in Mexico City, the society was the brainchild of U.S. Charge d'affaires E. S. Plumb and U.S. Vice-Consul John Black.\textsuperscript{64}

\textsuperscript{*} No figures appear to be available to indicate how many Americans left as a result of the oil take-over. However, the effects were felt in the American School and the Union Church as their respective attendance records reflect a decline in the population.
The society started auspiciously enough, being financed through monthly subscriptions of $100 and promises of generous donations. In 1874, at the suggestion of U.S. Minister J. W. Foster, the society's objectives were changed from those of purely welfare to include activities which would bring about greater colony unity. An example of the latter was the society's sponsorship of summer picnics and Thanksgiving balls.

Perhaps the greatest service performed by the A.B.S. was building the American Hospital. Americans had long felt that Mexican hospitals provided inferior care and facilities. In keeping with this attitude, the society began a fund drive for hospital construction near the end of the 1870's. Among the better-known donors were Generals Ulysses S. Grant and Philip Sheridan. In 1885, colony residents were shocked by news of the death of a Boston tourist leader who succumbed to smallpox in a Mexican hospital. The incident led the A.B.S. to accelerate its fund campaign. Simon Lara donated a site for the hospital and provided backing for construction of the first building in 1886. Before his death in 1895, Lara had given over $60,000 and, to commemorate his generosity, the first building was named the Lara Pavilion. More buildings were constructed in 1887, 1889, and 1905, and the final building, erected and furnished with funds from the Guggenheim family, was named for Barbara Guggenheim.

The tiny hospital of 1886 with its seven patients grew to accommodate 411 by 1904. Hospital records of that year show that in addition to 330 American patients, 81 patients representing eight other nationalities also received care. The A.B.S. records provide evidence that treatment was excellent.
as well as impartial. The recovery rate of those admitted was over 92 per cent.

The American Cemetery Association, which had been operating the American Cemetery, sold out to the A.B.S. in 1906. The record of the society reads that "it is the desire of the Society to make the American Cemetery a lasting credit to the American Colony, without financial benefits." Despite the desire, the cemetery continued to run a deficit as it had under its previous owners. The cemetery remained a financial burden even after the Benevolent Society transferred funds from its American Hospital and Welfare account to cover the deficit. Constantly searching for a way to ease the losses, the A.B.S. sold some of the cemetery land to the Spanish Benevolent Society in 1923. Ten years later, the society reorganized the cemetery operation, creating the Compañía Panteon Moderno to act as contractors. Under this company's management, the Cemetery was made available to use by other nationalities in the mistaken belief that more land existed than was necessary for exclusive American use. Finally, in 1941, the American Hospital and the British Cowdray Sanitorium amalgamated in an effort to alleviate the ever-present financial problems, but the A.B.S. continued to carry the main financial burden of both hospital and cemetery.

Along with the newspapers, school, church and, to a lesser extent, the Benevolent Society, the Chamber of Commerce played a prominent role in colony affairs. After World War I, American businessmen assumed that Mexico would become increasingly dependent upon the United States for raw materials and finished goods. Trade between Mexico and the U.S., which amounted
to $75 million in 1917, jumped to $250 million just one year later. This increase, added to Mexico's potential and her close proximity to the U.S., plus the importance of foreign trade, in and of itself, was enough to justify to businessmen the creation of a non-profit service organization.

From its beginning in 1917, the Chamber of Commerce was made up of the colony's most prominent members. The American Consul-General, George A. Chamberlain; a realtor, Samuel W. Rider; and well-known lawyer, Harvey A. Basham had a hand in its organization. Among its executives at one time or another were S. Bolling Wright, Vice-President of La Consolidada, W. B. Richardson, manager of the Mexico City branch of First National City Bank of New York, and Basham. Only U.S. citizens and American-owned firms could belong to the Chamber initially. But when the Chamber encountered financial difficulties in the early 1930's, it modified its by-laws to allow Mexicans and other nationalities to join, reserving to Americans the right to vote or be elected to the Board of Directors.

The Chamber's major objectives were to stimulate, develop, and facilitate trade relations between Mexico and the United States. In keeping with its objectives, the Chamber, in 1918, struck an Arbitration Committee to adjust claims between American exporters and Mexican importers. It also circulated to its members the U.S. War Trade Board's list of firms who were trading with the enemy and who were to be boycotted. In 1919, the Chamber began a long battle to change the U.S. Income Tax Law provision which stipulated that Americans who earned income abroad had to pay U.S. income tax. After the war, the Chamber intensified its fight to have the
provision repealed, setting up a Legislative and Diplomatic Committee headed by Harvey Basham and cooperating with Chambers elsewhere in the world. Although the U.S. Supreme Court ruled against the proposed revision, the Revenue Act of 1926 cancelled what was, in effect, double taxation of Americans abroad, thereby fulfilling the efforts of the Chamber to obtain just such a ruling.

Other specific functions of the Chamber were to publish a monthly review, arrange passports for Americans coming to Mexico, and inform members of new government regulations affecting trade. The Chamber recognized growing tourist travel to Mexico in the 1930's as a potential economic benefit and it added to its activities the promotion of tourism, largely through publicity in its monthly, the Mexican-American Review.

Mexican-American trade relations and a reduction in Chamber membership reflected unstable world economic conditions in the 1930's. W. R. Richardson, Chamber president in 1931-32, described the situation:

The 'Cristeros' uprising and the Escobar revolution in 1929 were expensive to the country, and critical economic burdens were carried over to 1931 and 1932. Besides, in 1931, the United States was undergoing one of the worst depressions in its history, and this situation affected other nations, especially Mexico. All this brought about a monetary crisis and many U.S. businesses were closed, causing quite a number of American residents to return to the U.S. and, consequently, a heavy loss of members of the Chamber of Commerce.

From a depression low of 210 members, the Chamber recovered enough by the end of the 1930's to list 430 individuals and firms on its rolls.
The American image of wealth, stability, efficiency, contentment, and superiority was sustained by the various colony institutions. The American Benevolent Society, which supported the few unfortunate Americans who were unable to care for themselves, helped to disguise any evidence of poverty within the American community. The American press, with its insistence on political neutrality, made the colony seem stable and content. Knowing that Americans were guests in a foreign country, the American businessmen, who controlled the American press, undoubtedly believed that unfavourable opinions about Mexican affairs would discredit the colony and possibly jeopardize the American-Mexican trade relations. These trade relations were nurtured by the American Chamber of Commerce whose members were among the colony's most prominent men. These men, eager to promote trade between the U.S. and Mexico, created a prestigious Chamber of Commerce which reflected a law-abiding American colony.

Beneath this official facade, conflict and discontent were evident. One source of conflict existed between Ambassador Josephus Daniels and the American businessmen. They held Daniels in contempt because he was unwilling to represent their views to the Washington or the Cardenas government. Similarly, he distrusted the businessmen whom he suspected to be too greedy. Nevertheless, a compromise existed and Daniels at times proved useful to the businessmen. For example, Daniels was instrumental in persuading the Mexican government to allow English to remain the predominant language in the American School.
Although the American businessmen privately despised the Cardenas government, they were forced to accept it. Only when the essence of their community was threatened did they complain. Thus, when Cardenas in 1935 ordered foreign schools to use Spanish exclusively, they adamantly protested and won.

The colony was characterized by a deep seated arrogance which prevented Americans from involving themselves in Mexican institutions. The Americans refused to abandon their own culture in exchange for one they believed was inferior to theirs. Because they found English rapidly becoming Mexico City's second language, they thought that they had no need to learn Spanish so they could communicate with the Mexicans. The American colony was able to maintain its separate identity because the Mexican government interfered but little and the Mexican upper class eagerly sought membership in American clubs and institutions. This, to the Americans, was proof that the American culture was superior to the Mexican.
FOOTNOTES

1 This description of Mexico City is based on information from Elizabeth Tomas de Lopez, September, 1975.

2 E. C. Davis, "The American Colony in Mexico City," Dissertation (Univ. of Missouri, 1942), p. 93.

3 Diagrams 1 and 2 are redrawn from Davis' "The American Colony in Mexico City."


5 Davis, p. 246.


7 "The Ambassador in Mexico (Daniels) to the Secretary of State," Mexico, February 24, 1938; 812.5045/65/Telegram.

8 Cronon, p. 120.

9 Davis, p. 256.

10 Mexican-American Review, October, 1939, p. 20.

11 Interview with Alfredo Phillips Olmedo, Mexico City, August, 1975.

12 Interview with Mildred Hunt de Rowland, Cuernavaca, July, 1975.

13 "Educational Needs and Opportunities", American School Foundation, City of Mexico, 1926; p. 3.


17 Honey, p. 17.

18 *The American School Foundation (City of Mexico) History from 1888 to 1932*, p. 10.

19 Honey, p. 23.


21 Honey, p. 30.

22 Honey, p. 30.


24 Honey, p. 31.

25 Hunt de Rowland interview.

26 Hunt de Rowland interview.

27 Hunt de Rowland interview.

28 Hunt de Rowland interview.

29 Interview with Katherine Castillon, July, 1975.

30 Hunt de Rowland interview.

31 Interview with Anita Rice Chavez, Mexico City, July, 1975.

32 Castillon interview.
33 Castillon interview.

34 The Anahuac, (American School student annual), the American School Foundation, 1937.

35 The Anahuac, 1935.

36 The Anahuac, 1935.


38 The Anahuac, 1955.

39 The Anahuac, 1935.

40 Interview with Harry Mazal, Mexico City, August, 1975.

41 Amistad, March, 1975, p. 5.

42 Davis, p. 204.

43 Davis, p. 205.

44 W. E. Lawson and Charles R. McKean, A Brief History of the Union Evangelical Church, Tacubaya, D.F., 1938, p. 3.

45 Lawson, p. 3.

46 Lawson, p. 31.

47 The First Centennial of the Union Evangelical Church 1873-1973, p. 13.

48 The First Centennial..., p. 13.

49 Lawson, p. 35.
50 Lawson, p. 37.

51 *American Society of Mexico Bulletin*, October, 1944, p. 5.

52 *American Society of Mexico Bulletin*, p. 5.

53 Lawson, p. 46.

54 Lawson, p. 45.

55 Lawson, p. 45.

56 Lawson, p. 46.

57 Lawson, p. 46.

58 Lawson, p. 47.

59 Lawson, p. 47.

60 Lawson, p. 47.


62 Hunt de Rowland interview.


64 Mayes, p. 2.

65 Mayes, p. 2.

66 Mayes, p. 3.

67 Mayes, p. 8.

68 Mayes, p. 9.

69 Mayes, p. 9.
Mayes, p. 11.

Mayes, p. 12.

Mayes, p. 17.

Mayes, p. 17.

Mayes, p. 17.

Mayes, p. 22.

Hayes, p. 23.


"A Half Century...", p. 4.

"A Half Century...", p. 3.

"A Half Century...", p. 3.

Mexican-American Commerce, May, 1934.

"A Half Century...", p. 3 and 6.

"A Half Century...", p. 4.

"A Half Century...", p. 5.

"A Half Century...", p. 5.

"A Half Century...", p. 5.

"A Half Century...", p. 5.

90 Davis, p. 253.


CHAPTER III

PREVAILING ATTITUDES AND VALUES IN THE AMERICAN COLONY DURING THE 1930'S
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AMERICAN COLONY DURING THE 1930'S

The American colony "was composed of all kinds of Americans, there were simple, hard-working people among them. The colony was recurrently—if temporarily—freshened by newcomers from the North, many of them very liberal in their attitude toward Mexico and Mexicans. By and large, however, the permanent colony, as it could be seen in the American Club and other gathering places, were just about the same sort of well-to-do people who wish to maintain the 'status quo' as one would meet in a similar club in the United States. In general they were conservative—sometimes reactionary, but I always found them, as individuals if not as political and economic philosophers, men and women given to friendliness, hospitality, and kindness."

Josephus Daniels, Shirt-Sleeve Diplomat, p. 380.

The previous chapter asserted that American values were perpetuated through transplanting institutions indigenous to America to the American colony. This chapter will examine these values as they were exemplified by the colony's permanent residents and, more particularly, by short histories of six well-known colony leaders.

In order to obtain information about the values and attitudes held by American colony residents, twenty-one Americans who resided in the colony in the 1930's were interviewed. Most residents were interested in achieving economic security and maintaining their American identity through creating and participating in their native institutions. Their business was business and this meant that few memoirs exist. A major problem arose in conducting
the interviews when it became apparent that colony members today are uneasy about their current status in Mexico. Said one American, "Mexico is no longer an adolescent who needs our assistance to operate his industries and businesses but rather a competent adult who wants to free himself from his parent." The Americans interviewed felt that they were in a precarious political situation and that it would be unwise to discuss political topics. They spoke freely about colony matters but did not wish their views on the Cardenas regime to be publicized.

Because most of the Americans were wealthier than the Mexicans, they never experienced the kind of struggle typical of most immigrants in their newly adopted countries. Their comparative wealth meant that Americans, who in their homeland would have been considered middle or upper-middle class, saw themselves as an upper class subculture within Mexican society. They were accepted as a subculture within the upper class because of their wealth and possession of vital business and technological skills in a country where such skills were rare.

The refusal of Americans to be assimilated into Mexican society was made possible by several factors. The cosmopolitan flavour of Mexico City and the view held by Mexicans that American culture was laudable and worthy of emulation helped to reinforce an American sense of superiority. Retention of their own language, institutions, and American friends also was a way to preserve their values. Integration was avoided by a tendency of Americans to marry other Americans. And of course American Protestantism automatically made the community different. So, too, did frequent returns to the United States work against assimilation.
Thanks to their financially secure position and to the prestige of English in Mexico, the Americans found it unnecessary to learn Spanish; most spoke it little or poorly. While their lack of language proficiency hindered their integration into Mexican society, this did not prevent them from existing comfortably in Mexico City. Since nearly all Mexico City schools taught English, many were able to speak it a little. In addition, many Mexicans in business and government spoke English. This led to relative ease in negotiations between Americans and some of their hosts.

The key to the American colony's isolation was its constant use of English which rapidly was becoming Mexico City's second language, and held in high esteem by many Mexicans. Hence an American child who spoke poor Spanish was viewed, not as a "poor immigrant," but, rather, as an offspring of foreign parents with wealth and status. American housewives who spoke barely enough Spanish to converse with their maids or the neighbourhood shopkeepers retained their prestige in similar manner. English was spoken in the vast majority of American colony homes and was used at the American School, attended by almost all colony children. Although second-generation Americans often spoke fluent Spanish thanks to their contact with servants, courses at school, or necessary day-to-day contacts, they still failed to become assimilated into the Mexican upper class because of limited contact with Mexican institutions.

Even second and third generation Americans isolated themselves from Mexican organizations by joining only American clubs and institutions. More than any other institution, the American School preserved the American identity.
When American children played in the American School's yard, they spoke either English or a mixture of Spanish and English. Having been taught by their parents that American values were superior to those held by Mexicans, these children, according to those interviewed, thought themselves an elite and any need to become Mexicans in outlook rarely existed.

Another powerful institution instrumental in preventing American children from becoming absorbed into Mexican life was the Union Evangelical Church where the sermons were in English. The frequent returns to the United States, (and most families could afford one or more trips each year,) provided still another means for the children to remain in touch with their identity.

Retention of U.S. citizenship was another way for Americans to maintain their identity. Children born of American citizens in Mexico were, of course, United States citizens and most who married Mexicans retained it. At birth they were registered at the American consulate, and they could choose at age twenty-one whether to remain American or seek Mexican citizenship. Despite this apparent choice, almost all remained Americans as they felt that to exchange their American birthright for Mexican citizenship was a step down the ladder. One woman, for example, whose parents had emigrated to Mexico in the latter part of the 19th century, declared that although she and her siblings had been born in Mexico they still remained Americans and were proud of it. Another American who had spent most of her life in Mexico stated that although Mexico had become dear to her, she would never give up her American citizenship. In fact, she said, should the Mexican government ever attempt to force foreigners living there to become Mexican citizens, she would give up her home and return to
the United States permanently. Although a few wealthy individuals or some of those married to Mexicans did forfeit their American citizenship, American colony members viewed them with suspicion, feeling that they had done this not to transfer allegiance to their adopted country, but to avoid payment of United States income tax.

Americans discouraged intermarriage and, when it did occur, it seldom led to assimilation into Mexican society. A study of the 1938 edition of the Anglo-American Directory of Mexico showed that 62 Americans out of 831 listed had married Mexicans. Because the directory included only those who wanted to be listed and thus presumably those who were the least Mexicanized, this figure, one-fourth of the colony's population, perhaps should be revised upward. While it appears that intermarriage was not uncommon and colony members tolerated it, an effort was made to prevent it. Parents of marriageable daughters sought to lessen this possibility by sending their daughters back to the United States for "further education." Those who did marry Mexicans did not become absorbed into the Mexican upper class. Rather, the Mexican partner became part of the American colony, further enhancing its reputation as a "superior" culture.

The Americans isolated themselves politically as well as culturally. Because the colony was a business community, its members were opposed to Cardenas' policies which they believed to be socialistic. Under the Cardenas regime, Americans objected especially to the labour laws which they found unfair, cumbersome, and inconvenient. For example, Harry Wright, an American steel manufacturer and one of the richest men in the colony, told an American interviewer in 1940 that his chief complaint about Mexico was its labour laws.
One of Wright's grievances was that no employee who had worked over thirty days could be discharged except for stealing or sabotage. He explained that in most cases the company had to get the union's permission to fire a workman and would have to pay the employee three months' salary on dismissal plus twenty days' pay for each year of service. Another American asserted that he chose to abandon his own business rather than work with Mexico's labour laws which, in his opinion, gave the Mexican workers far too many advantages. The American colony believed that the Cardenas government was too eager to protect the workers and that the businessman's profits were, as a consequence, reduced.

Because they disagreed with him politically, several prominent American businessmen who had opportunities to become acquainted with Cardenas declined to do so. Harry Wright's brother, Samuel Bolling Wright, had been introduced to Cardenas by Calles before Cardenas assumed power. But when Cardenas and Calles split and Wright realized that Cardenas would side with labour instead of business, he deliberately avoided Mexico's chief executive. Harry Mazal, another important businessman who chose not to meet Cardenas, had known Obregon and Calles and was a good friend of Lic. Raul Castellano, a Cardenas cabinet minister. Castellano had on several occasions offered to introduce Mazal to Cardenas but it was Mazal's opinion that Cardenas gave Mexican workers an open invitation to strike and he had no desire to meet the president. Mazal disagreed with Cardenas' "socialistic" approach and referred to the president as "the father of hatred toward Americans."
A few Americans outside of the business community became very close friends of the president. Howard Phillips, editor of the sophisticated magazine, *Mexican Life*, was one of Cardenas' good American friends but he mingled little with the colony members and his influence within the colony was minimal. Phillips had Cardenas' whole-hearted support for his *Mexican Life* whose aim was to improve relations between the U.S. and Mexico. Another American, William Cameron Townsend, won Cardenas' friendship. Townsend, a missionary, was translating the Bible into Indian languages with the intent of Christianizing isolated Mexican Indian tribes. Despite Cardenas' policies of keeping education and religion separate, he condoned Townsend's missionary efforts. Cardenas supported Townsend because he and his Wycliffe Bible Translators taught the Indians to read and to improve their crops. The friendship between Cardenas and Townsend became so close that when the latter remarried, Cardenas and his wife were best man and matron of honour at the wedding. A close friendship also developed between Josephus Daniels and Cardenas. Both men were liberal-minded and shared a dislike of conservative businessmen. Cardenas appreciated Daniels' devotion to the improvement of the U.S.-Mexican relationship while Daniels admired Cardenas' policies as well as his honesty.

Although they were aware of Cardenas' reputation as an unusually honest individual, many colony members speculated on his possible involvement in corruption for which the president's brother, Damasco, was accused. Colony members circulated so many stories about Damasco that it was as if they wished Cardenas could be implicated. Cardenas was also criticized for his confessed atheism, especially by those American Catholics who supported the
Mexican Catholic Church's attempts to regain influence over Mexico's educational system. Finally, the American colony disliked Cardenas because he simply paid no attention to it. The president even ignored the yellow journalism in the American colony newspaper, the Mexico City Post.

While the American colony might have welcomed an invasion of Mexico when Cardenas expropriated Mexico's oil, they disgruntledly accepted Roosevelt's decision of non-intervention. And while they wished to turn the clock back to the "good old days" of Porfirio Díaz who proffered the attention they felt they had earned for bringing capital and technology to Mexico, they had no choice but to tolerate the Cardenas government.

The colony population remained stable through the 1930's with only a slight decline beginning in 1938 as a result of the oil expropriation. Mexico attracted few Americans during the Cardenas era yet few left despite their intense dislike of the president's policies. The reason for their original arrival in Mexico still existed despite the fear that, as foreigners, they could be expelled by what they believed were extreme left-wing government policies. But, Mexico, even during the so-called socialistic Cardenas regime, remained virgin soil for American businessmen who faced little or no competition from Mexicans. Moreover, because Mexico needed capital, high interest rates, guaranteed by the Mexican government, were paid to investors. Mexico, in short, offered the little enclave of middle class Americans better business opportunities than they could obtain in the United States.
As a group and as individuals, Americans enjoyed more prestige in Mexico than in the United States. Because the Mexican middle class was small and poor compared to the American middle class, the American residents were viewed by Mexicans as analogous to Mexican upper classes. For example, one American stated that her father, a supplier of electrical items who had come to Mexico in 1905, "was a nobody in the States but in Mexico he became a somebody because the Mexicans looked up to him and respected him as he sold goods which were either in very short supply or non-existent." Thus, her father, a commonplace salesman in U.S. terms, received special attention in Mexico because he, like many Americans, introduced Mexico to technological gadgets. The attention afforded him by Mexicans meant that an otherwise undistinguished citizen acquired a special status in Mexico. Such prestige and fertile business opportunities tied middle class Americans to Mexico.

Because servants were inexpensive, most Americans hired them to do much of the housework and gardening, providing American women with the kind of leisure time only available to upper class women in the U.S. Insofar as upward mobility appears to be a mark of the middle class, the employment of servants implies a satisfaction much greater than just getting work done. The same financial capacity which enabled them to hire servants permitted them to give their children private American schooling, furthering their resemblance to an upper class. As another American put it, "life in Mexico City in the 1930's was simple, cheap and gracious."
Colony residents believed that apart from bringing Mexicans the blessings of capital and technology, they also taught them the importance of efficiency and cleanliness. The Americans were of the opinion that those colonias, such as Lomas de Chapultepec, engineered by Americans, epitomized American efficiency and technological skills. Americans wanted to be first in a new colonia because they believed that if they set examples of orderliness and cleanliness, those Mexicans who moved in would follow suit.

Americans also saw themselves as being more responsible than Mexicans in business dealings. For instance, they claimed that Mexicans preferred American renters because when they moved they, unlike Mexicans, did not remove bathroom and light fixtures. According to American colony residents, Mexicans preferred to work for Americans because Mexicans exploited their own countrymen more than Americans. Because Mexicans believed that American bosses had a better sense of what constituted "fair treatment" of employees, servants were eager to obtain posts with American families where they were more likely to be treated well, and receive higher wages for less work than if they were hired by Mexican families. 10

The American identity in Mexico City proved easy to maintain because of widespread Mexican acceptance of the English language, the Mexicans' desire to emulate Americans, the existence of the American School, frequent returns by colony residents to the U.S., their Protestant religion, and their retention of citizenship. With their strong sense of American values, and their view of American culture as superior to that of the Mexican, they successfully resisted assimilation into Mexican society. The prevailing
"spirit" in the American colony, in other words, was a deep sense of pride in being American.

The description below of six residents of the American colony of the 1930's supports the notion that while they differed in many respects, they shared a common desire to remain American citizens and to support the colony's clubs and institutions. Harry Wright, his brother Samuel Bolling Wright, and Harvey A. Basham epitomized the American colony's wish to retain its isolation from Mexican society. Conversely, Henry Hulbert Rice, Harry Mazal, and William Blaine Richardson, each of whom married Mexican women, were to some degree involved with life outside of the American colony.

Harry Mazal--Everyone's Friend

Harry Mazal knew everyone worth knowing in the American colony. Outside of the colony, he was acquainted with such important people as Alvaro Obregón, Plutarco Elias Calles, and Diego Rivera. Mazal, born in Spain in 1900, was raised in Southbridge, Massachusetts, a town noted for its optical industry. Mazal became an optometrist, but being possessed by wanderlust, he never practised his trade. Instead, he went to work for the Underwood Typewriter Company in New York. In 1918, when he was only eighteen, Mazal became a salesman for Lawrence and Company, a manufacturer of cotton goods. His work took him to the West Indies and to Mexico and in 1920 he settled permanently in Mexico as his firm's representative. Ambitious and energetic, Mazal became manager of and a minor partner in a manufacturing company that produced the first rayon knitted fabric in Mexico. When the Wall Street Crash occurred, the holder of the majority of shares in the company sold the company to a Toronto
organization and Mazal bought shares in a company that manufactured women's wear. He stayed with this for almost ten years, selling out in the 1940's when it became apparent that none of his three sons wished to carry on the business. He then began to manufacture scientific instruments for hospitals and laboratories. During the 1930's, Mazal was also manager of a construction firm and a director of Banco Anglo Mexicano.

Mazal found Mexico City an appealing mixture as did many of his contemporaries. He enjoyed its gorgeous gardens; perhaps the most beautiful in the western hemisphere, found the climate agreeable, the cost of living infinitely less expensive than New York, and the women of the city extremely attractive. A born "joiner,"—he took a deep interest in the institutional and club life of the American colony. He was particularly interested in the Mexico City Rotary Club. The Mexican branch of Rotary was established in 1921 and, by the 1930's it was a successful organization composed equally of American and Mexican members. Rotary was to be a lifelong interest for Mazal and, through it, he made many friends.

Mazal married a Mexican but the three sons born to him followed the traditional pattern of the colony, going to the American School, returning to the United States to attend college, and marrying American women. Two of his sons later joined him in running his manufacturing business and the third son became, for a time, head of the American Express office in Mexico City.

Mazal declined to give up his American citizenship, visited the U.S. three to five times each year, and continued to "feel" thoroughly American.
Although he made many friends and confidantes from among the many nationalities represented in Mexico City, most of his friends were American. A particularly close friend was William B. Richardson, the banker whose faith in Mexico's progress Mazal particularly admired. Samuel Bolling Wright, the colony's philanthropist, was another close friend. Mazal, who supported Josephus Daniels' pro-Mexican position during the 1938 oil expropriation, lunched with the ambassador two or three times weekly. As treasurer of the Union Evangelical Church, Mazal also came to know well the pastor, Dr. Charles M. McKean.

Mazal's Mexican friendships were sometimes a contradiction in terms, as he enjoyed the intimacy of both left and right-wing partisans. An ardent supporter of the free enterprise system himself, Mazal nonetheless became a good-friend of Diego Rivera, a political radical, and even then known throughout the world for his murals and other paintings. In the 1920's, Mazal made the acquaintance of Juan Platt, a railroad treasurer, and through him became a member of the famous Sonora-Sinaloa Poker Club. It was during his affiliation with this group that he met Alvare Obregon and Plutarco Elías Calles. Mazal believed that Calles had been one of Mexico's greatest presidents, was blessed with a serious intelligence, and had done more than any other president to provide Mexico with a "backbone." Mazal was intimate enough with Calles to be able to confront him with questions concerning the president's politics. On one occasion, he asked Calles why he seemed to be in constant conflict with Mexico's Catholic Church. Calles replied that even though he was a Christian, he was sworn to uphold the Mexican Constitution and felt it his duty to prevent the Church from regaining its power. Although Mazal was in disagreement on this point, he so respected the man that their
friendship remained undiminished.

Kazal is an example of a colony member who had close connections with prominent Mexicans, who spoke Spanish fluently, and who married a Mexican woman but, nonetheless, remained loyally American, frequented the colony's clubs and institutions, and saw to it that his sons were educated in the United States.

Harvey A. Basham--the Self-Made Man. 12

Harvey A. Basham, a self-made man and the best-known lawyer in the American colony, exemplified the colony's ideal: serious, hard-working, keeping completely to the colony and contributing to its welfare. Basham supported himself through high school and university. After university he left for Indian Territory where he worked in the daytime to support himself while studying law at night. Admitted to practice in U.S. courts, he eventually argued before the Supreme Court of the new state of Oklahoma. Basham, recognizing that Mexico offered excellent opportunities, emigrated to that country in 1907. Initially employed by an American law firm in Mexico City, he began his own practice three years later. In 1920, H. Ralph Ringe joined him and the firm became known as Basham and Ringe. By 1937, twenty partners, lawyers and associates were connected with the firm.

Basham was one of the prominent American colony members who was eager to formalize the U.S.-Mexico trade relationship. Although Mexico and the U.S. were on unfriendly diplomatic terms, trade between the two countries, as noted earlier, had increased greatly as a result of Mexico's severance from the European markets due to the First World War. The American Chamber
of Commerce's constitution and by-laws were drawn up by Basham and put into effect in November of 1917. From that time on and through the 1930's Basham served on the board of managers and as General Counsel.

He maintained a proper and reserved manner, and believed that Americans ought to conduct themselves well in their business dealings with Mexicans. As president of the American Chamber of Commerce, he wrote a series of articles urging his countrymen to behave in a friendly and courteous manner toward the Mexicans. Basham also served as attorney for various departments of the U.S. government. In 1926, when H. H. Rice, an American Colony resident, was appointed by the U.S. government to investigate Mexican claims against the U.S., he received his instructions from Basham.

Basham, one of the founders of the American School, consistently gave moral and material support to the American institutions in Mexico City. At the re-organization of the Mexico City Country Club in 1921 he processed all the legal papers free of charge. He could be counted on to preside over such social functions as the welcome dinner given in 1933 for Ambassador Josephus Daniels and his wife. Basham, self-made man and hard-worker, epitomized the character of the colony, remained an American citizen, and ardently supported American clubs and institutions.

Henry Hulbert Rice—the Adventurer.

Henry Hulbert Rice was the most colourful figure in the American colony. As a businessman, he resented Mexico's labour laws, retained his American citizenship, and sent his children to the American School. He was somewhat atypical because he spoke Spanish fluently, came into frequent contact with prominent Mexicans, and was too preoccupied with his own adventures to
become intimately involved with the colony's affairs.

Born in Chicago, Rice passed the entrance examinations for Princetown University but on a trip to Texas, he became fascinated with cattle ranching. Subsequently, he abandoned the idea of attending university and, after the completion of high school, worked as a cattle rancher. Between 1901 and 1906, he was a livestock merchant. In 1907, the Mexican National Packing Company secured his services as a livestock buyer. In 1914, the Mexican Revolution put an end to this company. Rice seized an opportunity to enter the service of the American Embassy and, overnight, he was "transformed from cowboy to diplomat." Assigned to look after the interest and welfare of American citizens, his principal mission was to conduct Americans safely across war-torn Mexico to Veracruz.

In his capacity as diplomat, Rice had numerous unique experiences, among them interviews with Generals Carranza and Obregón, Feliz Díaz, Mondragón, Pancho Villa and Emilano Zapata. One encounter with Villa was especially interesting. Rice feared that should something happen to him during his travels, his wife and children would be without protection. With this in mind, and despite his considered opinion that Villa's troops were little more than bandits, he approached Villa directly and received from the general's own hands a "salvo conducto" (safe conduct pass.)

In addition to assisting Americans to reach Veracruz safely, Rice acted as interpreter for American government officials who wished to contact Mexican revolutionary leaders. Rice's most memorable incident as interpreter was a meeting with Emiliano Zapata. American President Woodrow Wilson
had chosen Duval West, a Texan lawyer, to approach Zapata, mistakenly believing that West, a Texan, could speak Spanish. Rice was thereafter engaged as West's interpreter and their journey to Tlaltizapan, a small town in the state of Morelos, to see Zapata was more amusing than dangerous. Zapata and his men, dressed in elaborate outfits complete with high Mexican sombreros, greeted the American party solemnly, but after Zapata’s initial suspicion wore off, he ordered that music be played and food be brought to entertain his guests.

With the appointment of a new American Ambassador, Rice lost his job. He left Mexico and for several years travelled to Argentina as head cattle buyer for a Chicago firm. He then turned his attention to mining, going to work for the American Smelting and Refining Company in Chihuahua.

Two years after his return to Mexico, the U.S. government asked Rice to investigate claims by Mexicans against the U.S. resulting from losses suffered by Mexicans during American occupation of Veracruz in 1914. Rice proceeded to Veracruz on instructions from American colony lawyer Harvey Basham representing the U.S. in this matter. Rice neglected to write any detailed analysis of the mission in his memoirs, stating only: "My reports on these investigations were the means of saving our government a very considerable amount of money."

Between 1927 and 1933, Rice was in business for himself, operating sand mines and stone quarries in the Mexico City suburbs of Tlalpan, Coyoacan, and Lomas de Chapultepec. He employed two hundred men and experienced no labour problems prior to the Federal Labour Laws. "But," he declared, "as soon as the men formed their unions I was continually being called before
the Junta Central de Conciliación y Arbitraje to adjust labour demands, which were usually fomented by scheming agitators. This caused me to make a thorough study of the new Federal Labour Laws. Because of these laws I came to the conclusion that it was not good business to continue operating under such disadvantageous conditions."

In 1933, Compañía Mexicana de Petróleo hired Rice for his expertise gained in dealing with labour during his stay in Chihuahua and in running his own business. The company appointed him General Labour Agent for its Tehuantepec oil fields, a position Rice was to consider the most demanding of his life. The company's 5,000 workers belonged to exceptionally well-organized unions and with the backing of the Mexican government could exact demands of a most extraordinary nature. Rice believed that the labour problems arose because of the government's support and because of the professional labour agitators who were unrelenting in their efforts to cause trouble.

While Rice was on a trip to Mexico City in 1935, a young man who had been provisionally placed in charge of the labour department in Rice's absence was shot to death by a workman. Of this incident, Rice wrote:

"At the time of Mr. Chabaud's death I was in Mexico City. If I had returned to the Isthmus instead of coming to the United States the chances of meeting a similar fate could perhaps become a reality, as not long after this occurrence another high employee, Mr. J. Brown, also lost his life."

Bothered by labour problems and the uncertainty of the Mexican political situation, Rice returned to the U.S. After visits to Colombia and Cuba, he gave up his adventurous life and settled in Mexico City.
Rice, unlike most of the Americans in Mexico City, never became rich, but he had the satisfaction of being a self-made man and living a life filled with interesting incidents. His attitude toward the labour problems was typical of the American colony viewpoint, and he shared with his fellow Americans the desire to retain his American citizenship. He deviated from the American colony stereotype only in being much less concerned than most with getting rich.

William Blaine Richardson—the No-Nonsense Banker

William Blaine Richardson, like Rice, was one of the few Americans who successfully mixed with the Mexicans and at the same time retained his American identity. He was a typical colony resident insofar as he was concerned with making money. He promoted American institutions, retained his American citizenship, and married a Mexican who was assimilated into the colony. He was unique, however, in that he was an American banker whom the Mexicans respected. The respect accorded Richardson came about because he spoke Spanish fluently and held an optimistic outlook on Mexico's economic future. Mexicans also liked him because his children attended the Pan-American School, a majority of whose pupils were Mexican.

Educated at Goddard Seminary and Tufts College, Richardson, a Bostonian, settled in Mexico in 1929. Before this he had spent twelve years with the First National City Bank of New York in Genoa. Prior to his assignment to Mexico City, the bank had sent him to Cuba for six months to learn Spanish. When Richardson, as general manager, opened First Bank's doors in Mexico City in 1929, he was faced with an immediate problem. The onset of the
world depression and internal conflict between church and state in Mexico combined to create in Mexicans a deep distrust of paper money. To make the point that his bank's money reserves were in good order, Richardson repeatedly had bags filled with silver coins taken out the back door and brought in the front door. This maneuver succeeded in convincing people that the bank had plenty of hard currency to back up its paper money. 15

In 1932, most foreign banks left Mexico. Richardson, risking censure from his superiors and possibly the loss of his position, insisted that First National City Bank remain open. Mexicans openly praised him for his perseverance. In the same year the National City Bank loaned the Mexican government ten million dollars which helped bolster Richardson's good standing with Mexican government officials. 16 The Catholic Church, unable to secure a loan from any Mexican bank because bank officials feared political repercussions, obtained a loan for one million pesos from Richardson. Subsequently, he was rebuked by President Calles for supplying the Church with capital. Richardson's reply to Calles was simply that the National City Bank had loaned the Church money because of its obviously excellent credit rating.

That Richardson's friends and business contacts included not only Americans but also Mexicans, as well as representatives of other foreign countries, was made evident at a banquet given for him on the occasion of his 25th anniversary with the bank. Eduardo Suárez, Mexico's finance minister, sat at Richardson's left and at his right sat Ambassador Daniels. 17 Richardson's marriage to María Luisa López Collado, a National City Bank secretary, was one more indication of Richardson's close ties with Mexico.
In 1947 Richardson was promoted to vice-president of the National City Bank, the top executive position within the bank in Mexico City. Like so many prominent American businessmen, Richardson, though in close contact with high Mexican government officials, never became a friend of President Cardenas with whom he found it difficult to deal. Richardson's widow believes too, in retrospect that Cardenas was a sincere man who felt at ease with Mexico's native population but who failed to communicate effectively with American businessmen.

Mexican economic journals and dailies followed events connected with the National City Bank and its manager, Richardson. His opinions were valued and frequently quoted in the city papers.

Tough, efficient and shrewd businessman though he was, Richardson was also an idealist. In 1940, when American School superintendent Henry Cain and principal Paul V. Murray organized the Mexico City College, they solicited Richardson for funds. Until the two men agreed to change their plans to make the college into a private business venture, Richardson refused assistance. When they, albeit reluctantly, bowed to his wish that the college be a non-profit organization, he immediately came to their aid. Richardson contributed both time and money to various American institutions. For this, as well as for his superb knowledge of Mexican finance, he was held in high regard by fellow Americans. In 1935 the Mexican Weekly Times praised him as "a high-ranking Rotarian, a shrewd thinker, a man of action and a thundering good fellow." When he retired in 1956, he was referred to by one newspaper as one of the stalwarts who probably more than any other helped to rebuild U.S. prestige in Mexico. On the same occasion, The
News, an American colony paper, hailed him for "his tireless efforts and contribution to further Mexico's progress." Even the American weekly news magazine *Time* devoted a column to Richardson on his retirement from the bank he served for forty-two years. *Time* referred to Richardson as a "down-to-earth person who maintained the no-nonsense tradition of banking and made good friends for the U.S. in Mexico."

**Harry Wright--the Entrepreneur.**

Harry Wright is an example of an American who experienced the Porfirio Díaz era and regretted its passing. He believed that Díaz, having given Mexico three decades of peace, was one of the greatest men the world had ever produced, and was proud that the dictator had been a personal friend who left Mexico City in Wright's automobile.

Wright was born in Bedford, Virginia, in 1876, the son of a wealthy tobacco manufacturer whose fortune vanished in a bank failure. Hired in 1897 by the Isaac Joseph Iron Company of Cincinnati, he was sent to Mexico where he made a substantial profit for the company. Subsequently, the company opened a branch in Mexico City, but after a Mexican steel company induced the Mexican government to place a tax on the scrap export, Wright was returned to the U.S. Two years later the Isaac Joseph Iron Company decided to sell its Mexico City business and Wright, with the assistance of two backers, bought it. The following year, Wright bought the twelve acres of land and equipment belonging to Compañía Consolidada de Construcciones Metalicas. In the next few years La Consolidada expanded rapidly, absorbing nine different companies. The purchase of a rolling mill in Durango which was then moved
to Mexico City marked the beginning of La Consolidada's commercial steel production. Together with the Mexican Compania Fundidora de Fierro Y Acero de Monterrey, the company virtually monopolized the Mexican steel industry. In 1919, La Consolidada produced the first steel castings made in Mexico and in 1933 added a copper wire division to accommodate the Mexican government's order to 800 tons of copper telegraph wire. When the Mexican scrap iron supply decreased in the mid-1930's, Wright built a plant in Piedras Negras which melted down 2,500 tons of scrap monthly.

Wright also owned and operated the Stamford Rolling Mills of Connecticut whose sales in 1917 were about $15 million. The operation of this company overtaxed Wright's health and he returned to Mexico to concentrate on La Consolidada. The company's growth was such that it established branch offices in Tampico, Guadalajara, Merida, New York, Rio de Janeiro, Santiago (Chile) and Buenos Aires. In the latter city, Wright built the Argentine Iron and Steel Company, the largest rolling mill in South America.

As a rule, Americans who became rich in Mexico obtained their wealth from oil or mining explorations, but Wright took the slow and sometimes tedious road of manufacturing in becoming the most important American industrialist in Mexico.

Recognizing that Mexican demand for any one item would be limited but that demand for many smaller items would add up to a profitable business, Wright developed La Consolidada's capacity to produce relatively small quantities of a broad variety of products. In fact, La Consolidada manufactured no less than 37,000 different articles and had nine separate departments. In 1940 Wright explained to an interviewer that Americans
"seem to forget that when they cross the border they are moving from a rich country to a poor one, with limited purchasing and consuming power. They also forget that they are moving from a country of 130 million people to a country with a population of less than 20 million, largely nonconsuming Indians."35

Aware of the unlimited opportunities open to the entrepreneur in Mexico, it was Wright's opinion that who ran the government was less important than who you knew, and he knew the right people.36 With more than 75% of La Consolidada's stock held by himself, his brother, and various other relatives, the family amassed a fortune.37

Like most other Americans in Mexico, Wright retained American citizenship, paid U.S. income taxes, and kept almost exclusively to the colony. Like most other Americans, too, he derived enormous satisfaction from visible emblems of his success. He travelled the world, played golf, privately published a book on that game and built a movie theatre onto his home. American journalist Betty Kirk called the theatre one of the showplaces of Mexico City.38 Wright owned over 1,600 films and could have entertained guests for 400 hours. And entertain he did. His guest book included the names of a prince of Siam, the Japanese Ambassador to Mexico, former Mexican president Rubio, and American Ambassador Daniels.39

Samuel Bolling Wright--the Philanthropist.

Unlike his brother Harry, who was more interested in material rewards, Samuel Bolling Wright, always referred to by his middle name, devoted his efforts to the betterment of the American colony.
Ten years his brother's junior, Bolling, because of his family's poor financial situation, received only five years of formal schooling. His first job was as a dollar-a-week cashier in a barber shop at the age of ten. Before coming to Mexico in 1902 with Harry, he worked as an office boy in a hide and tallow company in Norfolk. After a year in Mexico, Bolling returned to the United States where he worked for the Edna Smelting and Refining Company in Cincinnati until, in 1905, he returned to Mexico to work as an office boy in Harry's company, La Consolidada. By 1916, he became the company's vice-president and general manager. Though Harry continued as president of La Consolidada when he left for the U.S. to manage the Stamford Mills, the Mexican firm was left in Bolling's hands. Less interested in the business than Harry, Bolling began in the early 1920's to take an abiding interest in the colony's civic organizations.

He became so dedicated to promoting American institutions in Mexico City that he was singled out consistently by other residents as the most influential colony figure. His philanthropic activities extended to most of the community's institutions. The American school, whose policies he and superintendent Henry Cain virtually dictated, was Bolling's life-long preoccupation. Believing as he did that the American School represented the key to perpetuating "Americanism", he lavished time and money on it. The American Benevolent Society, on whose board he served throughout the 1930's, was another recipient of Bolling's generosity. He served as chairman of the Board of Trustees of the Union Evangelical Church and that institution, too, was showered with donations. Bolling spent much time and effort working for amalgamation of the American and British hospitals. Another civic
interest was the Salvation Army whose original property in Mexico City was donated by Bolling. He also helped organize the Rotary Club and the Shriners, and served as president of the Mexico City Country Club and the American Chamber of Commerce.

Bolling Wright, who in 1914 married Marion Jennings Conger, daughter of the Union Evangelical Church's pastor Sidney Conger, had a thorough American orientation which largely excluded Mexican friendships. Richer than most, he worked harder than anyone else to perpetuate American values in Mexico City. Although Bolling was not the most simpático type of American, his virtues as a good citizen, husband, and father made up for an obstinate personality to which many colony residents objected. It was acknowledged, almost without exception, that he, more than any other American in Mexico City, was responsible for the continuation and improvement of many American institutions.

Except that these six men were wealthier and better known than most colony members, they were typical residents who represented the values and attitudes held by the majority of Americans. Essentially conservative individuals, they were unsympathetic to both the Franklin D. Roosevelt and Lazaro Cárdenas governments. As was the case for the colony as a whole, they believed, for example, that Mexican labourers received preferential treatment from the Cárdenas administration. As conservatives, they also disapproved of Josephus Daniels' endorsement of Cárdenas' policies. On the personal level, they approved of Daniels because he was what they called "an honest and decent southern gentleman." However, he never gained their respect. That was reserved for those who worked in the businessmen's interest.
Assimilation into Mexican society was not a goal for any of these men. Although three of them spoke Spanish fluently, had numerous Mexican contacts, and married Mexican women, they retained their American citizenships and values. This explains partly why many children of American-Mexican marriages valued their American heritage above their Mexican.

Except for W. B. Richardson's children, the children of the sample residents attended the American School. A majority of these, including Richardson's children, later pursued an education in the U.S. Thus, the ties with the U.S. were so strong that the second generation American-Mexicans either remained colony residents or migrated to the U.S. One of Richardson's children became an aid to Henry Kissinger and one of Mazal's sons headed the American Express office in Mexico City until in 1975, he was transferred to New York. Like many families in the American colony, one or more of the children of these families moved to the United States. Because of the American schooling, the use of English at home, an implicit understanding that American values were superior to Mexican, membership in the Union Evangelical Church and other American institutions, it is not surprising that the children of these men wished to be Americans.

Although these men successfully maintained their American values, they willingly adopted some Mexican customs. The habit of shaking hands and embracing friends were used among Americans. Another habit was that of beginning meetings long after their schedule. This was referred to as "Mexican time." Such wealthy American colony residents as Richardson and the Wright brothers, followed the Mexican upper class custom of purchasing weekend houses in places such as Cuernavaca and Acapulco. Also, like all American colony
members, they hired maids and gardeners to do household chores. Americans adopted these Mexican customs because they gave them personal satisfaction. These superficial Mexican patterns did not, however, mean that these men were assimilated into Mexico's upper class. Instead, by adopting these habits and maintaining their American attitudes and values, the best of both cultures was theirs. These men safeguarded their American heritage and with the exception of Henry H. Rice, worked for the betterment of American institutions, and believed, as did most Americans, that the colony would last a long time.
FOOTNOTES

1 Interview with Harry Wright II, Mexico City, July, 1975.


3 Correspondence with Panchita Woods Hull, October, 1975.

4 Interview with Mildred Hunt de Rowland, Cuernavaca, July, 1975.

5 Henry Hulbert Rice memoirs (unpublished).

6 "Mexican Steel," Fortune, October, 1940, p. 115.

7 James and Marti Hefley, Uncle Cam (Waco, Texas: Word Books Publisher, 1974), p. 141.

8 Interview with Annette A. Atkins, Mexico City, July, 1975.

9 Interview with Lucille Eisenback, Cuernavaca, August, 1975.

10 Davis, p. 133.

11 Information obtained from an interview with Harry Mazal, Mexico City, August, 1975.

12 Most of the information about Basham is derived from a sketch in Mexico-American Commercé, May, 1937, p. 12.

13 The following information was obtained from Henry Hulbert Rice's sketchy memoirs in the possession of his daughter Anita Rice Chavez, Mexico City, July, 1975.

14 All facts presented about William B. Richardson, unless otherwise indicated, were obtained from an interview with his widow, Maria Luisa, Mexico City, July, 1975.


17 "Una Cena En Honor De Mr. William B. Richardson En El University Club." *Novedades*, Mexico City, Nov. 18, 1940.


23 Daniels, p. 86.

24 *Fortune*, p. 86.

25 *Fortune*, p. 87.

26 *Fortune*, p. 87.

27 *Fortune*, p. 83.

28 *Fortune*, p. 110.

29 *Fortune*, p. 110.

30 *Fortune*, p. 110.

32 Aztec Call, p. 3.
33 Aztec Call, p. 4.
34 Fortune, p. 85.
35 Fortune, p. 85.
36 Fortune, p. 115.
37 Fortune, p. 84.
39 Betty Kirk.
CONCLUSION

By the middle of the 19th century, the United States and Mexico had established an economic relationship which was to weather revolutions, depressions, and world war. From the beginning of the 20th century, Mexico was to be one of two countries to receive the greatest amount of direct American investment—and by 1930 the United States had become Mexico's most important trading partner. This economic relationship was directly responsible for the existence of a tiny enclave of American citizens in the Mexican capital, a colony of Americans that was but one link in a network of American business ventures abroad.

This colony, built on a business foundation, contained some unusual, if not unique features. Unlike some historic immigrant communities, it possessed no real intellectual leaders and no working class. Its residents were essentially middle class in wealth and aspirations. They were atypical in that they formed a sub-culture within, yet isolated from, the host country's upper class rather than following the traditional immigrant path to the lowest strata of society. That they were able to achieve such status was due solely to their wealth and their business connections. And they reveled in it. The good life was so good that most who had come to visit stayed until they died. They cherished the esteem in which they were held by the Mexicans. They luxuriated in being able to have servants. They derived unbounded satisfaction from being able to present their children with the American equivalent of a private education. In short, they enjoyed a prestige and life style to which few of them ever would have become accustomed had they remained in the United States.
The colony was an isolated, cohesive unit, but not in the geographical sense that defines a ghetto. What cohesion there was, the immigrants gained through their own effort, time, and money. What isolation there was, the immigrants imposed upon themselves. Historically, immigrants are separated from their adopted country's people by social, legal, and economic pressures. The American colony reversed that pattern. It was the colony which exerted the pressures to remain aloof and apart. Assimilation into the Mexican culture never took place because the Americans deliberately avoided it.

The English language was used at home, at the American School, and in business dealings. Housewives learned just enough Spanish to deal with servants and shopkeepers. The school taught as much of its curriculum as it was allowed to in English.

The Americans funded and maintained clubs and institutions in order to preserve their native cultural ties and, of these, the American School was preeminent in the preservation of American values. Because few Americans were Catholic and most Mexicans were, the Union Evangelical Church played a vital part in insulating its members against "Mexicanization." Refusing to surrender their citizenship, making many return visits to the United States, sending their children to the U.S. for higher education; all these contributed to the successful and desired isolation. When intermarriages occurred—and they were not uncommon—the Mexican marriage partner was eager to become part of the American community. Such marriages were discouraged as much as possible by American parents who felt themselves innately superior to Mexicans, Mexican beliefs, and Mexican institutions. This attitude was unlikely to
foster any dissimilar set of values within their offspring and so the isolation was self-perpetuating.

The politics of President Cardenas was the greatest single source of frustration for colony members of the 1930's. Diametrically opposed as his policy was to the free enterprise outlook, most colony businessmen found the Cardenas government difficult to deal with. While they complained almost endlessly about what they thought was favouritism to labour, the colony suffered little from Cardenas' legislation until 1938, when the Mexican government expropriated foreign oil holdings.

Following the takeover, a pall of unease descended over the colony which feared further manifestations of Cardenas' economic nationalism. The Mexicans, however, too long reminded by the American presence of their own dependence on foreign skills and capital, were pleased.

If it were possible to characterize a "typical" colony member, he might be described as a self-made individual who believed in free enterprise and his own innate superiority. As Ambassador Josephus Daniels described them, colony members were well-to-do, conservative people who wished to preserve the status quo. Or, as the writer might describe them after interviewing survivors of the 1930's colony—a selfish group, satisfied and contented with improvement of their own economic position and preservation of their own institutions.
APPENDIX I

The following memorandum of 1935 composed by Dr. Henry Cain, the American School Superintendent, and Samuel Bolling, the American School Board President, was sent to the Mexican Secretaría de Educación:

1. It is not the mission of the American School to try to educate the masses in Mexico. This should be done by the Secretaría de Educación.

2. The American School was built by public subscription; the major portion of the money was raised by the American Colony in Mexico. However, many Mexicans contributed to its construction including the Secretaría de Educación.

3. The purpose of the American School is to educate the American children residing within the Republic of Mexico using the same system that they employ in the United States. Being in Mexico this privilege is also being offered to those Mexicans who wish their children to learn English and who later expect to send them to colleges in the United States for their final education.

4. To be able to have the graduates of the American School accepted in the American colleges without an examination, the American colleges insist on certain subjects being taught and taught in the manner that they approve of and the teachers have to have certain training and education and, should this be changed, the American colleges will not admit the graduates into their colleges without an examination as they do at the present time. The American
4. (continued)

School is now teaching all they can in Spanish. The American School is a member of the Southern Association of Colleges and Secondary Schools of the United States and as such its graduates are admitted into practically all American colleges without examination.

5. The American School has been in existence since 1894. It is the only thing in Mexico that is owned by the American Colony as a Colony. The members of the Board of Directors are not paid any salary and it is not being run with the idea of making a profit. All of its income comes from tuition and the only ones to get anything in the American School are the teachers who give their time. All the surplus money, if any, is used to improving the school.

6. Many of the tourists who come into Mexico for several months now have their children in the school.

7. At the present time there is a total enrollment of about 800. About half of these children are Mexicans and the other half consists of 23 nationalities; the major part of the remaining half being Americans. Where are these children going to school if the American School is closed?

8. At the present time the American School is serving a very definite purpose to the foreigners and Mexicans, as well as the Secretaría de Educación. If all the work in the future is done in Spanish, it will be just like any other school and there will be no reason for its existence. If the Minister objects to the Mexicans going to the American School, if he will notify us to this effect, after this year, when our present contract will expire with our
5. (continued)

teachers and parents, we will not allow any Mexicans after January and will agree that after this year the school will cut down to 400 and only foreigners will be permitted in the school. This is not the wish of the American School as they consider it a very fine thing to have the foreign children and the Mexicans know each other and form friendships which will be useful to both nations in the future, as these children will some day be men and women who may hold prominent positions and there is no reason why this friendship that is created in the school will not be continued when they grow up and it will have a great effect in creating a better understanding between the two nations. No Mexican boy or girl has ever been asked to become an American by the American School and they have been treated just like the American children.

9. The Board of Directors, the superintendent and the teachers of the American School have not been trained to run a Mexican school and if they continue the American School and teach in the same way the Mexican schools are taught they will be infringing into the territory of the Secretaría de Educación and it is not their intention to ever do or say anything that the Secretaría can take the slightest offense of.

We most regretfully request that the Secretaría allow us to continue running the American School in English as we have since 1894 and we will do our utmost to abide by all the rules and regulations as we have in the past and the only request that we are making is to let us do the work in English using the American system instead of being forced to do this in Spanish.
9. (continued)

If this is not possible, the American School will close just as soon as possible after the minister makes a definite decision.

Original in Samuel Bolling Wright's scrapbook. MS in the possession of Harry Wright Jr., Mexico City.
APPENDIX II

American School's Board of Trustees (1935)

S. Bolling Wright -President
(Vice President and General Manager of La Consolidada)

Lewis Lamm -First Vice President
(Secretary and Treasurer of Compañía Terrenos Calzada Chapultepec)

G.A. Steele -Second Vice President
(President of Sinclair-Pierce Oil Company)

R.R. Billings -Secretary
(Billings and Goodrich)

A.R. Bradbury -Treasurer
(Treasurer of La Consolidada)

T.D. Bowman
(American Consul General)

R.G. Erskine
(President of the Compañía Mexicana Explosivos)

W.S. Garrett
(M.D.)

E.O. Orrin
(Real Estate)

H.R. Porter
(Treasurer of Sanborn Brothers)
W.J. Rider  
(Vice President of Colonia Lomas de Chapultepec)

E.D. Sloan-Fiscal  
(Representative of Southern Pacific Railroad)

I.N. Thacker  
(Electric Bond and Share)

H.G. Whittlesey  
(Dentist)

W.W. Wilkinson  
(General Manager of California Standard Oil Company of Mexico)

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