The Americas and the New World Order
# Table of Contents

List of Figures...................................................................................................................... viii

**Section One: Perceptions & Power:**
**Cultural Perceptions & Soft Power in the Americas**

Chapter One ....................................................................................................................... 2
*American Knight, American Crusader: The Creation of Colonial Heroes*
Joshua Hyles, Baylor University

Chapter Two ...................................................................................................................... 23
*Indulgence & the Concept of Time in the Automobile Industry in Nuevo León, in Contrast with the Republic of Korea*
Alejandra Judith Huerta Ruízesparrza, Universidad Autónoma de Nuevo León

Chapter Three .................................................................................................................. 39
*Symbolic Spaces: Adapting and Adopting Structures of International Power & Authority*
Janet Adamski, Claire Phelan, and Rebekah Wood, University of Mary Hardin-Baylor

Chapter Four .................................................................................................................... 50
*President Arias’ Use of Soft Balancing: Costa Rica and the United States*
Mucia Flores, Drake University School of Law

**Section Two: Waves of People, Waves of Change:**
**Migration & Immigration in the Americas**

Chapter Five .................................................................................................................... 62
*The Last of the Dons: The Decline of the Spanish-Speaking Californios following the Mexican-American War*
Todd Bernhardt, Boise State University

Chapter Six ....................................................................................................................... 75
*Spacism: Re-Contextualizing & Restructuring Forced Migration Studies*
Jason Boan, University of Texas San Antonio
Chapter Seven

Legacies of HemisFair: Urban Renewal and Mexican-Americans in San Antonio
Dylan O’Hara, University of Texas San Antonio

Section Three: Battlegrounds:

Crime & Terrorism in the Public Eye

Chapter Eight

Is Mexico’s Democracy Under Threat? Effects of Fear & Corruption in Mexico
James A. Norris, Texas A&M International University

Chapter Nine

#Radicalization: Effect of Social Media on Recruitment to Jihadist Groups
Kanika Varma, University of Texas at Austin

Section Four: Trading Power:

Commodities and Economics in the Americas and Beyond

Chapter Ten

Sweet Relations: Analysis of New World Sugar Cultivation
Madeline Clay, University of Mary Hardin-Baylor

Chapter Eleven

The Siege of Havana and the Future of Cuba
Regan Murr, University of Mary Hardin-Baylor

Chapter Twelve

Ecuador’s Financial Relationship with China under the Correa Administration
Christian Rodas, Ohio University

Chapter Thirteen

China in Latin America: Economic Soft Power & Taiwan
Lawson Sadler, Baylor University
Section Five: Eastern Impact:  
Political Change & Independence in Asia

Chapter Fourteen ..................................................................................... 218  
*Does Socialism Bring Equality? The Impact of Socialism in Asia*  
David Bomar, Concordia University Texas

Chapter Fifteen ........................................................................................ 228  
*The Implausibility of a Kurdish State*  
Jared Martin, University of Mary Hardin-Baylor
LIST OF FIGURES

1. Chart 2.1: Hofstede’s Dimensions
2. Chart 2.2: Globe Study: South Korea and Mexico
3. Table 2.1: Authors and Dimensions for Time and Indulgence
4. Table 2.2: Quantitative Instrument
5. Table 2.3: Reliability Analysis
6. Chart 2.3: Survey Results for “Time”
7. Chart 2.4: Survey Results for Indulgence
8. Table 2.4: Pearson Correlations
9. Figure 6.1: Migration Concept Map
11. Chart 8.2: Mexico. Percent Stating Current Level of Crime is Very Much a Threat
12. Table 8.1: 2012. Family and Own Safety Compared to Five Years Ago
14. Table 8.2: Frequency Table of Satisfaction with the Way Democracy Works in Mexico
15. Table 8.3: OLS Regression on Satisfaction with the Way Democracy Works in Mexico
16. Table 8.4: OLS Regression on Democracy as a Preferred Form of Government
17. Appendix 8.1
18. Chart 9.1: Increase in Number of Arrests for Islamic Terrorist Activity in the E.U.
19. Chart 9.2: Increase in the Number of Radical Twitter users
20. Table 9.2: Result from Model 2
21. Table 9.3: Result from Model 3
22. Table 9.4: Result from Model 4
23. Chart 9.2: Arrests for Islamic Terrorism in Austria
24. Chart 9.3: Arrests for Islamic Terrorism in Belgium
25. Chart 9.4: Arrests for Islamic Terrorism in France
26. Chart 9.5: Arrests for Islamic Terrorism in Germany
27. Chart 9.6: Arrests for Islamic Terrorism in Italy
28. Chart 9.7: Arrests for Islamic Terrorism in the Netherlands
29. Chart 9.8: Arrests for Islamic Terrorism in Spain
30. Chart 9.9: Increase in the Number of Female Foreign Fighters in the E.U.
31. Figure 9.1
32. Figure 9.2
33. Table 11.1: Loans from China to Ecuador
34. Table 11.2: Ecuador’s Oil-for-Loan Deals with China
SECTION ONE:

PERCEPTIONS & POWER:
CULTURAL PERCEPTIONS & SOFT POWER
IN THE AMERICAS
For over two centuries, historians have addressed the concept of the American hero. Which are the quintessential qualities an American hero or icon must possess? Which shortcomings and flaws guarantee denial of that same hero status? Those who write American history enjoy a plethora of candidates for study, including those individuals made famous before even the “founding fathers.” Two of these pre-revolutionary personalities, William Penn and John Smith, survive to the present, albeit in a much-altered form, in film, legend, and the occasional oatmeal container. Those concerned with writing history, though (including Penn and Smith themselves), bear responsibility for the figures’ enduring fame or infamy. How writers and storytellers have portrayed the Quaker and the Virginia colonist, particularly over the past century, has been a study centered upon relationships.

In discussing these relationships, there are many well-documented avenues upon which the writer of history can travel. After reading the available materials on both, the most popular respective categories of association become apparent. Both men are judged on their interaction with their families, their forays into matters of the heart, their dealings with political colleagues and personal quests, their self-reflection in their own writings, and their treatment of the Indians who shared their world. From these multiple interactions, the most enduring and dynamic relationship of all emerges—that between the hero and the historians who form, mold, and write their respective stories. By exploring how historians over the past century have dealt with these associative spheres, one can develop both a picture of who these two men were and, perhaps even more importantly, who Americans want them to be.
Fathers and Sons

William Penn’s history is inexorably linked to his father. Most histories and biographies of Penn begin with at least one chapter on his father, Admiral William Penn. One of Penn’s most meticulous biographers and eloquent apologists, William I. Hull, is quick to point out that Admiral Penn’s naval triumphs, particularly his victory in 1665 over the Dutch at the Battle of Lowestoft, is the primary reason the younger William was ever granted a charter to colonize Pennsylvania.1 In Hull’s biographies there is never a doubt that William Penn, for better or worse, owed a deep debt to his father’s glory. An entire work, Mabel Richmond Brailsford’s *The Making of William Penn*, concentrates on the asymmetric relationship between the gifted and glorious father and the upstart son.

The admiral, already born to a seafaring family (his father was Captain Giles Penn, another well-respected shipmaster),2 achieved his rank in 1648 partially from his skillful seamanship, partially from his carefully cultivated friendships with English nobility. His appointment to Vice-Admiral of Ireland was secured by friends Lord Broghill and Lord Inchiquin, nobles who managed to remain influential in the turbulent years of Cromwell’s parliament.3 Brailsford suggests this promotion, which gave the admiral the funds necessary to move out of the pox and plague-ridden city and into the country village of Chigwell, not only benefited young William medically but also won him an excellent education at the renowned Chigwell Grammar School.4 Thus, even the quality of education provided to William was linked to his father’s fame. Beginning in grammar school and continuing into law school, the institutions Penn attended were carefully selected by the admiral; this was no accident. In a time of great religious upheaval, Penn’s father believed, according to noted Penn historian Vincent Buranelli, that his son should receive as religiously neutral an education as could be obtained.5 The removal of religious education in favor of a school where societal relationships could be cultivated with other elites seemed to the admiral to be the only way to protect his son’s future from a turbulent culture.

---

3 Ibid., 24.
4 Ibid., 26-27.
Buranelli’s assessment of Admiral Penn’s school choice is echoed by Hull, who describes Chigwell as “neither Papal nor Puritan” and suggests that Penn’s own capable writing in history may have developed here. Earlier Penn biographer G. Godfray Sellick, whose studies of Penn were published in the late 1920s, also makes note of Admiral Penn’s influence and choice. It was at Chigwell and then Oxford, Sellick writes, that William developed crucial connections to the elite society and continued to build upon his respected family name.

It was this ubiquitous surname that concerned Penn—it was both a blessing and a burden. Later in life, Penn would never seem to break completely free of his father’s bequeathal of name-recognition. Brailsford suggests that the father and son were “forever tied together” in the political arena, and that the exploits of one Penn were attributed simply to the family rather than the individual. A later biography by Catherine Owens Peare echoes this assessment, suggesting that the Penns’ lives and names were inseparable, and despite any personality differences between father and son, what “befell one befell the other.”

Penn’s embrace of Quakerism is often seen at least partially as a reaction to his family fame. A denomination that rejected the idea of nobility and privilege, Quakerism provided an interesting alternative. Though it would strip Penn of all the benefits and advantages he possessed as a well-connected young man, it would also provide him a modicum of freedom and a “clean slate” he had not possessed before. In the words of Penn family historian Arthur Pound, the Society of Friends would provide the younger William with both distance from his family name and a new society in which to fit. The decision to become a Quaker, whether made in a fervent revelation or by a calculated decision, profoundly affected the relationship between William Penn and his father, and is marked by all Penn historians as a crucial moment in Penn’s first significant historical relationship.

The souring of the relationship between the admiral and his son is addressed most deeply in the works by Buranelli and Brailsford. Before even his adoption of Quakerism, there were signs that the relationship with

---

his father was in jeopardy. Buranelli illustrates the events of early 1662, when Penn was discovered as having joined an anti-Anglican group at Oxford. The Penns were seen and documented together (often by Samuel Pepys) at many London social events, and it was a crushing blow for the admiral to hear that his son was fraternizing with just the kinds of people who were most disliked by the upper crust of society.\(^{11}\) It was, as Buranelli points out, a rejection by young Penn of “society” in favor of moral integrity. But it would strain the father and son’s relationship considerably.\(^{12}\) The later arrest of his son for his presence at a Quaker meeting came at the worst possible time—Admiral Penn had lost some connections in government, his position at the Admiralty was weakening, he had lost his seat in parliament, and his health was degenerating. Buranelli’s biography suggests that the tense relationship between father and son worsened after the Quaker incident, but had been declining for some time because of Penn’s rebellious actions.\(^ {13}\) Brailsford draws many of the same conclusions, finally determining that the real disappointment to Admiral Penn was his son’s unwillingness to carry on the family name which, by the time of William’s convincement into the Quaker society, had recovered enough to earn the elder Penn the rank of earl.\(^ {14}\)

Despite the shortfalls of their relationship, the admiral worked diligently to care for his son and work for his release from imprisonment (due, of course, to William’s Quaker connections), and Penn and his father were fully reconciled before the admiral’s death. Clearly, Penn’s own view of family and its honor was profoundly affected by the developments between him and his father. After Admiral Penn’s death, William would honor his father in his great work *No Cross, No Crown* by including him in a section of quotes by “great men”:\(^ {15}\) This deep love and respect for his father, though in constant disagreement with him, carried on to his own children. Penn is noted for having sincere attachment to his eldest son Springett, who preceded his father in death. Penn eulogized Springett as his “closest and dearest friend”:\(^ {16}\)

The details of John Smith’s family life are treated much differently by historians. The relationship with family, father, and heritage is nearly ignored by most biographers of Smith, who choose instead to focus on the historical context and cultural background and treat it as more crucial to

\(^{11}\) Buranelli, *The King and the Quaker*, 29.
\(^{12}\) Buranelli, 28-29.
\(^{13}\) Ibid., 37.
\(^{14}\) Ibid., 189.
\(^{15}\) Ibid., 167.
Smith’s development than his family history. Everett Emerson, who has written several biographical and historical treatments of Smith since the late 1980s, devotes his entire first chapter to the “America of the Elizabethans.” Though this could be the result of a lack of documentary evidence of the Smith family as compared to the more affluent Penns, there is one work, by Emerson contemporary R. E. Pritchard, that does concern itself with the parentage of John Smith. According to Pritchard, Smith’s parents George and Alice were farmers of the yeoman, or middle class. Pritchard uses both a will and inventory from George Smith’s estate to discern some material information on the Smiths, and John himself writes positively about both his parents in later years. It is perhaps more because Smith’s parents were less influential in their world, and not because they left insufficient records, that historians tend to ignore their influence on young John.

Smith expert Philip L. Barbour’s *The Three Worlds of Captain John Smith* does speculate a bit on the captain’s family beginnings, though only enough to cite the same inventory as Pritchard, and to point out that the Smith family was just “a step above the total obscurity of the ‘mere’ peasants.” Just as in most other Smith biographies, Barbour’s work focused more on the context of the period rather than the family, spending twelve pages on the events surrounding the wars on the continent, while only setting aside two for discussions of John’s father George. The focus on context rather than family does not seem to be a product of the historiographical period, either. Smith biographies contemporary with Penn’s family history-intensive studies, like John Gould Fletcher’s 1928 biography *John Smith—Also Pocahontas*, still only devotes three pages to the discussion of George Smith and his relationship with his son.

Two texts do suggest some contrast to the Penns’ father-son relationship, though more indirectly. David A. Price’s history of John Smith is peppered with references to Smith’s rebellious, bordering on mutinous, personality. Despite William Penn’s own proclivity toward

---

19 Ibid., 8.
21 Ibid., 4-16.
22 John Gould Fletcher, *John Smith, Also Pocahontas* (New York: Brentano’s, 1928), 1-3.
rebellion, he absorbed enough influence from his father to prefer working within the system, as Godfray Sellick states (in Penn’s case, the “system” was the English royal court). Smith, however, inherited no such attitude from his father. As Price reminds readers, Captain Smith was completely unwilling to work for change from within, but instead sought to affect change by his own actions.

The only real mention of direct paternal influence on John Smith is made, oddly enough, by an author of children’s history. Genevieve Foster, who used legendary personalities like Smith, Abraham Lincoln, and George Washington as central figures in a broad world history by exploring the history of the world during their life spans, took a somewhat “softer” approach toward Smith’s relationship with his father, presumably for the benefit of young readers. In The World of Captain John Smith, Foster paints a portrait of a more actively involved father by recounting the period of Smith’s apprenticeship to merchant Thomas Sendall, and clearly giving George Smith full credit for arranging the apprenticeship and even suggesting it to his son, fully aware that the adventurous John had no desire to become a farmer. Barbour, Fletcher, and Pritchard all mention the apprenticeship, but give it very short shrift. Fletcher barely credits the father at all, while Pritchard reminds readers that John Smith himself wrote that his father was dead by the time he reached thirteen, though his apprenticeship did not begin until age fifteen. Whatever influence John Smith may have inherited or gained from his father, historians seem to reach consensus by omission that it was in no way as strong or as lengthy as Penn’s.

Quests of the Heart

Romance factors into the historiographical treatment of both Penn and Smith, but while the pangs of love were most certainly felt by William Penn, their very existence is at best unclear when discussing John Smith. While Penn’s marriage and romance with Guilielma Springett certainly had

23 Sellick, William Penn, 71-72.
26 Barbour, Three Worlds, 9.
27 Fletcher, John Smith, Also Pocahontas, 7.
28 Pritchard, Captain John Smith and His Brave Adventures, 7.
29 Ibid.
the trappings of a fairy tale, their relationship never permeated folklore. Conversely, all American children are aware of the story of John Smith and Pocahontas, and popular culture treats it as one of the great romantic tales of American history. Pocahontas instead married one of Smith’s colonists, and whether or not there was ever any semblance of romantic love between the two is the subject of stringent debate.

Another author of children’s history, Elizabeth Janet Gray, spends a great deal of time on the subject of William Penn and Gulielma Springett’s courtship and marriage. Fresh from the heartache of losing his father to a somewhat premature death and his release from prison for his Quaker activism, William found that Gulielma Springett, a fellow Quaker and stepdaughter of Quaker apologist Isaac Pennington, had become, in the words of Gray, “more beautiful than ever, because the loveliness of her spirit shone in her face.” Gray stresses that Penn’s abundant writing talent was not limited to religious tracts and colonial charters, but was also utilized in letters of love to the “Young Convinced” he had begun to court.

If the romance between William and Gulielma was confined to the pages of a history for children, it could potentially be disregarded. However, the research into the relationship done by Gray was not without precedent. William Hull also wrote of the importance and legitimacy of Penn and Springett’s courtship and subsequent marriage. Hull quotes a letter from Penn to Gulielma after their tenth anniversary, in which he calls her “the love of my youth…the joy of my life; the most beloved, as well as the most worthy of earthly comfort.” The vividness of William and Gulielma’s love for one another is manifest despite very few surviving references made to her during their marriage, other than letters between her and her husband. Due to her mother’s illness and death, Gulielma actually never accompanied Penn to Pennsylvania, and remained a primary cause for his return to England.

The importance of Gulielma to William Penn is also reflected by Sellick, who proposes that it was not the copious issues in Pennsylvania causing William’s swift return to England, but the failing health of his wife. Guli, Sellick believes, was the prime mover and sole priority in Penn’s life, superseding even his dreams of religious liberty. Despite William’s actions and examples of love during the marriage, Gulielma’s

31 Ibid., 111.
33 Hull, 36.
importance and influence in Penn’s life is best illustrated by his reaction to her death. In John Graham’s *William Penn: Founder of Pennsylvania*, the author focuses on Gulielma’s death as a crucial moment in Penn’s life. Penn’s own words, quoted in the work, more than suffice: “She quietly expired in my arms, her head upon my bosom...she was a public as well as a private loss: for she was not only an excellent wife and mother, but an entire and constant friend.”35 In selecting this passage from Penn’s writings, Graham best illustrates the undoubted love resident in the marriage.

John Smith’s love life, like so much else about him, is far murkier—and debated much more fervently by historians—than Penn’s. Most readers are at least semi-aware of the tale of Smith and Pocahontas. The basics—that Pocahontas halted the execution of Smith in the camp of Powhatan and later warned him of an impending attack, risking her own life in the process, are generally agreed upon by Smith historians and biographers, though their interpretations of the events vary. The historiography on the “romantic” relationship between Pocahontas and Smith has experienced ebb and flow over the past century, with some historians coming to the defense of the fairy tale, but with most coming down on the side of skepticism. David Price’s *Love and Hate in Jamestown* uses the second event (Pocahontas’ middle-of-the-night, life endangering warning to Smith) to suggest that there were strong feelings of attraction at work.36 He further suggests that Smith’s own accounts should be given extra weight, since he was the only chronicler present at the scene.37

Not everyone is as convinced of Smith’s romantic portrayal of the story. Emerson points out significant differences in the details of the story as reported by Smith in his two longest books, *A True Relation* and *Generall Historie of Virginia*.38 John G. Fletcher, usually a pro-Smith historian, goes so far as to accuse Smith of a type of plagiarism, citing Hernando de Soto’s similar tale of redemption by an Indian princess in 1539 and suggesting that Smith may have read Richard Hakluyt’s translation of it.39 Dorothy and Thomas Hoobler give a good historiographical overview of the varying viewpoints in *Captain John Smith: Jamestown and the Birth of the American Dream*.

---

36 Price, *Love and Hate*, 103.
37 Ibid., 68.
38 Emerson, *Captain John Smith*, 37.
39 Fletcher, *John Smith, Also Pocahontas*, 127.
The Hooblers point out that skepticism is certainly not new, and historians’ attacks on Smith have been fervent since Henry Adams published his first critical assault on the subject in 1867. However, they concede (along with Adams himself) that the critical work was really a self-serving one in hopes of utilizing a “big target” like Smith to further Adams’ own historical career. Whether or not the relationship between Smith and Pocahontas was true, folklore and history have linked the two together in a special and prophetic way, often as the “nexus between two civilizations.” David Price still gets the last word here, though—despite any romance, prophecy, or fate, Smith’s relationship with Pocahontas ended like so many of his other associations: he loses her to another (his own colonist, John Rolfe), and is received by her rather coldly in London a few years later. Thus, the relationship becomes an allegory for the life and dreams of Smith himself.

The Protagonists’ Quills

Both Penn and Smith took up their own lives in writing. As such, each was his own first biographer and first historian. The subsequent authors of history have not been shy to consider the words of their own subjects. For Penn, life was about arguing for a cause, and he argued for his Quaker beliefs on paper more than anywhere else. A prolific writer, Penn spent considerable time at the quill. The pen, indeed, was the only weapon the Quakers could truly yield, and their leader was no different. Thus, historians have focused on correspondence and historical literary criticism when discussing Penn more than quantitative or social history. William Hull praises his subject for providing such a significant amount of primary material from which to work, pointing out that Smith produced nearly four treatises a year and over half a million written and printed words.

Sellick considers Penn’s proliferation as a writer, as well, adding that in Smith, the Quakers found a champion. Though Penn grew up believing in the power of the sword, he became equally effective in wielding the written word. In spite of his mastery of words, William Penn rarely wrote about himself. Arthur Pound reminds his readers that, though Penn was talented at many things, self-promotion and autobiography were

40 Dorothy and Thomas Hoobler, Captain John Smith: Jamestown and the Birth of the American Dream (Hoboken: John Wiley & Sons, 2006), 131.
41 Ibid., 234.
42 Price, Love and Hate, 162.
hardly his strong suits. Penn’s own treatment of himself could hardly be
defined as ostentatious or flashy, and those who write about him have
followed suit.

John Smith’s historians work with a different writer entirely. Everett
Emerson, who has done the most work in the literary criticism and study
of Smith’s publications, leads an abundance of historians who actively
distribute and discuss the captain’s writings, though they are paltry in
comparison to the volume of Penn’s. Emerson suggests that, from the
study of Smith’s writing style, it is likely the transplanted Virginian only
wrote out of necessity, in order to salvage his career or increase
investments in his dream. This is not to say that Smith was disengaged
from his own writing. Historian Karen Kupperman, in her biography for
the Institute of Early American History and Culture, declares that Smith’s
publications had a clear and definite purpose: he purposefully gave himself
a legendary character. In Smith’s accounts, he is always the “knowing
protagonist”. In all his writings, which include his own actions far more
than Penn’s, Smith declares that he “told the truth, but no one wanted to
hear it.” The idea is echoed in the histories and biographies written about
him since.

A significant part of Smith’s controversial personality stems from his
writings. His penchant for hyperbole and flair is noted in Fletcher’s text,
where the author claims Smith “was disposed to enlarge upon his exploits
the older he became, and to make out more of a case himself the further he
got away from his own adventurous years.” Emerson posits that this
exaggerative literary style was as much to entice investment in the
Virginia colony as to increase Smith’s own reputation. After a rather
shameful departure from Jamestown, John Smith attempted on several
occasions to find sponsors for another American colony, seeking support
from Francis Bacon in 1618, writing to guilds in London in 1619 and
1620, and citing his own experience in a sales pitch to the Pilgrims about
to depart for New England in 1621. His efforts on paper never achieved
his goals across the sea. His failure to achieve action from his writings is

45 Pound, The Penns, 105.
46 Emerson, Captain John Smith, 21.
47 Emerson, 22.
48 Karen Ordahl Kupperman, ed., Captain John Smith: A Select Edition of His
49 Ibid., 75.
50 Fletcher, John Smith, Also Pocahontas, 19.
51 Emerson, Captain John Smith, 30-31.
perhaps explained best by Barbour, who describes Smith as a “man of performance, not ideas.”

**Politics, Quests, and Colonies**

Historians focus on William Penn’s success. Though he was certainly not without failures, the majority of his interactions with colonists, the monarchy, and his friends are documented in a positive light. There is a certain morality to all of Penn’s exploits and, as Hull points out, most biographers see Penn’s theology and ethics as forever married to his politics and daily conduct. Vinylent Buranelli’s *The King and the Quaker* follows a similar line of thought, explaining that Penn’s forthright and frank speech (quintessentially Quaker in nature) was not always well-received, but his suggestions and advice were always well timed with the mood and spirit of the rulers in power. In Buranelli’s estimation, Penn’s ability to stay detached, as neither an Anglican nor a Catholic and neither particularly favorable to the king nor dangerously derogatory, gave him a special audience and legitimacy in the eyes of the king. Catherine Peare concurs, “Penn’s exceptional position of being both Cavalier and Quaker made him a liaison between the two, and there were many times during the years that followed when his associations and friendships at court counted heavily in the cause of religious liberty.”

Mary Maples Dunn who, along with her husband Richard S. Dunn, has written numerous texts on Penn, sums up the majority of her research in *William Penn: Politics and Conscience*. Dunn’s book gives William Penn’s adept political maneuvering further consideration; her monograph’s title even suggests the immutable connection between the inner and outer workings of Penn’s political life. His convencement into the Society of Friends, Dunn argues, presented a new challenge for his talents. His training, his family’s influence, and his personality prepared him for a life in society and politics, but it had to be successfully mingled with his newfound religious interests. Dunn sees the apex of this juggling of conscience and court politics as Penn’s trial for public worship and disorderly conduct. His desire to publicly declare and argue for his

52 Barbour, *Three Worlds*, 293.
54 Buranelli, *The King and the Quaker*, 57.
55 Ibid., 201.
fundamental rights (specifically freedom of the soul) coincides with the well-documented evolution of the jury as a free and independent judiciary body, and the climax, the jailing and subsequent release of the jurors for delivering a verdict of innocence, is perfect fodder for historians looking for a sea change in Penn. Penn’s transformation from a firebrand with a ready willingness to take up arms for a cause to a grand orator and verbal defendant of an entire denomination was complete by the close of the trial.

Dunn’s biography does not ignore Penn’s setbacks. She argues that Penn’s sudden interest in the idea of religious liberty was at least partially influenced by his disillusionment from a series of failed elections, in which his good friend Algernon Sidney was denied a seat in Parliament despite winning the majority of votes and the strong support of Penn. Throughout his life, the Quaker remained heavily invested in English government and the affairs of the king’s court, but according to Pound’s interpretation of the Sidney failure, Penn had become so disillusioned with the state of English politics that he saw no alternative other than starting a fresh government for his Quaker brethren in the New World.

The father of Pennsylvania’s mixture of politics and morality did move his plans for the colony forward. The “holy experiment” was already preplanned, established, and built in Penn’s mind. Thus, accounts of the colonization focus far less upon the journey to Pennsylvania than the plan’s formation in England and the colony’s implementation upon arrival. The journey, in Pennsylvania’s case, was inconsequential. Only William Hull attempted any Mayflower-like account of the trip. Penn benefited from a well-planned, well-funded operation that Catherine Peare cites as the primary cause for his success and such an “atmosphere of trust.” She goes on to suggest that Penn’s association with “agreeable colonists” is of primary importance to his historic success. Tenacious adherence to his conscience did not come without a price. Sellick points out that Penn was not without enemies, particularly after the Pennsylvania assembly had been firmly established and the more selfish motives of the colonists began to diverge from those of the founders. Dunn agrees, going on to

58 Ibid., 13.
59 Sellick, William Penn: Quaker and Colonist, 23.
60 Dunn, Politics and Conscience, 41.
61 Pound, The Penns, 165.
63 Ibid., 280-281.
64 Sellick, William Penn: Quaker and Colonist, 136-137.
say that Penn’s embrace of freedom and tolerance of others was his eventual undoing in his own colony.65

John Smith’s personality was more similar to Penn’s than historians generally have readers believe. Like Penn in his early years, Smith had a history of non-compliance. Also like Penn, Smith learned much about himself and the rest of the world as a soldier. However, as R. E. Pritchard writes, Smith’s experiences with warfare in Eastern Europe and as a prisoner in Turkey were much more visceral and much less “civilized” than Penn’s service in the army in the Netherlands.66 This suggests Smith would have a far different way of viewing the world, and how he viewed himself. Pritchard goes on to suggest that Captain Smith was concerned chiefly with knighthood, chivalry, and gallantry. Smith saw himself as the bearer of these antique qualities, and how Penn saw himself had much to do with his actions, and then with historians’ portrayals of those actions.67

For Smith, unlike Penn, the glory of the experiment was in the journey, and not in the idea; the personality of the captain is consistently in the background of writings on it. To this end, there are similarities drawn by historians to the voyage of the Mayflower when discussing the voyage to Virginia. Price’s Love and Hate in Jamestown, for instance, devotes nearly an entire chapter on the voyage—it was not a means to an end, but a part of the adventure for Smith.68 Even in dealing with the voyage, historians of the voyage illustrate an unfortunate weakness of Smith’s—his inability to work with others. Arthur Innes, author of the comparative work Leading Figures in English History, describes Smith as getting into a “bad odour [sic]” with his shipmates almost immediately, leading to accusations of attempted mutiny.69 Pritchard suggests that Smith’s eventual failure could be traced back to colonists unwilling to work under the captain and uncooperative in his ideas.70 As the Hooblers would later point out, this was an unfortunate situation for Smith, who was clearly the most well-trained and technically knowledgeable of all the new Virginia colonists,71 but at the mercy of others to get the colony running, as it was far from a one-man operation.72 As a matter of fact, according to Philip Barbour,

65 Dunn, Politics and Conscience, 163.
66 Pritchard, Brave Adventures, 27.
67 Pritchard, 10-11.
68 Price, Love and Hate, 15-29.
70 Pritchard, Brave Adventures, 144-145.
71 Hoobler, Birth of the American Dream, 78.
72 Ibid., 76.
Smith spent the majority of his first months in Virginia diligently working under the supervision of others in an attempt to get ahead.\textsuperscript{73} Genevieve Foster would add that his hard work is even more impressive because it was done despite being barred from participation in the ruling council.\textsuperscript{74} No one has doubted Smith’s capacity for hard work.

Though Captain Smith was clearly brave, intelligent, and hard-working, he lacked modesty—a crucial component of any Englishman trying to work within the system. Dorothy and Thomas Hoobler declare this deficiency to be the primary reason Smith made so many enemies, both in his own time and in the circle of historians.\textsuperscript{75} It was this inability to work with and through others that caused Smith to fail where Penn had succeeded—establishing strong financial backing at home. Kupperman's text stresses this inability as a fund-raiser as another key reason Smith’s colonizing adventure was a personal failure.\textsuperscript{76} He was, in Barbour’s words, more a soldier than a politician, and this was made clear by his actions as a governor, where he handled both Indians and colonists by rule of strength, and fear if necessary, rather than persuasion.\textsuperscript{77} Unlike Penn, Smith’s belief in equality did not stem for a religious stance or a deep belief in human rights, but a utilitarian view only.\textsuperscript{78}

Smith’s motives were, however, pure. His pragmatic rule was founded in his deep desire for Virginia to succeed and his love for the New World itself. He was “addicted to the New World” in the words of historian and biographer Noel Gerson,\textsuperscript{79} and Denis Meadows, in \textit{Five Remarkable Englishmen}, described Smith’s love for Virginia as “undeniable” and his personality as “indistinguishable” from the colony itself.\textsuperscript{80} His New World infatuation is illustrated for historians in his own actions, particularly his repeated requests to help set up another colony in New England, described by Fletcher as a “thirst for return.”\textsuperscript{81} It was Fletcher, too, who summed up John Smith’s character as it related to his colleagues and his dealings with

\begin{itemize}
  \item \textsuperscript{73} Barbour, \textit{Three Worlds}, 77.
  \item \textsuperscript{74} Foster, \textit{The World of Captain John Smith}, 208.
  \item \textsuperscript{75} Hoobler, \textit{Birth of the American Dream}, 169.
  \item \textsuperscript{76} Kupperman, \textit{Captain John Smith}, 250-251.
  \item \textsuperscript{77} Barbour, \textit{Three Worlds}, 194-195.
  \item \textsuperscript{78} Ibid., 148.
  \item \textsuperscript{79} Noel B. Gerson, \textit{The Glorious Scoundrel: a Biography of Captain John Smith} (New York: Dodd, Mead, 1978), 153.
  \item \textsuperscript{80} Denis Meadows, \textit{Five Remarkable Englishmen: a New Look at the Lives and Times of Walter Raleigh, Captain John Smith, John Winthrop, William Penn, and James Oglethorpe} (New York: Devin-Adair, 1961), 49.
  \item \textsuperscript{81} Fletcher, \textit{John Smith, Also Pocahontas}, 272.
\end{itemize}
the government. He described Smith as having, “brilliant courage, but not
deep wisdom; grappled for power, but not the power that comes through a
deeper understanding of human limitations…revealed to later generations
most of the virtues and failings of our …race in their schemes of
colonization.”82 While Pennsylvania was a colony in need of a man, John
Smith was a man in need of a colony.

A bit more of Penn and Smith’s respective personalities and histories
can be discerned from historians’ treatments of each man’s Indian policy.
Brailsford suggests Penn’s positive relationship with the Indians was
based on his friendship with Indian sympathizer Josiah Cole and his own
religious piety.83 Hull subscribes to the same theory, stating that Penn’s
religious convictions, particularly pacifism and human equality, strongly
influenced the Quaker’s policy toward Pennsylvania’s Indian neighbors.84
In the first biographies of Penn, it is this peace with the Indians, a *pax
Pennae* of sorts, which is moved to the fore by early American historians
as Penn’s greatest contribution.85 It did not hurt that Penn’s peaceful
relations were incredibly successful.86

Smith’s relationship with the Indians of Virginia is treated more
gingerly by his biographers and Virginia historians. In his writings about
the native peoples, Smith borders on ethnography. Though not always
willing to cooperate with them, he did strive for complete understanding of
their culture, as Kupperman suggests.87 Most historians agree, though, that
this should not be confused with sympathy or championing of the Indian
cause by the captain. Emerson claims Smith was much more interested in
the Indians as a “natural curiosity” than as a nation,88 and though Arthur
Innes reminds readers that Smith’s personal prestige among the Indians
was immense,89 Pritchard counters that Smith’s handling of the Indians
was done so expertly because he understood their culture, not because he
respected them.90 John Fletcher’s work takes it a step further, noting that
the Virginia Company saw Smith’s attitude toward the Indians in Virginia

82 Ibid., 295.
85 William Hull, *Eight First Biographies of William Penn, in Seven Languages and
Seven Lands* (Philadelphia: Patterson & White, 1936), 26-27.
87 Kupperman, *Captain John Smith*, 139.
88 Emerson, *Captain John Smith*, 49.
90 Pritchard, *Brave Adventures*, 71-76.
as “needlessly cruel,”91 and that he saw himself as a leader “destined by God to save the colony from the peril of the Indians.”92 Indeed, Price is quick to point out that the policy of “non-defense” by other Virginia governors toward the Indians, a policy similar to Penn’s pacifist approach, infuriated Smith.93

Sentences of Fame and Infamy Delivered

All of these associations and relationships color the attitudes of historians toward these two giant figures. In describing personality, historians over the past century have described Penn in strikingly similar terms with Smith. Sellick states that the, “Salt of the seas and the restless airs of adventure were in the blood of the founder of Pennsylvania.”94 Others take a similar stance toward Penn’s inner personality, and their words could just as easily been written of Smith. Hull claims that Penn had a spirit of non-conformity, but was able to use it to his advantage,95 while Mary Dunn describes him as “personable” but also “excitable” to a fault.96 John Graham portrays him as ostentatious, but defends him from blame by suggesting the flair was put to use for a just cause.97 Finally, Elizabeth Gray suggests that Penn’s “need for danger” kept him from being just a married country gentleman.98 The interesting thing to note here is that, despite these seemingly negative portrayals of Penn’s personality, each historian is quick to defend him and rationalize his behavior.

Two events seem to influence this willingness to support William Penn. First, his adamant and inspired defense of Quakerism in his court appearance was history’s first judgment on him, and he was most certainly at his best when the spotlight was on.99 Incidentally, the first published biography of Smith was done by a fellow Quaker, so his masterful defense of the faith loomed large in the text and set the pace for other biographers to come.100 Secondly, Penn’s embrace of peace and piety is difficult to

91 Fletcher, John Smith, Also Pocahontas, 234.
92 Ibid., 152.
93 Price, Love and Hate, 38-39.
94 Sellick, William Penn: Quaker and Colonist, 12.
95 Hull, William Penn: a Topical Biography, 77.
96 Dunn, Politics and Conscience, 6.
98 Gray, Penn, 152.
99 Graham, Founder of Pennsylvania, 58.
100 Hull, Eight First Biographies, 3.
argue against. His plan for peace with the Indians was certainly ahead of its time, a fact not lost on William Hull.\textsuperscript{101} To Edward Beatty, who studied Penn as a social philosopher, the Quaker was above reproach in terms of his adherence to the policies of pacifism and religious toleration.\textsuperscript{102} In the “give and take” that distinguishes histories on Penn, Beatty chides Penn lightly for being a protector of rights to property only due to his position as a landholder,\textsuperscript{103} but subsequently praises him for his progressive stance on access to public health care and education, ideas far ahead of his time.\textsuperscript{104} Even Penn’s decline in popularity and success was still portrayed by Beatty as noble, as the colonial founder possessed an intense focus on a goal and purpose that he saw through until his death.\textsuperscript{105}

Unfortunately and conversely, John Smith’s faults are quickly embraced by historians. Gerson portrays, in his opening page, the captain as loving glory more than anything.\textsuperscript{106} Ten pages later, he points out that Smith’s military experience was as a mercenary, not as a patriotic fighter, and even a mercenary only because the French army turned him down.\textsuperscript{107} Smith’s imprisonment for “mutiny” was likely because his shipmates considered his actions as insurrection coming from the “riff-raff”, as opposed to disagreement from a fellow gentleman.\textsuperscript{108}

This poor start to Smith’s biography that is so often put forth places historians hoping to paint a more positive portrait of Captain Smith on the immediate defensive. Philip Barbour appears to be an apologist for Smith, but fights an uphill battle from the start. He defends Smith’s exaggerations, reminding readers that all Stuart writers embellished as part of the literary style of the day. To Barbour, he is “innocent until proven guilty”…a scoundrel Americans all wink about and accept.\textsuperscript{109} Still, Barbour’s main defense of Smith is easily challenged: “Nothing John Smith ever wrote has been proven a lie”.\textsuperscript{110} In Laura Striker’s preface to Henry Wharton’s early biographical work \textit{The Life of John Smith}, she claims to give testimony on

\textsuperscript{101} Ibid., 8-9.
\textsuperscript{103} Ibid., 209.
\textsuperscript{104} Ibid., 289.
\textsuperscript{105} Ibid., 15-16.
\textsuperscript{106} Gerson, \textit{The Glorious Scoundrel}, 1.
\textsuperscript{107} Ibid., 10-12.
\textsuperscript{108} Price, \textit{Love and Hate}, 30-31.
\textsuperscript{109} Barbour, \textit{Three Worlds}, 394.
\textsuperscript{110} Ibid.
behalf of Smith.\footnote{Henry Wharton, \textit{The Life of John Smith, English Soldier} (Chapel Hill: University of North Carolina Press, 1957), 7.} In Smith’s defense, Wharton himself goes back to the chronicles of the captain’s time in Hungary as a soldier and uses those to confirm pieces of Smith’s autobiography.\footnote{Ibid., 55.} It seems as though Penn historians merely have to document the obvious and confirm the praise, while those writing on Smith must fight their way past negative connotations before beginning their real study.

Perhaps this also stems from Smith’s failures and his willingness to impart his frustrations to others on paper. With a heart “‘forever set on brave adventure,’”\footnote{Foster, \textit{The World of Captain John Smith}, viii.} John Smith set out with high hopes and diligent activity, only to live a life, as Meadows would put it, of a “‘hope frustrated.’”\footnote{Meadows, \textit{Five Remarkable Englishmen}, 91.} Though Barbour rushes to Smith’s defense, claiming that the Smith story is a “continuous story of purpose in action,” and that Smith did not intend to become a vagrant but instead possessed a vision and goal of self-achievement, the foundational writing on John Smith as a failure and shameless self-promoter was already too firmly placed.\footnote{Barbour, \textit{Three Worlds}, 83.}

It is important to note here that William Penn and John Smith have been judged twice—first by others in their own time, then by historians with a more modern viewpoint and bias. Penn seems the more positive subject because his ideas, particularly about his Indian neighbors, are more accepted in this century, though Smith’s were certainly more mainstream in his. Comparing the declines of Smith and Penn’s respective careers has led to an ultimate question for historiography—is the modern opinion that Penn’s goal of pacifist tolerance was more “morally right” than Smith’s hope of self-promotion the key factor making historians more forgiving of Penn’s failures than of Smith’s? It seems that in a world of ultimates and absolutes, modern historians have tended to portray Smith as the quintessence of all that was mistaken in colonization, and Penn as the example of all that was noble about it.

\begin{center}\textbf{Two Men, One American Character}\end{center}

Studying the historiography of two divergent personalities in one text is not always advisable—there are often more differences than can be explained. However, discussions of the Pennsylvanian and the Virginian in the same consideration possess merit. William Penn was as torn and
Chapter One

20

tormented as his Virginian counterpart. Elizabeth Gray sums up the achievements of Penn: his request for Pennsylmania came from his own hand, but succeeded from the confluence of his father’s honor, his king’s respect, his friend’s vision, and his mentor’s visits.\textsuperscript{116} Though he enjoyed being a colonist, Penn was clearly torn between colony and family, and between the New World and England.\textsuperscript{117} But the key to his historiographical treatment, Brailsford reminds us, is that his sufferings and failures have always been considered fleeting and temporary because of the deliberate permanence of his mission and his adherence to it.\textsuperscript{118}

John Smith’s case, as usual, is more difficult. Gerson illustrates Smith as completely rejecting gentlemanly farm life,\textsuperscript{119} and eventually being surrounded by failure and depression.\textsuperscript{120} Even for Smith, though, historians have attempted kindness. Philip Barbour in particular illustrated the captain’s diligence and his courage, noting that he was most infuriated by cowardly behavior.\textsuperscript{121} Meadows also reminds readers of Smith’s own motto—“to conquer is to live.”\textsuperscript{122} Foster adds that Smith would have rather been a knight, but was born in the wrong time.\textsuperscript{123} Though dogged by failure and letdown, and dying alone and dejected, enough of Smith’s courage and hard work shines through his gloomier historic portrayals to allow him retention of his legendary quality. Though more a tragic hero than a conquering one, John Smith’s adventure remains too enthralling to leave alone.

Both men were and are defined by their relationships with others—family, love interests, the political realm, the audiences who read their books, and, ultimately, the historians who have analyzed them. From the pens of the historians, and the figures themselves, two American heroes have been given to modern readers. Captain John Smith, eager to venture into the Unknown and make his own fortune, shares pages with William Penn, who desired nothing more than to perfect a place in the world through tolerance and brotherhood. The different, and converging, accounts of the two illustrate history’s definitions of “explorer” and “pioneer”, and show that both kinds of man could be considered “Americans,” with a combination of courage, compassion, adventurous

\begin{itemize}
\item\textsuperscript{116} Gray, \textit{Penn}, 181.
\item\textsuperscript{117} Ibid., 221.
\item\textsuperscript{118} Brailsford, \textit{Making of William Penn}, 352-353.
\item\textsuperscript{119} Gerson, \textit{The Glorious Scoundrel}, 23.
\item\textsuperscript{120} Gerson, 157.
\item\textsuperscript{121} Barbour, \textit{Three Worlds}, 253.
\item\textsuperscript{122} Meadows, \textit{Five Remarkable Englishmen}, 93.
\item\textsuperscript{123} Foster, \textit{The World of Captain John Smith}, 68.
\end{itemize}
hunger for glory, and introverted hunger for peace. One a modified knight born after his time, the other a modified crusader born too early, both men were forever changed by experiences in a faraway land that both would come to love…similar personalities born into vastly different circumstances, but emerging from the same New World to become the bone and marrow of American character.

Bibliography


CHAPTER TWO

INDULGENCE & THE CONCEPT OF TIME IN THE AUTOMOBILE INDUSTRY IN NUEVO LEÓN, IN CONTRAST WITH THE REPUBLIC OF KOREA

ALEJANDRA JUDITH HUERTA RUIZESPARZA
UNIVERSIDAD AUTÓNOMA DE NUEVO LEÓN

Abstract

The theories of multiculturalism provide instruments to make a first visualization of a culture. These studies serve as tools that help illustrate the similarities and differences between two or more cultures. The theory of "the cultural dimensions" of Dr. Geert Hofstede shows, in a simple way, the main cultural features (regarding the labor) of cultures through the use of five dimensions. One of these dimensions, called "indulgence", is the most recent creation and measures the degree to which a society makes decisions based either on immediate happiness or on societal rules and mores.

It is within this “indulgence” dimension that this research seeks to focus, particularly to understand its implications in Mexico as compared to South Korea. This is due to the great gap that exists between the indulgence score in Mexico (second highest score in the world) and that of South Korea (one of the lowest). Besides the analysis of the indulgence between countries, this research relates the interaction between the dimension of long- or short-term orientation (a concept also introduced by Hofstede) and indulgence due to its recurrent contrast in most of the countries studied by Dr. Hofstede. This will be done through a quantitative instrument in addition to an analysis of the results of the original investigation. In addition to Dr. Hofstede's theory, this research uses the approach of other authors to complement both variables and their analysis. The result of the investigation will be to evaluate the impact of indulgence and its correlation with short- or long-term orientation. It should be noted
that this research focuses on the Mexican automotive sector, due to the economic relevance that this sector currently has, and will be used as a point of comparison with the Republic of Korea, and its results in the multicultural theories consulted due to the arrival of KIA motors in Mexico.

Introduction

Demographics have been changing exponentially: to give an example, there are currently 232,000,000 people who do not live in their country of origin, which is a little less than the populations of Brazil and Venezuela combined.\(^1\) However, cultural traits remain highly contrasting and unknown to many. It is because of this imminent cultural fusion that it is essential to continue research in this field, to help piece together the "cultural puzzle" and contribute to a “global empathy,” allowing cultures to understand each other more thoroughly. In the present study, two concepts used in the theories of cultural diversity are analyzed (time and indulgence) with the help of a quantitative tool to be discussed later. The research seeks to find a relationship between both concepts in the specific case of Mexico’s automobile industry. Another goal of this paper is to bring a description and analysis of the Korean investment in the automobile industry in Mexico and its importance.

The Automotive Sector in Mexico

Beginning with a brief description of the presence of the company KIA in the state of Nuevo León (northeast of Mexico), the automobile company made an investment of US$3 billion, which includes the construction of the 632 hectare main plant (the seventh plant of the company outside Korea) in the town of Pesquería, Nuevo León.\(^2\) The arrival of KIA triggered a continuous attraction of capital that added up to US$600 million during the period between 2015 – 2016,\(^3\) coming from the supplier companies of KIA that are also located in different states in the northeast of Mexico.\(^4\) Most of these investments can be found in the states of Nuevo León, Coahuila, and Tamaulipas. The city of Torreon, Coahuila, has received the investment of the company Yura Corporation, a supplier of

\(^1\) World Bank, 2017.
\(^2\) Ministry of Economics of Mexico, 2017.
\(^3\) KIA, 2017.
\(^4\) Ministry of Economics of Mexico, 2017.
KIA that produces auto parts, harnesses, high voltage connectors and electrical components. This company began operations in early 2016 with an initial investment of 980 million Mexican pesos and generating 37,000 jobs in the zone known as "La Laguna". It is worth mentioning the importance of security in the negotiation of the state government with the company, and that Ohm Byung Yoon, president of Yura Corporation, stressed that the security provided by the government of Coahuila was a determining factor in choosing to settle there.5

In the case of Tamaulipas, Seoyon Electronics Company, also a supplier of KIA, will invest 36 million dollars in a plant in Reynosa, Tamaulipas. This negotiation was influenced by geographical convenience (since being in a border city with the United States gives them the possibility of establishing operations in the neighboring country) and the cordiality of the negotiations with the state of Tamaulipas. In the case of Nuevo León, which is the main object of study of the present investigation, from 2014 until 2018, 145 companies have been installed: 142 within the category "Mexican companies with foreign capital" and 3 registered as "Foreign moral persons" (which are mainly concerned with the construction of the plant belonging to Hyundai), according to the report of the "Commission for Competitiveness and Normativity" under the leadership of Mexico’s Ministry of Economy.6

In the demographic subject and taking as an example the municipality of Pesquería, Nuevo León, these aforementioned investments are causing an impact on this very important issue: taking into account that in 2010 the municipality had only 20,000 inhabitants according to the census bureau in Mexico,7 in the next few years it is estimated that the emigration of expatriates from South Korea can amount to around 6,000 Koreans, representing an increase of 30% of the city’s population (which is already creating a real estate challenge). Currently, Pesquería is already a municipality in transformation: spectacular spas, restaurants, and other tangible examples of Korean cultural influence are expected to continue.8

It is important to raise long-term considerations and anticipate possible differences that this Korean migration can cause, and is already causing. Communication issues and differences in customs both at work and in leisure time vary considerably and can cause (and have caused) difficulties. According to the Local Board of Conciliation and Arbitration, forty lawsuits were filed during the process of starting operations of the

5 Gobierno del Estado de Coahuila, 2016
7 INEGI, 2010.
8 Carrizales, 2015.
KIA main plant in Pesquería, as well as a significant rotation in the legal team of the Hyundai Company who follow up on these demands. This quick overview leads us to the approach of this paper: the process of building bridges of knowledge between cultures one element at a time.

**Multicultural Theories**

Studies of multiculturalism offer a wide range of theories and instruments that help us to understand specifically the cultural differences (chiefly within the work environment) and to understand the points of affinity and disagreement between different countries. In addition, each author has a different approach and methodology to the cultural elements that interest this research. This research takes as reference some of the most outstanding studies in these subjects that serve as a guide and theoretical support to achieve the proposed objectives. One of the most popular works within multicultural studies, the “Cultural Dimensions” theories of Dr. Geert Hofstede, is widely used. It was conceived as a project for a multinational company and is now a tool that describes business cultures from more than 76 countries, using a single bar chart that presents the scores of six different dimensions: individualism, distance of power, masculinity, long-term orientation, indulgence and tolerance of uncertainty.

Focusing on indulgence, this dimension measures the capacity of a culture to meet immediate needs and control impulses and personal desires. Societies with a high score in this dimension tend to give priority to fulfilling individual needs of happiness or personal satisfaction, while a low score represents a society in which members obey more than what society dictates. In regards to “time,” Hofstede’s approach analyzes time from an orientation geared to the long-term: a low rating represents short-term guidance, which is reflected in traditional methods, low-priority given to developing relationships, and regarding the future as of little importance (what is not done today, can be done tomorrow). Conversely, a high score represents a “long term” orientation towards time that is characterized by an orientation towards the goals, objectives, and eventual rewards that come with the investment of time, as well as high consideration being given to the development of relationships and future plans.

---

9 Nuevo León Gobierno Ciudadano, 2016.
10 Hofstede, 2010.
12 Hofstede, 2010.
These two dimensions, long-term orientation and indulgence, are the ones that reflect the largest differences between the two countries. With regard to indulgence, Mexico holds the second highest rating (after Venezuela) with a score of 97, while South Korea shows a level far below with a score of 29. This wide difference can have an important effect when interacting in the working environment, since those in the more indulgent culture will seek to make decisions according to what they enjoy and avoid what limits their enjoyment of life (examples can be related to decisions to take and leave jobs), while the less indulgent party will make its decisions according to what society dictates: permanent employment, respectable and successful business, honor (especially in Asian countries, honor plays a very important role), etc. It is one of the dimensions to be tested during this study due to its scores and its relation to the background analyzed up to the moment that strongly relate the complications presented with factors such as staff rotation.

Discussing time and how Dr. Hofstede approaches it, "long-term orientation" is the second dimension with the greatest contrast between Mexico and South Korea. This dimension is related to planning and the importance given to the present and past against the importance of the future. Societies such as the Mexican, with a limited long-term orientation, can have disagreements in matters related to planning while working with cultures from the opposite long-term orientation side. The search for gratification or quick results, along with the renouncement of cultural customs in the workplace can be common issues.13 Combining both dimensions where countries show more contrast, we can begin to anticipate different situations that can become problematic and their origin. An indulgent and short-term oriented culture can be more impulsive than one with a long-term orientation and a low level of indulgence, which makes them a more reflective society in their decisions and where the individual benefit is not highly considered.

In Chart 2.1, we can appreciate the differences in these cultural aspects between Mexico and South Korea. Having almost opposite scores in these dimensions: for time (long-term orientation), a score of 24 for Mexico and 100 for Korea, and in the case of indulgence Mexico scores 97 while Korea only 29. The high contrast between the two concepts invites us to continue analyzing any relationships between them. All scores are taken from the official site of Dr. Geert Hofstede.14

---

14 Ibid.
An additional case study is the Globe Project, created with and based on Hofstede’s work but with focus on leadership. The Globe Project study spreads scores into culture’s actions and values giving more information about the traditional view of the society and how that translates into practice. The study suggests closer review of two concepts especially:

1. Orientation to the Future: Measures the tendency of cultures to adopt behaviors focused on the future: planning, investment, future gratification.
2. Human Orientation: Analyzes the preference to the competition and performance on harmony in the work environment.

In the case of Mexico, there are more similarities between Hofstede’s original dimensions to the “country value” scores than to the ones for “practices”. However, for the case of Korea, it is the opposite, and the “practices” look more like the Hofstede study. In Chart 2.2, we can see a

---

comparison of both countries and both types of scores (practice and values). Within the data, interesting conclusions can be reached, starting with the similarity in all scores for both countries (here, we do not see the high contrasts evident with Hofstede). Also, we see both societies less oriented towards the future and more oriented about the human side in their values but, in practice, the organization works the opposite way. It is interesting to notice again a correlation between the two dimensions, even though is not consistent with the scores of the first author.

Chart 2.2: Globe Study: South Korea and Mexico

The last study to discuss in this section is from Edward T. Hall, the creator of the concepts of high- and low-context and polychromatic- and monochromatic-orientation. The studies of Edward T. Hall were developed between the 1960s and 1990s. Within his studies, concepts developed around cultural complexity stand out: his theories regarding high- and low-context and polychromatic- and monochromatic-orientation analyze the communication of people (high- and low-context) as well as personal space. Monochromatic and polychromatic societies refer to the level at

18 Nardon, 2009.
which a culture allows the carrying out activities of personal and professional subjects at the same time.\textsuperscript{19} Cultures such as the Korean are not very permissive of social interaction within working hours, so they encourage interaction outside the company. For Latin cultures (as is the case of Mexico), it is considered important to maintain social ties and to combine social and work life.

“Societies of high- and low-context” refers to the level of importance that a culture gives to the context compared to the message (in its literal sense). Cultures considered of "high context" give equal or greater importance to the context than to the message, which gives an even greater value to the correct use of etiquette protocols in business and to the entire negotiation process in general. On the other hand, “low context” means the message expressed is what they try to communicate almost literally, meaning there is not much more to interpret than the literal message.\textsuperscript{20} Both cultures (Mexican and Korean) are considered high context so the spectrum of factors to be considered is even greater: verbal communication, written and body language, protocol rules and etiquette, and other social tools are needed in combination to produce healthy relationships in the workplace. In the case of the monochronic and polychronic concept, Mexico is considered polychronic and South Korea monochronic, which represents a challenge in the workplace since while some will try to carry out common social rituals and interactions, while others will see it as outside place and waste of time in the workplace. We have in Table 2.1 a summary of the concepts from all three authors included in this paper with their respective names for their conceptualization of time and indulgence.

\textbf{Table 2.1: Authors and Dimensions for Time and Indulgence}

<table>
<thead>
<tr>
<th>Authors / Variables</th>
<th>Time</th>
<th>Indulgence</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Hofstede, 2010)</td>
<td>Long Term Orientation</td>
<td>Indulgence</td>
</tr>
<tr>
<td>(Hall, 1989)</td>
<td>monochromatic / polychromatic</td>
<td>monochromatic / polychromatic</td>
</tr>
</tbody>
</table>

\textsuperscript{19} Ibid.
\textsuperscript{20} Nardon, 2009.
Hypothesis

After reviewing the context and theories, the hypothesis of this research is that the indulgence index has a positive relation with the short-term conception of time with regard to Mexico’s automotive industry with relation to KIA and the Korean corporate culture.

Methodology

For this quantitative research a "descriptive" design will be used, because what is sought at the end of this research is to understand how the variables analyzed in both cultures (Korean and Mexican) manifest in the same work environment. This approach seeks, as mentioned by Hernández (2010), to define the characteristics and form a specific profile with the information obtained for individuals, groups, communities, processes, objects or any other phenomenon that is subjected to an analysis.21 To achieve the goals of this investigation, an instrument was designed based on the theories mentioned before and was applied to a sample of thirty people who work in administrative positions in companies that are part of the automobile industry (CLAUT) in the state of Nuevo León, Mexico and that occupy positions in their companies from mid- to top-level management. The sample group included twenty males and ten females with an average age of 33 years. The method used to apply the instrument was through google forms (17) and printed surveys (13).

The instrument showed in Table 2.2 contained ten questions: five related to time and five regarding indulgence.

---

Table 2.2 Quantitative Instrument

<table>
<thead>
<tr>
<th>Variable</th>
<th>Questions</th>
<th>Measure</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>T6. People have their roots and their history as the most usual source of reference</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004) (Hall, 1989)</td>
</tr>
<tr>
<td>Time</td>
<td>T7. Tradition and stability are preferable to constant change.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Time</td>
<td>T8. It is more important to question why? Of the things that the what? And the how?</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Time</td>
<td>T9. Information on future trends should not be the main source for basing decisions.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Time</td>
<td>T10. Inconsistent information should be discarded even if it comes from a good source.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Indulgence</td>
<td>H16. Hobbies and leisure moments are obtained only if homework is completed.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004) (Hall, 1989)</td>
</tr>
<tr>
<td>Indulgence</td>
<td>H17. Starting a casual chat with a stranger is inappropriate.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Indulgence</td>
<td>H19. Holidays must be sacrificed if the job asks for it.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
<tr>
<td>Indulgence</td>
<td>H20. Go shopping (clothes, shoes, electronics) should be done only when it is essential.</td>
<td>Likert  scale</td>
<td>(Hofstede, 2010) (House, 2004)</td>
</tr>
</tbody>
</table>

---

22 Own production based on theories from (Hall, 1989), (Hofstede, 2010) and (House, 2004).
Results

With the help of the statistical analysis software SPSS, the results of these thirty surveys were analyzed first to verify the reliability of the instrument and then to analyze the results. For having the most reliable information possible, some questions had to be eliminated. In Table 2.3 you can consult the Cronbach alpha, the median and the questions used to construct the variables.

Table 2.3: Reliability Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>Alpha</th>
<th>Median</th>
<th>Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>0.67</td>
<td>3.3</td>
<td>T7, T8</td>
</tr>
<tr>
<td>Indulgence</td>
<td>0.76</td>
<td>3.4</td>
<td>H16, H17, 18</td>
</tr>
</tbody>
</table>

Having established the reliability of the study, the next step is to analyze what the results shows about the people who took the survey. Starting with the two questions used for “time” in Chart 2.3, one can see the median of the answers and the descriptive statistics. Accordingly, to the way the questions are formulated, above 2.5 average means that the people in general tend to think in short term and give more importance to the past. These results correlated to the expectations of Hofstede’s cultural theory.

---

23 Based on results from SPSS
In the case of indulgence, the way questions are formulated can be described as: above 2.5 tend to prefer work over leisure. In this exercise, the results are the opposite to Hofstede’s study but not as contrasting to Globe’s. Chart 2.4, below, details the answers in this part of the instrument.

### Descriptive statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Median</th>
<th>typical deviation</th>
<th>variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>30</td>
<td>3.2667</td>
<td>.91664</td>
<td>.840</td>
</tr>
<tr>
<td>N</td>
<td>30</td>
<td>3.2667</td>
<td>.91664</td>
<td>.840</td>
</tr>
</tbody>
</table>

T8. It is more important to question why? Of the things that the what? And the how?

T7. Tradition and stability are preferable to constant change.
Chart 2.4: Survey Results for “Indulgence”

All three questions received answers above 2.5, which take them to the less indulgent part of the scale, however the variance of the answers was wider in all the questions compared with the questions about time, which leaves us with the assignment to extend the sample and review the questions’ grammar and produce an analysis of the actual indulgence of the population from the present study.

The final part of this analysis involves the correlations between the two variables, considering most authors seem to show a relationship between indulgent societies and their preference for short term. In Table 2.4 we can find the results from the Pearson Correlations Analysis made through the SPSS program, which shows a positive correlation between indulgence and time. The significance between them was calculated at 0.02,1 which is under 0.05.
Table 2.4: Pearson Correlations

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Indulgence</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indulgence</td>
<td>1.419</td>
<td></td>
</tr>
<tr>
<td>Sig. (bilateral)</td>
<td>0.021</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Time</th>
<th>Indulgence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>.419</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (bilateral)</td>
<td>0.021</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

However, this correlation is different from the one from Hofstede since is a positive correlation: Low indulgence, short term orientation, while in different studies, the opposite would seem to be the case.

Conclusions

There is certainly a different profile in Monterrey (just like in other places in Mexico) that will not fit entirely in the national cultural studies: the attitudes towards indulgence are the opposite of the national scores, however in the city of Monterrey this seems not to be the case. Could the result of the presence of more than 800 international companies from all over the world in the state and an impressive number of universities, creating a fresh and fluent dialog with the outside be the cause? Also, the strong presence of cultural influences from the United States (since Monterrey is close to the border) could be a significant factor.

An increase in regionalized studies could be a solution to producing a better understanding of what an investor should expect from their partners in the region (key regions like Monterrey, a highly industrialized city). The data suggests a need to analyze these data points more thoroughly and in deeper context, especially given that there are currently few researchers or models taking this approach.

In the specific case of this instrument, after its first application, some considerations are worth mentioning: the sample should be extended to have a better idea of the instrument's usefulness, since the variances are
still far away and the reliability of the results are thus still unclear. However, the correlations clearly exist, suggesting a need for further study to develop a better understanding of its meaning.

Also, the grammar of questions should be reviewed, since some members of the study had doubts about some questions and seemed confused. These questions are based on a mix of theories that manage relations and concepts that are familiar to the researcher, but might be difficult to understand for other audiences. A more familiar set of examples could help to make it more approachable to the members of the sample.

An extension of the survey to test other cultural aspects could also have ameliorated the findings in this paper. Understanding concepts like the hierarchy, communications, etc. will add much to the knowledge of the region, and the work has already started. It is important for future phases of this research to continue the analysis of time and indulgence, and to add other elements to the equation, as well as to begin incorporating different samples of other populations to make the full comparison.

This is an exciting work in progress!

**Bibliography**


Imperial Spain created a lasting legacy with a series of military fortifications in Puerto Rico and elsewhere in the Caribbean. Initially, these buildings signified Spanish domination, native subjugation, Roman Church diffusion, and, for some Iberians at least, increasing wealth. Over the centuries, these strongholds have been reused and reimagined by their owners and utilized for multiple purposes, in addition to symbolizing various ends. Just as Puerto Ricans must define themselves within a contested national space, deciding if they are to exist within the United States as a full and equal state, as a commonwealth somewhat separated but with important connections, or as an independent country with continued strong linkages with the remainder of the Hispano-American world, these forts likewise take on multiple roles. Thus, their interpreters assign these spaces the meaning that they have today.

Spanish forays into the region began with the voyages of Christopher Columbus. Columbus approached different Iberian leaders to finance his proposed venture seeking to identify a trade route to East Asia. Sailing first on August 3, 1492, his fleet of three ships, financed by Isabella of Spain, initially sighted what is known today as Watlings Island in the Bahamas. By October 28, Columbus had reached northern Cuba, mistaking it for the coast of China. Reaching present-day Haiti on Christmas Eve, he quickly accumulated an array of objects made of gold to return to Isabella. A second journey in 1493 saw that relations between the islanders and the Spanish had deteriorated under the leadership of his
brother, Bartholomew. His third voyage (1498 to 1500) found him anchored in Trinidad before returning to Spain in chains. Officials had arrested Columbus in the Americas after he supported Bartholomew during a rebellion in Hispaniola. On his fourth voyage, between 1502 and 1504, he skirted the Lesser Antilles and Puerto Rico. These voyages of exploration made “the Caribbean Sea … a Spanish Lake,” and the island of Puerto Rico would come to play an integral role in defending and extending Spanish economic and military ambitions in the region.1

Spain used its dominance to repel threats from other European states that also pursued the wealth of the New World. France, the Netherlands, England, and Portugal all sought to capitalize on the new-found riches of gold, silver and slaves, that came from this area. Spain’s success and dominance in the New World encouraged Juan Ponce de León to settle on the island of Puerto Rico where he helped to establish San Juan as one of the key ports in the region. There were insufficient slaves to support large-scale gold extraction. Initially considered to be a poor area for agriculture, its premier position as a port in which Spanish trading ships could resupply and refit made Puerto Rico a place of strategic importance for the Empire. Geographically, Puerto Rico was uniquely placed to play a vital military and commercial role for the Spanish Crown. It offered a pleasing and convenient anchorage for vessels making for Jamaica, Cuba, Santo Domingo or the mainland of Mexico or Central America, and proved the ideal base from which to control the movement of goods and people shipping into the Caribbean and South America. It also was attractive to other European powers, due to its proximity to English, French, and Danish possessions in the West Indies.2 San Juan soon emerged as such a vital location that it was referred to as the “Key to the Indies” in correspondence with Spanish monarch Charles I.3

The construction of La Fortaleza, a bastion to protect San Juan, began in earnest in 1540. The fort initially comprised a singular, circular tower in “one corner of a walled quadrangle.”4 Originally designed to defend the inhabitants from the Carib Indians, it was poorly positioned, as its

---

placement lacked sufficient height to allow it to overlook the harbor. Officials questioned its effectiveness against European usurpers at an early date and by 1544, it had transformed into the Governor’s palace.\(^5\)

With the need to offer long-term protection to both royal and merchant shipping, construction of an advantageously positioned stronghold at the mouth of San Juan Bay began in 1539, on the orders of Charles I. The situado, a subsidy fund derived from resources in the colony of New Spain, present-day Mexico, financed the building of Castillo San Felipe del Morro, given the poverty of the Puerto Rican economy.\(^6\) El Morro faced repeated attacks by seamen such as Sir Francis Drake, Sir Henry Morgan, Sir John Hawkins, and François Le Clerc, which not only proved costly but worrying to the Spanish Crown.\(^7\) Consequently, Spain appointed Field-Master Juan de Tejeda and an Italian military engineer, Bautista Antonelli, to construct various forts around the Caribbean to protect Spanish shipping and possessions. Antonelli selected ten locations and work began in earnest to expand and strengthen El Morro in 1587. The fort became notable for its placement of canons over four levels, each able to hit vessels from water line to mast.\(^8\) By 1782, workers had completed “the walls and most of the military fortifications” erected to guard against foreign incursion.\(^9\) El Morro underwent further modifications in 1790, when engineers Thomas O’Daly and Juan Francisco Mestre reinforced the existing structure by adding more guns, thickening the walls, and extending its perimeter, thereby making it more imposing.\(^10\) Slaves quarried the stone, used by both free, and forced, laborers who worked on these additions.\(^11\) El Morro now sat within the barrio of Ballajá, and while the walls served to protect San Juan’s inhabitants, they restricted the city’s ability to absorb new populations and to expand commercial opportunities.\(^12\) The populace appreciated the protection offered by such

---

\(^5\) **Forts of Old San Juan**, 26–27.
\(^8\) **Forts of Old San Juan**, 54–55.
\(^11\) Ibid.
\(^12\) Rodríguez, “Spatial and Demographic Change,” 479–80
an imposing edifice, however. Structurally and materially, El Morro bears remarkable similarities to another fort on the island – Castillo de Cristóbal, or, San Cristóbal.\textsuperscript{13}

Thomas O’Daly, the engineer who supervised the additions to El Morro, designed Castillo de Cristóbal begun in 1634. The fort, which reflected a French interpretation of Italian Renaissance models, was not completed until 1783. Spanish officials had built the structure to assist the garrison at El Morro to repel land attacks.\textsuperscript{14} San Cristóbal featured “an outward projection from the main fortification consisting of two faces and two flanks which allowed the defense of nearby walls. Its design relied on an intersection of several firing angles and maximized the area that could be defended from one position.”\textsuperscript{15} Engineers had developed the star-shaped complex in the 1600s in response to the wide-scale use of explosives.\textsuperscript{16} As a coastal defense structure, the fort faced outward to the Atlantic, taking advantage of multiple firing angles and its relatively high position to secure this section of Puerto Rico. It remains the largest fortress built by the Spanish in the Americas and stands as the only example in the region of having “existed as a permanent military garrison for nearly three centuries.”\textsuperscript{17}

While the forts of San Juan proved effective over the subsequent century, the Spanish Empire entered a period of decline. Nevertheless, Puerto Rico remained extremely important to Spain as evidenced during the 1898 Spanish-American War, as the island provided the “key to the Caribbean.”\textsuperscript{18} U.S. control of Puerto Rico would deny Spain the opportunity of sending reinforcements and supplies to its forces on Cuba, thus the United States planned to attack the center of San Juan and capture El Morro.\textsuperscript{19} Spanish resistance in Puerto Rico led to heavy American casualties, for Rear-Admiral William T. Sampson’s attack had little effect

\textsuperscript{13} Wells, “History and Characterization of Mortars in Spanish New World Fortifications,” 2.
\textsuperscript{14} Crain, \textit{Historic Architecture}, 146.
\textsuperscript{15} Wells, “History and Characterization of Mortars in Spanish New World Fortifications,” 7–8.
\textsuperscript{17} Rodríguez, “Spatial and Demographic Change,” 478.
\textsuperscript{19} “Porto Rico as a Strategic Point,” \textit{The United States Army and Navy Journal and Gazette} 35, no. 36 (May 7, 1898): 689–90.
on the fortification of El Morro, with the exception of destroying the top of
the light house, even after three hours of shelling. In fact, the only serious
damage inflicted by Sampson’s ships fell on the civilian population, and
observers feared that Puerto Ricans would turn against the United States
because of this. El Morro’s steadfast defense forced the deployment of
land forces, led by General Nelson Miles and others, around the remainder
of the island, especially at Ponce, to attack San Juan by land. The conflict
on Puerto Rico drew to a rapid close during this offensive. Gradually
American land forces overwhelmed the island and captured San Juan.
President William McKinley issued instructions that the United States
would annex Puerto Rico as an “American prerequisite to ending the war,”
but the transfer of the island, as determined by the Treaty of Paris in 1898,
exacerbated the anger of many Puerto Ricans who still seethed over the
bombings carried out by the U.S. Navy.20 The local population had trusted
the United States to assist it to gain independence. Thus, citizens were
shocked when, instead of that liberation, Washington recolonized the
island.21

Under U.S. control, the purpose of the forts changed again, and during
World War I they served to guard against German shipping that could
attack the strategically important Panama Canal, which had been
completed in 1914. During this period, El Morro was renamed Fort
Brooke (a name that did not remain in historical memory) and further
expanded, this time to include an officers’ club, golf course, and outdoor
pool. At this point, a number of Puerto Ricans, such as Canal Teófilo
Marxuach, renounced their Spanish citizenship to join the Puerto Rico
Regiment of Volunteer Infantry, a unit attached to the U.S. Army.

On March 21, 1915, U.S. Custom’s Officer Francisco Augustini was
aboard the SS Odenwald, one of three German ships interned in San Juan
Harbor. Keeping an American official onboard was a tactic to keep the
German ships from sailing. Despite this, the Odenwald’s Captain, C. A.
Segebarth, made his intention to depart known. Augustini had to scurry off
as the Odenwald weighed anchor. Accurately assessing the situation, US
crews led by the Officer of the Day, Lieutenant Colonel Canal Teófilo
Marxuach, rapidly set up rifle and machine gun sites within El Morro and
below the walls of La Fortaleza. Four-inch shells fell immediately before
the bow of the Odenwald, as it attempted to make its way out of the
harbor. Under this barrage, the vessel reversed course and once again lay

20 David F. Trask, The War with Spain in 1898 (Lincoln: The University of
21 Clare E. Rodriguez, “Puerto Rican Studies,” American Quarterly 2, no. 3
(September 1990): 439.
at anchor in San Juan Harbor. Some consider this the first shot fired by the United States in World War I as it was discharged “by the regular armed forces of the United States against [a] ship flying the flag of the Central Powers.”22

With the advent of World War II less than three decades later, the government of Franklin Delano Roosevelt now faced the renewed possibility of attacks against the United States. Washington also worried about the vulnerability of “southern ports and refineries along the Gulf of Mexico and the shipping lanes in the Caribbean Sea.”23 Once again, the security of the Panama Canal had emerged as an issue of prime importance. The threat that Axis powers could send ships and submarines into the Western Hemisphere, and eventually establish bases in that region, exacerbated U.S. concerns.24 In response, the U.S. military added a concrete bunker to El Morro for observation purposes to help in the search for German U-boats, which cruised the Caribbean with relative impunity during the early years of the conflict. At war’s end, military personnel moved out of the forts and a concerted effort began to preserve these structures of historic significance. The United States demonstrated its commitment to this end when Julius A. Krug, Secretary of the Interior, established San Juan National Historic site in 1949.25

The readiness of the United States to integrate Puerto Rico and Puerto Ricans via citizenship and other rights was reinforced by such actions as US inclusion of the island’s national monuments in the National Park Service (NPS), and the arrival of US tourist and investment dollars. Such enthusiasm for Puerto Rico can best be understood in the context of “the underlying assumptions held that the island had absorbed U.S. capital, trade, technology, cultural values, especially a faith in hard work, democracy, and liberal capitalism.”26 Essentially, the US government

---


24 Ibid.

25 The Forts of Old San Juan, 82.

26 Dennis Merrill, Negotiating Paradise, U.S. Tourism and Empire in Twentieth-Century Latin America (Chapel Hill: University of North Carolina Press, 2009), 212.
touted Puerto Rico as the success story of the region, in contrast to the disappointing, and later threatening, case of Cuba. Yet, the United States and its involvement with Puerto Rico represents only one aspect of the island’s history, and a very recent example at that.

While the forts of San Juan are important as former military sites, they also encapsulate the long-time linkages between the island and Spain. They stand as testament to a period when Spain dominated parts of the Western Hemisphere. Today, what the forts mean depends on the eye of the beholder. For some, they stand as evidence to the power of European imperialism, for others, a rallying point for Puerto Rican independence. For many, they are simply sites to visit while on holiday in a beautiful part of the Caribbean.

The very size of the forts has always attracted the curious, but with the advent of commercial tourism in the nineteenth century, and with their designation as a World Heritage site in 1983, their significance to the island has continued to evolve. When the NPS took over the running of El Morro and San Cristóbal in 1949, the United States assumed formal control of relating the history of these structures. Consequently, the U.S. government assumed the role of storyteller, which some could interpret as a use of soft power by the hegemonic United States.

The history of El Morro is one in which battles predominate, but is articulated primarily through the actions of states, rather than individuals. The predominant narrative, then, recounts the construction of the forts and subsequent incursions made against Puerto Rico from a national perspective. Such reflections of important events have worked to shape the culture and identity of the island. Yet, “historians usually have to transfer and transform the facts which they acquire in their mediating role, typically with no lived experiences of the event described.” Historian Giorgos Antoniou references German Critical Theorist Jurgen Habermas, who describes the role of historians as those who must divest the past of its mythological elements as well as to “provide a meaning for the future by serving the dominant political system.” Nevertheless, Antoniou also recognizes the place and importance of memory in constructing the historical narrative. While the contributions of historians certainly remain vital, it is insufficient to rely completely on academics who largely base their assumptions on textual evidence, and who may tender a narrative that

---

27 Ibid., chap. 6.
29 Ibid.
can appear one-dimensional to those whose history is being told. The conundrum of authentic retelling becomes further complicated by NPS workers, who as employees of the federal government, are bound by a variety of limitations and possibly their own biases in the interpretation of historical events.

To be sure, an even-handed retelling of the history of the region proves problematic due to the number of actors involved. For most of its history, the forts of San Juan operated under a flag foreign to Puerto Rico. These forts served as protection against intruders such as the United States, the British, the French, and the Dutch. Even though British forces overran El Morro in 1598, the history appears fairly one-sided with little analysis of the British experience of the event. Should we expect the NPS to make an effort to tell all sides of the story if such a dramatic encounter for the people of Puerto Rico seemed a relatively insignificant affair for the aggressor? Nonetheless, such engagements were two-sided and visitors may appreciate a more balanced overview.

As historian Eric Foner wrote, “Nearly all historical monuments, of course, are meant to be flattering to their subjects.” 30 Naturally, people would prefer to focus on stories of national success, rather than failures, yet defeats also serve to form heritage and culture, and this certainly applies to Puerto Rico. So, how does the NPS communicate the history of the forts of Puerto Rico in a manner that will engage both locals and overseas visitors, and cover everything from the 1500s through two world wars? This would present a daunting challenge to any preservation society, but taking into account Puerto Rico’s recent financial woes, it makes the task all the more difficult. The community may quite reasonably ask why the federal government does not earmark available funds to alleviate the conditions of the living, rather than to memorialize the past. While preserving history does stand as a valuable aim in itself, the upkeep and promotion of the forts also generates valuable tourist dollars, and as tourism remains the principal income source for the Commonwealth, any monies spent by the NPS results in a double benefit. 31 For an island already suffering through a ten-year recession, the 3 to 4 million visitors a year, about 1.4 million of whom visit these forts, generate more than 100 million dollars in economic activity. 32 This has proven a boon to the

---

battered economy, although this revenue stream has diminished considerably in the aftermath of Hurricane Maria in 2017.33

Despite the obvious monetary advantages brought to the island by visitors, the very nature of tourism can prove contentious. Scholar Richard Mitchell, writing in *A Journal of the Caribbean and Global Diasporas*, notes

a massive wall in Old San Juan [El Morro] that was built to repel is now a tourist magnet. And one particular aspect of the mythic wall has become Puerto Rico’s most visible tourist symbol: the *garita*. These phallic-shaped sentry boxes, once inhabited by Spanish soldiers on the lookout for enemy ships, are now ubiquitous throughout the island—with their reproductions appearing on the doors of virtually every tourist taxi cab in San Juan, as well as on T-shirts, key chains, rum labels, license plates, wallets, coffee cups, caps, and countless other items—and the image of the *garita* is also a major symbol in television and print advertisements.34

Through such widespread use, the *garita* has become the most readily identifiable image representing the island. Such usage can be linked to a type of cultural commodification. This occurs when, in a tourist setting, people and their cultural symbols are treated as commodities that can be bought, changed or sold.35

While the *garita* remains Puerto Rico’s most recognizable symbol, its omnipresence is not accompanied by an understanding of the forts’ complex and often-dark history, for example, the use of slave labor in their construction. While the government has successfully used this image in a variety of tourist campaigns, the community must maintain a balance “between societal needs related to development and societal needs related to historic preservation.” 36

We must also consider how NPS professionals and volunteers interpret both the material and personal history associated with the forts. For the information that one utilizes is an example of creative forgetfulness, of

which Friedrich Nietzsche recognizes as multiple types and roles for memory. At many NPS sites, tours are facilitated by volunteers who follow a scripted narrative, although each person will surely offer a personal slant on the history of the site. In this day of declining public dollars, this is an invaluable service that allows tourists, schoolchildren, and others access they would not otherwise enjoy. However, many volunteers while extremely knowledgeable and interested, may not have the training, or the objectivity, to fully deconstruct this large and complex of information. As historian Roger D. Launius observes, there will always “be a battle for the control of national memory. Will it be one that is unified—or one that is fragmented and personal?” For many who volunteer, their own political allegiances, family history or mythology, and view of the injustices, or glories, of the past, may influence their narrative. Launius continues by citing historian Ira Berlin, who wrote, “if history is skeptical, contested, and universal, memory is certain, incontestable, and personal. If, at its best, history is a detached and disinterested weighing up all the evidence, memory is a selective recall of a portion of the past that makes no pretense of universality.”

The question presents then of not only who is retelling the history of Puerto Rico, but who is the audience, and what difference does this make? The NPS faces a challenging task of finding a means to effectively transmit a contested history to visitors of different nationalities, ages, and backgrounds, while preserving the historical integrity of the sites.

Today, many directors of historically important structures find themselves under constant pressure to raise funds in support of the ongoing and expensive maintenance of these buildings, but when does a historic site transmute primarily into a tourist stop or a venue for social events? Can these custodians ever achieve a happy balance? The NPS now offers El Morro as a setting for reunions and weddings, and occasionally groups even appropriate the space to make a political statement, such as when a small gathering of less than 20 students, seized El Morro at closing time in 2010 in protest against rising tuition at the University of Puerto Rico.

---

38 Roger Launius, “Public History Wars, the ‘One Nation/One People’ Consensus, and the Continuing Search for a Usable Past” OAH Magazine of History 27, no. 1 (January 2013): 32.
39 Qtd. in. Ibid., 33.
40 Eric López (NPS Historian for the San Juan National Historic Site), in discussion with the authors, August, 14, 2018.
Does multi-purposing the sites undermine their historical importance, or make the space more inclusive and accessible?

Ultimately, these forts, built to protect the interests of an imperial power, must find a place in the space that Puerto Ricans define for themselves. Statehood, commonwealth, or independence, each would create a different lens and dictate an altered narrative of this built environment. The historical story of these forts always will be told with an eye to the social-political reality of the storyteller.
How did David slay Goliath? Being the underdog in an uphill battle is difficult as it is, but imagine that being the case after many other fighters around you have already fallen. Such is the case for President Oscar Arias and Costa Rica and their relationship to the United States of America. Despite this seeming mismatch, President Arias had a secret weapon in his back pocket. He knew that he could undermine the giant United States by making smaller, leaner moves that put Costa Rica in a better position to avoid the influence of the United States, unlike other countries in Central America. The difference between Costa Rica’s policies vis a vis the United States condense into one general strategy—President Arias opposed the United States by siding with demilitarization and peace treaties rather than supplying rebels with guns and financial support.

Oscar Arias Sanchez went to Boston University for a year, intending to study medicine, until he moved to study law and economics at the University of Costa Rica in San Jose. He then went on to obtain his doctorate in England. He started his climb to the presidency of Costa Rica in 1972, when he was given the office of Minister of National Planning and Political Economy under President Jose Maria Figueres. Arias worked within the government for many years and, in 1985, he nominated himself to be president of Costa Rica and won by a slight margin over the Christian Social Unity Party candidate. President Arias was the president of Costa Rica from 1986-1990 and again from 2006-2010. He was known for creating peace treaties between other countries and intervening when the United States of America and the US-backed Contras were active in Central America. These are things that gained Arias respect in the international community, culminating in winning the Nobel Peace Prize in
1987. President Arias then began his campaign for peace within Central America, which eventually also spread throughout the South American continent, resulting in a sphere of influence from Nicaragua to Brazil. He became an icon for peace within South America because he had succeeded in finding peace where the United States failed.

One of most significant historians to analyze Costa Rica and President Arias was Kyle Longley in the *Sparrow and the Hawk*. Even though he focuses on Arias’s predecessor Jose Figueres, he often mentions the successes of President Arias. Longley says that the Reagan Administration “originally opposed the effort, fearing it would legitimize the Sandinistas.”1 Those fears would then lead “Arias and others resisted pressures from U.S. officials to leave the Nicaraguans out of the process.”2 Longley focuses on Figueres, as do most other historians, leaving less intensive studies on Arias. As such, Arias has benefited from being a “quiet mouse” and flying “under the radar,” but while still enjoying political success that has led to international fame and gaining peace for Central America. There are very few intensive studies of Costa Rica from the time of Arias’ presidency, mostly due to the country’s ability to avoid the negative headlines from its neighbors. Figueres and Arias developed more positive headlines during their presidencies, using a strategy of “soft balancing,” a term coined by historian Robert Pape. Pape also lays out the model and parameters of the soft balancing concept.

Robert A. Pape is one of the two fathers of the soft balancing theory. Debates over the merits of soft balancing and its relation to the rest of the balancing of power theories continues today. Kai He and Huiyun Feng define the differences between hard and soft balancing as “hard balancing refers to military-related policies; soft balancing indicates some non-military state behaviors for the same security goal.”3 A secondary power can use soft balancing as a way to outsmart and avoid the primary power’s influence through non-military behaviors. In the majority of cases, the primary power possesses a stronger military, meaning the best choice for the secondary power is to move in a non-military direction. If the secondary power opposes the primary power with military force, the secondary power will most likely crumble because of the imbalance of strength. This leaves only one option for the secondary powers if they

---

2 Ibid.
want to continue on their own—the soft balancing achieved through deliberative non-military actions.

There are four major steps that a secondary power must take to weaken the stronger military power according to Robert Pape. These are “territorial denial, entangling diplomacy, economic strengthening, and signaling of resolve to participate in a balancing coalition.”

Territorial denial is when smaller powers can benefit from access to neighboring territories to use as “staging areas for ground forces or transit for air and naval forces.” This can limit the access and abilities that the primary power have. It can limit them to just air or naval attack rather than having the full power of the military. Entangling diplomacy is when secondary powers use “international institutions and ad hoc diplomatic maneuvers” to suspend a primary power’s plan for war. Entangling diplomacy can strengthen opposition inside the weaker state to limit the ability for the stronger state to expand or make further plans inside the weaker state.

Economic strengthening is when there is a change of economic power to benefit the secondary state. This can slow and limit the growth and trade of the primary power. The last piece of soft balancing the signaling of resolve. This proves to the primary power that the secondary power, along with its allies, can act together against the primary power. The secondary powers then “create a purpose of soft balancing to demonstrate resolve in a manner that signals a commitment to resist the superior state’s actions.”

Costa Rica’s actions toward the United States under Arias fit well within the soft balancing model.

President Oscar Arias took the idea of “territorial denial” and used it to his best ability to gain treaties with nearby countries against the Contras. These bandits were supported by the United States government and were making trouble in Costa Rica’s back yard. He worked with the Nicaraguan and El Salvadoran governments to gain trust and allies through the area, especially during periods when the Contras were tearing up the economies of all three countries. The second step in soft-balancing that President Arias had to take was “entangling diplomacy.” He completed this step by reaching out and originally working with nine other presidents of Central American countries to reach a solution to the Contra problem, as well as solutions to associated economic problems. The next step for

---

5 Ibid.
7 Ibid.
8 Ibid.
Arias is “economic strengthening.” Arias employed “economic strengthening” succeeded by expanding the Costa Rican economy past just cocoa and bananas to also include coffee and tourism as major economic staples. The last step of “signaling of resolve” was achieved through a treaty signed by five Central American presidents, led by Arias. This solidified the objective of the presidents of five different Central American countries against the United States and their influence in South America as a whole. Along with the things that Arias did to complete the soft balancing model, he did more to help promote peace throughout South America.

The Central American Peace Accord outlines ways that Central America can come together to become stronger. One of the most important articles, Article Four, states that stability and peace must go through an “authentic democratic process that is pluralistic and participatory.” It also states that there should be a focus on social justice and human rights. One of the most important sections of this article states that every country is allowed “to choose, freely, and without outside interference of any kind, its own economic, political, and social pattern.” In other words, no other country can interfere with any part of the country’s politics, economics, or social order. Among many other agreements, this was one of the most significant for President Arias and the people of Central America. This now meant that five countries pledged aid to one another if any country (including the United States of America) interfered in any way. This is a union of Central America that promises to help each other financially, politically, socially, and in any other form to ensure all five countries’ general prosperity. In this way, President Arias and the other four presidents made it clear to the United States that they did not want their help any longer. Financially, they all continued, in some degree, to receive United States aid, but they refused to have the United States involved in their politics and culture. Arias’s administration managed to evade foreign influence from the United States through its refusal to allow the United States government access to power and military involvement in Costa Rica.

While accepting his Nobel Peace Prize, President Arias said, “We believe that justice and peace can only thrive together, never apart. A nation that mistreats its own citizens is more likely to mistreat its

---

9 Ibid.
11 Ibid.
neighbors.”12 This comment was directed towards the United States and the problems that they were facing inside of their own borders. This included the treatment of the LGBTQ community and other political problems that occurred in the 1980s. Arias also noted how the United States treated its citizens during the Civil Rights Movement of the 1960s. While Arias was in the United States for school in the early 1960s, he experienced the beginnings of the Civil Rights Movement firsthand, including experiencing this mistreatment personally. He also stated that he pays “no attention to those doubters and detractors unwilling to believe that a lasting peace can be genuinely embraced by those who march under a different ideological banner.”13 He went on to explain that this is especially true for countries that are used to war rather than lasting peace. Arias saw the United States as one of these countries, because they were known to fund wars and weapons especially within South America and the Middle East. Arias saw himself as marching underneath the banner of peace along with people like Martin Luther King and Nelson Mandela. He wanted to be someone who was looking for a non-violent way to end the problems within his and nearby countries. The United States, on the other hand, seemed more akin to Malcolm X by traveling down a more aggressive and violent route. At the same time, he mentioned those who believe that peace cannot and will not last, again casting dispersion upon the United States. The United States has a track record of assisting governments secretly against others, often leading to civil war in countries that are attempting to develop. The United States, in Arias’ opinion, made a policy of supporting wars and rebels just so that they can capitalize on the war, suggesting directly that the United States makes money off of the instability of other countries in the hemisphere. Arias countered this plan by making his own pacts with the other countries of his region to lock U.S. influences out.

While President Arias was the head of the Costa Rican government, he “intervened against the activities of U.S.-backed Contras on Costa Rican territory.”14 The Contras, a paramilitary group that was backed and funded for by the United States, had become a significant problem in the region. The Contras started in neighboring Nicaragua during the rule of the Sandinistas. The United States backed the Contras due to fear of parallels between the Sandinistas and communism, going so far as to provide the

13 Ibid.
Contras military training in neighboring Panama by Central Intelligence Agency advisors. Arias took issue with the Contras and their activities within Costa Rica. In May 1986, he met with the presidents of Guatemala, El Salvador, Honduras, and Nicaragua to begin work on a peaceful solution to the Contras’ growing influence. At the meeting, the five presidents drafted a document edited by Arias that agreed in principle on terms to help support each other. This, after several iterations and name changes, developed into the Central American Peace Accord. This document and President Arias’ major contributions to it and to the peaceful balancing of power in Central America were the determining factors in his nomination for the Nobel Peace Prize. Even now that he is no longer president of Costa Rica, Arias continues to campaign for broader peace in Central America and his own country, still by encouraging the use of diplomatic dialogue as opposed to U.S. style military and paramilitary intervention.

The United States presidents and administrations had much to say about Arias and his ability to gain peace against the wants and motives of the United States. President Arias was president while dealing with four very different United States presidents: Ronald Reagan, George Bush, George W. Bush, and Barack Obama. Arias dealt mostly with Ronald Reagan and George Bush because of their foreign policy leading to the Contras and other problems within Central America. Reagan especially made many decisions to counter the actions of Arias in Costa Rica against the Contras. These included replacing the Costa Rican Ambassador to Washington because he “lobbied against President Reagan’s proposal to send weapons to the Contras.” Reagan’s administration also fired Arias’ confidant on the National Security Council after Arias closed a secret airstrip that was used to supply the Contras. “American officials provided information that led to the arrest of one of Mr. Arias's campaign supporters on charges of laundering drug money.” Daniel Oduber, who was president of Costa Rica before Arias, noted, “They want him to act in support of their strategic goals in Central America, rather than in the best interests of Costa Rica.” Arias pushed both Reagan and Bush to the point that they saw no choice but to retaliate. Top state officials during the Bush administration even said that Arias won his Nobel Peace Prize by “defying

15 Ibid.
17 Ibid.
18 Ibid.
the United States.” 19 Everything that Arias did against the United States and the Contras was met with a firing or replacement of one of Arias’ allies in Washington.

Arias balanced not just policy, but his verbal exchanges with the United States, as well. Several times, he stated he was proud to say that Washington and Congress had agreed to have a bipartisan policy towards Latin America, 20 and that he was very grateful towards the United States to allow the Central American Peace Accord to stand. At the same time, though, he criticized the United States for what they had done in Latin America. He saw the United States foreign policy with Latin American countries as an over-militarized and very violent path. Arias asserted that the United States created problems in multiple countries with their military. When it came to voting for closing unregulated arms trade in international organizations like the UN or the OAS, for instance, the only delegation that voted “no” was the United States. Arias said this was surprising, “especially considering the chaos that an unregulated arms trade has helped create in Iraq.” 21 He believed that the rest of the world wants to push for a more equal market especially when it comes to arms and other goods. During the Arias and Reagan administrations, though, the United States was opposed to this more equal arms market, since it would cause problems with the funding and weaponizing of the Contras through Iraq. He made further points, including saying that there is more money in Central American militaries than school systems and that he wants to fight for a balance in these two efforts. Costa Rica is one of the few countries that does not have an overfunded military. Costa Rica actually has very scant standing military forces and instead invests that money into social programs, including ecology projects to make steps towards sustainability as well as education and other programs that give more power to the people in the country. Much of this began with Arias because he saw what the United States’ military influence was doing to other countries, and he did not like what he was seeing. In 2006, for instance, Arias stated, “This year Latin American nations will spend roughly $25 billion dollars on their militaries, even though, with the exception of the war in Colombia, there are no militarized conflicts in the region. Meanwhile, a full third of Latin American children do not attend secondary school. These priorities are in dire need of readjustment. I will never stop believing that it is

19 Ibid.
20 Oscar Arias. “Central American Peace Plan” (speech, Washington, DC, April 4, 1989), CSPAN
possible to solve these problems and bring a lasting peace to Latin America and the world."\(^{22}\)

Arias’s life work was to bring peace to the world, or at least to the Western Hemisphere. He worked during his presidency for peace and continues to do so now in current times, even when it appears there are fewer political problems in the region (he would strongly disagree). Instead, he states that, “A life dedicated to the search for peace has taught me that, in fact, there is no fantasy, or naivety or idealism in it. Peace is not a dream but hard work, and it is not a path taken because it is easy but because it is necessary.”\(^{23}\) Arias believed that hard work was the only way to get peace. That started with understanding one another and understanding that, in order to achieve a lasting peace, everyone must understand that it requires work. Some might even compare the fight for peace to a marriage. There will be hard times and good times, but to make it work requires compromise, understanding, empathy, and above all, balance. “Arias admitted that in order to reach an agreement, the leaders involved had to give up some of their aspirations, such as a dream to see Central America become the first demilitarized region in the world.”\(^{24}\) Even though some leaders had to give up their biggest dreams, they could still achieve the small ones together that build the foundation for the loftier plans.

In all of Oscar Arias’s conquests, he faced many stresses and naysayers who did not believe that the president of a small country in the middle of a war-torn region could come up with a treaty of peace that could benefit more than just one or two countries. “‘The Mouse that Roars for Peace in Central America’ recounted how Arias stood his ground in a tense Oval Office meeting with an array of high-powered U.S. officials. ‘Oscar appeared like Spartacus going before the Roman generals,’ Arias’s close adviser John Biehl told the magazine.”\(^{25}\) Arias was the David that was slaying Goliath. Even though the United States claimed to be searching and working for peace within the hemisphere for years through financial and military aide agreements, the President of Costa Rica was actually able to achieve it. He was able to do this because he actually knew the impact that United States foreign policy was making on the countries that it was influencing. The United States policy makers and constituents were

\(^{23}\) Oscar Arias, “A Peace with All Forms of Life” (speech, Peace in Americas Conference, Washington DC, September 23, 2008)
detached from the ground in Washington, while Arias was experiencing firsthand how Central America was changing because of the treatment that it received from the United States, making him uniquely qualified to act as the counterweight to US ambitions and policies that negatively affected Costa Rica and other parts of Latin America.

When Arias was nominated for the Nobel Peace Prize, he was the youngest Costa Rican president in history. Costa Rica had not possessed an established military since the 1940s. Even without this military counter influence, Arias made larger strides to peace in the area in a couple years than the United States had done in a century. ""As the main architect of the peace plan, President Arias made an outstanding contribution to the possible return of stability and peace to a region long torn by strife and civil war," committee chairman Egil Aarvik commented.""26 He made the possibility of stability and prosperity a closer reality for many countries within Latin America. The area would be in a much worse place if it was not for President Arias's initiatives towards peace and education.

Costa Rica was one of the first Central American countries to get involved in in the politics and international relations of its neighbors. In the long run, this ramping up of involvement in the region worked out positively. President Arias was able to avoid major conflict by maneuvering around the United States over militarized influence. Arias was able to lead Costa Rica through peace and helped assist other countries to improve the political situation in their war-torn region. By helping write the Central American Peace Accord, President Arias was able to slay Goliath and give himself a reputation as being one of the few peace seeking politicians of the time. He did this through soft balancing and through ways that kept the country out of military conflicts and associated casualties. Even though he was irritating the United States in the process, he was able to gain peace and stability for at least five countries within Central America and he continues to do so throughout South America. President Arias made a statement of peace and stability for all South Americans while also making a statement of strength to those superpower countries who wanted to influence and manipulate Central America to be like them.

Bibliography

Garnica, Vanessa I. "Oscar Arias Praised for Role in Peace Deal." Tico Times (San Jose, Costa Rica), September 14, 2014.
SECTION TWO:

WAVES OF PEOPLE, WAVES OF CHANGE:
MIGRATION & IMMIGRATION
IN THE AMERICAS
CHAPTER FIVE
THE LAST OF THE DONS:
THE DECLINE OF THE SPANISH-SPEAKING CALIFORNIOS FOLLOWING THE MEXICAN-AMERICAN WAR
TODD BERNHARDT
BOISE STATE UNIVERSITY

On May 13 of 1846, the United States formally entered into war with Mexico. The war it would fight against its southern neighbor, which would later be referred to as “One of the most unjust ever waged by a stronger against a weaker nation,” resulted in the reduction of Mexican territory and economic prospects and the enlargement of the United States, both in territory, population, and available resources.¹ This war, and the treatment of former Mexican citizens within the newly acquired territory, serve as paradigms of American Manifest Destiny and the racial attitudes inherent in U.S. expansionist policies of the nineteenth century. While there has been a great amount of scholarship dedicated to the Mexican-American War from both the American and Mexican perspectives, and to the issues of California’s early statehood such as the gold rush of 1849 and the slavery debates in California, relatively little scholarship has been devoted to the lives of the Californios following the war.² As hundreds of thousands of Anglo-Americans traveled west seeking their fortunes, these Californios quickly became foreigners in their own land, and as such were the victim of discrimination by both the new Californian government and Californian people. The poor treatment of former Mexicans in America,

aggressively expansionist policy that led to the Mexican-American War, and disregard for Mexican law reflect the notions of racial and cultural superiority that would come to define U.S. interactions with Latin Americans for over a century.

The road to the Mexican-American war began with the Texan Revolution. Based in the nation-wide struggle against the increasingly centralist López de Santa Anna regime in Mexico City, the Mexican province of Texas joined several provinces in open revolt against Mexico City. Texas, however, took the revolt further than any other province when they established their own government. After more than a decade of political tensions between Mexico City and the American colonists in Texas, Santa Ana’s dismissal of the Mexican Constitution and the subsequent revocation of rights assured to colonists was the final straw. In March of 1836, a political convention declared Texas to be independent from Mexico, establishing itself as the Republic of Texas. Although military defeat forced Santa Ana to abandon his campaign against the revolt, and his retreat established the Republic of Texas as a de facto state, Mexico City never formally recognized the Republic of Texas and continued to claim Texas as Mexican sovereign territory up until the end of the Mexican-American war.³

United States Southerners and Texans aimed for the annexation of Texas by the United States, and shortly after Texas’ declaration of independence from Mexico, Texan Secretary of State Stephen H. Austin sent William Wharton to Washington as Minister Plenipotentiary with the instructions to negotiate for recognition and annexation, saying “It is certainly desirable that Texas should enter the American Union at once and undivided.”⁴ Although concerns for the status of slavery, as the Texans had been practicing slavery despite Mexico’s anti-slavery laws and wished to enter the Union as a slave state, and the desire to avoid war with Mexico caused the United States to decline annexation in 1837, Wharton succeeded in securing formal recognition of the Republic of Texas that March. It wouldn’t be until December of 1845, under U.S. President James Polk, that Texas was annexed and given statehood. Because Mexico never formally recognized Texas’ independence, this annexation was received as a violation of Mexican sovereignty, and Mexico City broke relations with the United States and began preparations for war. A mere four months

---
³ William C Davis, Lone Star Rising. (College Station: Texas A&M University 2006).
⁴ Letter from Stephen F. Austin to William H. Wharton, December 10, 1836, Box 2006/385-1, Pages 37-38, Archives and Information Services Division, Texas State Library and Archives Commission.
later, Mexican and U.S. forces exchanged fire in the disputed territory just
north of the Rio Grande, marking the beginning of the war.5

Following the official declaration of war on May 13, 1846, the United
States began a multifaceted invasion of Mexico, with simultaneous
campaigns. These campaigns were carried out by both the Army and
Navy, with General Zachary Taylor securing the Texan border and
capturing Monterrey and Northern Mexico, General Kearny capturing
Santa Fe and Nueva Mexico, Captain Frémont and Commodore Stockton
capturing Alta California, and General Scott and Commodore Perry
capturing Mexico City. Although General Santa Anna provided significant
resistance to General Taylor’s and General Scott’s campaigns, there was
no resistance to Kearny’s campaign into Santa Fe, and the resistance
against Frémont and Stockton came largely from the local Californios
instead the Mexican government.6 Although the regular soldiers were
often disciplined and respectful of Mexican citizens’ property and lives,
the state militia and volunteer soldiers were recorded to have been stealing
livestock, burning ranchos, and even killing innocent Mexicans in both
drunken and sober conflicts.7 Feeling that as white American soldiers they
were above Mexican law and were superior to the Mexicans themselves,
many of the innocent Mexicans who were murdered by volunteer soldiers
were killed for failing to comply with their wishes.8

While Taylor was making inroads in northern Mexico and Kearny
began his march to Santa Fe, U.S. forces moved on California. Starting
with the Bear Flag Revolt of 1846, a popular uprising of U.S. colonists
following the example of the Texan Revolt some 10 years earlier, this
revolt was quickly incorporated into the California campaign by Captain
John C. Frémont, who merged the Bear Flaggers with his own men to
form the California Battalion.9 Captain Frémont would then lead his men
south to Yerba Buena, where he met up with U.S. naval forces. Commodore

5 Jack Bauer, Zachary Taylor: Soldier, Planter, Statesman of the Old Southwest,
(1993).
6 Gary Kurutz, “The Entire Southern Country Abandoned by the American Arms”:
7 H. Bulls Watson, The journals of Marine Second Lieutenant Henry Bulls Watson:
1845-1848. (Washington.: History and Museums Division, Headquarters, U.S.
Marine Corps, 1990); Corporal of the guard, The high private: with a full and
exciting history of the New York Volunteers, illustrated with facts, incidents,
anecdotes, engravings, including the mysteries and miseries of the Mexican War:
in three parts. (New York: 1848).
9 Walker, p. 147
John Sloat, who was given orders to seize the ports and cities of Alta California, had already captured Monterey when he met Frémont, and on June 15, he transferred his command to Commodore Robert Stockton. Stockton and Frémont would then head south, with Stockton’s marines functioning as the primary invasion force and Frémont’s California Battalion serving as the defending garrison in each captured city. Within a month of Stockton taking command, all the ports of northern Alta California were under U.S. control, and the campaign moved southward toward the Pueblo of Los Angeles.

As word of Stockton and Frémont’s success in securing northern Alta California spread, the Mexican garrison and Alta California Governor Pío Pico fled to Sonora, leaving Los Angeles open to U.S. forces. On August 13, Stockton secured the city and continued south, leaving behind a 36-man garrison. These men, mostly volunteers, grew drunk with power and inflicted the residents of Pueblo of Los Angeles to their tyrannical rule for 6 weeks. On September 29, the resident Californios, led by José Florés, revolted against the U.S. garrison, swiftly overpowering them and liberating Los Angeles, Santa Barbara, and San Diego. U.S. forces under Captain William Mervine attempted to retake the city on October 7, and were repelled within an hour. Meanwhile, General Stephen Kearny and his 1st dragoons crossed into California, making it through the Sonoran Desert. Once he was aware of Kearny’s arrival, Stockton requested Kearny’s assistance in confronting Florés’ men in San Diego. It was while Kearny was advancing toward San Diego that General Andrés Pico, the brother of Governor Pio Pico, and his California Lancers met Kearny in the Battle of San Pasqual. Kearny and his dragoons exhausted after the grueling trip across the Sonoran Desert, and mounted on mules, were no match for the heavy cavalry Pico’s Lancers were mounted on, and they were easily outmaneuvered. Making matters worse for Kearny, it had rained the night before, and the wet gunpowder made his men’s carbine rifles little more than clubs. After only half an hour of fighting, Kearny had lost 22 men and was forced to take a defensive position on the top of Mule Hill while he waited for reinforcements from Stockton. After 4 days, Stockton’s escort arrived, and safely transported Kearny to Stockton’s command. Entering the Los Angeles basin in January 8 of 1847, Kearny

10 Kurutz, p. 13
11 Walker, 200.
and Stockton engaged the Californios, both Florès infantry and Pico’s lancers, in the Battle of Rio San Gabriel that day, and following the retreat of the Californios, they reengaged in the Battle of La Mesa the next day with the aid of Frémont, who had arrived during the Battle of Rio San Gabriel.

On January 12, the Californios surrendered to Frémont. The next day, General Pico approached Frémont about the terms of surrender, and after some negotiation, the Treaty of Cahuenga was signed, marking the end of the California campaign. In the treaty, the Frémont agreed to stop stealing cattle and damaging Californios’ ranchos, to grant to Californios all the rights of U.S. citizens under the military government, and to allow Californios who surrendered their arms and took an oath to stop fighting U.S. forces to return to their ranchos unmolested, while the Californios agreed to surrender all artillery, obey the laws implemented by the U.S. military government, and to surrender their arms before returning to their ranchos. Both parties agreed to release all prisoners of war. Although not formally backed by either government, the treaty was respected by General Kearny and Commodore Stockton until its replacement by the Treaty of Guadalupe Hidalgo.

In the Treaty of Guadalupe Hidalgo, Mexico ceded to the United States the disputed territory of Texas and the territories of Alta California and New Mexico, forever changing the lives of the Californios. While the Treaty of Cahuenga had secured for them treatment as citizens under the military government, the Treaty of Guadalupe Hidalgo gave those who accepted it American citizenship. However, the Californios quickly discovered that being an American citizen didn’t make them equal Americans. Gold was discovered at Sutter’s Mill shortly before the signing of the Treaty, and with the discovery of gold came the gold miners. Flocking to California by the thousands, Anglo-Americans left their homes in search of their fortunes. Anglo-Americans weren’t the only treasure seekers though, as Chinese, Europeans, South Americans, and Australians also arrived in large numbers. Just as quickly as they had become American citizens, the Californios became foreigners in their own land. As the white Americans overtook the Californios as the ethnic majority, they treated them as poorly and violently as they treated the immigrants and other ethnic minorities. Vigilante groups forced Californios to abandon their stakes, often when the Californios’ stake was rich, and lynchings were commonplace. As prospectors flooded California, they trespassed

14 Walker, 246.
15 Ibid., 249.
and squatted on many ranchos, some looking for gold and others for land to preempt. When petitioned for help, many local militias refused to stop the squatters, denying the Californios protection. This discrimination also manifested itself in many subtler ways, such as the many schools that prohibited Californio children from attending alongside white Americans. 

16 The injustices were institutional as well as cultural, as evidenced by discriminatory state laws such as the Foreign Miner’s Tax in 1850 and federal laws like the California Land Act of 1851 and the refusal to create a territorial government for the Californios when California was admitted into the Union in 1850.

In 1849, after 3 years of official and unofficial U.S. military rule and a year after the end of the war, Californian military governor general Bennet Riley called for a convention to write a potential constitution for civil government. The Monterey Convention, held in September of that year, would be the answer to his call. Delegates came from all across California, but of these delegates only 7 were Californios.17 The vast majority of the delegates were Anglo Americans who had come to California during the war or gold rush, and the Californios’ minority status at the convention served as a reminder of their new minority status in the land. The first issue faced by the conference was the debate over what kind of civil government the constitution should be for, as General Riley’s announcement didn’t specify if the convention was to write a state constitution or a territorial constitution. This debate quickly split along ethnic and regional lines, as the Californios and other delegates from the south strongly favored a territorial government, and the Anglo Americans from the north wished for a state.18

This split was to be expected, as it followed the population of California. While the gold rush brought a massive population increase and quick demographic changes, these were largely centered in the San Joaquin and Sacramento River valleys with some minor population growth in the neighboring mountains. The prospectors largely stuck to the areas where the most surface gold was being found or where the most mines were being dug. Because of this, the south was still sparsely populated and had a Californio majority. Their status as large landowners in a rural area with an almost exclusively agricultural economy, along with the Californios’

17 William Henry Ellison, The Movement for State Division in California, 1849-1860. (1913)
18 Ellison, 3.
experience living under the lax Mexican government of Alta California, contributed to their desire to live in a territory. A state government would require significantly more money to operate than a territory, and because the gold miners of the north leased their land and had no property to tax, the Californios were concerned that they would be disproportionately burdened by taxes. The Californio delegates were so firm on their desire for a territorial government, that they suggested the convention draft two constitutions and split California into two entities. Speaking on this matter, Mr. Carrillo, the delegate from Santa Barbara stated “that he represented one of the most respectable communities in California, and he did not believe it to be to the interest of his constituents that a State Government should be formed. At the same time, as a great majority of this convention appeared to be in favor of a State Government, he proposed that the country should be divided by running a line west from San Luis Obispo, so that all north of that line might have a State Government, and all south thereof a Territorial Government.”

Mr. Carrillo furthered his argument as he said, “that he conceived it to be to the interests of his constituents, if a Territorial Government could not be formed for the whole country, that the country should be so divided as to allow them that form, while the northern population might adopt a State Government if they preferred it.” When it came time for a vote, the Californios lost 8-28, and the convention continued with the purpose of writing a state constitution. This greatly upset the Californio delegates, and to prevent their abandonment of the conference a compromise was made which gave increased power to local assessors of the counties and to the boards of supervisors elected by landholders. On this matter, delegate William Gwin remarked that “It was impossible to avoid saying in the Constitution that the taxation should be equal, but the delegates from the settled portions of the state, who had land grants, and represented those who had vast grants of land from Spain and Mexico, would not listen to any proposition that would subject their real estate to taxation and the onus of supporting the state, while the great bulk of the population, the newcomers, had no real estate, in fact nothing that could be taxed, and nothing could be collected of them except a poll tax.”

Following this vote, the issue of the boundaries of the state became the central point of discussion, as some of the delegates suggested boundaries

---

20 Browne, 22.
21 Ellison, 4.
including all former Alta California, while some wanted to include as far west as the “great American desert” but not all of Alta California, and others wanted only the territory west of Sierra Nevada mountains. This debate was quite complicated and consumed much of the convention, as it quickly became interwoven with the debates over slavery’s place in California and whether California should be left as one entity or split in two. Because California existed both south and north of the 36°30′ line, the debate over its potential boundaries was an essential part of the larger debate over slavery. The Missouri Compromise of 1820 had established the 36°30′ as the northernmost limit of slavery, with the expectations that all future states admitted to the union below that line would be slave states, and all states admitted north of this line would be free states. The debate over slavery in California was part of a larger national debate, as the question of slavery’s role in the Mexican cessation had been debated since Congressman David Wilmot introduced his Wilmot Proviso to the House of Representatives in 1846. This rider, attached to a bill funding the war, attempted to make slavery illegal in all lands acquired from Mexico as a result of the war. Although the Proviso died in the Senate, the issue of slavery in the Mexican cessation that it brought up entirely consumed national politics. Among the Anglo-American delegates, several came from Southern states and as such were sympathetic to slavery’s cause. During the boundary debates, the idea of two separate entities introduced by Mr. Carrillo was expanded upon, with the Californios pushing for a separate southern entity for the above-mentioned reasons, and to avoid tying their fate in with the more populous north. Rationalizing that because they were a small, landed class who had committed greatly to their presence in the country they were at risk from abuses by the land-leasing, transitory population of miners who followed the gold and didn’t give any special care to the land, especially because the latter significantly outnumbered the former. On this matter, the Californios received the support of the pro-slavery faction. Although none of the Californios supported slavery, which had been illegal in Mexico since 1824, they were desperate for political allies and since two fifths of the delegates came from slave states, the pro-slavery faction was a powerful one indeed. This alliance would continue for long after the convention, as the Chivalry Democrats, led by William Gwin and formed

---

23 Ellison, 7.
25 Ellison, 10.
by the union of Californios and pro-slavery southerners, would be the leading political force in Southern California until the Civil War.

During the convention, Gwin was an active member in shaping the boundary debates. Gwin was a key supporter of the split California proposal, largely because admitting two states would allow one for one to be free soil and the other to be a slave state, thus maintaining the current balance of national power. Mr. Carrillo’s proposed division at San Luis Obispo would have created a territory fully south of the 36°30′, an ideal candidate for a future slave state. When it seemed that the convention at large favored union, he advocated for boundaries stretching past Salt Lake, purposefully creating a proposed state so large that Congress would assuredly split it along the 36°30′. This proposal failed however, as the majority of the delegates opposed including Salt Lake, as no representative of Brigham Young or his Mormons attended the conference and to involve them without their representation would be unjust. In the end, the convention set California’s eastern boundary at the Sierras. Shortly after, the convention decided that California would be a free state, although it should be noted that this decision was reached not for lack of support of slavery, but because it was agreed that California’s climate was unsuitable for slaves and plantation crops.

After the convention finished their work, and the proposed state constitution was written, a provisionary government was established. An election was held, with John Fremont and William Gwin elected to the position of senator, and Edward Gilbert and George Wright elected as congressmen. These four men left immediately for Washington, where they petitioned Congress for California’s admission to the Union. On February 13, 1850, President Taylor submitted a copy of the California State Constitution drafted by the Monterrey Convention to Congress for their approval. This petition was met with great opposition, as many Southerners took issue with the idea of a free state extending south of the 36°30′ and with the admission of a free state with no slave state to counterbalance it. This issue would bring to a head the national debate over slavery ignited by the failed Wilmot Proviso, and eventually result in the Compromise of 1850.

26 Ellison, 11.
27 Ibid.
28 Williams, 10.
29 Ellison, 18.
30 Williams, 9.
Once again, the idea of splitting California received great attention, and over the course of the debates several propositions to split California would be voted on by Congress, all of which either included the 36°30’ or a boundary south of it. Senator Henry Foote of Mississippi was a particularly vocal advocate of splitting California, stating on several occasions that he was in favor of admitting California up to the 36°30’.

Inspired by a letter he received proclaiming the Californios’ opposition to a state government and asking for Congress to divide California from San Luis Obispo south, he authored an amendment to California’s constitution which would have set California’s southern boundary at the 35°30’ and created the territory of Colorado for the land south. This amendment lost 23 to 33. Following the failure of Senator Foote’s amendment, Senator Hopkins Turney of Tennessee authored a similar amendment. Turney’s amendment would have allowed California to be admitted as a state after they had held a convention to re-establish boundary claims, decided on a southern boundary north of the 36°30’, and petitioned the President for their admission. After this, the President would have the power to admit California. This amendment also formally extended the Missouri Compromise to the Pacific Ocean, ensuring that the 36°30’ was observed by the states which would be carved out of the Mexican Cession. After a vote of 24 to 32, this amendment also failed.

After this, Foote introduced another futile attempt to split California, this time with a measure which would have admitted California but required it to conduct a poll as soon as it was admitted. This poll would be used to determine where the people wanted to set the new southern boundary, and the land south of the newly demarcated boundary would become the Territory of Colorado. This measure never reached a vote.

After months of heated debate, Congress finally passed 5 bills which became the Compromise of 1850. Settling the 4-year debate over slavery in the Mexican Cession, the Compromise of 1850 admitted California into the Union, with no splitting or other border changes, as a free state, while giving the Utah and the New Mexico Territories popular sovereignty to determine slavery’s position within their territory. The slave trade was discontinued in Washington D.C., but a stricter fugitive slave act reassured slaveowners of their property rights. Texas abandoned its claim over New
Mexico and all land north of the 36°30′, and in return the Federal government assumed its public debt. In this way, the Californios’ alliance with pro-slavery Democrats failed them again, and they were unable to secure for themselves a government which would suit their needs and were relegated to second-class citizenship. As a result, the Californios were unable to stop their respective governments from writing and passing discriminatory and harmful laws.37

These laws damaged the Californios more severely than the violence of the war had and their enforcement stood in flagrant disregard of the Treaty of Guadalupe Hidalgo. The first of the two, the Foreign Miner’s Tax act of 1850, stated that all foreign miners were to pay a tax of 20 dollars a month in the form of a license to continue mining for gold. Although this tax was purportedly a way to raise funds for the California government to use in protection of miners, it was little more than a thinly veiled attempt to force non-white miners out of the industry.38 While the Treaty of Guadalupe Hidalgo made all Californios U.S. citizens, the requirements of Foreign Miner’s Tax were used against them just as often as it was used against the Mexican, Chilean, and Peruvian miners. Within a year, more than two thirds of the Californio miners had returned to their ranchos. Unable to afford or unwilling to pay, the Californios simply abandoned their claims and stopped mining.

The second of these laws, the Act to Ascertain and Settle Private Land Claims in the State of California, otherwise known as the California Land Act of 1851, subjected all the ranchos and other land grants made by the Mexican and Spanish governments to severe scrutiny. It created the Public Land Commission, a 3-person board whose job it was to confirm or deny the validity of the Mexican and Spanish land grants. In order to validate their claims and keep their ranchos, the Californios were required to submit their title, prove the validity of said title, and establish exact boundaries to the grant.39 If they were unable to do so, their rancho would be claimed by the state of California as public land, which would become available first to preemptors and then homesteaders to claim under the Preemption Act of 1841 and later Homestead Act of 1862. This violated the Treaty of Guadalupe Hidalgo, which guaranteed the property rights of the Californios. Under the treaty, land grants made by the Mexican and Spanish governments were to be respected by the U.S. government. These

37 Ellison, 13.
requirements were problematic, as the grants were made prior to the California Gold Rush, when California land was of little value or importance. As such, the grants often had imprecise boundaries, such as an oak tree, a cow skull, and even a whole mountain range. The early diseños were little more than a sketch, and grantees often were unaware of the exact acreage of their grants, with some owner’s estimations occasionally varying by as much as a league. A little more than 25% of Californios lost their rancho when their claim was denied, and of those who had their grant validated, the majority lost or sold part of their rancho due to debts incurred in the defense of their land grant. The process of defending their grant was a long and expensive process, as it required lawyers, translators, and surveyors, and for many the hearing with the Public Land Commission was only the beginning, as a significant portion of the board’s decisions were taken to the Court of Appeals. There were even a few who made it to the Supreme Court, such as the More v. Steinbach case of 1888. Because of their mistreatment under the Californian government, and because of the high taxes which they feared from the start, there was renewed support for the plan to partition California. During the decade between California’s entry to the Union and the onset of the Civil War, three separate partition bills reached the State Assembly. The last of these, the Pico Act of 1859, garnered the most support and made it the furthest. Introduced by State Assemblyman Don Andrés Pico, and bearing his name, the Pico Bill provided for the partitioning of California along the 36th Parallel, with all land south of this line becoming the Territory of Colorado. The Pico Bill was approved by the State Legislature, Governor John Weller, becoming the Pico Act of 1859, and when it was put to a public vote it passed with an astonishing 75% of the inhabitants of the proposed Colorado Territory expressing support. Once the Act had been approved by the State of California and the people of the proposed territory, the Act was sent to Washington for Congress’ approval. Because of the support shown for such a partition a decade earlier, the Californios expected the Act to Congressional Approval to be swift, but the secession

40 Karen Clay and Werner Troesken, Ranchos and the Politics of Land Claims (Pittsburg).
42 Clay, Troesken
44 Ellison, 35.
45 Ibid.
46 Ibid., 36.
crisis of 1860 and the outbreak of the Civil War prevented the Act from ever reaching a vote.47

The Californio culture that evolved from the violence of the war and the discrimination of early California was one of autonomy, in which they sought out secluded lives on their ranchos and in small Californio majority communities, where they continued their customs without largely integrating into American society. They sought on multiple occasions to separate themselves from the Anglo-American miners of the north, but on all occasions their hopes were dashed, as the greater national debate over slavery subsumed their regional squabbles. The violence and legal discrimination faced by the Californios at the hands of land and gold hungry white Americans, in which Californios gave up land and economic resources under threat of force and penalty by law, and the Mexican American War perfectly showcase the injustices typical in American-Latin American relations in the nineteenth century.

47 Ibid.
CHAPTER SIX

SPACISM:
RE-CONTEXTUALIZING & RESTRUCTURING
FORCED MIGRATION STUDIES

JASON BOAN
UNIVERSITY OF TEXAS SAN ANTONIO

Abstract

The current framework for presenting historical accounts and analyzing contemporary events associated with forced migration is lacking in structure and terminology. This paper aims to establish the theoretical framework of spacism as well as offer an alternative view of the structure of migration studies as a dynamic interconnected set of actions and motivations rather than as sets of dichotomous terms. Through case studies of Japanese throughout Latin America during World War II I employ the terms inserted, engaged and facilitated to demonstrate how individuals and groups were inserted into the forced migratory structure rather than why they are migrants.

Without context, words and actions have no meaning at all.1

—Gregory Bateson

Sachiko Taname, 13, and Aiko Oykawa, 11, were similar to the other Japanese Peruvian girls where they lived. And on August 15th one summer, like many other children, the girls sought relief from the scorching desert sun at the community pool. Unfortunately for Sachiko and Aiko, their day would not end like everyone else’s that day. Both girls ventured too far from the shallow end of the pool and slipped into the deep

---

area and drowned. How is the drowning of two Japanese Peruvian girls in their community pool one summer relevant to forced migration? The girls and their families did not choose to be there: the summer was 1944; the community the pool was in was an internment camp; the desert was in Southwest Texas; and their lives began in Peru more than a decade prior with their Japanese parents.

Everyone in the world has a common history they share: human migration. Since the first humans moved from the point in which they became, migration has been a constant that transcends borders, races, nations, and cultures. Migration is the history of the world and understanding the context in which it has happened in the past is vital to its present and future history. Migration, forced migration specifically, is a complex issue that scholars continue to grapple with developing an analytical framework for studying. This paper, therefore, aims to contribute to the growing scholarship on migration and forced migration studies by demonstrating that the growing group of sub-migration terms are a dynamic and interconnected set of actions and motivations that are complimentary in addition to dichotomous; furthermore, I am introducing what I call *spacism*, opposition to outsiders becoming insiders because they are outsiders, as an additional framework to study migration. The hemispheric forced movement of Japanese Americans of North, Central, and South America in the 1930’s-1940’s provides the case study to demonstrate that, on the part of the U.S., internment and removal was about spacism, outsiders coming in, rather than just racism, nationalism, or hemispheric security. The terms *inserted, facilitated, and engaged* will also be employed as preferred terms for the study of forced migration.

The history of Japanese Latin Americans is not solely about individuals nor is it confined within national borders of Latin American countries. I have previously argued that the internment system in the western hemisphere be viewed as one transnational system rather than multiple independent events. The internment system did not only include those of Japanese ancestry, but also those of German, Italian, American, Canadian, Mexican, and many others. Heidi Gurcke Donald, along with

---


her younger sister, both of whom were born in Costa Rica, and her American mother and German father, who was an immigrant to Costa Rica, were detained and sent to the same Crystal City Internment camp as Sachiko and Aiko. Teenage Werner and his father, facing Gestapo persecution fled Nazi Germany for Panama. Both were later detained and sent to a U.S. internment camp, which they were eventually paroled from and allowed to live in the U.S.

An interesting example that demonstrates the breadth of those under surveillance and suspicion is that of a Mexican American woman from Texas by the name of Emma Tenayuca. She was a political and labor activist that supported Roosevelt’s New Deal and identified as a communist, as did many Germans living in the U.S at the outbreak of World War II. Emma Tenayuca was surveilled by the FBI and while never interned, she eventually earned herself a place on the Custodial Detention Index and was “under consideration for custodial detention.”

The FBI’s CDI and the State Department’s Alien Enemy Control Unit (AECU) were used throughout Latin America as well. In 1940 the U.S. and Canada passed similar registration legislation directed towards those of Japanese heritage.

The 20th century brought the western hemisphere an influx of migrants from Japan. Mexico welcomed a Japanese colony in 1897. Japanese migrants spread into and between Latin American countries leading up to the outbreak of World War II. During this time period 75% of all

---

8 Ibid., 163.
9 Friedman, 223.
Japanese immigrants to Latin America were in Brazil. Karen Lee puts the Japanese Brazilian’s as “6% of the Brazilian population” in the pre-war years, which is over 50% of the “estimated 400,000 people of Japanese descent” living in the western hemisphere. By the outbreak of World War II, people of Japanese heritage were deeply entrenched in the culture, society, and economic institutions of many Latin American countries. They worked as laborers, owned businesses, and some married local women. Seiichi Higashide arrived in Lima without a job lined up, however he quickly found work and eventually had multiple business ventures of his own. Werner Gurcke, young Heidi’s father, owned his own import/export business in Costa Rica that had global customers. Selfa Chew highlights that in Mexico, Japanese “created deep ties in their communities through interracial marriages, businesses, participation in labor struggles and simple residence.” The Japanese throughout Latin America, and the hemisphere as a whole, were not just hyphenated Japanese. Rather, they were Canadian, Mexican, Brazilian, Peruvian, Paraguayan, Latin American, naturalized citizens, citizens by birth, and despite all of this, to varying degrees they remained “others.”

The Japanese Latin Americans were inserted into the system of forced migration during World War II by governmental policies establishing restricted zones, mandatory relocations, deportations, and such. The policies and the responses initiated by them towards Japanese Latin Americans varied by country: Mexico required individuals to move from “protective zones”; Brazil began moving Japanese Brazilians to the south of the country; Peru and Costa Rica sent many to the United States for internment and “repatriation” to their home countries; Cuba “imprisoned all of its male population on a prison island.” Historians argue that the causes of this forced uprooting stems from U.S. hegemony and propaganda and public paranoia amongst others. The root causes which led to implementation of these policies are important, however, the policies were the action that inserted the individuals into the system.

---

13 Masterson, 73.
15 Masterson, 69.
16 Donald, 21-22.
18 Garcia, 171; Masterson, 131; 140-141; Boan, 19-21.
The hemispheric internment of people of Japanese heritage cannot be confined to the term internment. It was a process that can be traced along several ideological pathways that involved a range of terms and actions: relocation, detention, detention, deportation, confinement, repatriation, observation, harassment, and persecution. The “othering” of the Asians, specifically those of Japanese heritage, was not a new notion that came crashing in with World War II; it can be traced back to Kaiser Wilhelm II and his commission of a painting of a bad dream in 1895. The painting directs fear and preemptive aggression against the entire “East.” This was applied first to Chinese, and later the Japanese after their victory over Russia in 1905. Kaiser Wilhelm II’s dream can be seen as simply racism or nationalism, and would be correct. However, I argue that these two concepts, in this case, were only part of the reason for exclusion.

I present the concept of *spacism* as the driving force behind much of the anti-migrant sentiment in the past as well as present. Spacism is opposition to “others” entering a space based on the fact that they are not in the space. Spacist opposition uses constructs like race, security, and religion to argue against letting migrants in, when the root of opposition is about outsiders becoming insiders. While simplistic in some ways, reduction of the “problem” with migrants to the fact that individuals want to cross an arbitrary line is true to the issue. This term speaks to the heart of migration and forced migration studies, which the editors of the *Oxford Handbook of Refugee and Migration Studies* (2013) concisely state as “understanding and addressing human experiences of displacement and dispossession.” Understanding the human experiences needs to begin with acknowledgement of the opposition migrants face. Spacism is not meant to encompass all aspects of resistance to migration, such as racism or the criminalization that follows categorization of forced migrants, rather it is intended to be an additional tool to explain a form of the resistance affecting mobile peoples. The representation of migrants, through categorizations, directly lends to spacist rhetoric and policies.

The individual categories of migration are often seen as dichotomous binaries. Nira Yuval-Davis explains this when talking about “voluntary

---

20 Daniels, 10.
and forced migration” as “two extremes of one long continuum”.22 Rather than focusing on pairs of opposing terms, I suggest that a concept map be used to demonstrate the complex and dynamic interconnections of the many forms of migration. Migration is not simply a list of opposing pairs going from one extreme to the other with everything else fitting in-between. Rather they are interconnected, a map with paths connecting dichotomously: voluntary vs. forced, legal vs. illegal, temporary vs. permanent, survival vs. pleasure, internal vs. external- but also complimentarily: voluntary and internal, forced and external, forced and internal, forced and employment, etc. Visualizing all of the forms of migration as a concept map (Figure 6.1) with migration as the core word will more accurately depict the connection points and represent the dynamic nature of migration than a static shape with varying shades from one side to the other.23

Elizabeth Colson employed the term “forced uprooting.”24 Forced uprooting speaks to the heart of forced migration. Regardless of how the term forced migration is defined, the term itself implies: 1) action by an outside actor- forced; and 2) movement by the individual acted upon- migration. The term migration does not fully demonstrate the traumatic effects and complete separation of the individual from their environment. Peter Gatrell calls it a “fundamental alteration in their lives.”25 Migration further connotes passivity and choice. Forced uprooting does not leave room for speculation of motivation or choice. The individual is being acted upon by an outside actor and there is total removal from their environment. Selfa Chew connects the power of this concept to the Japanese internment, which is evident in the title of her book: Uprooting Community (2015).26

26 Chew, cover.
Figure 6.1: Migration Concept Map
The current trend among politicians and news media is to view migrants, and forced migrants in particular, based on ‘why’ they are trying to cross borders. This allows for broad categorization and ultimately the removal of the lived experiences of those involved. Jonathan Darling connects the views on categorization as a “regulatory” action. David Turton explains that categorization is an “attempt to formalize and institutionalize” in order to “influence policy.” Turton goes on to say that the “categories and concepts employed by policy makers may not be helpful.” A more relevant way to approach forced migration is to view it from the standpoint of how people are inserted into the system. This leads to the recommendation of the term inserted/insertion as the preferred description of entry into forced migration. Inserted/insertion indicates that the individual was acted upon by an outside force or entity. This outside action is the crux of “forced” migration. This is not to deny migrants of responsibility nor agency, especially in the preemptive sense in some situations. In his argument for the inclusion of deportation as forced migration, Matthew Gibney says that “almost all migration is a matter of both force and choice.” Taking this further, there are two ways in which an individual may be inserted into the forced migration system: self-engagement or facilitated by physical force or the threat of impending physical force. These two methods are not meant to be dichotomous and it is possible to move between them. Engaged forced migration is when the individual initiates the movement. Facilitated is when the movement is initiated and/or conducted by physical removal. Both cases are in response to an outside actor creating a need for movement.

In the case of the Japanese Mexicans, they were inserted into the forced migration system through a statement issued by General Salvador Sanchez directed to “all Axis citizens” which “urged them to depart from the prohibitive zone.” Despite General Sanchez’s assurance that “there will be no concentration camps” many Japanese Mexicans moved to internment camps. This was a self-internment on their part, however.

---


29 Turton, 3.

30 M. J. Gibney, “Is Deportation a Form of Forced Migration?,” *Refugee Survey Quarterly* 32, no. 2 (June 1, 2013): 116.

31 Garcia, 144.
engaged the forced migration system rather than allowing themselves to be physically removed from their communities. Compare this with the Gurcke’s in Costa Rica who were placed on a Navy ship and removed from the country.\(^{32}\) Once an individual has been inserted into the forced migration system and is physically removed that is facilitated forced migration. The Gurcke’s, incidentally, first engaged the system by relocating and confining themselves to a designated area and then their continuing forced migration was facilitated by physical force.

The charge against those of Japanese heritage was a migration issue for the United States that it pushed on other countries in the form of hemispheric solidarity. Nations are built on borders and controlling those borders and the spaces they define are at the core of their existence. Phillip Marfleet describes the formation of a nation as “a means of asserting authority over bounded geographical spaces and populations within them.”\(^{33}\) Despite this control, there is a “blurring of ‘insiders- outsiders’” as Yuval-Davis notes.\(^{34}\) This control and blurring has led to a “retreat from multiculturalism.”\(^{35}\) This opposition to “outsiders” is grounded in fear, hatred, and persecution based on a number of factors including race and national origin.

The classification of migrants and the attempt to control them has been exerted against more than just those of Japanese heritage. In relation to the United States, this migratory control has been used against Mexicans, Native Americans (on their own lands), Chinese, even against native-born Americans in the case of Heidi Gurcke Donald’s mother and Emma Tenayuca.\(^{36}\) Scholars Julian Lim, Andrew Torget, Raul Ramos, and John Weber are a small sampling of historians that address the control of migration and blurring of insiders and outsiders along the U.S.-Mexico border.\(^{37}\) Repeated several times now, this is not just about race, sex, or

---

\(^{32}\) Donald, 41-43.


\(^{34}\) Yuval-Davis, 57.


\(^{36}\) Donald, *We Were Not the Enemy: Remembering the United States Latin American Civilian Internment Program of World War II*; Gonzalez, *Redeeming La Raza: Transborder Modernity, Race, Respectability, and Rights*.

national origin in and of themselves. Rather it is about space, physical location. The people migrating, no matter the reason, are outside of the bounds of a space—be it national, regional, state, city, etc. The discrimination associated with migration is, in large part, simply about outsiders coming in more than who the outsiders are. Nations have used the origin nations as a means of exclusion by “considering migration as a security issue.”38 By categorizing individuals based on why, governments are able to criminalize an entire group without any context or lived experiences being explored.

Despite the level of integration by those of Japanese heritage throughout Latin America, the opposition to outsiders coming into their space, and the space that bordered it, was the driving force behind many policies and actions. While reasons such as race, security, and moral deprivation were cited as reasons to remove them, spacism against the Japanese Latin Americans, and the hemispheric Japanese Americans as a whole, was an attack on migration and mobility simply because they were outsiders. The Japanese Latin Americans were inserted into the hemispheric spacism movement of the 1930’s and 1940’s by governmental policies. Some engaged the system when the opportunity was available, while the movement of others was facilitated through force.

I present these terms and concepts as a contribution to the global dialogue on migration studies. Moving forward, I encourage others to apply these terms and concepts to the broader study of migration, forced migration, and other fields as applicable. The study of migration and forced migration needs to move beyond the push and pull factors and counter the categorization of migrants by incorporation of the lived experiences of the individuals. The lived experiences should be used to directly challenge the political and news media’s portrayal of migrants as “others,” “terrorists,” and “murderers and rapists” simply because they are outside of a space and mobile. History needs the context of all involved in order to be an inclusive, accurate, and fair representation. Closing with the words of Michel-Rolph Trouillot: history is “both what happened and that which is said to have happened.”39 As historians, scholars, activists, and

---

humans it is our responsibility to ensure that what is said is really what has happened.

Bibliography


*Rover of Reviews.* London, 1895.


CHAPTER SEVEN

LEGACIES OF HEMISFAIR:
URBAN RENEWAL AND MEXICAN-AMERICANS
IN SAN ANTONIO

DYLAN O’HARA
UNIVERSITY OF TEXAS SAN ANTONIO

This paper examines the Mexican and Mexican American community that was displaced in preparation for the 1968 World’s Fair in San Antonio and their relationship with Tex R-83 (the HemisFair urban renewal project). There has been examination of the so-called “Germantown” that was demolished and general archaeological surveys of the plaza area. However, this paper expands on such work by painting a clearer picture of the community that lived in the neighborhoods that are now HemisFair Park, roughly half of which was Mexican and Mexican American. In a meeting on August 4, 1964, City Manager Jack Shelley noted that these neighborhoods, especially closest to the river, was “definitely a slum area.” While the marked area for demolition was chosen based on the hope that the San Antonio River would attract tourists for the World’s Fair, those neighborhoods’ designation as “slums” also singled them out for general urban renewal. The examination of the long-established Mexican and Mexican American community that lived on the southeast side of downtown, the racialized language city officials used to refer to the area, and community reaction to such urban renewal helps to complicate the narrative and legacy of HemisFair Park and make this particular Mexican American experience visible.

1 City of San Antonio, City Clerk Municipal Archives & Records, Urban Renewal Civic Center Project 5 Tex R-83 (HemisFair), Cooperation Agreement: San Antonio, Texas, 1963, 8.
A Growing Community and New Deal America

The HemisFair Plaza area, that was called Beckville in the 1870s, was heavily inhabited by German and Irish immigrants in the nineteenth century. By the twentieth century, the area had become increasingly “multicultural,” becoming home to Mexican migrants, and Jewish and Polish immigrants. Indeed there was a synagogue at 216 Wyoming Street, a German supply shop, Schultze’s Store, at 115 Goliad Street, and a Mexican American owned restaurant, Kinky & Nando’s, at 404 South Alamo Street as of 1965. According to the San Antonio Housing Authority, many neighborhoods that would later be labelled as slums by city officials included what Sadie Haley and the San Antonio Housing Association called “Mexican Corrals” in the 1920s. The name referred to housing conditions that consisted of large families living in converted horse stalls without electricity or running water. Haley also reported that such housing had dirt floors and no windows. The Associated Charities of San Antonio observed such living conditions on South Laredo Street, about a mile and a half west of where HemisFair Plaza would be built. It is clear that even on the eve of the Great Depression, Mexican American and Mexican neighborhoods near downtown caused white city officials concern, if not just for aesthetics. Following the long years of the Depression, a priest called Father Carmelo Tranchese sent Eleanor Roosevelt photographs of living conditions on the West Side of San Antonio, asking the First Lady for help in securing federal funding for public housing. The San Antonio Housing Authority attributes President Roosevelt’s passing of the US Housing Act of 1937 to Mrs. Roosevelt’s contact with Father Tranchese and pictures of San Antonio. Three years later, the 1940 census captured a working class Mexican American and Mexican population that was both sedentary and largely employed. Though later depictions of the neighborhoods assumed mass unemployment to necessitate urban renewal in the mid-1960s, the 1940 census tells a different story.

3 A Guide to the San Antonio Fair, Inc. Raw data, Series 06: Site Development Department, 1962-1968, Box 288, UTSA Special Collections, San Antonio, TX.
Roughly fifty percent of the residents that lived in neighborhoods demolished in preparation for the World’s Fair were Mexican American and Mexican migrants. While there is the marked presence of Mexican-born migrants, the majority of the ethnic Mexican population in this area of downtown was born in Texas. The Mexican American and Mexican migrants who lived in the area that is now Hemisphere Plaza were tailors, house painters, laundresses, waitresses at various community businesses, and workmen at various positions within the Works Progress Administration (WPA) as of the 1940 census. The farthest reaching government program implemented in 1939, the WPA sought to rehabilitate the post-Depression economy though employing citizens previously on relief until the economy recovered. Mexican American employment with the WPA reflected both the need for economic reform in San Antonio and Mexican American involvement in claiming their share of New Deal America. By working for the WPA, men as laborers and carpenters, and women as seamstresses and typists, Mexican Americans put some (albeit limited) faith in New Deal America’s, and FDR’s, promise of economic stability. Later descriptions of Mexican American communities as dangerous slums hint at the increasing marginalization of Mexican Americans in San Antonio in the 1960s. But as of 1940, Mexican Americans in San Antonio sought employment with the government, a system that promised prosperity, and Mexican Americans seized their rights to such prosperity. It is important to remember that such rights to employment by the WPA were only offered to citizens of the United States, thus Mexican migrants in San Antonio had to find employment elsewhere, usually for hire. Thus, those Mexicans and Mexican Americans who did not work for the WPA mostly worked for local businesses or private families. Women were most often employed as maids or domestics for private families. If not working for a private family, Mexican American women most often

---


worked as local laundresses, seamstresses, or waitresses. Besides being employed outside the home, many Mexican American women listed on the 1940 census were also landlords and landowners. As both laborers and landowners, Mexican American women living downtown supported community economy and the stability of living arrangements. Indeed their labor and property helped to root their community in place and provided the foundation for community development and vibrancy. Men not employed by the WPA, whether US citizens or not, most often worked in local restaurants as cooks and waiters, as house painters, carpenters’ apprentices, and general laborers. While the Depression undoubtedly had an effect on employment rates, as of the 1940 census, finding a family without at least one employed member was rare.

This working class community’s family structures sometimes included two working parents to a household, indicating the continuing need for two working adults in each home. In addition, many of the households recorded on the 1940 Census consisted of blended family living arrangements. Often a married couple would live with a sibling or multiple adult siblings as well as their own children. In some cases, grandmothers were listed as heads of households on the census and their child, and the spouse of the child, were listed as residents. In such cases, blended family living arrangements helped support the community and pool income. Such living arrangements reflected the need for multiple income households as well. Adjusted household and family structures helped to facilitate the stability of the community and stability of those Mexican American families living downtown. In addition, many homes later repurposed or demolished for the fair housed three to six families as of 1940, indicating San Antonio’s growing need for affordable and sustainable public housing, even after the implementation of New Deal programs.8

Neighborhood addresses along East Durango Street (now Cesar E. Chavez Boulevard), South Alamo Street, East Commerce Street, and Goliad Street (no longer in existence), made it easy for residents to get to work, either by walking to other locations in the downtown area or within their own neighborhoods. San Antonio, like other American cities, did not have widespread public transit systems that allowed non-white and working class Americans to join the culture of the Great American Commute. In fact, San Antonio had very limited public transit leading up to the 1968 World’s Fair, or after. In this way, San Antonio closely mirrored Atlanta, GA, which traditionally limited building transit lines to

8A Guide to the San Antonio Fair, Inc. Raw data, Series 06: Site Development Department, 1962-1968, Box 288, UTSA Special Collections, San Antonio, TX.
African American neighborhoods, keeping African American laborers regionally bound. Thus, most working class Mexican American and Mexican laborers living in San Antonio worked in and near their communities, supporting the growth of their neighborhoods and forming a robust portion of the San Antonio working class.

Mexican American businesses just south of the Alamo were evidence of deep commitment to community wellbeing and Mexican Americans’ role in creating economic opportunities. Indeed, the Pereida brothers owned a tire shop and a local cleaner’s through the early 1960s near S. Alamo Street. City block 689, containing Wyoming Street, Matagorda Street, North Street, and Indianola Street, was home to a series of tortilla factories. In 1955 on Beck’s lot was the Pan-American Tortilleria, which in 1960 changed hands and became El Sombrero Topatio Tortillas before the area was cleared for HemisFair in 1965. Kinky & Nando’s was another neighborhood restaurant and bar that employed cooks and waiters from the neighborhood, which was located on 404 S. Alamo Street. As of 1965 it was also razed. As an example of community growth and change, before the structure at 404 S. Alamo was Kinky & Nando’s Restaurant and Grill, in 1940 it was home to five Mexican American and Mexican migrant families: the Morales family, the Ramirez family, the Trevino family, the Calnillo family, and the Chavez family. Such development shows community change, growth, and adaptability.

All this considered, it is quite imaginable why and how the preservation of specific communities and businesses is also directly tied to issues of identity, family, and belonging. Surely, a legacy of HemisFair is the difficulty in recovering once established Mexican American presence in that area. Indeed, when San Antonio Fair, Inc. surveyed and documented the last standing buildings along the periphery of the project boundaries, the surveyors didn’t bother to record the names of the owners of the homes or businesses as of their evacuation and demolition date beginning in 1965. Such silences in the record reflect systemic silencing of minority

11 Ibid., 51.
populations, and the attempt at filling such gaps is an attempt to tell a more whole story.

The Language of Urban Renewal and the Racialization of Space

The expanding picture of the Mexican American communities south of the Alamo helps to contextualize the implications of such neighborhoods being ultimately demolished, among them the racialization of space that rationalized such demolition. The San Antonio Express and Light, the HemisFair Project committee and out of state project contractors all described the neighborhoods between the Alamo and East Durango Street (Cesar E Chavez Blvd.) as slum conditions to necessitate federal and city intervention. Such self-serving reasoning predicated minimal barriers to razing this area of downtown: the reasoning held that slums ruin cities and thus they must be eliminated. The false equivalency between demolition and community betterment is clear when examining those Mexican American communities removed in preparation for the fair. The mostly-smooth process by which the demolition project was pushed through is the result of the very specific public racialization of cityscapes, modelled by Lyndon Baines Johnson on the national stage, and locally through mainstream San Antonio newspapers, and the Tex R-83 committee.

The word “slum” had been used since the 1850’s to describe crowded, working-class, tenement housing of industrial inner cities. Unsurprisingly, the twentieth century definition of the word changed as the demographics of inner cities changed. “White flight” and the fast development of suburbs facilitated the rise of cheaper downtown housing, which in the twentieth century was occupied more and more by non-white Americans rather than blue collar white factory workers. It has been well established since the 1990s and early 2000s that the word “slum” mutated to also connote the presence of black and brown peoples living in substandard housing. Thus, “slum” came to mean the presence of deteriorating buildings and the people who lived in them. Indeed, Lyndon B. Johnson’s national project to “take back American cities” actually meant taking back downtown areas from non-white Americans who he said depreciated the value of such land. While most of his presidential initiatives facilitated the building of more and bigger housing projects, an undeniable part of his project planning included a motto of “progress or decay,” implying minority residents had defiled such cityscapes.  

13 “Urban Renewal,” San Antonio Light, January 23, 1964,
Louis, “our cities are in decay.” While such language may try to skirt around overt racism, its implications are thinly veiled and far reaching.

Indeed, urban renewal and slum clearance has long been identified as increasing (and literal) marginalization of black and brown Americans. In a 1964 article about San Antonio community betterment projects, the skeptical journalist astutely pointed out that “urban renewal” in effect means “negro removal.” Community dissent to urban renewal was often predicated on the fear that such gentrification displaced communities and new public housing was not adequate, accessible, or affordable.

In addition to the racialization of the word “slum” other phrases littered the language describing this area of downtown that reveal city motivations for choosing this area for urban renewal. The earlier mentioned “Mexican corral” is a good example. First, the phrase implies that those living in the “Mexican corral” were not American, but foreign, when in reality most of the Latino population in San Antonio by the 1930s were born in the United States in the period following the Mexican Revolution. Second, unmistakable is the reference to animalistic living - surely a dangerous comparison. While the phrase refers to converted horse stalls serving as homes, the implication is that these so called “Mexicans” lived like animals. Just as with the word “slum,” “Mexican corral” quickly lends itself to describing living conditions and its residents by default as well.

Similarly, words like “crowded,” and “dirty” seem to describe environment and living conditions, but often doubled as population descriptors. The visceral images these descriptors bring to mind are rooted in the nineteenth century’s condemnation of tenement housing. But in the twentieth century such words also doubled as descriptions of non-white Americans. Such “crowded” and “dirty” and “teeming” “slums” not only called for the necessity of urban renewal but also coded “slum dwellers” or “squatters” as animalistic. Like the “Mexican Corral” example, descriptions of inner-city lower-class living was intimately intertwined with race and dehumanization. Such equations of human beings with animals predicated the demolition of such areas rather than committing ongoing efforts to build more sustainable and secure public housing projects in the mid to late twentieth century San Antonio.

---

access-newspaperarchive-com.libweb.lib.utsa.edu.

access-newspaperarchive-com.libweb.lib.utsa.edu.

Thus, when city officials and Tex R-83 referred to HemisFair as an “urban renewal” project, it was not lost on any that this project would inevitably involve demolition. Indeed, in an office memo, Allison B Peery, the Head Site Planning Architect at San Antonio Fair, Inc. on March 28th, 1967 told “all parties concerned” that “It is absolutely imperative to protect and save all of the trees on the HemisFair site.” She added that, “They [tourists] will certainly never return to San Antonio if they wilt [sic] under the Texan sun on a treeless site.”17 For the sake of aesthetic and tourist attraction, trees made the cut and neighborhoods and people didn’t. It can be seen that the racialization of space, at least according to San Antonio Fair, Inc., applied to people and their homes, but what was left of the natural environment could be repurposed for aesthetic.

In addition, while such Mexican American neighborhoods and residents needed to be removed to present a remodeled San Antonio to tourists, the head of the Seattle World’s Fair project commented that downtown was a wonderful place to experience the “Colorful” heritage of San Antonio.18 His use of the word “colorful” here danced around his intimation at San Antonio’s diversity and considerable Mexican American population. His support for the urban renewal project and this comment reflect a recurring issue that haunted the 1968 World’s Fair: that the project and city managers wanted the fair to feel diverse but not actually involve San Antonio’s Mexican American and Mexican population, tucking them out of sight through urban renewal. The word “colorful” appears in other places in the HemisFair records as well. In a memo sent from Frank Manupelli, General Manager of the HemisFair project, to Allison B. Peery, Manupelli noted that there was an upcoming “international Indian conference” later in the summer of 1965 that was to take place in Oklahoma and was “reported to be colorful and active.”19 It can be seen in both contexts that “colorful” was crudely used to mean non-white peoples and their culture. Thus, the use of such wording when considering reasons for urban renewal and site demolition strongly establish a correlation between racialization of space and the decision to raze certain neighborhoods.

It is in the context of post-New Deal America and racialized motivations for urban renewal that the neighborhoods where HemisFair Plaza now stands were demolished. It is important to note that President Johnson did pour millions of dollars’ worth of federal aid into urban renewal projects that he truly believed would eradicate the last of the United States’ pesky poverty problem. In addition, Johnson also acknowledged that many white rural Americans lived in deep poverty as well, especially in west Texas. Indeed, Johnson tried hard to help his home state. Wink, Texas, whose population was 1,863 in 1960, received over a million dollars from the Johnson administration to improve their town and spur prosperity. Needless to say, cosmopolitan San Antonians were less than pleased. An opinion column in the San Antonio Light from the summer of 1961 reads, “Wink never was worth a damn. At its best, it was a wild, lawless, dirty frontier huddle of shacks thrown together to accommodate the roughnecks and riff raff who jam into a new oil field every day.”

San Antonians wanted that funding for themselves, to solve their own problems, to clear out their downtown, and welcome a World’s Fair.

**Jim (Jaime) Crow South and the Limits of World’s Fair’s Promise**

While it can be said that the HemisFair ‘68 did not face too many substantial obstacles to clearing the project area’s neighborhoods, such a process was aided by structural biases that favored federal and city government. The ease with which the project moved forward does not indicate a lack of community opposition to such plans for demolition. In fact, there was community organizing and protest against characterizations of downtown as slum-like and fair construction that would scatter well-established communities without finalized housing solutions in the aftermath of relocation. Such grassroots level opposition to bureaucratic control make it obvious that Mexican American, black, and white community members opposed the project and its anticipated destruction of their communities.

The ease with which the proposed demolition plans passed through city council and through public approval is tied, in part, to voting restrictions. The day to vote on the expansion of the Henry B. Gonzalez Convention Center, which proposed expanding the bounds of the fair project, was in

the fall of 1964. Voters needed proof of address, proof of citizenship, and a receipt from the 1963 Poll Tax. In addition, the polls would be open from 7am to 7pm, squarely in the middle of the working day on a Tuesday. This specific instance considered, it is quite imaginable to foresee how even well connected and active San Antonio citizens might not have been able to participate. The requirement for proof of address and a receipt from the 1963 Poll Tax were lasting and notorious legacies of the Jim (or Jaime) Crow South’s tight leash on non-white voter registration. Proof of residence barred the poor from voting even if they were citizens and a poll tax receipt all but disqualified anyone else from voting other than rich whites. In Texas, the Poll Tax (which wasn’t ruled unconstitutional until 1966) was as high as $1.50 or $1.75 at the time of voter registration. For reference, minimum wage for construction workers on the HemisFair site earned $1.40 per hour in 1967. While $1.50 is seemingly cheap, lower class workers living paycheck to paycheck couldn’t afford such registration fees, let alone the Mexican American laborers who didn’t have the luxury of making minimum wage. In addition, Texas’ Poll Tax regulation also had the infamous grandfather clause, largely disqualifying black and brown San Antonio voters from using voting as resistance to the spread of urban renewal.

Much fanfare on the part of the SA Express News and the SA Light heralded in an age of San Antonio’s rebirth, sang the praises of the World’s Fair, and hoped the project would put San Antonio at a lucrative crossroad of trade with Latin America. City officials hoped that the fair would finally give them a place on the national stage and give them credit as the city in the cradle of the American borderlands. Indeed, countless articles in the SA Express News and the SA Light propped up the hope that urban renewal was the necessary foundation of later success. While the newspapers obtusely acknowledged the intense labor actually involved in mass urban renewal, the coverage was always rosy. One exposé briefly mentioned that a charitable byproduct of the demolition would be four hundred new housing units that were to be built further west of downtown.

---

However, community dissent to the project did not go away. First, white business owners on the project site lamented demolition because of loss of property and profit. For example, Morris Kallison’s ongoing struggle against city officials was well chronicled. He, and other white business owners, dissented because they felt the HemisFair project was overrun with “big businessmen” that disadvantaged “the small businessmen and average citizen.” Kallison’s gripe with the city went on to much fame, as he publicly defended his department store from demolition. Unsurprisingly, the coverage of Kallison is closely correlated to his status as “the Alamo city’s No. 1 taxpayer.” His abhorrence for the possibility of new grocery store chains that would replace his department store made him an accessible public figure that was monetarily successful and doubtful of far-reaching federal projects. Kallison’s dissent was popular among white San Antonians who thought of urban renewal as an insidious form of socialism.

Mexican and Mexican American resistance was much less covered by popular media than Kallison. Unfortunately, San Antonio’s branch of La Prensa, the Spanish-American newspaper, went out of print in 1959. While La Prensa wasn’t publishing at the time of the demolition for the World’s Fair, the newspaper strongly objected to urban renewal until its closing. Ramón Galindo wrote an article in February of 1959 for La Prensa that condemned the building of the new police headquarters in an area of downtown that would presumably move “nuestra Colonia,” (our people). Galindo pointed out that the police wanted this downtown spot (near where the playhouse stands today) because the building was cheap to buy from the city and the proposed location was very close to the new entrances of the highway. Interestingly enough, the new police station was built on the same block as Kallison’s department store. Galindo’s scathing indictment of the urbanización of the downtown and the police’s

---

presence there is evidence that even before the proposal of a World’s Fair in San Antonio, gentrification and urbanization was met with dismay by Mexican Americans. Indeed, it was not lost on Galindo that a large part of why the police headquarters were moved was because the city government had the money to do so.

In addition, west San Antonio protests to housing projects gained speed between 1963 and 1967. The proposed downtown urban renewal plan would also include four hundred public housing units west of the downtown to accommodate those moved for the fair and help alleviate need for housing. The SA Express News and the SA Light did not give much specific coverage to Mexican American protesters or their cause, unsurprisingly because it would undermine fanfare for the project. However, protests in July of 1964 and in April of 1966 imply that the demolition for the fair, and the anticipated demolition on the western side of the city in preparation for the resulting housing units, caused unrest and dissatisfaction. Beyond obvious ambivalence toward urban renewal that would displace communities, the San Antonio Housing Authority also admitted that new public housing units weren’t always accessible once they were built. Indeed, while building new public housing seemed like an easy solution, the reality was that the funding for such housing units was not always simple. While federal funding was used to build the units, the city of San Antonio would have to set the rent rates to pay the difference on what federal funds couldn’t cover, which was the majority of costs other than construction. The end result were public housing units that, while designed to have controlled rent rates, weren’t actually affordable to the communities they were supposed to serve. Such circumstances flooded the public housing industry with private interests. In this context, it makes sense that Mexican Americans in San Antonio were skeptical of the outcomes of public housing initiatives necessitated by urban renewal.

In addition to white and Mexican American dissenters, black San Antonians were also deeply skeptical of the HemisFair project. Indeed, the neighborhoods that stood where the Alamodome is now and the neighborhoods just south of the fair boundaries, beginning south of Cesar


E. Chavez Blvd. were traditionally black neighborhoods.\textsuperscript{32} Just as La Prensa opposed urban renewal, so did African American newspapers. In March of 1955, the Arkansas State Press (of Little Rock, AR) covered the three day conference of the southwest branches of the NAACP, which included “more than 150 delegates from the states of Louisiana, Arkansas, Oklahoma, Texas, and New Mexico.”\textsuperscript{33} The conference was to train delegates in making sure that the desegregation of schools be carried out in their home states, which was passed by the Supreme Court in May of the previous year. In addition, delegates also gathered to address other forms of damaging segregation, including “Bias in housing, travels, recreation, health, employment.”\textsuperscript{34} A counter-story ran in the Dallas Morning News in August of 1958 that claimed that citizens wouldn’t criticize urban renewal “if opponents understood urban renewal.”\textsuperscript{35} Attorney John Plath Green of Dallas claimed that blighted areas would only become eminent domain slated for urban renewal if they were over fifty percent uninhabitable. Of course, Green didn’t outline which conditions would make housing “uninhabitable,” which, of course, hints at why African American Texans were critics of urban renewal.

It is in this context of black and brown and white protest against urban renewal in Texas that the HemisFair project broke ground. The reasons for dissent against urban renewal projects clearly varied between white and non-white San Antonio populations. As can be seen, mainstream white populations mostly worried about urban renewal as an extension of a federal government’s overreaching arms, fearful of property being stripped from individual owners. For black and brown populations, however, their resistance to urban renewal was also correlated with the aftermath of demolition, which included issues like racist housing practices transplanted onto new federal housing projects, the possibility of rising rent prices, and general instability. In this context of very material consequences of urban renewal, Mexican Americans came into continual conflict with San Antonio Fair, Inc. during the years of fair construction.

\textsuperscript{33} “Southwest NAACP Leaders At Shreveport Meeting, Place No Endorsement for Segregation Emphasis,” \textit{Arkansas State Press}, March 25, 1955.
\textsuperscript{34} “Housing Experts In Meet At P.V.,” \textit{Arkansas State Press}, May 3, 1957.
The Conflict of Active Gentrification

In July of 1965, Raul Cortez of 415 South Alamo St. (down the street from Kinky & Nando’s) came into direct contact with San Antonio Fair, Inc.’s aesthetic project. The project Secretary, John Daniels wrote to Allison B. Peery, the Head Site Planning Architect, that Marshall Steves, Vice President of the project, wished the “wall of the building adjacent to the HemisFair offices is painted.”36 In the memo Daniels laments that serving Cortez a lengthy legal document forcing him to paint his wall, just so that those in the offices could have a better view, might not have gone over well. While the building was not slated to be remodeled for the fair until the following year, they settled on hiring a private contractor to paint the wall in the meantime, and San Antonio Fair, Inc. would handle to cost. Later that summer, Raul Cortez agreed, with the condition that “either party may cancel the agreement at any time without penalty.”37

Such an incident is one way in which community members came into direct contact with the HemisFair project. Raul Cortez’s case is especially interesting considering the position of his property, which literally bordered the project boundaries. It is clear that in the remaining time he had on the property before it was remodeled in 1966, Cortez’s rights to his land were contested. While Cortez was able to come to an agreement that did not cost him money, the incident highlights the ways in which HemisFair was a deeply aesthetic project. Even in its construction stages, HemisFair sought to propagate a tailored image. Steves thought employees inside the office buildings should not have to look at anything that might be displeasing - evidence of a deeply endemic commitment to twentieth century aestheticism. HemisFair’s aesthetic conceptions of the project, along with preservation of trees on the demolition site, are succinctly summed up by this incident.

In a more sinister example, solutions by city and project officials designed to keep blighted areas from returning were inherently discriminatory practices that did not rehabilitate community relations. An article that ran in the San Antonio Express in November of 1963 was titled, “Controls Upkeep.” The article covered a new city initiative that would prevent blighted areas from returning after urban renewal, which included steeply fining residents who refused to move or those that tried to

37 Ibid., 2.
This all but eradicated poor people and Mexican Americans from the downtown neighborhoods closest to the river. The threat of fines not only cleared out once inhabited areas of downtown, but also ensured that the space be continually segregated going forward.

This, however, did not mean that HemisFair did not have contact with the community and face problems in actively gentrifying the area. Throughout 1966 and ’67, incessant office memos were sent out urging SA Fair Inc. employees to sign in and out using their security codes and to adequately lock doors when finished with work for the day. A number of burglar alarms went off throughout 1966, and office memos urged employees to appropriately sign in and out for safety purposes when it was discovered that the alarms were triggered by office members forgetting to lock the doors at night. The installation of security, the anxiety around locking the office buildings, and frequent office memos on the subject reflected the ways in which the SA Fair Inc. thought of the downtown area. Their racialized conception of the space was that it was unsafe, and that the project was under constant threat of theft and trespassing. Indeed, on April 14th, 1967, Frank Manupelli notified Allison Peery that he had let a Mexican or Mexican American ice cream vendor enter the site, a decision that made him feel “uneasy.” Four days later, on April 18th, security at HemisFair roughed up trespassers who had unknowingly entered the project site. Following the incident, Jack Trawick, Design Advisor, wanted a solution to secure the site, and suggested “a police dog, and billy club seem sufficient motivational tools to accomplish this job without resorting to rude threats.”

The implementation of security systems and police presence were ways SA Fair Inc. exercised their control over the community they displaced and actively gentrified. Their employment of police force is a particularly poignant and violent example of the ways in which Mexican Americans and poor San Antonians were excluded from the World’s Fair. Thus, the promise that the World’s Fair would bring prosperity and glory to San Antonio rang true only for those who benefitted from governmental structures, not those who suffered at the hands of it. Indeed, Morris Kallison would continue to be wealthy, whether Kallison’s Department Store stayed open or not. Urban renewal, it seems, was a violent and complicated process that did not always yield intended successful results.

40 Ibid.
for Mexican Americans. What the urban renewal of the 1968 World’s Fair did accomplish, however, was the removal of black and Mexican American San Antonians from the epicenter of their city, one who’s fair was built to profit off of their “colorful” legacy.

Conclusion: The Perfectly Wrong Time for a Fair

Of course, the tumult of the 60s didn’t only affect San Antonio. The day before his assassination in Dallas, President John F. Kennedy visited San Antonio, where he was met by waves of black and Mexican American protestors who hoped that the President’s arrival in Texas would signal the reform of discriminatory housing practices.41 A solution was not to be found under the Johnson Administration. The journey to the violent climax of contemporary issues in 1968 coincided perfectly with the opening of the San Antonio World’s Fair, which was set for April 6th.42 As 1968 inched closer to April, the Tet Offensive launched in January and in March President Johnson announced he would not run for reelection. Two days before the opening of the World’s Fair, on April 4th, Dr. Martin Luther King, Jr. was assassinated in Memphis. On April 23rd, three weeks after the opening of the fair, university students across the world, including large numbers of Chicano students in California and Texas, staged massive walkouts and protests. On June 5th of that year, one month after the opening of the fair, Robert Kennedy was assassinated on the night of the California primary. In late August, the Chicago Democratic Convention was the site of violent clashes between police, student protesters, and the Black Panthers. Ten days after the close of the fair, on October 16th, Tommie Smith and John Carlos protested on the podium at the Olympic Games and were subsequently stripped of their medals. In November, Richard Nixon was elected President of the United States.

The endemic and public violence of this decade plagued HemisFair, which only attracted around five and a half million visitors. In comparison, the New York World’s Fair had an attendance of about fifty million people. Undoubtedly, social unrest did not endear people to the idea of attending large public gatherings, especially when the fair opened two days after King’s assassination and was in full swing when RFK was assassinated in June. In many ways, what the fair stood for was not out of

42 A Guide to the San Antonio Fair, Inc. Series 06: Site Development Department, 1962-1968, Box 288, UTSA Special Collections, San Antonio, TX.
place in the America of the Civil Rights Movement. It claimed to stand for international cooperation, collaboration, and an appreciation of a “confluence of cultures,” which sought to bring diverse harmony seated in the heart of south-central Texas.43 But HemisFair was also very much a product of its time in that its publicized motivations were not in congruence with the ethics with which it constructed the project. As a case and point, HemisFair was to be a meeting of cultures, but to build the plaza, San Antonio Fair Incorporated whitewashed the downtown area and benefited off of disenfranchised Mexican Americans. At the same time that HemisFair courted Latin American architects and designers to the fair from across the world, the city mistreated its own Mexican migrant and Mexican American populations. Such observations and realities certainly complicate the legacy of HemisFair, which has historically been heralded as a feat of community cooperation, rather than a story of dominance and power. However, it is impossible to ignore the realities of building such a plaza in the heart of the city.

It is important to note that this is, in no way, a complete history of the legacy of HemisFair ‘68. Indeed, this study is based heavily off of bureaucratic records that worked well to exclude Mexican Americans and Mexican migrants. Thus, this study lacks in representing the actual voices of San Antonio’s Mexican Americans and their experiences despite its reliance on the 1940 Census and various news sources. Much work needs to be done in the way of recovering specific Mexican American and Chicano organizations that opposed HemisFair and similar urban renewal projects in Texas. It is the hope of this study that the legacy of HemisFair be reframed to include the World’s Fair’s relationship with lasting forms of segregation, racial discrimination, and the ways that urban renewal fundamentally alters cityscapes, both in terms of physical environment and community demographics.

Bibliography

A Guide to the San Antonio Fair, Inc. Series 06: Site Development Department, 1962-1968, Box 288. UTSA Special Collections, San Antonio, TX.

A Guide to the San Antonio Fair, Inc. Series 06: Site Development Department, 1962-1968, Box 305. UTSA Special Collections, San Antonio, TX.

43 John Weber, From South Texas to the Nation, University of North Carolina at Chapel Hill, 2015: 1-10.


Johnson, Edgar D.; Cox, I. Wayne; and Bousman, C. Britt (1997) "HemisFair Park, San Antonio, Texas: An Archival Study for the


“Vintage photos show how San Antonio looked the decade you were born.” *San Antonio Express News*, May 26, 2018. Picture 29 of 52, photos courtesy of UTSA Special Collections.


SECTION THREE:

BATTLEGROUNDS:
CRIME & TERRORISM IN THE PUBLIC EYE
In the past twelve years, Mexico’s new democracy has stalled in the face of severe and persistent corruption scandals and a security and justice crisis, aggravated by an explosion of violence associated with narcotics trafficking organized crime in the North, Pacific Coast, and Gulf Coast regions. The situation is serious enough to bring into question the survival of democracy in Mexico. Mexico was downgraded by Freedom House in 2011 from “free” to “partly free.” And in Freedom House’s 2016 through 2018 reports that Mexico’s press freedom status was described as “not free.” Nearly every day U.S. and Mexican newspapers report another tragedy and another atrocity. More recently the Mexican government has estimated 29,000 intentional homicides in 2017. In Nuevo Laredo as late as July 2018 shootouts between suspected drug cartel members and the military were still breaking out. These are only a few of the thousands of possible examples of the escalating violence and the consequences of that violence in Mexico. The violence and apparent inability of the authorities

2 Freedom House 2018.
www.crs.gov.
to fully exercise control begs the question: can Mexican democracy survive? This paper examines Mexican public opinion using LAPOP data sets of 2004 through 2016-17 [the survey was conducted every two years] concerning crime, fear of crime, and perceived corruption to determine if the crime wave and obvious insecurity has to seriously damaged democracy’s chances for survival in Mexico.

Democratic transitions have been reversed in the past, raising concerns for the future of Mexican democracy. One cause of democratic reversal mentioned by Huntington is the decline of legitimacy of a democratic regime through a sustained inability to provide prosperity, equity, justice, and domestic order.5 Moreover, new democracies are the most vulnerable.6 Milan Svolik offers a good explanation of the process through which democratic legitimacy is generally either destroyed or weakened:

When a new democracy falls into the trap of pessimistic expectations, a critical mass of the public loses such “high enough esteem” for democracy and in turn fails to restrain a leader or group with authoritarian aspirations. The public’s willingness to check transgressions against democracy erodes as mass disillusionment with government performance under democracy turns into indifference to alternative forms of government.7

Hence, democratic regimes that fail to operate effectively invite relapse into authoritarian rule. For Mexico these concerns are now especially salient since Mexico has little experience with democracy having been under PRI hegemony for 70 years. Mexico’s democracy is still young, and based upon Svolik’s findings still within the window of vulnerability. Moreover, Mexico’s contemporary democratic experiment has been met with disappointment. The Vicente Fox presidency (2000-2006) was well celebrated as the visible symbol of the establishment of the New Mexican democracy. Nevertheless, by the end of Fox’s sexenio Mexicans were generally underwhelmed by their new democracy, by President Fox, and the PAN.8 By 2006 fifty-four percent of Mexicans who voted for Fox in

---

2000 were dissatisfied with not just the PAN, but with democracy itself.\(^9\)
The Fox administration had campaigned “to stamp out corruption, foster economic growth and aid impoverished Mexicans, while at the same time promoting representative democracy,”\(^10\) but its efforts were incomplete. Instead, after some initial success President Fox seemed overwhelmed in office; he became the reluctant president, avoiding tough choices and appearing hesitant, while apparently unable to hide the weariness of the responsibilities and constraints of the office.\(^11\) Moreover, President Calderón was so unpopular by the end of 2012 he was disinvited from making his end-of-term State of the Union speech.\(^12\) In the 2013 Latinobarómetro Mexico scores the lowest of all Latin American states on the question “Democracy is preferable to any other type of government,” with only 37 percent responding positively.\(^13\) More recently the presidency of Enrique Peña Nieto also proved a great disappointment to Mexicans.\(^14\) In the 2016-17 LAPOP AmericasBarometer 49.5 percent of Mexicans said they were dissatisfied with the way democracy works in Mexico.

**Crime and Democracy**

Crime has Mexicans living under conditions of uncertainty and fear, especially in the harder hit northern states. Pérez Correa notes that out of fear for crime and criminals, more than half of Mexicans have modified their daily activities and consider that their quality of life has been negatively affected.\(^15\) In the 2012 survey nationally just over 35 percent

---


\(^12\) Latinobarómetro 2013. http://www.latinobarometro.org/latOnline.jsp


\(^14\) Catalina Pérez Correa, “Distrust and Disobedience: Discourse and Practice of Law in México.” A paper presented at the 2007 Seminar in Latin America on
report out of fear they have changed where they shop, and 15 percent have actually moved house. In the North, 46 percent have changed where they shop, and just over 26 percent have moved. World Values Survey 2012 data show that for fear of crime 73 percent carry very little cash on their person, 67.1 percent avoid going out at night, and 41.4 percent claimed they felt unsafe from crime even in their own homes. Fear of crime is as politically salient as actual crime, because ultimately fear drives political attitudes and behaviors. Political preferences are products of subjective perceptions such as the fear of crime. Pérez Correa further explains that most crime in Mexico goes unreported because Mexicans believe reporting crime does no good or it will cause them unending frustration with red tape. Barracca adds that there is a growing sense that the police are incompetent to stop it. Indeed, it appears that just over 95 percent of crime in Mexico goes unsolved. In Chihuahua State, for example, for 2010 only 1.1 percent of murders were successfully prosecuted; nationally it was 6.3 percent.

Police incompetence is not the only perceived barrier to solving Mexico’s crime issue. There is growing evidence and public realization that part of the problem is police corruption and police involvement in crime. “Police criminal activity runs the range from taking small bribes to burglary, to involvement in drug trafficking, and the operation of protection rackets and kidnapping rings.” Pérez Correa adds that based on the 2004 Latinobarómetro survey, 65% of Mexicans reported “a lot” or “quite a lot” of probabilities for police to be bribed, and similarly, 58% replied that there were “a lot” or “quite a lot” of probabilities of bribing a

17 Catalina Pérez Correa, “Distrust and Disobedience: Discourse and Practice of Law in México.”
21 Steven Barracca, “Is Mexican democracy consolidated?” 1482.
Police corruption was so pervasive in Nuevo Laredo, Tamaulipas that all 700 police officers were fired in 2005. Casteñeda points out that the local (municipal) police cannot fight the drug cartels because they are part of the drug cartels. Moreover, a 2010 Mexican Senate report charges that 195 municipalities (8 percent) were under the control of organized crime and another 63 percent somewhat under the influence of organized crime. As Ruiz Harrell points out: “The trouble is this is not a minor problem: without the trust of the people they claim to serve, police and prosecutors are doomed to ineffectiveness.”

**Corruption and Democracy in Mexico**

Corruption is a specific form of illegal or legal, but unethical, behavior by political or public officials manipulating the state for their own private gain. Corruption always implies behaviors harmful to the public interest. “[C]orruption constitutes a violation of the unwritten contract between citizen and public official.” Corruption is rampant in Mexico by developed country standards, but Mexico is also both a newly democratic country and a rapidly developing country. Bailey and Paras (2006) indicate that in 2002 one third of Mexicans identified corruption as Mexico’s most important problem. Paradoxically, in 2002 after the PRI (Institutional Revolutionary Party, in office 1929-2000) was booted out of office 47 percent thought corruption was getting worse, while 58 percent thought the new Fox administration (PAN) was less corrupt than the previous administrations. Transparencia Mexicana reported “…214 million acts of corruption in public services over a twelve-month period (2001). The average *mordida* (bribe, literal translation: “little bite”) was ten dollars; the

---

27 Canache and Allison 2005, 92.
total annual cost was over 1 billion dollars for 2001, and the average Mexican spent $394 paying *mordidas*. The 2010 AmericasBarometer survey of Mexico reports that 24.8 percent of Mexican claim they have been solicited by police to pay a *mordida*, and this is the highest rate in all of Latin America. Corruption in government, but especially in the police creates an unhealthy cycle that undermines confidence in justice and in the legitimacy of the state. Punch describes the especially devastating effect of police corruption.

Police officers are the state made flesh. As law enforcers and problem solvers they are the most direct representatives of the state for citizens given their visible, uniformed, 24-hour presence on the streets and their crucial involvement in social intervention and law enforcement. If they are corrupt, and if citizens lose confidence in them, then this undermines the legitimacy of the state.

Tragically, being a new democracy may mean that corruption has increased or, at least, appears to be a more serious problem above and beyond that experienced under PRI control (1929 - 2000). There are several possible explanations. First, prior to Mexico’s democratic opening, but while PRI fortunes were in the decline, keeping the problem hidden was a high priority because exposing the depths of the corruption would have been disastrous for the party’s overall legitimacy and electability. Secondly, rent-seeking government officials may be taking advantage of both the uncertainty or chaos of transition and taking their last opportunities to extract payments before democracy demands transparency and honesty. Third, perceptions that criminality and violence were on the rise, stemming partly from the more competitive, independent, and active media, themselves a product of democratization. Norris has shown that the negative tone of news coverage does affect satisfaction with the government. Additionally, O’Neill points out that during the PRI era the

29 Ibid., 75.
major media outlets served the PRI, but now that the major media are free to expose scandal and corruption they are doing just this. And at the same time civil society groups against corruption have emerged. A fourth explanation may be that a temporary increase corruption is a natural consequence of political modernization. Lastly, in a newly emerging democracy corruption scandals may otherwise be interpreted as a positive sign. Citizen concerns over corruption may indicate that they recognize that norms of fair dealing and competent administration exist and that they can be violated.

**Democracy and Economic Stress**

The literature supports the idea that evaluations of the economy are very important to appraisals of the effectiveness and subsequent breakdown of democratic governance. In addition, a huge body of work supports the claim that economics has a strong and systematic impact on elections and individual-level political evaluations. Economic evaluations

---

in Mexico seem very likely to affect democratic legitimacy through attitudes toward the institutions of democracy and capitalism. Furthermore, the old PRI regime claimed “revolutionary” legitimacy from promises to eliminate economic inequality and injustice. Therefore, new economic injustices such as unemployment and economic inequality may have serious consequences for the legitimacy of new democracies and even for democracy itself. Moreover, during the sexenio of President Enrique Peña Nieto per capita wealth in Mexico declined by $5,000 to $20,620 per adult. Haggard and Kaufman argue that economic crises are a main force that undermines agreements between the regime and leaders of key groups in society. If the government fails to respond to economic crisis competing social and economic interests scramble for a new bargain in their favor, undermining the stability of democracy.

**Democratic Consolidation**

Democratic consolidation is said to be achieved once "democracy becomes the only game in town when all actors are habituated to the fact that political conflict will be resolved according to accepted norms and violations of these norms are likely to be both ineffective and costly." Gunther, Puhle, and Diamondouros add: "We consider a democratic regime to be consolidated when all politically significant groups regard its key political institutions as the only legitimate framework for political contestation, and adhere to democratic rules of the game.”

---

agrees, asserting that democracy is consolidated when it becomes self-enforcing.\textsuperscript{44}

Larry Diamond emphasizes behavioral and attitudinal criteria.\textsuperscript{45} Logically, attitudes govern behavior. Adherence to the rule of law is one of several behaviors that can be observed in consolidated democracies. Hence, one critical dimension is attitudinal. Ordinary citizens must also be "habituated" to democratic procedures and norms before democracy is truly consolidated.\textsuperscript{46} It follows then that if the law is not enforced, if corrupt practices thwart justice, if forces outside government such as organized crime exercise overwhelming coercive force citizens will not be habituated to democratic norms. Once organized crime becomes so great a problem that its activities undermine government’s ability to govern then the issue is no longer merely law and order, but a question of national security.\textsuperscript{47} Democracy fails when it fails to deliver security. And it fails when the second key public good justice is denied, which is the case in a corrupt justice system.

**Data and Method**

This paper uses data from the AmericasBarometers of 2006 -2016 that covers the main period of extreme insecurity in Mexico. These were nationwide surveys conducted every two years with approximately 1500 respondents each time. Variable construction and coding are discussed in Appendix A.

**Evidence: Crime and Fear of Crime**

While the purpose of this paper is not to document the increase in crime and the increased salience of corruption, these next two sections will offer evidence that both these institutional defects are very important in the thoughts of Mexicans. Hence, I present some of the survey evidence of the scope of the predicaments facing Mexico. The data shown in Figures 3

\textsuperscript{44} Adam Przeworski, *Democracy and Market: Political and Economic Reforms in Eastern Europe and Latin America*, 26.


and 4 that crime has become increasingly the most salient problem in Mexico. Whereas in 2004 about 10.5 percent cited crime, drug-trafficking, or lack of security as the number one problem facing Mexico, by the 2008 survey these were the major concerns of 27.7 percent of those surveyed. In the 2014 survey 34.4 percent identified crime, drug-trafficking, or lack of security as the number one problem facing Mexico. Normally, respondents in countries across the world identify economic problems or unemployment as the most serious problem facing their country as Mexicans did in 2004. About 25 percent cited unemployment, about 16 percent economic problems, and about 16 percent poverty as the most important problems facing Mexico in 2004. The 2004 survey was conducted before the December 2004 – January 2005 economic upheaval Mexico endured. Much of the violence associated with drug traffickers is associated with the northern Mexican states that border the United States, and most of this violence occurred from 2006 onward, increasing year by year. In these states the percent of Mexicans identifying crime, drug trafficking, and security as the most important problem facing Mexico increased from 14 percent in 2004 to 39.7 percent in 2006 and 43.2 percent in 2012.

Furthermore, respondents have become increasingly concerned that crime and security in Mexico has become so advanced that by often overwhelming majorities Mexicans believe that the situation is very much a threat to the future of the country. Figure 1 tracks responses for the whole country. In 2004 a bare majority of Mexicans believed the threat so important that it was a threat to Mexico’s future, and by the 2010 survey this has increased to 68.5 percent. In the North the survey results are similar. In 2004 the percent expressing concern for Mexico’s future because of the level of crime was just over 50 percent, also. By 2010 this had increased to 68.5 percent. Surprisingly and unfortunately the 2012, 2014, and 2016 surveys do not ask the same question.
Chart 8.1: Mexico. Percent Choosing Crime, Narco-Trafficking, or Lack of Security as the Most Serious Problem Facing the Country

However, fortunately the 2012 survey asks a question that captures in some ways a similar signal of the deteriorating of conditions of security and safety in the thoughts of Mexicans. The 2012 survey asked respondents to rate the safety/security of themselves and their family compared to five years ago. Of the almost 1500 respondents a whopping 832 or 55.9 percent answered that they felt less safe than five years ago. Only 44.1 percent thought conditions were about the same or better than five years past. It may be important to comment that five years before 2012 was the year 2007, and the drug trafficking violence was already somewhat apparent.

Table 8.1: 2012. Family and Own Safety Compared to Five Years Ago

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>More Safe</td>
<td>110</td>
<td>7.3</td>
<td>7.4</td>
<td>7.4</td>
</tr>
<tr>
<td>Equally Safe</td>
<td>547</td>
<td>36.5</td>
<td>36.8</td>
<td>44.1</td>
</tr>
<tr>
<td>Less Safe</td>
<td>832</td>
<td>55.4</td>
<td>55.9</td>
<td>100</td>
</tr>
<tr>
<td>Missing</td>
<td>12</td>
<td>.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1500</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Evidence: Corruption

In the 2014 AmericasBarometer just over 83 percent of Mexicans assert based upon their own experiences that corruption among public officials is either very common or common. Among Latin American countries Mexico has the highest rates of reported bribe solicitation. 23.8 percent of those surveyed in 2016-17 reported having been solicited for a bribe by police (see Figure 3 for the same responses for the other survey years). Similarly, 23.6 percent admitted that bribe paying can be justified as necessary. In addition, based upon the 2012 survey [these questions were not included in the 2016-17 survey] 57 percent believe that the government does not do very much to fight corruption, but at the same time about 26 percent think the government does make significant efforts to thwart corruption; the remaining 18 percent are right in the middle. Nevertheless, the literature points out that negative evaluations concerning corruption are not likely to be shared by political supporters of the current government. \(^{51}\)

\(^{50}\) Author calculations LAPOP 2012 AmericasBarometer Mexico data. The AmericasBarometer by the Latin American Public Opinion Project (LAPOP), www.LapopSurveys.org.


In the 2016-17 survey 78 percent asserted that more than half or all politicians are corrupt. Furthermore, Mexican authorities and politicians have long used the façade of official loathing of corruption by sponsoring anticorruption campaigns that attack a symbolic few scapegoats. As a result, corruption is purposely framed as a problem caused by a few dishonest individuals and not a symptom of a widespread problem.53 Because government after government can be claim to have taken positive measures against corruption a significant proportion of the public are misled into believing officials and government are indeed successfully and deliberately fighting corruption.

Variables

The main dependent variable is Satisfaction with Democracy, which is one of the most widely used indicators of support for democracy.54 As a measure it seems to indicate support for or lack of support for the way

---


democracy operates in practice in a country according to its citizens, without requiring an exact definition of democracy. Each respondent supplies their own understanding of the complex concept. In the 2016-17 survey, shown in Table 2 below, most Mexicans are not satisfied with the way democracy works in Mexico.

Table 8.2: Frequency Table of Satisfaction with the Way Democracy Works in Mexico

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Dissatisfied</td>
<td>360</td>
<td>24.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>744</td>
<td>49.5</td>
<td>73.5</td>
</tr>
<tr>
<td>Satisfied</td>
<td>346</td>
<td>23.0</td>
<td>96.5</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>52</td>
<td>3.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Missing</td>
<td>61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1502</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

A second dependent variable was constructed to gauge support for democracy. This variable is Democracy and respondents are asked if they agree or disagree with the statement that democracy is better than any other form of government.

The independent variables are divided into several categories that reflect and capture aspects of the major issues of crime, corruption, economic evaluations. In addition, still tapping into the above ideas, but in a different way, an additional independent variable explores the concession that corruption is an accepted part of life in Mexico. This variable explores that dimension of the perception of corruption caused by attitude changes brought by democratization towards realizations that corruption is becoming less acceptable than in the past. Another measures the possible effects of a newly unrestrained (or less constrained) mass media more free to report corruption scandals and crime, where rising consumption of mass media may be a possible explanation either for knowledge of higher levels of crime, fear, and or awareness of corruption and scandals. Lastly, support for the military intervention into the drug

---

war is a last substantive independent variable. Demographic variables are also included: education, gender, age, and family income.

**Findings**

The first regression, shown in Table 3, tests the hypotheses that corruption, crime, and deteriorating security due to the drug war damage the reputation of Mexico’s new democracy; each of these appears to contribute to dissatisfaction with the way democracy works (henceforth, dissatisfaction with democracy) in Mexico. Furthermore, it is noteworthy that the perception that politicians are corrupt is the strongest contributor to dissatisfaction with democracy. Perceptions that most politicians are corrupt is significant, and does sour Mexican satisfaction with democracy. In addition, safety and security play a negative role in assessments of democracy in Mexico. Assessment of neighborhood safety effect satisfaction with democracy as expected. Perceptions that their neighborhood is unsafe lead to declining satisfaction with democracy. Positive evaluations of the national economy tend to support positive evaluation of the dependent variable “satisfaction with democracy.” Interestingly, the idiographic independent variables [label “T”] are not significant, but the sociotropic independent variables [label “S”] are significant. Additionally, trust in the armed forces, which the government has been using to fight the drug cartels, means greater satisfaction with democracy. Perhaps, surprisingly, more education means dissatisfaction with the way democracy works in Mexico. In addition, age also means dissatisfaction with the way democracy works in Mexico.
Table 8.3: OLS Regression on Satisfaction with the Way Democracy Works in Mexico

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.382*** (.229)</td>
<td>10.390 (.000)</td>
<td></td>
</tr>
<tr>
<td>Police Bribe Solicited (I)</td>
<td>-.084 (.052)</td>
<td>-1.598 (.110)</td>
<td></td>
</tr>
<tr>
<td>Politicians Corrupt (S)</td>
<td>-.133*** (.024)</td>
<td>-5.613 (.000)</td>
<td></td>
</tr>
<tr>
<td>Crime Victim in Last Year (I)</td>
<td>.070 (.046)</td>
<td>1.502 (.133)</td>
<td></td>
</tr>
<tr>
<td>Neighborhood Safety (S)</td>
<td>-.085*** (.024)</td>
<td>-3.550 (.000)</td>
<td></td>
</tr>
<tr>
<td>Economy Idiographic</td>
<td>.020 (.035)</td>
<td>.585 (.559)</td>
<td></td>
</tr>
<tr>
<td>Economy Sociotropic</td>
<td>.218*** (.050)</td>
<td>4.352 (.000)</td>
<td></td>
</tr>
<tr>
<td>Sometimes Pay a Bribe is Just?</td>
<td>.037 (.050)</td>
<td>-.744 (.457)</td>
<td></td>
</tr>
<tr>
<td>News Consumption</td>
<td>-.002 (.019)</td>
<td>-.120 (.905)</td>
<td></td>
</tr>
<tr>
<td>Trust Armed Forces</td>
<td>.049*** (.012)</td>
<td>4.186 (.000)</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>-.021*** (.006)</td>
<td>-3.523 (.000)</td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-.015 (.045)</td>
<td>-.335 (.684)</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>-.005** (.002)</td>
<td>3.078 (.002)</td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>-.006 (.005)</td>
<td>-1.194 (.233)</td>
<td></td>
</tr>
</tbody>
</table>

R = .341  
Adj R² = .107  
N = 1268

* p < 0.05  
** p < 0.01  
*** p < 0.001

57 Author calculations 2016-17 LAPOP data AmericasBarometer Mexico data.  
The AmericasBarometer by the Latin American Public Opinion Project (LAPOP),  
<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>3.547*** (.535)</td>
<td></td>
<td>6.633</td>
<td>.000</td>
</tr>
<tr>
<td>Police Bribe Solicited (I)</td>
<td>-.202 (.121)</td>
<td>-.050</td>
<td>-1.667</td>
<td>.096</td>
</tr>
<tr>
<td>Politicians Corrupt (S)</td>
<td>-.235*** (.055)</td>
<td>-.121</td>
<td>-8.286</td>
<td>.000</td>
</tr>
<tr>
<td>Crime Vict in Last Year (I)</td>
<td>.105 (.108)</td>
<td></td>
<td>.975</td>
<td>.330</td>
</tr>
<tr>
<td>Neighborhood Safety (S)</td>
<td>-.071 (.055)</td>
<td></td>
<td>-1.281</td>
<td>.201</td>
</tr>
<tr>
<td>Economy Idiographic</td>
<td>.086 (.080)</td>
<td></td>
<td>1.071</td>
<td>.284</td>
</tr>
<tr>
<td>Economy Sociotropic</td>
<td>-.124 (.116)</td>
<td></td>
<td>1.065</td>
<td>.287</td>
</tr>
<tr>
<td>Sometimes Pay a Bribe Just?</td>
<td>-.011 (.114)</td>
<td></td>
<td>-.100</td>
<td>.920</td>
</tr>
<tr>
<td>News Consumption</td>
<td>.018 (.045)</td>
<td></td>
<td>.406</td>
<td>.684</td>
</tr>
<tr>
<td>Trust in Armed Forces</td>
<td>.110*** (.027)</td>
<td>.115</td>
<td>4.011</td>
<td>.000</td>
</tr>
<tr>
<td>Education</td>
<td>-.037** (.014)</td>
<td>.086</td>
<td>2.645</td>
<td>.008</td>
</tr>
<tr>
<td>Gender</td>
<td>-.038 (.104)</td>
<td>.367</td>
<td>.714</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.007 (.003)</td>
<td></td>
<td>1.868</td>
<td>.062</td>
</tr>
<tr>
<td>Income</td>
<td>.042*** (.011)</td>
<td>.122</td>
<td>3.964</td>
<td>.000</td>
</tr>
</tbody>
</table>

R = .226
Adj R² = .039
N = 1005

* p < 0.05 one tail test
** p < 0.01
*** p < 0.001

58 Author calculations LAPOP data AmericasBarometer Mexico 2014 data.
The AmericasBarometer by the Latin American Public Opinion Project (LAPOP),
www.LapopSurveys.org
Support for democracy as the preferred form of government as the dependent variable in the second regression shown below in Table 4 which uses the same independent variables as above. Support for democracy as the best form of government is a more abstract concept than satisfaction with the way democracy works in Mexico. The patterns are similar to Table 3 with a few differences. Once again, corruption and perceived corruption among politicians leads Mexicans away from concluding democracy is the best form of government. This time, however, using a one-tail test\(^{59}\) police soliciting a bribe is significant. Once again the most powerful effects are negative and varieties of corruption. Trust in the armed forces means believing that democracy is the best form of government. Education and income are significant. Predictably, lower education attainment means less confidence in democracy. Also unsurprisingly, higher incomes lead to support for the idea that democracy is the best form of government.

### Conclusions

Mexicans are clearly disappointed with the way democracy works in Mexico. Seventy-three percent are dissatisfied with Mexico’s democracy. Their dissatisfaction is driven by several factors: perceptions of political corruption, by concerns for the country’s safety and security, and by their economics. The first dependent variable is also clearly based upon perceptions of regime performance and not on abstract ideas and conceptualizations of the meaning of democracy.\(^{60}\) Moreover, the public’s most salient concerns have to do with corrupt politicians, but security concerns are not far behind. Thus far, regime performance has been found wanting. The security situation is most grim, but corruption exerts a larger causal effect against satisfaction with the way Mexican democracy works. Furthermore, Mexicans do strongly trust the military which the government has been using to help fight the drug cartel war, only 35.1 percent score neutral or negative on this variable, and this lends strong support to satisfaction with the way democracy is working in Mexico. If the military effort can be perceived as successful or at least having some success in curtailing the violence, Mexican appraisals of the success of their new democracy will rise. However, Casteñeda warns that even the

---

\(^{59}\) The variable is a dummy variable, hence the variance is unidirectional, which justifies a one-tail test.

\(^{60}\) Jonas Linde and Jaoquin Ekman, “Satisfaction with Democracy: A Note on a Frequently Used Indicator in Comparative Politics.”
military solution will fail in the long term.\textsuperscript{61} And the more the government confronts the cartels, the more brutal the retaliations.\textsuperscript{62} It is also important to note that the independent variables that are significant are largely sociotropic, meaning for the most part Mexicans are anxious about their country as a whole and not their own specific individual concerns, a result consistent with Kinder & Kiewiet.\textsuperscript{63}

Moreover, Mexico’s democracy still stands on a shaky foundation. In the 2014 survey eight percent of Mexicans could conceive of the possibility of a military coup d’état if crime is too high or if there is too much corruption. In the 2016-17 survey about half of those surveyed contemplated the possibility of a military coup d’état if crime is too high or if there is too much corruption. It does appear that a substantial proportion of the Mexican public is at least considering trading democracy for security. Further study should examine if there exists support for extra-legal suppression of crime, if support has increased perhaps out of frustration, and the complex relationship Mexicans have with their widespread perception that both the political system is irrevocably corrupt. Mexico does seem poised to slip into Slovik’s (2013) mass disillusionment with democracy, and possibly indifference to democracy’s survival in favor of increased security. Mexico has suffered policy failure after policy failure through the 2000s and 2010s. Svolik has pointed out that this cycle of negative reinforcement invites pessimism towards democracy and at some point the public’s pessimism becomes self-reinforcing Svolik’s “trap of pessimistic expectations.”\textsuperscript{64} Democracy is then vulnerable to subversion. Mexico has reached this point. The 2018 election results point to a profound dissatisfaction with corrupt politics in Mexico. It will up to Andrés Manuel López Obrador and his political party, the National Regeneration Movement, MORENA, to turn things around and lift Mexico out of the “trap of pessimistic expectations.” “AMLO has worked hard to maintain an image of pure, moral opposition to this kind of dishonest


\textsuperscript{63} Donald R. Kinder and D, Roderick Kiewiet. 1981. “Sociotropic Politics: The American Case.”

government—in spite of the corruption scandals roiling some of his associates.  

Appendix 8.1

<table>
<thead>
<tr>
<th>Variable</th>
<th>Survey Question</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable 1: Satisfaction with Democracy</td>
<td>Would you say that you are very satisfied, satisfied, dissatisfied or very dissatisfied with the way democracy works in country</td>
<td>1- Very dissatisfied, 2- dissatisfied, 3 - satisfied, and 4 – very satisfied.</td>
</tr>
<tr>
<td>Dependent Variable 2: Democracy</td>
<td>Democracy is better than any other form of government.</td>
<td>1 – Strongly disagree, 7 strongly agree</td>
</tr>
<tr>
<td>Independent Variables</td>
<td>Has a police officer asked you for a bribe in the last twelve months?</td>
<td></td>
</tr>
<tr>
<td>Police Bribe Solicited</td>
<td>Has a police officer asked you for a bribe in the last twelve months?</td>
<td>0 – no, 1 - yes</td>
</tr>
<tr>
<td>Politicians Corrupt</td>
<td>Amount of Corruption among Politicians</td>
<td>1 – none, 2 – less than 1/2, 3 – half of them, 4 – more than half of them, 5 - all</td>
</tr>
<tr>
<td>Crime Victim in Last Year</td>
<td></td>
<td>0 – no, 1 - yes</td>
</tr>
<tr>
<td>Neighborhood Safety</td>
<td>Speaking of the neighborhood where you live and thinking of the possibility of being assaulted or robbed, do you feel very safe, somewhat safe, somewhat unsafe or very unsafe?</td>
<td>1 – very safe, 2 – somewhat safe, 3 – somewhat unsafe, 4 – very unsafe</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Question</th>
<th>Scale/Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Individual</td>
<td>Do you think that your economic situation is better than, the same as, or worse than it was 12 months ago?</td>
<td>1 – worse, 2 – same, 3 - better</td>
</tr>
<tr>
<td>Economic Sociotropic</td>
<td>Do you think that the country’s economic situation is better than, the same as, or worse than it was 12 months ago?</td>
<td>1 – worse, 2 – same, 3 - better</td>
</tr>
<tr>
<td>Sometimes Pay a Bribe</td>
<td>Do you think given the way things are, sometimes paying a bribe is justified?</td>
<td>0 – No; 1 – Yes.</td>
</tr>
<tr>
<td>Just?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Military</td>
<td>Trust in the armed forces</td>
<td>Scale of 1 to 7 where 1 means not at all and 7 means a lot</td>
</tr>
<tr>
<td>News Consumption</td>
<td>Frequency of consumption of the news.</td>
<td>1 – never, 2 – rarely, 3 – a few times a month, 4 – a few times a week, 5 - daily</td>
</tr>
<tr>
<td>Education</td>
<td>Education in years</td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>0 – male, 1 - female</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Age in years</td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>Into which of the following income ranges does the total monthly income of this household fit, including remittances from abroad and the income of all the working adults and children?</td>
<td>Income in 17 categories.</td>
</tr>
</tbody>
</table>
CHAPTER NINE

#RADICALIZATION:
EFFECT OF SOCIAL MEDIA ON RECRUITMENT
TO JIHADIST GROUPS

KANIKA VARMA
UNIVERSITY OF TEXAS AT AUSTIN

Abstract

While there has been a lot of speculation about the use of social media platforms like Facebook, Twitter and YouTube by radical organizations, there have not been many comprehensive studies that concretely examine its effects. Existing literature talks about how the internet acts like an echoing chamber that allows for groups to present a disjointed narrative and thus facilitates a slow process of radicalization. My analysis focuses on how then this unique platform changes recruitment. After compiling data from various academic sources, I will be able to create datasets that demonstrates the use of the internet has led to a change in recruitment methods to radical groups. I use mixed methods and OLS modeling to measure my data and to draw causational inferences between my datasets, running multiple multivariate OLS regressions and analyze the data to measure each outcome variable. I propose that the use of the internet has led to (1) the rise of homegrown terrorism, (2) demographic changes in foreign fighters by (a) gender, (b) age and (c) cultural backgrounds.

In June of 2015, a lone gunman opened fire at a gay nightclub in Orlando, killing 59 and wounding 43 people, in what has since been called the deadliest terror attack in the United States since 2001. In a 911 call after he started shooting, the main perpetrator of the attacks, Omar Mateen, pledged allegiance to the Islamic State of Iraq and the Levant. Reports later indicated that though Mateen might have been ‘inspired’ by the attacks, there was no evidence of him being under the Islamic State’s
operational control. There have been a number of instances of such ‘lone wolf’ cases in the years following the launch of the Caliphate of the Islamic State in 2014. Despite this, academic analysis examining the effect of social media usage by radical groups on changes in recruitment to radical groups and activities has been limited.

The presence of radical Islamist terrorist groups, like ISIS and Al-Shabab, on social media in order to lure potential jihadist has become a potentially new ground for radicalization and recruitment of individuals and is a sharp departure from recruiting through imams and through family ties. The pool of possible recruits has been thrown wide open and the operational structure of the group no longer controls who the targets for their propaganda machine should be, with instances of self-reported individualized radicalization on the rise. For my study, I use a number of quantitative research models to analyze the effect of social media and internet recruitment on the rise of homegrown terrorism and the changing demographics of foreign fighters who make the trip to fight in the home ground.

I propose that the echoing chamber of the internet allows terrorist groups to present a disjointed narrative and thus facilitates a slow process of radicalization. Thus, I suggest that the change in the medium of recruitment to the internet in general, and social media in particular, has led to a rise in homegrown terrorism, specifically, that this kind of tool of recruitment is more effective in recruiting lone wolf terrorists. I also suggest, recruiting on social media sites like twitter results in a demographic change in the recruits who make the trip to the terrorist base-camps. Since there is little reliable primary data available on radical propaganda on social media and its wider implications or things like the demographic makeup of foreign fighters, making a complete concrete analysis of the theory is somewhat limited in nature. Even so, this paper seeks to predict that social media does in fact play a significant role in recruitment to radical groups and is changing the face of contemporary terrorism.

**Previous Analyses of Online Radicalization**

This literature review is a compilation of psychological analysis of recruitment along with an examination of radicalization models that are unique to social media recruitment. A majority of Americans now get their news from social media platforms like Facebook and Twitter.\(^1\) This is

---

especially important to consider because terrorists use the jumble of information on Twitter and Facebook to paint a rosy picture of themselves and to disseminate false propaganda regarding the ministrations of the West towards Muslims. Barrett lists it as a reason for why many Muslims with no direct connection to Syria leave to fight in Isis controlled lands: “These and others who share their faith commonly express their motivation as a religious obligation to protect fellow Muslims from attack. This sense of duty is captured by their loose use of the word ‘jihad’.”

Zelin talks about how radicalized individuals describe the perceived injustices of the west as reasons for joining the fight at the home ground: “The most commonly cited reasons for joining rebel forces are the horrific images of the conflict, stories about atrocities committed by government forces, and the perceived lack of support from Western and Arab countries.”

While Barret’s analysis of why social media has influenced an increasing number of western Muslims fits in with the theory of social media allowing for an unfounded narrative, he could be begging the question. But the proposition that the influence of the homophilic nature of social media is making it easier for extremist outfits to influence narrative should not be completely dismissed.

The presence of a disjointed narrative becomes crucial in King’s analysis in his discussion of the four-model’s radicalization. In all four models a perceived sense of injustice, either towards the individual or the individual’s community is crucial: “... People who compare their group to other groups, and perceive that their group is relatively deprived, are likely to move up the staircase. People who experience these feelings of group-based deprivation will be motivated to improve their group’s status...”

Kings discussion of the four models describes exactly how the disjointed narrative presented in social media, through Twitter and chat rooms, can over time allow for the slow process of radicalization to happen over time. This process of radicalization is most effective through online mediums because it makes it easier to ease into a radical framework. Zelin’s paper does second King’s theory of radicalization happening over a period of time claiming that individuals only adopt jihadi ideologies once they’re on

---

the ground: “In many cases, these individuals fully adopt the jihadist doctrine and ideology only when they are on the ground and in contact with hardened fighters”.5 Though Zelin’s claims fits in with King’s narrative asserting that individuals don’t fully adopt the jihadis framework until they’re on the ground it doesn’t make logical sense because it is unlikely they would take the drastic step of leaving their country without being fully radicalized. Thus, King’s four step radicalization process most likely takes place before individuals leave their home countries. While King’s theory helps explain why social media is especially helpful in radicalizing unlikely individuals it does have some setbacks. He talks extensively about the socialization process of recruitment, but he neglects to identify whether some personalities are more likely to be radicalized than others, a question that is crucial for counter-terrorism and prevention.

This slow process of radicalization that social media allows, as King highlights, also helps individuals to yield responsibility connected to the violence connected to terror. Barrett brings up what I call the tumblarization of recruitment when he talks about how social media has allowed recruiters to show their more human side as opposed to old techniques of lectures and scenes of violence in the old cassette tape style recruitment messages. Many of the posts are similar to a BuzzFeed style PR: “The image portrayed is welcoming and reassuring and addresses the fear of the unfamiliar, for example there are many postings of fighters with pet kittens”.6 This humanization of fighters and prolonged personal contact with terrorists plays into Guadagno’s analysis of psychology behind recruitment to extremist outfits. The study uses social identity and self-perception theory to examine the methods terrorists use to recruit new members. The study uses the theories developed by Milgram in his experiment to examine the agentic nature of contact and how the slow process of contact mentioned earlier influences this agentic state and allows individuals to disconnect from the violence: “by using gradually scaling commitments, individuals may be willingly drawn into terrorist groups and once there, may enter an agentic state as indicated by a willingness to commit atrocious acts of terror”.7 Thus, Guadagno helps fill in the psychological aspect of the slow process of radicalization that King highlighted through his four stages of radicalization model, giving us a picture of why the four stages model works. Though, Guadagno’s

6 Barrett, 2016.
psychological analysis of the social identity process and the self-perception process to what he calls computer-mediated communication does help us tie in the theories from Burke, Brooking and King, it doesn’t go in-depth into the types of recruitment tactics and personalized connection.

Burke on the other hand does discuss the level of personalization that social media allows, and this personalized contact influences otherwise unlikely individuals to become radicalized like King discusses briefly in his four-step radicalization model discussed earlier. Burke talks about the terrorist’s use of Telegram, an instant message style smart-phone app: “The Islamic State has made Telegram, a free messaging application, one of its main outlets for propaganda and for claims of responsibility for operations”.8 The use of such instant messaging apps creates a sense of friendship and leads to a rise of individual attacks that are mostly lone wolf decisions and do not require any directives. Hitchens talks about how this continued personalized contact helps fighters convince potential recruits in real time: “Twitter has allowed the group to do much of this in real time, offering supporters instant interpretations of events and rebuttals of critiques”.9 Thus, if potential recruits do have certain qualms or hiccups, fighters can help soothe them within a matter of minutes. This is not something the ideological and violent videos of the past had the power to do. This form of personalized contact is a marked change from the Al-Qaida style training camps from the past. This sort of personalized contact over a prolonged period of time helps form friendships and bonds that might make individuals commit violent acts in the name of those friendships, allowing radicalized individuals to yield responsibility to their actions. Thus, personalized contact through social media creates the atmosphere for the increase in lone-wolf terrorism. It allows terrorist groups to engage in more spectacular and regular attacks on the west with costs lower than ever before. Groups like ISIS can thus focus all their energy on maintaining land in Isis-controlled Syria and Iraq without having to engage in high-cost displays of power in the west.

Though the existing literature does put up various theories and methods of analyses, there has not yet been a comprehensive analysis of quantitative data that conclusively proves that these forms of media do in fact change recruitment. Also, while some of the papers do talk about an

---

increase in homegrown and lone-wolf terrorism, they have failed to acknowledge the fundamental recruitment change. More women than ever before are leaving their homelands to join ISIS, western and non-Muslim recruitment has increased, terrorist outfits are attracting increasingly younger age-groups. I suggest that this fundamental demographic change has been heavily influenced by social media usage.

**Theoretical Analysis of Social Media use by Radical Groups**

Terrorism has seen some marked changes in the past decade. Radical violence is now increasingly non-linear with the rise in homegrown terrorism being characteristically more remote in nature, with perpetrators having loose ties to operational units of radical outfits at best, many having no connection beyond ideology. Because this change is still extremely fresh, there is a lot of rhetoric thrown about in popular news media after every attack regarding the effect of social media in inspiring radical attacks, but there have been only a few solid studies that explore this link. This helps feed misleading and simplistic assumptions about the nature of radical recruitment online, like the popular narrative that gained notoriety a few year prior in contemporary news media that radical groups, like ISIS, are recruiting unlikely candidates with ‘Nutella and Kittens’. This study aims to analyze the effect of social media and internet recruitment on the rise of a certain kind of radical violence, lone wolf terrorism. It also explores the ties between online radicalization and changes in the demographics of foreign fighters, an individual who leaves their own country to join a non-state armed group in armed conflict abroad.

Lone Wolf Terrorism refers to violence or threat of violence committed by a single actor who seeks socio-political change linked to a specific ideology, whether his own or that of a larger organization, and “who does not receive orders, direction, or material support from outside sources”. The shift to this kind of lone-wolf terrorism is especially alarming because this kind of radicalization is especially difficult to monitor and draw back to any one particular group. Individuals may take independent action for a certain group without any sort of prompting from that group. This makes it harder for security forces to monitor and predict likely attacks, without a chain of communication between the individuals.

---

and radical groups that explicitly state directives for violent action. I propose that a rise in this type of terrorism is a result of the interconnected information vacuum that the internet provides. Violent radical groups present a warped narrative online which paints the west as treacherous and the groups as saviors of Islam. This in turn plays into the slow process of radicalization that draws in individuals that would otherwise be unlikely candidates for such groups. Over a period of time, the groups are able to form a personalized connection with individuals which gives them certain agentic control over potential recruits which allows them to influence their actions. Psychological studies have found that because of the prolonged period of radicalization over the internet, a collective group mentality is more likely to take hold in unlikely individuals than through traditional means of recruitment. This is because social media allows for the conveyance of a disjointed streamlined narrative, similar to the marketing schemes many PR and advertising firms use. They also present the narrative that a Muslim cannot practice true Islam in the western countries with social climates that are against Islamic values. It gives terrorists free range over the content they choose to share with potential recruits, giving them the independence to smear western reputation while also showing a humanistic side than is not possible through other forms of recruitment. Daesh fighters often share pictures with puppies on Twitter and Tumblr (Fig. 9.1). Thus, in the information vacuum of the internet, terrorist outfits are able to radicalize individuals thousands of miles away from the base, which in turn has led to a rise in homegrown terrorism. They do this through prolonged personal contact and via total primary control over their narrative. Using all the above mentioned methods along with scaling commitments they garner an agentic control over potential recruits.

This study theorizes that there has been a marked demographic change among the recruits. Increasing numbers of women are leaving the countries that they grew up in to support the jihadist cause in the west. There is a dismissal of female twitter followers of IS online as ‘fangirls’, dismissing them as one would reverent teenage fans of a pop phenomenon. This is dangerous because it prevents us from analyzing why increasing number of women are leaving the comfort of their home countries, if in fact such an increase is really taking place. The truth is women participate in various complex endeavors within the organizations, as facilitators, propagandists and as a group's historical conscience. Thus, an increasing number of women are drawn to the group is worth noting and important to monitor because it suggests a certain legitimacy to other potential female recruits. Female IS followers tweet encouraging messages after they make the trip to the homeland about life in Syria and make Tumblr blogs
pertaining to making the journey and tricking officials. Social media also allows potential female recruits a glimpse into this varied opportunity field for female fighters which is something traditional recruitment tools don’t show. Personalization of narratives by radical groups also shows a more human side of the groups, attracting a larger female audience than videos of decapitations. Radical groups are able to promise devout Islamic husbands to women and a path of righteousness through twitter posts, something that inspires many women to leave what they see as paths of sin. Thus, women radicalize for reasons similar to men, due to reasons pertaining to the thrill of adventure, real or perceived inequalities in their home countries, alienation in the west and the pull of the jihadist cause. All social media does is that it makes it easier for them to access content of radicalization that was never before presented to them. Also, since social media is a community medium, scores of women from all over the world can form chat groups and feed off of each other’s radicalization.

There has also been a shift in age demographics, with younger males being recruited to radical organizations. Teenagers are more susceptible to propaganda than other groups and it is during this time of self-discovery and change that they are most vulnerable. Radical groups manipulate this much in the same way corporate advertising does in campaigns like Axe deodorant. IS is a lot like a brand and they use social media to sell the image of jihadism, as a company would do with marketable goods. It’s all about the brand value, and ISIS sells its brand through misinterpreted verses from sacred scriptures of the Quran and hadiths and through arguing that militant jihad is a duty incumbent on all Muslims. On examination of the propaganda imagery found in Internet posters and videos that IS posts on recruitment websites and on social media, (see Fig.9.2) I find the same use of manipulative image perception that western advertisers use. Thus, powerful imagery that makes fighters look a lot like video game heroes and promises of virgins and glory after death influences young people to join terrorist organizations. Therefore, social media allows radical groups to expose their ideologies to various different demographics and traditional means of recruitment does not have this power in the same extent.

Thus, I postulate my hypothesis given these predictions:
Chapter Nine

Hypothesis 1: The change in the medium of recruitment to the internet in general, and social media in particular, has led to a rise in homegrown terrorism.

Hypothesis 2: The change in the medium of recruitment to the internet in general, and social media in particular, has resulted in a demographic change in the recruits in the terrorist base-camps.

Therefore, the shift in recruitment to the internet has resulted in a disjointed web of interconnected potential recruits, all of whom exist in an unsystematic command-chain. This has led to a significant increase in lone-wolf terrorism and a demographic shift in the recruitment pool to terrorist base camps in the middle-east.

Method

There has been quite a lot of conjecture in the mainstream media that presupposes the effect that the use of social media platforms have on radical recruitment to terrorist outfits, but quantitative analysis on the same has been limited. This paper works to prove this correlation between social media and radicalization through a largely quantitative lens. It does this by running multivariate linear regressions on pre-collected observational data to measure if my independent variable, the use of the social media as tool of recruitment, has an effect on my dependent variables; (1) the rise of homegrown terrorism, (2) demographic change in foreign fighters by (a) gender and (b) age.

Measuring a rise in homegrown terrorism can be tough to quantify because the paper is trying to measure radicalization in a more tangible way than just general emotional tendency. In order to do this, the paper looks at arrests for jihadist terrorism over a period of 10 years in the European Union (Figure 9.1). I used the annual Te-sat reports published by Europol that measure terrorism trends across the EU annually. I use this measure because it is a more concrete analysis of what is mainly a psychological trend. I acquired data from Europol reports that include numbers for 28 countries over 10 years. I also have coded in number of arrests among young people (age group 15-25) but this data is limited because it only has measures from the UK. While this may not be a perfect measure and arrests could very well be indicative of other social trends, an increase in arrests could show a growing interest in the jihadist cause and sympathies towards radical Islamism. To control for the discrepancies that using arrest numbers for my main dependent variable can engender, I use
attacks in the EU in the same time period. I collected data on radical Islamist attacks from the Global Terrorism Database and while attacks would be an imperfect measure on its own, it should give us a more complete picture of western radicalization coupled with arrests. To test the rise of homegrown terrorism, I plan on using a multi-variate time-series analysis of the number of tweets by radical twitter handles as my main independent variable (Figure 9.2). The number of followers is a measure from Dr. Tamar Mitt’s research on radicalization and Anti-Muslim sentiment in the west. To balance for a general inflation in social media usage over the ten-year period, from 2007-2017, I have the number of active users on twitter over the same period. This will help us decipher if a linear progression is indicative of the effect of social media or if it is a general rise in popularity of social media. I run four models to test the rise of homegrown terrorism using the above data. The first uses Islamic arrests and General arrests in the EU from 2006-2016 as dependent variables and Islamic tweets as the independent variables. The second model uses Islamic arrests and General arrests in the EU from 2006-2016 as dependent variables and the general twitter rise as an independent variable. The two separate models are used in order to control for inconsistencies pertaining to general twitter rise. The third model uses attacks in the EU from 2006-2016 as a dependent variable and Islamic twitter rise as an independent variable. This is to supplement the results from the arrests model and give a more holistic view of growth of radicalization. The fourth is country specific and uses arrests numbers from seven countries; Austria, Belgium, France, Italy, Germany, Netherlands and Spain. This is to give a more country specific insight into radicalization.
Chart 9.1: Increase in the Number of Arrests for Islamic Terrorist Activity in the EU

Chart 9.2: Increase in the Number of Radical Twitter Users
Analysis

As the above sections state, there is a significant theoretical case to be made for the correlation between the usage of social media as a tool of recruitment by radical groups and changes in recruitment to these types of groups. This section lays out the results of the quantitative tests run in the method section. Table 9.1 shows the results from my first model, is a multivariate linear regression model analyzing the effect of radical twitter users on arrests for Islamic terrorism and Arrests for other types of terrorism.

The first model analyzes the relationship between radical twitter users and individuals arrested on suspicion of jihadist terrorism related offence along with general terrorism arrests. This is to balance for any sort of general arrest trends and to reiterate that the spike is due to Islamic twitter activity. Though the measure is not perfect, Table 9.1 does indicates at a significant relationship between Islamic twitter users and Islamic arrests but the same significant relationship is not present between Islamic twitter usage and general terrorism arrests. Thus, the model tentatively rejects the null hypothesis and displays a basis for the theory. Therefore, the model shows that a the significant relationship might not be just due to a general rise in arrests for terrorism the EU over the given time period and Islamic presence on social media might be having some effect.

The second model runs the same dependent variables, individuals arrested on suspicion of jihadist terrorism related offence and with general terrorism arrests, against a different independent variable, general twitter growth over the same time period. This model shows only a slight statistical significance when it comes to Islamic arrests in comparison to the first model and general arrests again fail to display statistical significance in this model. The slight statistical significance can be due to the fact that general twitter growth will also contains within it trends of radical twitter growth. Regardless, the results from this model are still interesting to note because this shows that the significance shown in our first model could be endemic to the Islamic twitter growth numbers.
Table 9.1: Result from Model 1 Measuring Islamic and General Arrests against Islamic Tweets

<table>
<thead>
<tr>
<th>Equation</th>
<th>Obs</th>
<th>Parms</th>
<th>RMSE</th>
<th>&quot;R-sq&quot;</th>
<th>P</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamicarrests</td>
<td>10</td>
<td>2</td>
<td>164.6854</td>
<td>0.6406</td>
<td>14.25876</td>
<td>0.0054</td>
</tr>
<tr>
<td>Generalarrests</td>
<td>10</td>
<td>2</td>
<td>79.80302</td>
<td>0.3057</td>
<td>3.52269</td>
<td>0.0974</td>
</tr>
</tbody>
</table>

|                         | Coef. | Std. Err. | t   | P>|t| | [95% Conf. Interval] |
|-------------------------|-------|-----------|-----|------|----------------------|
| Islamicarrests          |       |           |     |      |                      |
| Islamictweets           | 0.0000141 | 3.72e-06  | 3.78 | 0.005 | 5.47e-06  | 0.0000226 |
| _cons                   | 164.5504 | 57.77334  | 2.85 | 0.022 | 31.32483 | 297.776  |
| Generalarrests          |       |           |     |      |                      |
| Islamictweets           | -3.39e-06 | 1.80e-06  | -1.88 | 0.097 | -7.55e-06 | 7.74e-07 |
| _cons                   | 434.2489 | 27.99573  | 15.51 | 0.000 | 369.6907 | 498.8072 |

Table 9.2: Result from Model 2

<table>
<thead>
<tr>
<th>Equation</th>
<th>Obs</th>
<th>Parms</th>
<th>RMSE</th>
<th>&quot;R-sq&quot;</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamicarrests</td>
<td>7</td>
<td>2</td>
<td>177.731</td>
<td>0.5914</td>
<td>7.23018</td>
<td>0.0433</td>
</tr>
<tr>
<td>Generalarrests</td>
<td>7</td>
<td>2</td>
<td>43.31275</td>
<td>0.3370</td>
<td>2.54145</td>
<td>0.1718</td>
</tr>
</tbody>
</table>

|                         | Coef. | Std. Err. | t   | P>|t| | [95% Conf. Interval] |
|-------------------------|-------|-----------|-----|------|----------------------|
| Islamicarrests          |       |           |     |      |                      |
| Generalarrests          |       |           |     |      |                      |
| Generalarrests          |       |           |     |      |                      |

|                         | Coef. | Std. Err. | t   | P>|t| | [95% Conf. Interval] |
|-------------------------|-------|-----------|-----|------|----------------------|
| Islamicarrests          |       |           |     |      |                      |
| Generalarrests          |       |           |     |      |                      |
| Generalarrests          |       |           |     |      |                      |


The third model uses the number of Islamic attacks in the EU over the same time period as a dependent variable and rise in radical twitter users as an independent variable. This model is meant to supplement the first model and interestingly it also displays a statistically significant relationship between number of Islamic jihadi terrorist attacks and Islamic twitter usage during that time period. Thus, it complements the results found in the first model and contributes to the robustness of the theory.

Table 9.3: Result from Model 3

<table>
<thead>
<tr>
<th>Equation</th>
<th>Obs</th>
<th>Parms</th>
<th>RMSE</th>
<th>&quot;R-sq&quot;</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>attacks</td>
<td>10</td>
<td>2</td>
<td>4.34e+08</td>
<td>0.4927</td>
<td>7.77e001</td>
<td>0.0237</td>
</tr>
</tbody>
</table>

| attacks | Coef. | Std. Err. | t    | P>|t| | [95% Conf. Interval] |
|---------|-------|-----------|------|------|----------------------|
| Islamicweets | 2.74e-07 | 9.82e-08 | 2.79 | 0.024 | 8.73e-08 | 5.00e-07 |
| _cons   | 2.960058 | 1.523958 | 1.94 | 0.088 | -0.553396 | 6.475111 |

The fourth model analyses country specific trends of arrests in the EU related to Islamic terrorism and Islamic twitter usage. The country specific results are interesting because each country varies in terms of statistical significance, something that might be due to varied levels of robust data for each country but the analysis could benefit from a future policy analysis of each country to try and figure out the extend of the model. The model only shows a significant relationship in France, Netherlands and Spain.
### Table 9.4: Result from Model 4

<table>
<thead>
<tr>
<th>Equation</th>
<th>Obs</th>
<th>Parms</th>
<th>RMSE</th>
<th>&quot;R-sq&quot;</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrests Austria</td>
<td>7</td>
<td>2</td>
<td>10.06130</td>
<td>0.2368</td>
<td>2.01031</td>
<td>0.2154</td>
</tr>
<tr>
<td>Arrests Belgium</td>
<td>7</td>
<td>2</td>
<td>26.03706</td>
<td>0.3445</td>
<td>2.62094</td>
<td>0.1659</td>
</tr>
<tr>
<td>Arrests France</td>
<td>7</td>
<td>2</td>
<td>85.58765</td>
<td>0.7264</td>
<td>13.27238</td>
<td>0.0149</td>
</tr>
<tr>
<td>Arrests Germany</td>
<td>7</td>
<td>2</td>
<td>6.101627</td>
<td>0.4933</td>
<td>4.876665</td>
<td>0.0783</td>
</tr>
<tr>
<td>Arrests Italy</td>
<td>7</td>
<td>2</td>
<td>7.502522</td>
<td>0.6643</td>
<td>10.83896</td>
<td>0.0217</td>
</tr>
<tr>
<td>Arrests Spain</td>
<td>7</td>
<td>2</td>
<td>8.700042</td>
<td>0.6269</td>
<td>8.401049</td>
<td>0.0338</td>
</tr>
</tbody>
</table>

**Conf. Std. Err.**

| Equation       | Conf. Std. Err. | t    | P>|t| | [95% Conf. Interval] |
|----------------|-----------------|------|------|------------------|
| Arrests Austria | 6.10e-07 | 4.30e-07 | 1.62 | 0.218 | -4.18e-07 | 1.72e-06 |
| Arrests Belgium | 1.02e-06 | 6.26e-07 | 1.62 | 0.166 | -5.55e-07 | 2.62e-06 |
| Arrests France | 7.42e-06 | 2.04e-06 | 3.64 | 0.015 | -1.19e-06 | 2.19e-06 |
| Arrests Germany | 3.21e-07 | 1.46e-07 | 2.16 | 0.078 | -5.26e-08 | 6.94e-07 |
| Arrests Italy | 5.88e-07 | 1.76e-07 | 3.29 | 0.022 | -1.55e-07 | 1.55e-07 |
| Arrests Spain | 6.00e-07 | 2.00e-07 | 2.60 | 0.054 | -1.22e-06 | 6.22e-06 |
| Arrests Spain | 1.23e-06 | 4.60e-07 | 2.62 | 0.047 | -2.31e-07 | 2.31e-07 |
I present descriptive statistics from each country below to give a more holistic view of country-specific arrests. This is to show spike of arrests immediately following 2014, except in Belgium. This is interesting to look at because that is when ISIS formally launched their Caliphate and thus could indicate at an interesting trend for further analysis.

Chart 9.2: Arrests for Islamist Terrorism in Austria
Chart 9.3: Arrests for Islamist Terrorism in Belgium

Chart 9.4: Arrests for Islamist Terrorism in France
Chart 9.5: Arrests for Islamist Terrorism in Germany

Chart 9.6: Arrests for Islamist Terrorism in Italy
The number of female foreign fighters, women who leave their home countries to fight in Syria, have shown increases in all five countries despite the recent losses of the Islamic state on the home ground. This is interesting when looked at in conjunction with Chart 9.2 (in method section), which shows an increase in radical twitter usage and could
provide a good basis for a further analyses of the second part of the theory. The trend is especially dramatic in France, a country that bans religious symbols in public including the hijab. This could be an interesting future case study for a policy analysis and an interesting segment for the theory that explores the relationship between the primary narrative that social media provides and an anti-west sentiment.

Chart 9.9: Increase in the Number of Female Foreign Fighters in the EU

Though there are data gaps that need to be filled by future research and discourse, the model does indicate at a correlation between arrests related to radical Islamism and radical twitter usage. Descriptive statistics of the data also suggest at links between some of the theoretical models and raw data.

**Conclusion**

Social Media creates a unique bubble which influences online radicalization, especially when it comes to recruitment. It allows for terrorist groups to influence speculation through a disjointed presentation of narrative and elongated personalized contact. This allows for the slow
process of radicalization over a longer period of time than traditional recruitment does, changing the overall essence of recruitment itself. This change refers to an overall rise in homegrown terrorism and a change in the demographics of foreign fighters. Understanding how terrorist organizations recruit would be helpful in identifying counter-radicalization policies and to stall the rise of radicalization amongst unlikely potential recruits. While this study does introduce new theories, there are limitations in what it can measure and hence what it can prove due to data limitations in the field. Through this study I hope to open up such measurements for future discourse. In the future, I would like to conduct Image perception analysis to make the paper a more holistic review of the consequences of radical images online and would like to conduct deeper policy level analysis to test exactly what leads to the phenomena displayed in the fourth model. Also, I would like to add a mixed-methods component through qualitative analysis of interviews of women foreign fighters who were radicalized online and to qualitatively analyze both gender specific and age specific case studies. Though previous literature hints at this rise, this paper tries to identify a more comprehensive change in recruitment, including an analysis of both homegrown terrorism and the demographics of foreign fighters. It also tries to measure if there is indeed a link between the use of social media by radical groups and these sort of recruitment changes.
Figure 9.1

Figure 9.2


**Bibliography**


SECTION FOUR:

TRADING POWER:
COMMODITIES AND ECONOMICS
IN THE AMERICAS AND BEYOND
Sugar production in the Caribbean rose exponentially with development of mass cultivation techniques by the British and the French. The resulting crop was exported to Europe and much of the rest of the world. This contributed to the imperial rivalry between Britain and France over sugar distribution, sales, and trade of the product, as both states desired to dominate the world’s sugar supply. European states used their ability to supply sugar to markets around the world to leverage foreign policy aims, such as searching for new markets and trade partners and providing advantages during times of war. The sugar produced between 1650 and 1800 in Jamaica, Barbados, Martinique, and Haiti gave the home countries means of “attraction” necessary in a world hungry for access to low cost and readily available sweeteners. These represent early examples of soft power in international relations. British and French sugar production in the Caribbean was used to further the imperial goals of the states.

Before the discovery of the New World, the French and British did not have the colonial lands from which to import sugar. Instead, sugar came through trade routes. Cultivation first emerged in Southeast Asia and on many Pacific Islands, and it eventually expanded to India. From India, sugar traveled west towards Europe. In the early seventh century, the Arab states of Syria, Palestine and Egypt represent the first cultivators of sugar, outside of Asia. These producers first introduced sugar to the

---

European states first entered the sugar business in the eastern area of the Mediterranean during the Crusades. Throughout the eighth century, the European Crusaders traded and communicated with Islamic cultures. This trade between European states and the Islamic world included sugar. By 1123 BCE, European Crusaders had increased production of sugar in Tyre, where they had previously conquered. The largest amount of Mediterranean sugar came from Cyprus and Iberia. During the thirteenth, fourteenth and fifteenth centuries, Cyprus was the main location for European sugar growth, yet after Muslim reconquest, production centers in the east served for Muslim consumption. Europeans needed new centers for reproduction, so they moved their operation to Iberia. Unfortunately, sugar growth in the Iberian Peninsula did not yield the same results as in other areas that it had previously grown. Due to the disappointing production in Iberia and the growing appetite of sugar, European sugar cultivation moved to the Atlantic.

The deterioration of sugar production in the Mediterranean is first linked to the rising, more profitable cultivators in the Caribbean, for Iberian sugar growth never reached the profit that the Atlantic colonies did. Portugal first led this expedition to find land capable of producing mass amounts of sugarcane. Though, other reasons may include the Black Death causing massive crop failure, or the widespread Little Ice Age, which caused cooling of temperatures between 1550 and 1700 in Europe. Because production in Iberia never reached the levels of growth in Persia or India, European producers needed to look elsewhere to satisfy appetites. Beginning in the sixteenth century, Portugal and Spain led the exploration to the Atlantic World. Until the emergence of their own sugar producing colonies, European states relied on Portugal, the leader in production, to settle their sugar appetites. Still, England and France began to colonize the Americas, and they aimed to use those colonies to fuel their ambitions.

English and French colonial sugar production began in the 1630s. Although the states had originally attempted to produce tobacco and


\[4\] Ibid., 5-8.

\[5\] Philips, 27-28.

\[6\] Galloway, 43.

\[7\] Galloway, 45-46.

cotton, the growth showed marginal results. Both states switched to sugar production when tobacco and cotton cultivation did not yield the expected profit. 9 English and French colonies created sugar plantations to increase earnings, in spite of falling tobacco prices. 10 Sugar proved much more successful than previous agricultural prospects.

Though the Portuguese developed the cultivation techniques, the English and French had adapted those methods for their own landholdings throughout the Caribbean by the 1680s. Society changed on these islands as sugar became the dominant economic staple. 11 England’s first major sugar cultivating colony was Barbados, which was settled between 1627 and 1635. 12 During the 1630s, society in Barbados looked similar to society in England, with indentured labor or paid labor under the leadership of the wealthy landowners. In the 1640s, an increased demand for sugar in England caused many landowners to start growing sugarcane on their lands. Before the success of Haiti and Jamaica, Barbados acted as the world’s largest supplier of sugar, which was helped by the emergence of rum production on the island. 13 The political uncertainty surrounding the English Civil War, caused an increase in population on the island, as many of those with connections to the royals left to seek refuge in Barbados. As they immigrated to Barbados, the local leadership parceled out the land for plantations. In fact, 106,000 acres, more than 11,200 properties had been divided. The highly concentrated land ownership also contributed to the success of sugar production. 14

The English settled Jamaica between 1655 and 1660, after forces had seized the island from Spain. 15 Barbadian sugar cultivation shrunk after land depletion and other trade costs. Though sugar production was successful in Barbados, the British moved to Jamaica for further cultivation. Because Jamaica provided a larger land area than Barbados, it proved more conducive to sugar production in the Caribbean. 16 By the early eighteenth century, Jamaica had exceeded passed the amount of production

9 Galloway, 79.
10 Stein, 41.
11 Schwartz, 15.
12 Curtin, 78.
14 Galloway, 80.
15 Curtin, 95.
16 Bernstein, 270-272.
on Barbados. This island became England’s leading sugar producing colony in the Caribbean after the decline of sugar production on Barbados. Still, Barbados did continue to provide an income for England in the form of rum. Landowners in Barbados changed factories to rum production when sugar prices fell globally and sugar production on Jamaica grew. Only the sugar produced by the French in Saint Domingue surpassed the amount of sugar produced in Jamaica.

Martinique was France’s second largest producer of sugar. Colonization of this island began in 1635. Unlike the larger plantations on Saint Domingue, the sugar producers in Martinique centered on smaller farms. By 1670, on 300 sugar estates, Martinique, combined with Guadeloupe and Saint Christopher, produced at least 12,000 metric tons of sugar annually, and by 1683, the number of slaves had risen to 20,000. Though it produced a large amount of sugar, the island never produced as much as Saint Domingue, mostly due to the unlevel land surface in parts of the colony. The sugar produced on Martinique assisted France in maintaining its place as the largest producer during this time period.

The largest French producing island was Saint Domingue, or modern Haiti, as cultivation surpassed Martinique’s production in later half of the seventeenth century. Colonization of Saint Domingue began in 1625. This island allowed France to become a true rival of Great Britain over sugar production and sales. For instance, by 1790, Saint Domingue supplied over 40 percent of the world’s sugar, producing over 75,000 tons. Because sugar growth on the newer island cost less than the cultivation on the more well-known English Caribbean colonies, trade from Saint Domingue became more favorable. With more slaves than any other colony, Saint Domingue imported 864,000 slaves between 1680 and 1791. By the end of the eighteenth century, Haiti annually produced

18 Bernstein, 271.
21 Curtin, 74.
22 Galloway, 82.
24 Galloway, 115.
more than all of the British Caribbean colonies together. Saint Domingue allowed France to maintain its superiority in sugarcane trade.

These colonies exemplify English and French imperialism during this time period. Imperialism has multiple facets. First, imperialist states aimed to both directly and indirectly dominate and control the economies, culture, and politics of other areas of the world to ensure their own security and independence. Imperialism gave its practitioners a rationale to expand into other territories, motivated by “expand or die” precepts, which argued that a country that did not grow would not survive. Imperialist states sought to expand their territory and reduce their external dependence to decrease uncertainty. England and France both colonized the Caribbean world for entrance into the competitive sugar trade. Both states desired to expand their control to other lands to overtake their rivals in imperial might. Imperialist actions can be explained through two different economic schools of thought.

First, mercantilism promoted government regulation of the economy and acted as the dominant economic practice of European states from the sixteenth through eighteenth centuries. With their colonies, states in Europe, such as Britain and France, could control goods and earn profits, to keep a favorable balance of trade. Mercantilism aimed at a favorable balance of trade. Simply, a trade surplus was more favorable than a trade deficit. Under this practice, mercantilist states acted in ways to promote this balance. The colonial system performed a crucial role in the foreign policies of mercantilism. States, like France and England, used their colonies to ensure the equilibrium, for their colonies would purchase goods from the home country and produce raw materials, like sugar. With more trading opportunities and new enterprises, the colonies provided further business opportunities for states thirsting for riches. Internally, mercantilist thinkers endorsed national power. The state also desired to control the cost of goods and the amounts of consumption. Having a favorable balance of trade, stemming from government control, would increase the wealth and success of a state.

25 Tomich, 56.
28 Galloway, 78.
29 Buck, 13-14.
30 Ibid., 15-16.
31 Ibid., 16-18.
History points to capitalism having origins in the late eighteenth century, when it began to diminish previous economic systems. Adam Smith fostered this idea that directly contrasted mercantilism. While mercantilists thought of wealth as a fixed number, Smith conjectured that merchants and traders could create wealth. Max Weber expresses capitalism as competing trade prices and the search for the highest profit. Joseph A. Schumpeter adds that capitalism brought personal liberty and more material wealth to the middle and lower classes, who many argued were left out under mercantilist practice. This form of capitalism remains positive and brings about free trade. Still, imperialist thought remains closely tied with the negative view of capitalism. Sugar from the Atlantic colonies represents one of the first capitalist products and helped to build the foundations for the explosion of capitalism in Great Britain. Because the mass cultivation of sugar expanded capital and trade, it gave Britain the means to move toward capitalist notions and market-based economies. Nevertheless, the relationship between capitalism and imperialism holds a negative tone, largely due to Marxist thought.

A second variety of imperialism, derived from economic theory, argues that imperialism is an effect of capitalist economic activities. Nonetheless, capitalism, according to Karl Marx and later, Vladimir Lenin, acted only as a tool for imperial ambitions. Marxism affirmed that capitalist countries were by definition exploitative economies, which only benefited those in power. Lenin’s view on Marxism is important as states, such as Britain in the period studied, moved from mercantilism to capitalism. Early capitalism, particularly in Great Britain, which involved the destruction of the mercantilist system, encouraged private enterprise. Marx conceived that capitalism encouraged conflicts between the upper and lower classes. Capitalist imperialism encouraged the formation and exploitation of colonies from countries in Europe. Specifically, Britain maintained control of their colonies and capitalist ventures through company charters.

---

35 Schwartz, 1-5.
37 Kocka, 9-10.
The government chartered the English East India Company to assist in foreign trade, though the regulation of both Barbados and Jamaica was controlled by an official directly responsible to the English government.38 This control allowed the home countries to effectively exploit their colonies for private gain.

Britain and France employed different tools to maintain their imperial power and status. Power comes in many forms, not just through forcing a state to do something through pure might. Soft power revolves around influencing the inclinations of other states without coercion; whereas, states employ hard power when they force another state to do something, whether that occurs through military power, tariffs, non-tariff barriers, or other means.39 In many instances, a state can encourage another state to do something it wants without using force, payments, sanctions, or bribes. Instead, a government can use its values, cultures, institutions, and policies to encourage favorable actions from another state. This causes an attraction from one country to another that can influence decisions. Often, states increase their soft power by “maintaining a strong domestic and international economy”.40 From 1650 to 1800, Britain and France utilized both soft and hard power to maintain their presence in the global sugar economy and, therefore, their imperial status.

Countries in Europe influenced each other early on in the sugar business, especially in trade related to political conflicts. Sugar trade was established through competing empires.41 Great Britain and France maintained their rivalry as they did throughout much of history. Political conflicts contributed to the sugar trade business because war weakened trade, especially during naval skirmishes, when commerce dropped even more.42 Both France and Britain faced the consequences of imperial conflicts, though France faced more costs than Great Britain.

During the French Revolutionary Wars (1792-1802), French sugar markets significantly shrunk, which forced other European states to look toward Great Britain for sugar. This increase in demand for sugar from foreign states forced Britain to satisfy its own sugar cravings while also maintaining a new place in the global markets.43 Prior to this, St.  

38 Curtin, 130-131.
41 Tomich, 51.
42 Stein, 96-97.
43 Stein, 96-97.
Domingue acted as one of the most productive sugar islands in the Caribbean. However, the Haitian Revolution (1791-1804) in Saint Domingue, which was influenced by the French Revolution, disrupted sugar production on the island. This also encouraged the British to expand their sugar production and trade partners. Saint Domingue was a key colony in the rivalry between England and France. By 1792, the French Revolutionary Wars and later British naval barricades diminished French sugar business to nothing. Saint Domingue never reached the levels of production it once did, lending to Britain’s eventual monopoly in the cultivation of sugarcane.

The War of Austrian Succession (1744-1748) decreased the amount of sugarcane reaching French ports and the amount exported from France to the rest of Europe. The conflict reduced French sugar trade by 50 percent. This allowed Britain to export its sugar to the rest of Europe to resolve the problem of the French sugar reduction. Although sugar reaching English ports continued at the same rate, British exports to other European states quadrupled. The Seven Years’ War occurred between 1756 and 1763. This war cut French sugar trade by 90 percent and encouraged growth of English economy in all branches of trade. Although the American Revolution (1778-1783) cut French sugar trade by another 33 percent, it had the greatest effect on the British sugar business. Sugar imports to England reduced by 25 percent; however, the losses experienced during this time were made up when the French Revolutionary Wars encouraged British trade to grow to the leading exporter of sugar.

Stemming from Portuguese techniques, the British and French mastered the art of mass sugar cultivation on their Caribbean land holdings. The British colonies Barbados and Jamaica and the French colonies Saint Domingue and Martinique provided the vast majority of sugar leaving the Atlantic world. British and French sugar production also contributed to different political conflicts, such as competition over colonial lands and wars between the two states, using such tactics as trade blockades of production sites and delivery sites during wartime and colonial expansion to accommodate competition. Both France and Britain employed soft power, gained through their access to readily available sugar, to influence other states in Europe and the rest of the world. This gave them entry into many foreign markets and allies during future

44 Parker, 345-346.
45 Tomich, 54-55.
46 Stein, 95.
47 Ibid., 96-97.
military conflicts. Sugar played a vital role in the expansion of British and French Empires.

Bibliography


By the beginning of the Seven Years’ War in 1756, Cuba had developed into a vital economic and strategic center of the Spanish Empire. Cuba’s seaports, especially Havana, provided a populous and attractive market for foreign goods and became important hubs of international commerce. During the course of the war, the British, realizing the importance of this small island, launched an invasion against Spanish forces at Havana, which succeeded in August 1762, after a three-month siege. Though the British occupation lasted less than a year, it profoundly impacted trade, agriculture, and slavery on the island. The Seven Years’ War, and more specifically the British occupation of Havana, provided the impetus for establishing Cuban free trade with the Americas and Europe, encouraging the wider agricultural growth of sugar and tobacco, and it highlighted the benefits of a labor supply based on African slaves which would deeply impact the social hierarchy present in Cuba.

In order to fully appreciate the significance of the port of Havana to the European powers, especially to Spain, it seems relevant to examine the development of Cuba and its port city from its early period of colonization. Of the 200,000 to 250,000 Spanish immigrants who left to settle in the Spanish West Indies during the 1500s, only about 5% emigrated to Cuba compared to the 69% who settled in Peru or New Spain.\(^1\) At first, settlers on the island forced indigenous peoples to provide

---

the labor supply they required. While enjoying some limited and early successes at growing sugarcane, the small island could not compete with other Iberian colonies such as New Spain and Portuguese Brazil. Instead, Cuban settlers centered their economy on cattle herding and ranching for hides. For a time, Cuba’s immigrant populations declined as settlers moved to mainland areas such as Mexico. Still, the successful mining ventures on the Spanish colonial mainland viceregalies opened the way for Havana’s role as the departure point for the annual silver fleets. The Nueva España fleet and the Tierra Firme fleet, laden with precious metals and other goods produced in the Spanish colonies, would meet up in Havana, and from there, the two fleets would sail back to Spain relying on their combined numbers to discourage attacks from privateers. As early as 1572, Havana served as an important center of trade in the Spanish Americas. Dubbed the “best port in the world” and the “throat of the Indies,” it enjoyed the status of being the only port which both the Nueva España and Tierra Firme Spanish fleets visited.

Unlike its British counterparts, which began to rely on African slave labor for growing staple crops, Cuba and other Spanish colonies came to depend on native Cubans, who were considered vassals instead of slaves, but who could be conscripted for labor. Despite royal decrees made with the intent to prevent Indian enslavement, settlers, especially in areas where royal authority was weak, compelled the indigenous peoples to compulsory service. In reality, the natives present on the island were exploited by settlers, and their status as vassals provided little real protection from enslavement. Eventually, most of the Cuban Indians died as a result of disease and harsh labor conditions. The depletion of its indigenous labor supply meant that settlers did begin turning to the African slave trade which was controlled by both the British and the Portuguese. Despite this, Havana did not become a major slave trading center until much later, nor was it as dependent on slave labor as were...

---

6 Paquette, *Sugar is Made with Blood*, 35.
many other colonies in the region. For a time, it received 48% of the incoming slaves from Africa in the late 1590s, but Spain eventually made Cartagena and Veracruz its centers of the slave trading operation. From 1511 to the British occupation of Havana in 1762, only a few thousand African slaves had entered Cuba. As a whole, the Spanish Caribbean islands, including Cuba, were considered to be economically underdeveloped and without any staple crop dependent on slave labor. Instead, Cuba maintained its importance through its strategic and economic function as a major transshipment point.

Though not a major source of exported goods, Havana’s importance as a transatlantic trade center began to attract attention from European countries. The Seven Years’ War, from 1756 to 1763, proved to be a widespread European conflict which would bleed over into the Americas under the name of the French and Indian War two years after its initial onset. After five years of war, the states of Great Britain and France attempted to reach a peaceful settlement with Russia, Austria, Sweden, and Poland joining the endeavor. Up until this point, Spain had remained neutral, but now it feared that France would give in to British Prime Minister William Pitt the Younger’s demands, including giving up Newfoundland, which conflicted with Spanish interests. France, not wishing to accede to British peace terms, made an alliance with Spain, named the Family Compact, a defensive mutual pledge that France and Spain would negotiate peace with Great Britain together.

The British, particularly Pitt, did not like Spain’s attempts, through the peace treaty, to secure fishing rights in Newfoundland, or Spain’s pursuit of the return of land captured by the British. Pitt took the Compact and Spain’s promise to enter the war if it were not ended by May 1, 1762, as sufficient reason to declare war on Spain. Instead of pushing Great Britain into what the French and Spanish governments saw as a reasonable peace settlement, the Franco-Spanish alliance led to a tense situation in which a continuation of the war appeared all but inevitable. Spanish silence on the

---

8 Paquette, *Sugar is Made with Blood*, 35.
10 Ibid., 105, 292.
12 Fred Anderson, *Crucible of War: The Seven Years’ War and the Fate of Empire in British North America, 1754-1766* (London: Faber and Faber, 2000), 484.
matter did not help its cause, and on January 4, 1762, Great Britain declared war on Spain.  

Not only did Spain find itself drawn into a European conflict with Great Britain, but its colonies also found themselves embroiled in the Seven Years’ War in the Western hemisphere. Before hostilities had even been declared formally, the British First Lord of the Admiralty George, Lord Anson, as well as General Sir John Ligonier, the supreme commander of the British forces, had set their sights on control of Havana as key to defeating the Spanish. With a population of 35,000, Havana provided invaluable services to the Spanish Empire as a ship repair point, a major source of naval supplies and provisions for the transatlantic trade, and possessed strategic importance in the Spanish Americas. Only Mexico City and Lima possessed larger populations though Cuba, as a whole, maintained a relatively small urban population. If the British managed to capture Havana, the central port for Spanish fleets and their treasure ships and the center of West Indies trade, the conquest would endanger the rest of the Spanish Americas and finish the war. By the time a formal declaration of war had been issued, the British forces had received their orders to attack Havana as well as Manila, the capital of the Philippines and another important Spanish colony in the Pacific Ocean. Among the European powers, success or failure seemed increasingly to depend on the battles being fought across the Atlantic Ocean in the New World.

The British expeditionary force tasked with taking Havana sailed from Portsmouth in Britain on March 6, 1762, under the command of George Keppel, Earl of Albemarle, joined by reinforcements from Cape Nichola, Hispaniola. At the same time, another British expeditionary force sailed from Madras in order to seize Manila. The capture of these two vital port cities, one key to Spain’s West Indies trade and the other to Spain’s Pacific trade, not only marked significant strategic captures but also damaged Spanish prestige and morale.

The Spanish administration had invested significant manpower and money into the defensive measures present at Havana and expected the port to hold out against attack. A permanent regular garrison guarded the port city, and it had the mostly strongly built fortifications of any

---

14 Anderson, Crucible of War, 484, 489-490.
15 Anderson, Crucible of War, 498.
16 Elliott, Empires of the Atlantic World, 262.
17 Gardiner, The Havana Expedition of 1762, 171.
18 Anderson, Crucible of War, 490-491.
19 Gardiner, The Havana Expedition of 1762, 173.
20 Elliott, Empires of the Atlantic World, 294.
American port. Its forces numbered 27,610 and consisted of a substantial number of free persons of color. A bastioned wall surrounded the city, with the Punta Fort guarding the west and the Morro Castle Fort guarding the east against anyone approaching Havana by sea. The military expenditures also provided the added bonus of bolstering the local economy with money, jobs, and opportunities to sell provisions to the soldiers. Overlooking the best deep-water harbor in the Caribbean, this "key to the New World" had stood as a symbol of Spanish power for over a century. Now, Havana and Spain would see if its defenses proved sufficient to withstand British power.

Though impressive, the fortifications suffered from a severe weakness. The heights of the Cavannos Ridge, which overlooked the fort, presented a tempting and strategically sound vantage point from which someone might conceivably succeed in taking the Morro Castle Fort. Albermarle and his forces, numbering 12,000 soldiers, arrived in the West Indies on April 20, 1762, and on June 7, after landing six miles east of Havana, secured that high ground overlooking Morro Castle. The Siege of Morro Castle began July 12, 1762, and proved to have a lasting effect on Cuba which outlasted the Seven Years’ War.

From the outset, it appeared as though Britain’s rapid and bold strategy had secured its troops the advantage. Havana’s eighteen warships had been successfully neutralized and lay trapped in the harbor. Soon though, the heat, overexertion, disease, lack of water, and Morro Castle’s formidable defenses turned the siege into a race against time as it became evident that the British would have to overcome these obstacles and outlast the Spanish to win the victory. One-third of the British troops had died and three thousand could no longer fight, even though Havana’s defenders appeared to be flagging. Water had to be brought from long distances to support the surviving forces, and the fight might have gone on for much longer had not North American reinforcements arrived to support the British regulars. The 4,000 North American troops, who arrived from July 28

21 Anderson, Crucible of War, 498.
22 Gardiner, The Havana Expedition of 1762, 179.
23 Anderson, Crucible of War, 498.
25 Anderson, Crucible of War, 498.
26 Gardiner, The Havana Expedition of 1762, 180.
27 Anderson, Crucible of War, 499.
29 Anderson, Crucible of War, 499.
30 Gardiner, The Havana Expedition of 1762, 181.
The Siege of Havana and the Future of Cuba

through August 2nd, greatly aided in ending the siege. During this time, a mine was detonated under Morro Castle on July 30th and the Punt a Fort called for a ceasefire on August 11th. After only a three-month siege, Havana officially surrendered on August 13th to Great Britain. Despite this victory, at least half of the British regulars had died, along with about the same number of provincials, which prevented any immediate action against the Spanish territories in the Floridas and eastern Mexico. Even with this setback, Britain had undeniably tilted the course of the war in its favor.31

Eventually, peace negotiations among the war-weary countries commenced as both sides struggled to redraw the lines of colonial territories in the New World.32 Though Britain could not launch further expeditions from Cuba, the capture of Havana, along with other British successes, forced Spain to the peace table.33 Spain refused to accept peace terms that did not include the return of Cuba. As a result, Spain ceded Florida to the British in return for Cuba, and France, wanting to appease its ally, turned over Louisiana to the Spanish as well. This effectively pushed France out of the New World and ensured that conflict between European powers in the New World occurred mainly between Britain and Spain. In February 1763, the Treaty of Paris signified the end of hostilities and the start of a changed pattern of colonial rule.34

Spain fought in the war for only thirteen months, but its devastating defeat made evident the inadequacies of its colonial military and administration. France’s removal from the Americas focused Spain’s fears on British attacks and spurred major reforms.35 Before the occupation of Havana by the British, Cuba had not been exposed to a system which invited free trade. Through restrictive monopolies, heavy taxation, and the use of convoys, Cuba operated under a highly controlled administration of trade.36 The British occupation brought economic emancipation to the island and provided a legacy which proved the benefits of less-restricted trade.37 Cuban settlers appreciated the profitable markets and flexible

31 Anderson, Crucible of War, 498, 500-501.
32 Elliott, Empires of the Atlantic World, 295.
33 Gardiner, The Havana Expedition, 188-189.
34 Elliott, Empires of the Atlantic World, 294-295.
36 Anderson, Crucible of War, 501.
37 Hamish, “The Seven Years’ War,” 445.
marketing which the British administration provided. During the ten months of occupation, some 700 British and colonial ships brought thousands of tons of English manufactures, in addition to many African slaves.38

During the period of occupation in 1763, the cultivation of sugarcane began to dominate western Cuba. Due to the oversaturation of the slave market in the English sugar islands, British slave traders satisfied Cuba’s labor needs by importing over four thousand slaves. Sugarcane came to prominence in the western half of Cuba as European demand for sweets highlighted the profitability of growing sugarcane, and an influx of slave labor allowed for more efficient plantation production. In the mountainous eastern regions of the island, fewer social and economic ties with Spanish investors, higher interest rates, and a lack of working capital, stymied a similar level of agricultural expansion.39 By the end of the century, thousands of slaves per year were brought to Cuba, and in the 1830s, the height of Cuba’s sugarcane production, that number reached tens of thousands per year.40

In the end, British prosperity, not its military might, fostered cooperation with the Cubans as they came to appreciate the economic benefits associated with British rule, and pushed for Spanish reforms that mirrored these policies.41 After Cuba’s return to the Spanish Empire, the Spanish government realized the need for major reforms and began to absorb the trading, agricultural, and labor systems which Great Britain had introduced or enhanced on the island. Ironically, as Spain moved to model its colonies after the British pattern with rich staple products and large markets, Great Britain began moving to increased centralized control of its colonies.42 Of course, these reforms applied to additional Spanish colonies, not just to Cuba, but Cuba’s need for major defensive reforms after the occupation made it an ideal location on which to test comprehensive reform.43

The inhabitants of Cuba were by no means mere spectators in this reform movement, but as early as 1764, began to petition Spain for liberalization of trading laws.44 Around this time, Spain’s ports in the

38 Anderson, Crucible of War, 501, 589.
41 Anderson, Crucible of War, 501-502.
42 Elliott, Empires of the Atlantic World, 303.
43 McGillivray, Blazing Cane, 16, 303.
44 Elliott, Empires of the Atlantic World, 303.
West Indies were granted the right to trade more freely. One of the most important trade reforms, the 1776 Regulation of Free Trade, authorized Cuba to trade directly with Spain along with neutral states and Spain’s allies. This change in Spanish law played a major role in furthering the cause of free trade, and led to future economic developments on the island. Spain also granted permission for Cuba to engage in trade with nine Spanish ports as well as some other Spanish Caribbean islands. This marked the end of the previous inter-island trade ban. By 1778, the Cadiz Monopoly, so-called because of the Consulado of Cadiz merchants who held a firm monopoly on trade in the Americas, ended as well. These reforms, which expanded trade and enlarged foreign markets for Cuba, laid the groundwork for Cuba’s prosperity and dominance in sugar production.

While British influence may have had a positive effect on trade reforms, it also introduced the African slave trade as an important source for agricultural labor. This practice likely led to Charles III’s elimination of the privileged contract system (asientos), which helped to determine, and in many ways to limit, the number of slaves imported into a specific region. The Spanish king even approved of an unlimited introduction of the slave trade in designated ports. In addition, the reform of Havana’s defenses made clear the severe labor shortage of those needed for construction work. This resulted in Spain’s first large import of African slaves to Cuba at this time, with almost two thousand tasked to work on the fortifications. These factors, with regard to slavery, trade, and agriculture, allowed for the growth of a plantation-centric economy and launched the sugar production boom after 1790. The success of an economy centered on sugar ensured a dependence on slave labor for many years to come.

As these reforms were attempted and encountered an encouraging success, Spanish officials also realized the need for fiscal and administrative reform to help meet costs incurred from defensive restructuring. When Count Ricla, a Spanish general and governor sent to oversee the reorganization of the defenses of Cuba, began his assessment of the project in 1763, it became evident that the plan would come with a high cost but

---

45 Hamish, “The Seven Years’ War,” 445.
46 McGillivray, Blazing Cane, 16.
47 Elliott, Empires of the Atlantic World, 304.
48 Hamish, “The Seven Years’ War,” 445.
49 Elliott, Empires of the Atlantic World, 304.
50 Paquette, Sugar Is Made with Blood, 36.
51 Hamish, “The Seven Years’ War,” 446.
involve low government revenues. This meant higher taxes for the Cuban inhabitants, and Riela, in order to gain support for this expensive plan, hinted at reforms for tobacco and sugar planters, along with ranchers and merchants, highlighting the growing importance and influence that Cuban elites had on Cuban affairs as they emerged from the British occupation with greater wealth and prestige. Yet, in the early years of reform, Spain attempted to shift more control of the island, and to a large extent its American empire, from local elites to peninsulares (Spanish natives). Peninsulares had grown from holding half of all royal appointments to now making up 84 percent of such appointments. Spain further experimented with governance in the Indies through the introduction of an intendente (a high-ranking Spanish official) to govern Cuban fiscal and military affairs. This marked the first time an intendente had been used outside of peninsular Spain and highlighted the intention of Spain to establish a more modern bureaucracy in the colonies.

The failure of the Spanish military system in defending Havana also led to the restructuring of traditional colonial militias, as Spain sent regulars and veterans to help address amphibious attack and warfare on the island. At first, professional Spanish-born soldiers clashed with, from their perspective, the lesser Cuban-born Creoles in the militias over issues of military organization. Tensions between Creoles and peninsulares only seemed to increase during military restructuring, but compared to tensions between Britain and its major colonies, the Cubans and Spanish did integrate with limited outcry.

Continued reforms proceeded at a more cautious pace in the late 1700s, due in no small part to the actions of the Marqués de Esquilache, minister to King Charles III and a major reformer of the time. The overthrow of Esquilache in 1766 by Spanish people angered by his initiatives in matters of agriculture and dress, as well as in fiscal and administrative matters, prompted concern about the reception of new reforms in the Spanish colonies, and these reforms were only completed, at the earliest, in the 1780s. The programs, which focused on centralization and revenues, were interrupted by local colonial revolts in the 1780s. From that point on, Spain pursued a strategy of cooperation with the Cuban Creole elites who had grown in power and affluence.

52 Elliott, Empires of the Atlantic World, 301, 303.
53 Hamish, “The Seven Years’ War,” 444.
54 Elliott, Empires of the Atlantic World, 304.
55 Elliott, Empires of the Atlantic World, 295-296, 299-301.
The new prosperity and maturity, which the Cuban elites had achieved through the many reforms and changes in agriculture and labor practices, fostered an atmosphere that removed Cuba from the revolts ongoing in many of the Spanish colonies during the early 1800s. The members of the island’s elite feared they would lose much of their prosperity were revolution to come to Cuba, as it would interrupt the international trade and growing sugar exports to the United States that increased their wealth. In addition, the elite class feared a slave revolt, such as what occurred in the Dominican Republic (1791-1804), Cuba’s economic rival. Sugarcane, with all its many facets, was king on the island of Cuba.57

If not for the Seven Years’ War and the resulting British occupation of Havana, one wonders how Cuba’s development might have taken place. The war, which shook the foundations of not only the Spanish Empire but also the British and French Empires, had a significant global impact, especially in Europe and the Americas. The fruits of this can be seen clearly in Cuba. The failure of Havana’s defenses, as well as its brief taste of British prosperity and free trade, launched a process of reform that restructured the island’s existing economic, administrative, military, agricultural, and labor systems. Spain acceded to the notion that reform in the Indies provided the key to the future of Spanish well-being which resulted in a relatively cohesive program of reforms.58 This culminated in the primacy of sugar as Cuba’s staple crop, with a growing dependence on slave labor. As the Cuban elite gained influence, it perpetuated the plantation system and sought out a larger place in the international market. Cuba’s fleeting exposure to the British Empire launched a new chapter in its colonial experience, introducing changes that influenced the island’s development for centuries to come.

58 Ibid., 307.
CHAPTER TWELVE

ECUADOR’S FINANCIAL RELATIONSHIP WITH CHINA UNDER THE CORREA ADMINISTRATION

CHRISTIAN RODAS
Ohio University

Abstract

Globalization increases the integration of economies around the world. Historically, this interdependence has been dominated by Western economies, but emerging economies such as Brazil, Russia, India, China, and South Africa (BRICS) now compete with the United States and Western European countries for the dominance of the global economy. This thesis analyzes the rising bilateral relationship between Ecuador and China under the Correa administration, in terms of foreign direct investment (FDI) and financial loans. The research was conducted using both quantitative and qualitative methods. Official documentary records, bilateral agreements, national and international newspapers, and government speeches were analyzed. In addition, statistics about investment patterns were calculated from data provided by international databases. Further, personal interviews with government officials and businessmen were conducted in Quito to identify the major concerns raised about China’s growing presence in Ecuador’s economy. The findings show that Chinese funding is provided on the condition that the project funded contributes to satisfying China’s needs and Chinese workers are employed. Similarly, Chinese financing to Ecuador is linked to vague oil pre-sale contracts, which trigger opportunities for irregularities. The major finding of this work is that China has taken from Ecuador but does not reciprocate; this is an unsustainable relationship that will ultimately end badly for Ecuador.
Introduction

Globalization increases the integration of economies around the world. International trade, international finance, and multinational corporations are key components of these economic relations among nations. Historically, this interdependence has been dominated by Western economies: The United States and countries of Western Europe like the United Kingdom, Germany, and France; this phenomenon has been labeled Western hegemony. However, in recent years, emerging economies such as Brazil, Russia, India, China, and South Africa (BRICS) have evolved as an attractive alternative for international trade and foreign direct investment (FDI), mainly through the framework of South-South Cooperation. As a result, the United States and Western European countries now compete with nations like China for the dominance of the global economy.

The past two decades have witnessed a dramatic growth in the Chinese economy. The country’s growing investment in infrastructure and manufacturing has significantly raised levels of demand for natural resources such as oil and natural gas. In an effort to meet its vast and unprecedented need for natural resources, China has established strong bilateral and multilateral relations with various countries in the developing world, including Africa and Latin America and the Caribbean (LAC).

Indeed, China’s trade, investment and financial loans to many Latin American and African nations have substantially increased since 2000,

---

which has allowed China to become an attractive alternative to traditional Western partners.6

China’s economic expansion in Latin America was strengthened by a new political period in Ecuador.7 After Rafael Correa became President in 2007, the country adopted new political and economic approaches, which sought new trading partners and lenders to replace traditional Western finance institutions influenced by the United States. In 2008, the Ecuadorian government defaulted on part of the country’s national debt with the International Monetary Fund (IMF), claiming irregularities in the conditions of the financial commitment.8 This decision impacted Ecuador’s international reputation, and the country lost access to international financing, particularly from traditional lenders.9

Ecuador’s default generated a unique opportunity for China’s expansion in Latin America, resulting in China becoming Ecuador’s second largest trading partner for imports and the largest creditor under the framework of South-South Cooperation.10 Ecuador received financial loans and credit lines from China between 2010 and April 2016, some linked to the pre-sale of oil.11 As Gallagher noted, financial loans are the main mechanism Chinese leaders employ to direct funding to Ecuador and secure access to natural resources.12 With these loans, the Ecuadorian government has undertaken a number of infrastructure projects including

---

12 Gallagher, *China Triangle*. 
the Coca-Codo Sinclair and the Sopladora hydroelectric projects, and various highways.

However, Ecuador’s increased economic ties to China over the last decade have raised concerns. In 2010, Ecuador’s debt to China represented only 1.2% of Ecuador’s Gross Domestic Product (GDP), while in 2016, this amount rose to 8%.\(^\text{13}\) Ecuador’s debt to China amounted to US $8.1 billion in 2016, which accounted for 32% of Ecuador’s total external debt. This abrupt escalation prompted worries of repeating the old mistakes that led Ecuador to severe economic crises during the 1980s and 1990s.

The vast majority of China’s loans to Ecuador have been focused on infrastructure projects, which include legal requirements to purchase Chinese products and hire Chinese workers, reducing those financial benefits to the Ecuadorian economy. In addition, the financial agreements with China are linked to pre-sale of oil contracts, without clearly defined provisions. This vagueness has fostered concerns regarding Chinese bad practices, environmental degradation,\(^\text{14}\) and potential corruption. Another offshoot of Ecuador’s financial reliance on China is the trade deficit, which amounted to US $2 billion in 2016.

It is the objective of this research to explore the development of the Ecuador-China economic relation, particularly Chinese investment for infrastructure projects in Ecuador and the ever-growing amount of Chinese loans, which have higher interest rates and shorter maturity dates than those provided by traditional lenders. Personal interviews with government officials and businessmen in the private sector allow for an assessment of the different perspectives on the impact caused by China’s growing presence in Ecuador. Considering the deficit in Ecuador’s trade balance with China and the magnitude and conditions of Chinese loans, the Ecuador-China economic relationship will be detrimental to Ecuador in the medium and long-term.

**Methods**

Mixed quantitative and qualitative methods were used to answer the research questions of this study. Official documentary records, bilateral agreements, national and international newspapers, and government speeches regarding Ecuador’s financial relationship with China were


analyzed. In addition, statistics about investment patterns were calculated from data provided by international databases, including the United Nations Conference on Trade and Development (UNCTAD), the Central Banks of both countries, and the China-Latin America Finance Database. Finally, personal interviews with government officials and businessmen were conducted in Quito, Ecuador, between May and August 2017. During the fieldwork, ten people were interviewed: six businessmen and four government officials.

This work focused mainly on the period 2007-2016 because these years witnessed a substantial increase in the bilateral relationship between Ecuador and China. However, previous years were also included in different figures of this research, with the ultimate purpose of analyzing the evolution of economic indicators over time. The latest data available in the diverse international databases were used for each section of the study.

For foreign direct investment (FDI), this study concentrated on Chinese FDI to Ecuador because of the work of Narins, which found that Ecuadorian FDI to China has been minor throughout the relationship.\footnote{Narins, “China’s Eye.”} The Central Bank of Ecuador and the United Nations Conference on Trade and Development (UNCTAD) databases were the main sources used to collect Sino-Ecuadorian FDI data. It should be stressed that China’s FDI is not necessarily properly calculated, as Chinese investment is distributed from Hong Kong, and many times it is directly linked with foreign aid or financial loans.\footnote{David Dollar, \textit{China’s Engagement with Africa: From Natural Resources to Human Resources} (The John L. Thornton China Center at Brookings, 2016).} In the case of loans China granted Ecuador, data were collected from the China-Latin America Finance Database provided by the Inter-American Dialogue, and reports issued by the Finance Ministry of Ecuador. World Bank Indicators (WDI) were also used as supporting materials.

Several sources were consulted to determine what the Ecuadorian and Chinese governments claim regarding their growing bilateral relationship over the past decade. Official documents from both governments were obtained through official websites. In the case of Ecuador, the Good Living National Plan (2009-2013; 2013-2017), presidential decrees, government speeches, and official statements and reports were analyzed. These documents were retrieved from the websites of the Presidency of Ecuador, and the Ministries of Finance and Foreign Affairs. As for China, the information was gathered from official documents issued by the Chinese government, including the State’s Council Policy Paper on Latin America and the Caribbean, the CELAC – China Cooperation Plan 2015-
Ecuador’s Financial Relationship with China under the Correa Administration

2019, and the 13th Five-Year Plan of China. This information was obtained from the websites of the Ministries of Finance and Foreign Affairs of China. Official documents and presidential speeches related to the State visit of Xi Jinping to Ecuador in 2015 were also assessed.

In addition to official documentation, this work analyzed articles from national and international newspapers in order to identify projects and initiatives implemented within the Sino-Ecuadorian relationship over the last decade and to explore the different perspectives on the growing bilateral partnership between both countries. With regards to Ecuadorian newspapers, “El Comercio,” “El Universo,” and “El Telégrafo” were the main sources. In the case of China, the English versions of Xinhuanet, China’s official news agency, and the Beijing Review magazine were explored in order to learn China’s perception on Ecuador in terms of finance and investment. However, the vast majority of Chinese articles only address China’s political and economic ties with Latin America as a whole, rather than China’s bilateral relationship with Ecuador. Articles from Ecuadorian and Chinese newspapers, corresponding to the period 2006-2018, were acquired via their official websites. Key search terms such as ‘Ecuador and China,’ ‘Chinese investment and infrastructure projects in Ecuador’ were used to narrow the results. Articles from the American The New York Times and international news agency Reuters were used as support material.

Personal interviews were conducted with government officials and businessmen to determine the claims and future perspectives of Ecuadorian public and private sectors, and to identify the major concerns raised about China’s growing presence as Ecuador’s largest creditor. Interviews were carried out in Quito, Ecuador, between May and August 2017. Questions and answers were drafted in Spanish and then translated into English. Participants were identified through a snowball sampling method, starting from personal contacts in Ecuador’s Ministry of Foreign Affairs and the Chamber of Commerce located in Quito. Subjects’ responses are based on their own experience and expertise in Ecuador’s financial relationship with China. Interviews were analyzed so as to identify topics common to subjects’ responses, taking into account the existing literature on international relations and the information examined in this study.

The main data collection technique used in this research was the semi-structured interview, which “has a determined order of open-ended questions but also provides opportunities for both interviewer and
interviewee to discuss some topics in more detail.” Then, interviews were analyzed applying the Grounded Theory method, which aims to classify information by themes. Data analysis was carried out through line-by-line coding, in order to identify common patterns among the answers provided by businessmen, which were later contrasted to those of government officials. In addition, field notes were also used as supplemental materials for the analysis.

A total of fifteen participants—seven businessmen and eight government officials—were identified through the snowball sampling method, which started from personal contacts in the Chamber of Commerce in Quito and the Ministry of Foreign Affairs. Potential interviewees were contacted through phone calls through which the study was explained. After the explanation, they were asked to participate in the research. During this process, three individuals—one businessman and two government officials—could not be reached. Further, two government officials preferred not to take part in the study quoting the corruption scandals PetroChina and Odebrecht revolving around the government. Ten interviewees agreed to participate in the study.

Once all interviews had been carried out, they were analyzed to find topics shared by all interviewees, whether their opinion was positive or negative. Then, within each topic, the different viewpoints were assessed to find common ground and discrepancies among participants. Special attention was given to the concerns raised about China’s growing presence as Ecuador’s largest creditor.

Limitations

The methods chosen to carry out this study may face limitations. The use of the snowball method for selecting participants for the study limits the sample to a small group that may not be representative of the whole party of businessmen and government officials. Furthermore, working with human subjects involves the consideration of participants’ subjectivity. For instance, the political ideology of each participant may affect the way in which they perceive the actions and measures implemented during the Correa administration. Also, the responses of government officials may be

---

17 Nigel Mathers, Nick Fox, and Amanda Hunn, Using Interviews in a Research Project (Trent Focus Group, 1998).
biased, as they might not want to compromise their position in governmental institutions.

Even though statistics constitute a quantitative interpretation, they also posed limitations to this research. The way China presents its figures is not clear, as China’s information about FDI and financial loans, for example, is vague and incomplete. This is not only the case for official Chinese websites, but also for UN websites, where parts of the information are not up to date. Also, most of China’s FDI goes to Hong Kong, before it is sent to the final destination. This trail distorts the real figures of China’s investment around the world. Similarly, China’s investment in Latin America goes first to tax havens, such as the Virgin Islands and the Cayman Islands, where it is reallocated to other countries. Further, the methodology implemented by Gallagher and Myers to build the China-Latin America Finance Database regarding the amounts of Chinese loans to Latin America considers both loans granted to Latin American countries and approved credit lines, while the Finance Ministry of Ecuador only records the amounts the country has received and does not take into account credit lines, which generated discrepancies on debt data from both institutions.

Most importantly, Ecuadorian official documents are not readily accessible. In the case of oil pre-sale contracts between Ecuador and China, many terms and conditions are confidential. While Correa’s Presidential decrees and statements refer to the agreements signed with the Asian country, the provisions are not available to the public, as they are considered sensitive information. Further, it must be stressed that newspapers, magazines, and news agency websites could be ideologically biased, which is why the information obtained was scrutinized, and suspect.

Results

As a result of the aforementioned strengthening economic and political ties between Ecuador and China over the last decade, China has become Ecuador’s largest creditor which is directly related to oil pre-sale contracts

19 Sun, Foreign Policy.
20 Dollar, China's Engagement.
22 Personal Interview, Government Official, Ministry of Finance of Ecuador.
and infrastructure projects.\textsuperscript{23} But China’s growing presence in the Ecuadorian economy has raised different perceptions among different stakeholders involved in the dynamics of this bilateral relationship. So as to gain a deeper understanding of these perceptions, individuals from both the public and private sectors were interviewed. Further, official documentation, newspapers, and international organizations websites were consulted. After analyzing all these sources, the following themes were identified:

\textbf{Ecuador’s Growing Indebtedness to China}

In recent years, China has become Ecuador’s largest creditor. Ecuador sought financing from China to carry out its economic plan and public policies, even though Chinese loans had higher interest rates (7\%) than those offered by traditional western lenders (3\%).\textsuperscript{24} However, some Chinese loans including the Minas-San Francisco hydroelectric dam and the transmission system of the Coca-Codo Sinclair power plant used the LIBOR (London Interbank Offered Rates) rate plus an additional rate, which ranges from 2.5\% to 4.20\%.\textsuperscript{25} As Gallagher and Myers state, interest rate and payment period, between 8 and 15 years, depend on the scale of each financial transaction.\textsuperscript{26}

Ecuador’s national debt to China has grown rapidly under the Correa administration. The amount of debt reached US $8.1 billion in 2016, representing 8\% of Ecuador’s GNI (US $98.6 billion) and approximately 32\% of Ecuador’s total public external debt in the same year (US $25.6 billion).\textsuperscript{27} This significant increase is related to high levels of public spending, which amounted to US $38.5 billion in 2016.\textsuperscript{28} The government of Ecuador asserted “China has played a key role in Ecuador’s development

\textsuperscript{23} Ray and Chimienti, “Equatorial Forests.”
\textsuperscript{26} Gallagher and Myers, “Finance Database.”
since Chinese financing allows the country to complete emblematic projects aligned to the Good Living National Plan.29

According to the China-Latin America Finance Database, Ecuador has received US $17.4 billion from China since 2010 (Table 1). However, Fausto Herrera, Minister of Finance of Ecuador, argued that Ecuador only records the loans that have been officially executed by the government. For example, as regards to the line of credit that was opened on January 6, 2015, with the Exim Bank of China (US $5.3 billion), Herrera declared that the government would only tap US $1.5 billion during 2015.30 Thus, Ecuador’s public debt to China, according to the Finance Ministry of Ecuador, amounted to US $8.1 billion in 2016. China has provided several lines of credit to Ecuador since 2010, but unfortunately, the exact amount is unknown.31 The estimated amount of loans received approximates US $11.3 billion.32

When asked about the growing indebtedness with China, participants provided different perceptions. Some interviewees stressed the importance of Chinese funds as they are readily available and represent a new source of funding, different from the traditional western lenders, including the United States, the European Union, and international organizations such as the World Bank and the IMF:

“Obtaining credits through the World Bank and other financial institutions is a very long and complex process. Also, the procedure is subject to macroeconomic conditions, which are usually like those of the IMF. Chinese institutions, on the other hand, provide financial aid regardless of the political and economic policies of the recipient country. As China’s mechanisms do not interfere in Ecuador’s policy-making regulations, our sovereignty is not compromised”.33

---

30 Reuters, “China grants $5.3 billion credit line to Ecuador,” Reuters, January 6, 2015, https://www.reuters.com/article/colombia-china-loans/china-grants-5-3-billion-credit-line-to-ecuador-idUSL1N0UL1NM20150106.
33 Personal Interview, Government Official, Ministry of Finance.
Table 11.1: Loans from China to Ecuador

<table>
<thead>
<tr>
<th>Date</th>
<th>Purpose</th>
<th>Lender</th>
<th>Amount (US $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Coca-Codo Sinclair hydroelectric dam</td>
<td>China Ex-Im Bank</td>
<td>1.7B</td>
</tr>
<tr>
<td>2010</td>
<td>80% discretionary, 20% oil</td>
<td>CDB</td>
<td>1B</td>
</tr>
<tr>
<td>2011</td>
<td>Sopladora hydroelectric dam</td>
<td>China Ex-Im Bank</td>
<td>571M</td>
</tr>
<tr>
<td>2011</td>
<td>Renewable energy development</td>
<td>CDB</td>
<td>2B</td>
</tr>
<tr>
<td>2012</td>
<td>Finance 2013 budget deficit</td>
<td>CDB</td>
<td>2B</td>
</tr>
<tr>
<td>2013</td>
<td>Road to Quito airport</td>
<td>China Ex-Im Bank</td>
<td>80M</td>
</tr>
<tr>
<td>2013</td>
<td>Minas-San Francisco hydroelectric dam</td>
<td>China Ex-Im Bank</td>
<td>312M</td>
</tr>
<tr>
<td>2014</td>
<td>Finance Coca-Codo dam transmission system</td>
<td>China Ex-Im Bank</td>
<td>509M</td>
</tr>
<tr>
<td>2015</td>
<td>Transportation, education, and health care projects</td>
<td>China Ex-Im Bank</td>
<td>5.3B</td>
</tr>
<tr>
<td>2015</td>
<td>Finance 2015 Annual Investment Plan</td>
<td>CDB</td>
<td>1.5B</td>
</tr>
<tr>
<td>2015</td>
<td>Replace kitchen stoves</td>
<td>China Ex-Im Bank</td>
<td>250M</td>
</tr>
<tr>
<td>2016</td>
<td>Yachay education complex</td>
<td>China Ex-Im Bank</td>
<td>198M</td>
</tr>
<tr>
<td>2016</td>
<td>Non-discretionary and infrastructure</td>
<td>CDB- ICBC</td>
<td>2B</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>17.4B</td>
</tr>
</tbody>
</table>

Note: Table 1 includes loans granted and approved credit lines

Another interviewee added that “China has emerged as an alternative to western funding. Chinese funding has allowed Ecuador to dodge liquidity issues and implement several infrastructure projects”.

In contrast, some interviewees raised concerns regarding Ecuador’s large indebtedness with Chinese institutions. Ecuador’s debt to China is deemed to be excessive due to the 6-7% interest rates, which are high when compared to those offered by the IMF or the World Bank (2-3%). As one interviewee suggested, “Chinese loans are expensive because of their high-interest rates and short maturity dates, which range from 8 to 15 years”. Another participant asserted that “the amounts China granted

---

34 Gallagher and Myers, 2017.
35 Personal Interview, Government Official, Ministry of Foreign Affairs.
36 Personal Interview, Businessman, Chamber of Commerce of Quito.
Ecuador’s Financial Relationship with China under the Correa Administration

Ecuador are so exorbitant, that it is very likely that the government may be unable to fulfill its obligations”.37

The discretionary nature of Chinese loans was quoted by some interviewees as an advantage. However, other participants considered it negative due to the intrinsic lack of transparency, as “there is no way to control how the money is spent and to which projects or initiatives it is allocated”.38 Particularly, one interviewee claimed, “Chinese loans are often used to support the government’s elevated public spending”39

Several interviewees paid special attention to the fact that “Chinese loans are allocated to those sectors meaningful to accomplish China’s goals, such as hydroelectric dams and oil projects, which constitute their main energy source”.40 Furthermore, most Chinese loans are linked to pre-sales of oil contracts, defined as “oil-for-loans deals,” representing another obstacle in the procurement of accurate figures. The lack of transparency hampers the determination of the exact amount of loans Ecuador has received from China over the past decade.41 Several interviewees raised a specific concern regarding oil as the guarantee for Chinese loans:

“Most of the loans Ecuador has received from China are backed-up with oil pre-sale contracts: China grants Ecuador a loan and, in exchange, Ecuador must send oil to China until the amount is paid off. This way, the repayment of the loan is directly linked to world oil prices, which are very volatile”.42

Conversely, one government official pointed out that “loans are not granted unless we provide any sort of guarantee. Thus, we can take advantage of our own natural resources to access funding that creates long-term development”.43

37 Personal Interview, Businessman, Chamber of Commerce of Quito.
38 Ibid.
39 Ibid.
40 Personal Interview, Businessman, Chamber of Commerce of Quito.
42 Personal Interview, Businessman, Chamber of Commerce of Quito.
43 Personal Interview, Government Official, Ministry of Finance.
Ecuador’s Oil-for-Loan Deals with China

Not only do financial loans and oil pre-sale contracts go hand in hand, they mutually support and sustain each other. As a government official explained,

“the oil-backed loans model was not China’s invention. Many years ago, when the Chinese government could not easily access funding, China was in Ecuador’s shoes. Then, due to their unprecedented economic growth, they took that model and applied it in developing nations that owned the natural resources they needed. That way, it becomes a win-win situation: China lends us money, which we need to implement projects, and we export natural resources to them. No one loses”.44

Another official pointed out, “At a time when many countries are losing ground in the oil market, we ensure our market share by promising to sell oil to China, which pays Ecuador the market price per barrel plus a premium and offers our country access to funding”.45

Oil-for-loans deals between Ecuador and China started in 2009 when PetroChina granted US $1 billion to Ecuador in exchange for oil barrels for the next two years.46 These transactions have also been regarded as financial loans since these agreements also have an interest rate and a maturity date.47 However, “it is difficult to discover financial details of the oil-for-loan deals because Chinese lenders do not publish systematic data like the International Financial Institutions.”48

Ray and Chimienti explain Ecuador’s oil-for-loan deals with China as follows: “China Development Bank (CDB) lends money to Ecuador, which, in exchange, gives a prescribed amount of oil to China’s oil companies. The companies pay for the oil at current market rate: part of their payment goes to an account at the CDB to repay Ecuador’s loan, and the remainder is paid to Ecuador.”49 To reduce the risk of an eventual non-

44 Personal Interview, Government Official, Ministry of Foreign Affairs.
45 Personal Interview, Government Official, Ministry of Finance.
payment. China requested the Ministry of Finance of Ecuador to maintain a mandatory minimum balance of US $130 million in Petroecuador’s CDB account, from which China deducts the money to pay the loan. After Ecuador failed to meet contractual obligations, the minimum balance was raised to US $200 million.50

Table 11.2: Ecuador’s Oil-for-Loan Deals with China51

<table>
<thead>
<tr>
<th>Payment Period</th>
<th>Barrels (Million)</th>
<th>Status</th>
<th>Ecuadorian Partner</th>
<th>Chinese Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2009 to July 2011</td>
<td>69</td>
<td>Paid</td>
<td>Petroecuador</td>
<td>PetroChina</td>
</tr>
<tr>
<td>August 2010 to August 2014</td>
<td>51.8</td>
<td>Paid</td>
<td>Petroecuador</td>
<td>PetroChina</td>
</tr>
<tr>
<td>June 2011 to 2016</td>
<td>118.8</td>
<td>Paid</td>
<td>Finance Min</td>
<td>CDB</td>
</tr>
<tr>
<td>2011 to 2019</td>
<td>Unknown</td>
<td>-</td>
<td>Petroecuador</td>
<td>PetroChina</td>
</tr>
<tr>
<td>2012 to 2020</td>
<td>Unknown</td>
<td>-</td>
<td>Finance Min</td>
<td>CDB</td>
</tr>
<tr>
<td>2013 to 2017</td>
<td>Unknown</td>
<td>-</td>
<td>Petroecuador</td>
<td>Unipec</td>
</tr>
<tr>
<td>January 2016 to January 2021</td>
<td>76.3</td>
<td>Pending</td>
<td>Petroecuador</td>
<td>PetroChina</td>
</tr>
<tr>
<td>April 2016 to 2024</td>
<td>181</td>
<td>Pending</td>
<td>Petroecuador</td>
<td>PetroChina</td>
</tr>
</tbody>
</table>

President Correa emphasized that oil-for-loans deals contributed to Ecuador’s development because “they secure Ecuador’s oil market share, selling oil at market price plus a premium, and allow the country to access funding.”52 The Ministry of Finance of Ecuador noted that financial loans granted by China are not repaid with crude oil, but with money, and a government official claimed, “There is no oil guarantee in the two agreements and oil contracts with China do not jeopardize economic

51 Araujo/Petroecuador, 2016.
resources for upcoming administrations”. However, the Fiscal Policy Observatory of Ecuador indicated that oil pre-sale contracts signed in 2016 were tied to credits subscribed between the Ministry of Finance of Ecuador and Chinese banks which were signed the same day as oil pre-sale agreements, and both commitments have the same maturity date.

One interviewee asserted that “oil pre-sale contracts with Chinese companies and banks have been subscribed without tenders”. Former Minister of Energy of Ecuador argued that “in direct oil sales, the country loses when there is no bidding because there are no competitors that improve the price of crude oil.” Ray and Chimienti posit that these contracts pose risks for Ecuador, as fluctuating oil prices could significantly affect the agreement. If oil prices fell, Ecuador would have to sell more barrels of oil in order to repay China’s loans. Further, Ecuadorian oil production (approx. 415,000 barrels per day) depends on exogenous and endogenous factors, such as new regulations issued by OPEC or technical problems in oil drilling machinery and equipment. Therefore, economic analysts, including Vicente Albornoz, Dean of the Economic Department of the University of the Americas (UDLA), and Jaime Carrera, Secretary of the Fiscal Policy Observatory of Ecuador, pointed out that it is unlikely that the next government will be able to meet the financial obligations to China; hence, Ecuador’s public debt with China will have to be renegotiated in the future.

Yet, a participant stated that “the country committed its oil reserves for a fixed term during which there is a percentage of Ecuador’s oil production that cannot be sold to other countries. This is detrimental for the country, as there are no tenders that allow Petroecuador to raise the oil price”. Further, another businessman suggested that “once PetroChina...”

55 Personal Interview, Businessman, Chamber of Commerce of Quito.
56 Araujo, “Ventas de Crudo.”
57 Ray and Chimienti, “Equatorial Forests.”
58 Central Bank of Ecuador.
59 Fernando Villavicencio, Ecuador Made in China (Quito: Artes Gráficas Silva, 2014).
60 Personal Interview, Businessman, Chamber of Commerce of Quito.
has received oil from Ecuador, the company sells oil barrels to the United States, Chile, and Peru, thus breaking the law”.

Another concern expressed by some participants results from the secrecy surrounding the oil pre-sale contracts. As an interviewee noted, “all provisions in oil pre-sale agreements signed with China are not publicly known in detail, so we never know if the pre-sale is linked to a loan or to Chinese investment. It is not fair that the population of a democratic country should mistrust their representatives”.

As several participants claimed, the confidentiality of oil pre-sale contracts has led, in many instances, to irregularities:

“Secret provisions in contracts enabled authorities to incur in corrupt practices. In 2012, Ecuador signed two agreements with PetroChina and Unpec for eight years, even though Petroecuador’s regulations only allow contracts for up to two years. Later, according to a report issued by Contraloría General del Estado (General Comptroller of Ecuador) in 2012, we found out Ecuador had lost US $48 million, after the implementation of a formula used to calculate the price of Ecuadorian crude oil.”

But oil pre-sale contracts constitute only a fraction of Chinese investment: “as China needs energy to power oil drilling, they have directed most of its investment towards energy-production projects”.

**Chinese Financial Loans for the Construction of Hydroelectric Dams**

Multiple infrastructure projects were initiated and completed in Ecuador with China’s financial support in recent years. Villavicencio noted projects were concentrated in the energy sector, particularly in the construction of hydroelectric dams. “Coca-Codo Sinclair and Sopladora hydroelectric dams are emblematic projects for the country, and it would not have been possible to build them without Chinese funding.” According to President Correa, these projects allowed Ecuador to change its productive matrix and rendered the country more competitive in

---

61 Ibid.
62 Personal Interview, Businessman, Chamber of Commerce of Quito.
63 Ibid.
64 Personal Interview, Government Official, Ministry of Electricity and Renewable Energy.
65 Villavicencio, Made in China.
66 Personal Interview, Government Official, Ministry of Foreign Affairs.
international markets, paving the way for sustainable development.67 Nonetheless, “China mainly directs loans to projects looking after its own benefit. China’s interest in hydroelectric dams, for example, results from the energy they provide for China’s extraction projects in the region”.68

The main purpose of the hydroelectric dam Coca-Codo Sinclair project consisted of building a source of sustainable energy using the flows of Quijos and Coca rivers, in the Amazon region. Ecuador aimed to become energy self-sufficient and reduce oil imports for power plants.69 Indeed, “the construction of the hydroelectric plant will generate income from the export of energy surpluses; this will improve the economic conditions of the country”.70

According to the Finance Ministry of Ecuador, the total cost of the hydroelectric plant was US $2.2 billion, and the government expected Coca-Codo to produce 1500 MW of energy.71 Former Minister of Electricity and Renewable Energy of Ecuador, Esteban Albornoz, asserted that the project would save Ecuador US $600 million per year.72 However, the project faced various drawbacks, including the flooding of a tunnel where thirteen workers lost their lives. “These events evidence some of the bad practices employed by Chinese companies, aggravated by the language barrier. The vast majority of Chinese laborers working in Ecuador speak little or no Spanish”.73

In addition to financing Coca-Codo Sinclair and Sopladora hydroelectric dam projects, China participated in the construction of small-scale hydroelectric dams in Ecuador, including Minas-San Francisco (Harbin, Chinese company), Toachi-Pilaton (CWE, Chinese company), Delsitanisigua, Quijos, and Mazar-Dudas (China National Electric Engineering Company),

---

68 Personal Interview, Businessman, Chamber of Commerce of Quito.
69 SENPLADES, “Plan Estratégico.”
70 Personal Interview, Government Official, Ministry of Electricity and Renewable Energy.
73 Personal Interview, Businessman, Chamber of Commerce of Quito.
Ecuador’s Financial Relationship with China under the Correa Administration

and Manduriacu. However, “as Ecuador accepts Chinese funding at any cost, several projects cannot be put into practice”, resulting in only three operating hydroelectric dams. Although one interviewee pointed out that “the fall of world oil prices was the main reason the government could not finish the projects” (Personal Interview, Government Official, Ministry of Finance), Quijos and Mazar-Dudas projects, for instance, are stagnated because of breaches of technical and quality norms, and lack of adequate machinery and workforce.

One interviewee highlighted that “the construction of many highways, which ease and fasten the transportation of raw material and manufactured goods, would have not been possible without their funding. China has allowed us to streamline our economy and, therefore, has contributed to the country’s development” (Personal Interview, Government Official, Ministry of Transportation and Public Works). Also, several participants stressed the fact that projects implemented through Chinese investment “have created thousands of new direct job opportunities”.

Further, as Chinese projects involve the participation of Chinese workforce, “the presence of Chinese executives and workers has contributed to the creation of indirect sources of employment. They must settle in Ecuador for months, or maybe years, so they contribute to the real-estate sector and to domestic consumption”. Another participant also emphasized the importance of China’s presence for Ecuador’s labor market: “Chinese firms have created job sources that allow for technology transfer, which helps us create workers specialized in the production of innovative devices”.

Nonetheless, a participant explained that “projects financed by China implement Chinese work practices, which lead to poor working conditions, such as longer hours and low income. As a result, unions organized strikes, and projects have been stalled”. Another interviewee added that “even though the government claims Chinese-funded projects

74 Ibid.
76 El Universo, “Madeja de Créditos Chinos.”
78 Personal Interview, Government Official, Ministry of Finance.
79 Personal Interview, Businessman, Huawei.
80 Personal Interview, Chamber of Commerce of Quito.
boost employment, they fail to acknowledge that many job positions are only for Chinese citizens, who barely speak Spanish.”81

Another concern expressed by some participants is related to the import of Chinese products:

“In projects funded by China, Ecuador must implement not only Chinese equipment, but also Chinese supplies, such as screws and nuts. These are not high-tech products, and they could easily be purchased from an Ecuadorian company to foster domestic production. By contract, Ecuador needs to buy Chinese products, which are much more expensive than products in the Ecuadorian market.”82

**Other Infrastructure Projects Funded by Chinese Loans**

China has provided financial assistance to support other infrastructure projects in Ecuador. For instance, China Gezhouba Group Company Ltd. has managed the construction of Yachay University, “the city of knowledge, created for the development of research, science, and technological applications necessary to achieve the objectives of the Good Living National Plan.”83 Correa asserted “Yachay is the most important project in the history of the country,”84 which is why the government considered it convenient to fund the project through Chinese loans. In 2016, China’s Exim Bank granted Ecuador US $198 million to fast-track the construction of the Yachay complex.85

However, “despite China’s financial and technical support, Yachay is only a fantasy of the Citizen Revolution.”86 A report issued by public enterprise Yachay EP in 2017 indicates that the complex lacks classrooms, laboratories, and basic services and that buildings present design faults.87 Researchers argued that Yachay facilities do not have the appropriate

---

81 Ibid.
82 Personal Interview, Chamber of Commerce of Quito.
85 Gallagher and Myers, “Finance Database.”
86 Personal Interview, Businessman, Chamber of Commerce of Quito.
technology; therefore, they must travel to other countries to conduct their research projects. One interviewee suggested that “Yachay is facing problems because the government deemed high oil revenues as permanent income. When prices fell, the country’s economy wobbled. In addition, the Chinese company in charge, Gezhouba, has a poor international reputation because of bad practices”.

Transportation has also received China’s financial assistance through the enhancement of roads. The China Civil Engineering Construction Corporation was the company in charge of completing road construction in Ecuador, including the new road to Quito’s airport (Coallas-Tababela), the improvement of the Sigchos-Chugchilán highway, and the extension of the Ordoñez Lasso Avenue, among others.

Finally, it is worth mentioning that China has become a strategic partner in the construction of the Refinery of Pacific, which is currently stalled due to lack of funding. China also supported education, science, technology, and innovation projects in Ecuador through programs such as the Prometheus project, a government initiative that seeks to strengthen research, teaching, and the transfer of knowledge through the involvement of foreign researchers.

After analyzing the interviews, some conclusions can be drawn. On the one hand, government officials highlight the importance of China’s growing presence in Ecuador’s as its larger creditor, since Chinese funding has permitted the implementation of infrastructure projects, which create job opportunities and contribute to the country’s development. Further,

89 Personal Interview, Businessman, Chamber of Commerce of Quito.
officials have also pointed out that contracts with China have allowed Ecuador to access international funding and secure its market share for oil in the long run. On the other hand, most businessmen warned about the potential consequences that could arise from the escalating bilateral relation between Ecuador and China. The main concern identified was the excessive amount of long-term debt Ecuador has acquired with China, which could result unpayable. Also, they pointed out that contracts’ provisions are unclear and, in some instances, unfair, as projects demand the use of Chinese labor and supplies, undermining domestic industries and work market.

**Discussion**

This study has examined Ecuador’s ever-tightening economic relationship with China during the last decade. Correa’s administration — aligned with the principles of the 21st Century Socialism— sponsored an economic model detached from foreign influences, particularly those imposed by the United States. Since China was seeking new markets from which to obtain natural resources and new buyers for its manufactured products, Ecuador’s government regarded China as an ideal trading and financial partner to support its development model. Rafael Correa described bilateral relations with China as a “win-win” strategy, extremely beneficial for Ecuador. Similarly, President Xi Jinping claimed Ecuador was the paradigm of Sino-Latin American relations under the framework of South-South Cooperation. However, this study concludes that although financial relations between Ecuador and China experienced an unprecedented growth, concerns arise regarding the potential consequences resulting from this partnership.

Chinese foreign direct investment (FDI) in Ecuador has increased over the last decade. After analyzing data provided by the Central Bank of Ecuador (CBE), this study found that the vast majority of Chinese FDI in the South American country has been conducted under the Mergers and Acquisitions (M&A) method. China’s multinational corporations, including the China National Petroleum Corporation (CNPC) and Sinopec, have played a major role in this matter, as most Chinese FDI in Ecuador has been directed to oil drilling activities. In addition to holding the highest stake in Ecuadorian oil fields, China is also involved in the energy sector, particularly through the establishment of eight hydroelectric dams, which provide the energy China needs to extract oil for itself. Additionally, China’s FDI favors Chinese laborers and contractors, as FDI
agreements demand the participation of Chinese workforce and the use of Chinese products and services in the projects funded by China.

This work concludes that the rationale behind China’s funding of infrastructure projects in Ecuador is that China only provides a “tied-aid”: funding is provided on the condition that the project funded contributes to satisfying China’s needs and Chinese workers are employed. Other concerns have been raised among businessmen regarding the provisions in FDI agreements, as the use of low-technology Chinese supplies is detrimental to Ecuador’s domestic production and the employment of Chinese labor undermines the Ecuadorian labor market. Furthermore, this study discovered that only three of these projects are active and the remaining five hydroelectric dams are stalled or delayed due to lack of funding or bad practices, as in the case of Quijos hydroelectric dam.

As regards loans, high-interest rates and short maturity dates render Chinese loans more expensive than those from traditional lenders, such as the IMF and the World Bank. However, unlike financing from these institutions, Chinese loans are related to securing Ecuador’s natural resources, which is why most Chinese financing to Ecuador is linked to oil pre-sale contracts: China provides Ecuador access to financing and Ecuador agrees to repay the loan with oil into the future, with interest. While it is true that Ecuador can seize its natural endowments to foster long-term development through infrastructure projects, and China’s funding is readily available to implement the plan, pre-sale contracts with China prevent Ecuador from having its entire oil production available for sale to other countries, as part of the production must be saved to repay the loan.

The lack of tenders for “on-the-spot” sales prevents Ecuador from raising the price of oil, which becomes counterproductive for the country’s economy. Further, the vagueness of pre-sale contracts, resulting from undisclosed provisions, make it hard to know whether the sale of oil is linked to loans or investments, and the secrecy triggers opportunities for irregularities, as is the case of the use of a formula to calculate crude oil price, which resulted in a 48-million-dollar loss to Ecuador. The lack of accountability fostered by Chinese practices has prompted opposition in Ecuadorian leaders and citizens, as they feel the government is making the exact mistakes they made in the past.

94 Sun, Foreign Policy.
95 Orozco, “Petróleo que No Tenía.”
While the sample of this study is small, the study could be replicated in a larger and more diverse population to achieve results that are more representative of Ecuador’s reality. After analyzing the evidence collected, it can be concluded that the economic model proposed by the government of Rafael Correa, distant from Western dependency and influence, is merely a rhetoric strategy, as the United States remains the largest and most important trading partner for Ecuador. Correa’s government claimed Ecuador needed to regain the sovereignty previously surrendered to the United States, but economic policies implemented by this administration led the country to increase dependency on China as well. Further, the shift in the productive and energy matrices, goals proposed in the Good Living National Plan, were not met; Ecuador’s economy still relies on oil, as the main exported commodity. This dependency renders the economy unstable, as it is subordinated to the volatility of oil prices and the country falls short of other goods that can foster development.

Ecuador’s government failed to acknowledge the potential long-term consequences of accessing “readily available” financing. Thus, lacking a sound economic policy, Ecuador allocated loans for covering budget deficit rather than developing economic policies that would lead to Ecuadorian financial stability and sustainability; there is no motivation to develop sustainable economic strategies and infrastructure when Correa could simply keep returning to the “well” when more and more money was needed. What will be the outcome of this strategy once the “well” runs dry? Although the apparent benefits provide temporary economic relief, these mitigating measures bring about social, political, and economic problems in the long run. Indeed, as newly elected President Moreno stated, the current economic situation of the country is critical, due to the outrageous debt levels reached by the previous administration. If Ecuador does not have the ability to renegotiate or repay Chinese loans, then the country’s debt service will continue to increase, and economic stability will stagger for years to come.

Ecuador should create new strategic alliances within the global economy, setting aside political and economic ideologies that go against globalization, such as the “Socialism of the 21st Century.” Ecuador needs to diversify its creditors to reduce the risk of running out of sources of financing. The government should obtain financial resources under conditions that do not jeopardize the economic stability of future generations, ensuring that the terms of the agreements are clear and concise. Further, Ecuador should implement sound economic policies that bolster productivity to be more competitive in the international market with value-added products. Governments should understand that oil is a
non-renewable commodity and fluctuating oil prices greatly impact the economy. When oil prices are high, such as during the “oil boom” in the ‘70s and during Correa’s administration, the government should increase savings and invest wisely, according to the country’s economic capabilities, to avoid repeating past mistakes.

**A New Course in Ecuador’s Bilateral Relations with China?**

Rafael Correa’s vice-president in 2007-2013, and the presidential candidate of the ruling party (Alianza País), Lenin Moreno was elected President of Ecuador in May 2017. Moreno decided to distance himself from his predecessor and determined not to pursue several policies implemented by the previous administration. Regarding external debt, President Moreno stated that “Ecuador’s economic condition is critical” and Ecuador will need US $8 billion per year to repay the “excessive indebtedness” that his administration “inherited” from Correa’s government. President Moreno also regretted the many “white elephants” existing across various sectors of the economy as a result of mismanagement and claimed the government will adopt policies to reduce public spending and foster investment.

President Moreno manifested that “we all know Ecuador’s economic situation has been challenging since 2015” due to a fall in oil prices, low raw material prices, and the appreciation of the dollar, which added to the consequences of the earthquake of April 2016. Moreno also claimed that “as we had scarce liquid funds, the government resorted to internal and external financing. When the country faced a complex economic situation,

---


decisions made were not accurately measured, and the sustainability of our economy was taken to the extreme,” asserted Ecuador’s new President, criticizing the previous administration.

In order to remedy the current economic situation, Moreno’s administration is focused on enforcing austerity measures in terms of public spending and optimization regarding the use of public resources, especially for staff recruitment, consulting, advertising, transportation, and traveling, among others. Further, the government is seeking to renegotiate the Ecuadorian debt to China so as to make oil available for spot sales and reduce the number of barrels that Ecuador has to send to the Chinese market. The renegotiations of oil pre-sale contracts between Ecuador and Chinese companies PetroChina and Unipec began in October 2017.

The Ecuadorian government argues that the formula applied to calculate the price of crude oil included in the contracts is no longer valid, as it lacks a key component regarding the quality of the commodity. Ecuadorian representatives proposed a new formula known as “Platts” which would allow Ecuador to receive around US $0.50 extra per barrel delivered to Chinese companies. However, Ecuador did not succeed, as both oil companies rejected the amendment in the contracts. It remains to be seen whether the renegotiation of contracts will be effective and if Ecuador can fulfill its financial commitments to stay afloat in the global economy.

Bibliography


101 El Universo, “La Situación es Crítica.”
104 Orozco, “Petróleo que No Tenía.”


https://www.expreso.ec/actualidad/el-pago-de-la-venta-anticipada-de-crudo-inclu-YOgr_8204151.


Harris, Richard L., and Armando A. Arias, “China’s South–South Cooperation with Latin America and the Caribbean.” *Journal of*
Ecuador’s Financial Relationship with China under the Correa Administration


CHAPTER THIRTEEN

CHINA IN LATIN AMERICA: ECONOMIC SOFT POWER & TAIWAN

LAWSON SADLER
BAYLOR UNIVERSITY

Introduction

Chinese-Latin American relations over the last two decades developed from obscurity to dominating the economy of Latin America and challenging the political authority of the United States in the region. While Sino-Latin American interaction can be traced to the discovery of the New World, formal diplomatic and economic ties between the regions only developed with the opening of China in the second half of the Cold War. In the 21st century, China’s newly focused interest on Latin American resources and industry is part of its plan to create a multilateral world order, the need to sustain its own domestic population, and to reverse the pockets of support for Taiwan in among Latin American nations.

As outlined in China’s White Paper Policy on Latin America, released on November 24th 2016, China maintains a fivefold approach to interregional relations:

“Sincerity and mutual trust in the political field, win-win cooperation on the economic front, mutual learning in culture, close coordination in international affairs, as well as mutual reinforcement between China’s cooperation with the region as a whole and its bilateral relations with individual countries in the region.”

These goals of Chinese-Latin American relations can be divided into economic and political interests, with a particular focus on soft power influence and bargaining. This paper analyzes Chinese-Latin American relations in three parts. First, I will examine the sources of China’s economic interests in Latin America, as well as the effects of its financial dominance in the last two decades. Second, I will describe China’s soft power influence and growing political presence in Latin America. Third, I will address how these economic and soft power interests have reaped the benefits of changing the climate of Taiwanese recognition in favor of China. Finally, I will consider the future of Chinese and Latin American relations in light of this analysis.

The Sino-Latin American Economy

Latin America’s economic potential has long attracted powerful actors eager to extract its resources. Latin America boasts fifteen percent of the world’s oil reserves, twenty-five percent of its arable land, and thirty percent of its fresh water. Individual countries cultivate their commodity of choice, such as Brazilian soybeans and Chilean copper. Latin America’s wealth of natural resources may be its greatest economic advantage, but the rampant mismanagement of those materials led to the debt crises of the 1980s, strings of austerity measures, and other neoliberal methods to balance state economies. The untapped potential of Latin American territory necessitates responsible strategies of extraction and sale, as well as a balanced manufacturing market to avoid the import substitution industrialization (ISI) system of the 20th century.

China’s greatest strength is its greatest domestic weakness: a large population in need of sustenance. China’s own territory is strapped for the agricultural and primary resources necessary to maintain its workforce, and therefore must import these products. China’s title for this strategy is zouchugu zhanlue, or “going out”, which secures access to the natural materials and supplies that sustain China’s development. Latin America offers fertile ground for China to exchange its inexpensive manufactured goods with natural products from Latin American farmlands and

---


mountains. At the turn of the 20th century, that’s exactly what China began to do, buying up Brazilian soybeans and Chilean copper as fast as the countries could extract them from the earth.

Latin America, for its part, has benefited immensely from the market potential of China and the drastic increase in commodity prices to appease its insatiable appetite. Not to be forgotten are the more abstract aspects of China’s financial interest in Latin America as a banker and infrastructure investor. In 2014 alone, China invested $22 billion in the Latin American economy and became the region’s leading banker, exceeding those loans offered by the Inter-American Development Bank and the World Bank. China continually updates its approach to the Latin American economy, and has not been satisfied with the agricultural and mining products of the region; from January to October of 2017, China invested more than $10.8 billion in mergers and acquisitions of Latin American companies. In the forms of infrastructure projects and manufacturing procurements, China has procured a broad portfolio of Latin American economic assets that decrease the price of producing and shipping raw materials, while eliminating internal competition to China’s cheap manufactured goods.

The immediate future of Chinese investment in Latin America appears secure. In 2015 at a joint Chinese-Community of Latin American and the Caribbean States Forum, President Xi Jinping pledged to invest $250 billion in the region over the subsequent decade. However, China’s growth rates have proved in the last few years to be untenably high in the long-term. China’s average annual GDP growth rate over the last three decades is 9.63 percent; in the last five years that rate has dropped below average, culminating in a 6.8 percent growth rate as of the March 2018 quarter. By 2020, economists predict China’s GDP will drop below six percent for the first time since the financial crisis of 2008. As China’s

---


economy levels out, Latin America’s commodity boom will likely moderate to match the decreased economic influence of its most powerful buyer.

**Chinese Soft Power Politics**

As a soft power political actor, China exerts its strength and influence over Latin America through development of diplomatic relations and cultural connections that foster a sense of intimacy and mutual respect between all parties. The Chinese approach to international politics is multilateralism; China seeks to create a web of international allies and interests across Asia, Africa, and Latin America to challenge the unipolarity of the United States. Chinese cooperation with Latin America includes involvement in regional and international organizations such as the Organization of American States, Brazil-Russia-India-China-South Africa, and the China-Community of Latin American and Caribbean States.8

China has much to gain on the world stage of international diplomacy through careful political maneuvering in Latin America. China’s developing political presence has been viewed in recent years as a threat to the United States’ dominance in the region. Beginning with Fidel Castro’s communist Cuba in 1960, China sought to establish formal diplomatic relationships with Latin America and advance its position as a leader of third world nations.9 The choice of Cuba was not a trivial one; Cuba’s tense relations with the United States offered a prime point of entry for China’s influence in the Caribbean. Chinese-Latin American relations took off in the 21st century; from 2001 to 2015 there were 31 visits of Chinese premiers and prime ministers to Latin American nations.10 Especially in the context of President Donald Trump’s racially charged rhetoric and the

---


dissolving of the Trans-Pacific Partnership, China is in an ideal position to further assert its political influence in the region.11

An apt example of China’s soft power approach to Latin America is its relationship with Venezuela. During the Chavez administration, China invested approximately forty billion dollars in Venezuela, which included new media satellites and increased ties to Venezuela’s oil industry.12 While China does not step so far as to support the anti-American rhetoric of Venezuela and other radical leftist states, it continues to maneuver itself into a favorable economic position to capitalize off of the United States’ diminishing presence in the region. This includes offering diplomatic and military benefits to Latin American states. Arms sales at reduced rates and training exchanges with the Chinese military are bargaining chips for the Venezuelan government and other states such as Peru, Chile, Nicaragua and Costa Rica.13 China recognizes that Latin American states must rely on a larger power for tools of diplomacy they would not normally have access to, and has readily stepped in to fill this void in the region following the United States’ increasingly protectionist policies.

China has not neglected the cultural aspects of soft power, funding Confucian institutes throughout Latin America and encouraging immigration of Chinese nationals to all corners of Latin America.14 These aspects of cultural influence, when combined with the recent economic prosperity brought by Chinese buying power, are not to be underestimated in the sentiments of Latin Americans. In a polling survey of Latin American nations conducted by Vanderbilt University’s AmericasBarometer, researchers found that “average citizens in the LAC region are of the opinion that China’s influence in their country is beneficial.”15 Constituent support encourages Latin American politicians to continue expanding

---

Chinese influence in the region, but the long-term effects of this approach have yet to be proven economically viable.

**Chinese, Latin American, and Taiwanese Relations**

Taiwan, a small island across a vast ocean, has been of diplomatic significance to the Western Hemisphere since its controversial establishment. The nationalist government of the People’s Republic of China (PRC) fled to the island following the ascension of the Chinese Communist Party on the mainland. Isolated on the island, the PRC developed into modern day Taiwan due to its significance as a bastion of American influence within the South China Sea. The Cold War has been over for nearly three decades, but Taiwan remains in a standoff between Chinese and American influence; other countries then align themselves within these two spheres of influence as they decide whether or not to recognize the island as sovereign.

Since the thawing of the Cold War, Taiwan’s sovereignty has been increasingly threatened by the One-China Policy. The One-China Policy, established by the Shanghai Communiqué of 1972, describes the People’s Republic of China as the sole legal government of China, with Taiwan’s role relegated as a province of which no external state has the right to interfere in. The United States both recognizes the One-China Policy and maintains unofficial cultural and commercial ties to Taiwan. The United Nation’s (UN) recognition of China makes it impossible to have joint recognition of Taiwan; and thus far it is impossible for the UN to recognize a country’s sovereignty if it is a part of another. At the time of writing 17 states have officially recognized Taiwan, with nearly two thirds of those states being Latin American and Caribbean nations.

---


19 Winkler, Sigrid. “Taiwan’s UN Dilemma: To Be or Not To Be,” Brookings (blog), June 20, 2012. https://www.brookings.edu/opinions/taiwans-un-dilemma-to-be-or-not-to-be/.

Taiwan’s interests in Latin America lie in both the benefits of diplomatic ties and the economic potential of Latin American resources. Taiwan is driven by economic factors similar to China: a market to export their especially tech-related manufactured goods and a market to import natural resources and food. More significantly, Taiwan is motivated by the need for international recognition of sovereignty. Taiwan sees the Central American bloc as especially important to acquire, as they could provide the votes Taiwan needs to be recognized by the UN.21

Latin American countries are incentivized and discouraged from both sides of the One-China Policy. One of the continuities between the nations that recognize Taiwan is that they can be characterized as “small states.” Small states represent minute portions of the global GDP, population, land, etc. Small states may be heavily constrained in the larger international circle, but they also have the most to benefit from privileged economic and diplomatic ties to Taiwan.22

The economic policy and soft power influence of China described in this paper has proven to be the most significant influencer in the Taiwan decision. From 2017-2018, Panama, Dominican Republic, and El Salvador all severed ties with Taiwan in favor of accepting the One-China Policy.23 Much of this coincides with these countries’ admission, or potential admission, into China’s One Belt One Road Initiative (OBOR). OBOR is an infrastructure financing and investing initiative established in 2013 to expand trade networks and development with Chinese economic allies.24 Through this program, China’s goal is to invest $290 billion USD across Latin America by 2019.25

The Future of Chinese-Latin American Relations

The rapid development of Chinese-Latin American relations in the last two decades has left many Latin American nations scrambling to develop a strategy to counter the effects of Chinese buying power and investments in their economies. Unless Latin American nations develop a more moderated and balanced economic strategy of Chinese relations, their commodity driven market will collapse following either the exhaustion of those commodities or the diminished power of China’s own economy.

As China buys Latin America’s raw materials to sustain its own population, it also exports low-cost manufactured goods that Latin American companies cannot compete with. Central American textiles and manufacturing in Mexico are especially affected, which has led to strained relations among those nations.26 The rising gap between manufactured imports versus exports in Latin America threatens to undo the work of the Washington Consensus and return Latin America to a 20th century economic model. As Latin America becomes increasingly economically dependent on China’s buying power, the greatest fear for the region is that there will be no homegrown economic viability or innovation outside of the agricultural and mining sectors.

When China’s cheap manufactured goods compete with Latin American counterparts, Latin American industry struggles to remain viable in its home markets. If Latin American nations decide to move towards a protectionist route to stave off Chinese goods, ISI could return with the same powers of economic inflation and recession that necessitated the austerity measures of the late 20th century. But, to rely solely on a commodity market in trade seriously limits the economic portfolio of Latin America, especially when understanding the finite nature of these trade goods. Latin America must balance its commodity exports with an increased focus on manufacturing that affects the global market, so it does not internalize Latin American industry into another ISI situation.

As discussed previously, China’s GDP and commodity buying power is leveling off as the nation can no longer maintain unsustainable growth rates. While China will remain an immensely profitable market for the foreseeable future, Latin America must broaden its buyers to avoid becoming exclusively linked to China’s economy. A market of interest for Latin American goods is India, whose large population and need for sustenance mirror China’s own domestic situation.

Politically, both China and Latin America have much to gain from increased interregional diplomacy. China’s interest in Latin America is dependent to a certain extent on the United States’ foreign policy in the region. The pivot in American foreign policy during the Obama administration to an increased focus on Asian political and economic relations could potentially damage Chinese reputation and power in the region. Relatedly, the Trump administration’s disinterest and cultural disconnect to Latin America offers China an opportunity to counter the invasion of its home territory with an equally effective entry south of the United States’ border. Latin American nations could benefit from China’s technological expertise and position in international bodies such as the United Nations and the World Bank. A powerful ally, especially one reliant on the importing of Latin America’s natural resources, adds political clout to Latin America’s presence in the international arena, so long as Latin American nations develop strategies to manipulate their economic position into a favorable advantage.

Conclusion

China’s purposeful and rapidly developed presence in Latin America has left governments and regional bodies scrambling to develop their own strategies of engagement with the superpower. China’s primary objectives in interregional trade are to import natural resources for consumption and to export its own manufactured goods. As a part of a global strategy of multilateralism, China has projected its soft power influence through diplomatic engagements, military exchanges and technology expertise. Latin America has eagerly reaped the fruits of rising commodity prices and the political interest of an international heavyweight, with few thoughts for the long-term effects of these deep-rooted and unequal ties. China has begun to cash in on these investments through diplomatic maneuvers to limit recognition and international power of Taiwan.

If Latin American states are unable to develop a counterstrategy to China’s progressive monopolization of their economies, the region as a whole will suffer a recession when the commodity bubble eventually bursts due to lack of resources or China’s decreased buying power. To avoid this eventuality, Latin America must renegotiate itself to an equal position of power with China. Through investment in internal manufacturing, renegotiation of tariffs and trade laws, and expansion to other export markets such as India, Latin America has the opportunity to continue its prosperous political and economic relationship with China, while ensuring an independent and separate future of its own design.
Bibliography

“Besides Investing Heavily in the Region’s Abundant Natural Resources and Shipping Huge Quantities of Cheap Industrial Go,” n.d.
https://doi.org/http://dx.doi.org/10.1142/S10132_51117400045


http://utsynergyjournal.org/2017/02/10/chinas-rising-footprint-into-latin-america-geopolitics-economics-or-both/.


Winkler, Sigrid. “Taiwan’s UN Dilemma: To Be or Not To Be.” Brookings (blog), June 20, 2012. https://www.brookings.edu/opinions/taiwans-un-dilemma-to-be-or-not-to-be/.
SECTION FIVE:

EASTERN IMPACT:
POLITICAL CHANGE & INDEPENDENCE IN ASIA
CHAPTER FOURTEEN

DOES SOCIALISM BRING EQUALITY?
THE IMPACT OF SOCIALISM IN ASIA

DAVID BOMAR
CONCORDIA UNIVERSITY TEXAS

Abstract

Communism has been tested throughout Asia, but socialism has surfaced as an ideology that is was used and tested more prevalently as Communism failed. This study seeks to analyze the impact that socialism or socialist policies has on the income inequality in Asian countries. Two correlations were run to test the impact; one correlation between the median incomes of a country and their level of socialism, and another correlation between the Gini Coefficient of a country and their level of socialism. The tests found that when running the median incomes, there is a significant enough correlation to say that socialism has a negative effect on income inequality (increases the amount of income inequality), but when running it with the Gini Coefficient there was not enough statistical significance.

Introduction

Communism has been a continued experiment throughout the world with the goal to create complete equality within a country, but it hasn't always worked. Communism and socialist policies have historically created disastrous situations for any country that has tried it, however there are a few exceptions. Communist Russia under Lenin failed and let to mass poverty and famine throughout Russia, and led him to reduce the strictness of the centralist policies. Mao Zedong in traditional Communist China found the same results, but China survived with the remnants with a predominantly socialist economy and government.
Over the years that have been quite a few countries that have implemented some form of socialist policies and succeeded, such as Sweden, China, and the Asian Tigers (specifically Taiwan). China would be the most socialist of the three, however China has historically had incredibly high income inequality. The idea that a policy implemented to create equality but is in nations where there is very high inequality begs the question of whether or not socialist policies impact income inequality negatively or positively. I believe that socialist policies lead to more income inequality.

The income inequality in a nation based on the level of socialist policies is important to understand the rate of success of a socialist policy and can help determine its effectiveness in a nation. The US has also struggle with its own inequality problems which a portion of citizens have attributed to our Capitalistic system, and advocate for more Democratic-socialist policies. This study could directly impact how successful those socialist policies might be in the quest to create a more equal state.

**Research Question:**
What is the impact that socialism has on the income inequality in Asian countries?

**Hypothesis:**
It is hypothesized that the more socialist a nation is or the more socialist economic policies a country has, the greater the level of income inequality there will be.

**Significance of this Study:**
Socialism has seen the most experimentation in Asia, and this study intends to test the effectiveness that socialism has on its intended purpose. Socialism serves to reduce inequality in a nation, so this study will attempt to determine if socialism gives the desired outcome that it wants. With the rapid economic increase of China, this study wants to determine if socialism is truly beating the US' Capitalism, and if China will overtake the US in terms of inequality.

**Conclusion:**
This study will seek to determine the levels of inequality within a country, by looking at median income levels of Asian countries, the Gini Coefficient, and then correlating them against the level of socialism within a country. This study seeks to determine if there is a statistically
significant correlation between the level of socialism in a country and its median income levels and Gini Coefficient.

**Literature Review:**

China is the leading socialist country in the world, being strictly Communist, however it is well known that China’s level of income inequality is very high. Is the high level of inequality due to the Communist policies of China, or is there another factor? This study serves to look at the levels of income inequality in different Asian nations. What is the impact that socialism has on the income inequality in Asia? It is hypothesized that the more socialist a nation is or the more socialist economic policies a country has, the greater the level of income inequality there will be.

Yixiao Zhoua and Ligang Songb (2016) wrote the article "Income inequality in China: causes and policy responses". The purpose of the article was to look at the income inequality in China in relation to the capital gains in China. The article looks at historical evidence in the policies of China and historical income inequality that China has seen and how it is today. The hypothesis of the article is that the capital gains in China are disproportionate and a leading cause for income inequality in China. The authors’ primary methods used the Gini Coefficient and historical levels of income. The authors also analyzed different policies in China and how they affected or impacted the income inequality in China. The authors found that the Chinese economy benefits those with capital, but the ownership of capital is highly unequal which leads to the income inequality.

This source relates to the research question in that it directly relates to the income inequality in China and what it causing it. It explicitly defines one of the economic problems in China that leads to income inequality through capital gains and the ownership of financial capital. This paper will help to support the hypothesis that socialist policies are not just unhelpful to income inequality, but can actually have a detrimental effect. The sector of economic growth in China, based on the author's findings though is that the highly capitalist sector is leading to income inequality which can hurt the hypothesis of this study.

Yu Xiea, Xiaobo Zhangb , Qi Xuc and Chunni Zhangd (2015) wrote "Short-term trends in China's income inequality and poverty: evidence from a longitudinal household survey". The authors of this article looked to analyze whether China's poverty level was rising as fast the rapidly growing income inequality rate in China. The authors did not look to the traditionally looked at Gini coefficient, but rather looked at strictly just
Does Socialism Bring Equality? 221

income levels and the historical trends seen in income over the years. The article sought to claim that since 2010 that inequality has stagnated or even declined.

This source looks at levels of income and how they can explain the income inequality gap and how it has influenced the gap, which is the exact method that this paper intends to use. This study, however plans to look specifically at median income levels and the Gini coefficient to look at the income inequality levels in China and other countries with socialist policies. The conclusion that Yu Xiea et al. found in their paper goes directly against the hypothesis that more socialist policies would increase the income inequality gap.

Pundarik Mukhopadhaya (2013) wrote Trends in income inequality in China: the effects of various sources of income”. Mukhopadhaya attempted to find the levels of income inequality and use income levels has his basis for finding inequality. Mukhopadhya had a similar purpose as Xiea, but used a different methodology. Xiea looked mostly at just income levels and the trends in income, while Mukhopadhya looked exclusively to the Gini coefficient. The conclusion was that China's income inequality is on the rise, however the rural areas of China are increasing at a lower rate than the more urban areas of China. The urban area's income inequality are increasing at a quicker rate, but the overall level of inequality is lower in urban areas.

This paper directly corroborates the hypothesis of this study, in that it finds that China's income inequality is increasing, however it emphasizes that the urban areas of China are increasing at a much quicker rate. Therefore the more capitalistic sectors of China are seeing more income inequality than the more socialist rural areas. This finding focuses very heavily on the Gini Coefficient.

Daniel Cooper et al. (2015) wrote "The role of taxes in mitigating income inequality across the U.S. states". The authors were trying to see if there is a correlation between federal and state tax policies, and the levels of income inequality. The author believes that more progressive tax levels will have a positive effect on income inequality and looks to see the separate federal and state tax policies to see their specific effects on income inequality in the US. The authors looked at various different taxes to include in their data and cover various states. Using various tax policies the authors used basic pre-test/post-test data to determine the effects that the specific tax policy had on income inequality. The authors found that the more progressive federal taxes tended to lower the levels of income inequality, however state taxes tended to contribute to income inequality.
The tax policies within the US tend to be more capitalistic in nature, and tend to avoid more socialistic norms that countries like China and Sweden lean towards. More progressive policies tend to lean towards more socialist policies, but the US' progressivism is not on the level of Sweden or China.

Eunju Chi and Hyeok Yong Kwon (2012) analyze income inequality in Taiwan and South Korea in their paper, "Unequal New Democracies in East Asia: Rising Inequality and Government Responses in South Korea and Taiwan". Chi and Kwon looked to analyze the different political and economic factors that have caused the spike in income inequality in the two Asian tigers since the 1990s. The authors looked to just income levels and different areas of the workforce, whether it be hard labor or capital based businesses, and how the different economic sectors impacted the income inequality in the two countries. The article found two conclusions; one that Taiwan has had a faster rate of growth in income inequality, and two that economic growth contributes to lowering income inequality. This is interesting as the two countries were Asian tigers that relied on a mixed economic policy that served as a controlled capitalism. Taiwan, being the more socialist of the two countries, has faster economic growth and more inequality.

The conclusions found in Chi and Kwon's paper compares two somewhat socialist countries and what effects their income inequality. This paper would corroborate the hypothesis in that it found that income inequality is directly tied to economic growth, which could very heavily contribute to income levels. As the economic growth of a country goes up, it would make sense that the median income levels would also increase, which is what this study intends to test.

Conclusion:
The literature over the topic of income inequality seems to be quite diverse, especially with the literature covering China. Some of the literature pointed to completely different conclusions, it just depended on what the author used as their tool for measurement, whether it be income levels, economic growth, or the Gini coefficient. None of the literature directly supported the hypothesis of this paper, but some of it pointed in the same direction.

Methods:
Socialism is one of the dominant trains of thought for the economic and political policy to be used in a country, and has been extensively experimented throughout Asia, but socialism has been known to cause
inequality but the purpose of socialism is to solve inequality. What is the impact of socialism throughout Asia on income inequality? It's hypothesized that socialism has a negative impact on income inequality, and can lead to more income inequality in a country.

**Sample:**

The focus of this study is to determine the levels of income inequality based on the level of socialism that is practiced in Asian countries. Ten countries in Asia have been selected based on their level of socialism. The list of countries, ranking from the most socialist to the least socialist is (based on a scale that has given each country a score for their level of Capitalism), Vietnam, China, Cambodia, Indonesia, Thailand, Japan, South Korea, Taiwan, Singapore, and Hong Kong.

**Design:**

The Asian countries have been ranked from most socialist to least socialist, based on their economic policies and their political policies. China is the most socialist with a Communist economy and a socialist political structure. The Gini Coefficient will then be determined for the countries and put into a list to correlate against the list of Asian countries to determine the correlation between socialism and income inequality. Pearson's r will be used to determine the level of correlation. Pearson's r determines the level of correlation based on the effect size of the calculation. The Pearson's r effect size can range from -1 to 1, with at least a - or + effect size of .7 for the correlation to be considered reliable and valid.\(^1\) The Gini Coefficient basically determines the level of income inequality and uses a coefficient of 0 - 1, with 0 meaning that the country has low inequality.\(^2\) The list of countries will also be correlated with the median levels of income in each country. This will create a second method for determining the levels of income inequality and determine if there is a significant difference between median levels of income and the Gini Coefficient.

**Collection of Data:**

Journal articles were consulted to determine the effectiveness of the Gini Coefficient and Pearson's r. Junhee and Companies 2016 article, "Using Gini coefficient to determining optimal cluster reporting sizes for spatial scan statistics", explains the Gini Coefficient and the equation

---

\(^1\) Odom, 2006.

\(^2\) Junhee, 2016.
behind it. The Gini index was used to determine the rank of Asian countries based on the Gini Coefficient, but the index uses a scale of 0 - 100, rather than the 0 - 1 level that the Gini Coefficient traditionally uses. *Pearson's r* was defined and the effectiveness was determined in Odom and Morrow Jr.'s 2006 article, "What's this r? A Correlational Approach to Explaining Validity, Reliability and Objectivity Coefficients".

### Table 14.1

<table>
<thead>
<tr>
<th>Country</th>
<th>Capitalist Scores</th>
<th>Gini Coefficient</th>
<th>Median Incomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>91</td>
<td>53.7</td>
<td>35,443</td>
</tr>
<tr>
<td>China</td>
<td>57.7</td>
<td>46.5</td>
<td>6,180</td>
</tr>
<tr>
<td>Singapore</td>
<td>88.7</td>
<td>45.8</td>
<td>32,360</td>
</tr>
<tr>
<td>South Korea</td>
<td>73.5</td>
<td>34.1</td>
<td>40,861</td>
</tr>
<tr>
<td>Taiwan</td>
<td>74.7</td>
<td>33.6</td>
<td>32,762</td>
</tr>
<tr>
<td>Japan</td>
<td>69.1</td>
<td>37.9</td>
<td>33,822</td>
</tr>
<tr>
<td>Vietnam</td>
<td>52</td>
<td>37.6</td>
<td>4,783</td>
</tr>
<tr>
<td>Indonesia</td>
<td>65.5</td>
<td>36.8</td>
<td>2,199</td>
</tr>
<tr>
<td>Thailand</td>
<td>68.6</td>
<td>44.5</td>
<td>7,029</td>
</tr>
<tr>
<td>Cambodia</td>
<td>64.1</td>
<td>37.9</td>
<td>2,308</td>
</tr>
</tbody>
</table>

### Conclusion:

*Pearson's r* will be used to determine the level of income inequality in Asian countries by correlating the Gini Coefficient with the level of socialism. A second correlation will also be run between the Median incomes of the Asian countries and their level of socialism.

### Methods:

Asia experimented with socialist economic and political policies, however the intended effects of socialism (to stop income inequality) were not always seen. Does socialism impact the levels of income inequality throughout Asia? *Pearson's r* was run two times to determine the correlation between the level of Capitalism in a country and the Median income of the country, then again between the level of Capitalism in a country and the Gini coefficient in a country. The alternative hypothesis that the higher the level of socialism (or lower the level of Capitalism), the higher the income inequality would be in a country, was not rejected. There was enough evidence to reject the null hypothesis.
Results:
The Pearson's $r$ was run twice to determine the correlation between a country's level of socialism and their level of income inequality. The effect size of the correlation between the countries' Capitalist scores and their median incomes was .734, and the effect size of the correlation between the countries' Capitalist scores and their Gini coefficient was .457. There is enough evidence to reject the null hypothesis when looking at median incomes, but there was not enough evidence to fail to reject the null hypothesis when looking at the Gini Coefficient due to the weak effect size of the correlation.

Conclusion:
The findings of the study were there was a good positive correlation between the Capitalist ranking of a country and their median income (.734), however there was only a weak positive correlation when comparing the Capitalist ranking and their Gini Coefficient (.457). When looking at the median incomes, there is enough data to reject the null hypothesis, however there is not quite enough evidence to reject the null hypothesis when looking at the Gini Coefficient.

Conclusion:
This study was attempting to determine the efficiency that socialism had, and determine the validity of the general argument that China is beating the US. I became interested in this topic due to the troubled history that China has with Communism and socialism, with great amounts of famine and inequality plaguing the nation under Mao Zedong and Communism. This study was to determine if China, and the other Asian socialist countries are in a position to take down Capitalism. It was hypothesized that socialism would have a negative impact on inequality; socialism creates more inequality. Two statistics were used to determine this hypothesis, the median incomes of the selected Asian countries, and their Gini coefficients, and two different correlations were run. The two correlations produced different results, and in terms of the original question, median incomes proved that socialism does cause lower incomes. However, in terms of the Gini Coefficient, it was found that socialism did not necessarily cause more inequality. There was enough evidence to reject the null with the median incomes, but not enough with the Gini Coefficient.
Discussion:
The results of the two tests differed, but it was because they were testing different things and relate to the research question in different ways. The Gini Coefficient is a standard that is used to determine income inequality in a nation, but there is some skepticism to its validity because of it has been used with political agendas. This is why the median incomes of the nations was also used. The test came back with a strong, positive effect size with the median income correlation. The test with the Gini Coefficient came back with a weak effect size, so there was little to no correlation with the Gini Coefficient. The level of socialism was run slightly backwards in that each country was given a Capitalist score, so the lower the score of a country, the more socialist it is. This can help to determine why the results of the two tests were different, and what it means that they were different.

With the test for median incomes, there was a strong, positive correlation, which basically means that the less socialist a country was the higher the median incomes the country had. Median incomes were used as an alternative to the Gini Coefficient. This went with the Adam Smith train of thought that all boats do rise in the high tide. The more Capitalist a country was the higher the median income of a nation was. Medians also allowed to results to eliminate outliers of the super-rich and super poor to get a better data set for the general financial status of a household. This can also be interpreted that Capitalism simply just makes nations richer, but may not tell the whole story of income inequality, which is why the Gini Coefficient correlation was also run.

The Gini Coefficient correlation gave a different result; there was a weak correlation between the Capitalist score of a nation and its Gini Coefficient. This basically means that the more Capitalist a nation is, the more inequality there is. So the two data sets give differing results, but they can give a different response to the research question if they are looked at together. The two correlations also mean that the more Capitalist a country is, the more general wealth there is for a country, but it also means there is more inequality. This basically confirms that socialism does create more inequality, but it makes the population equally poor. However if this study was to only look at the median incomes, which is a more direct statistic for inequality, then there is enough evidence to suggest that socialism does lead to more inequality.

Conclusion:

In conclusion, the study confirmed and rejected the hypothesis. The test with median incomes does confirm the hypothesis, however the test
with the Gini Coefficient rejects the hypothesis. However when looking at them together, it can be interpreted that socialism can create some income equality, but it will result in the country being poorer for it. This helps to determine the validity to the "success" of China, and whether or not socialism works better than Capitalism. This study found that socialism either leads to more inequality or a poorer country, so there is not enough evidence to really show that China will surpass the US on all economic fronts.

**Bibliography**


CHAPTER FIFTEEN

THE IMPLAUSIBILITY OF A KURDISH STATE

JARED MARTIN

UNIVERSITY OF MARY HARDIN-BAYLOR

On September 25, 2017, Iraqi Kurds held a referendum regarding the creation of an independent Kurdish state from territory in Northern Iraq. Immediately, the government of Iraq rejected the results, calling it illegal and non-binding and threatened violence if the move for independence was not abandoned. Then-US Secretary of State Rex Tillerson also proclaimed the move to be illegitimate and voiced the United States’ support for a strong, unified Iraq. In a press report, the State Department further explained that the United States was disappointed in the actions of the Kurds and noted that this move would further destabilize the region. At this time the war with the Islamic State of Iraq and Syria (ISIS) was still in full swing and the United States could not afford further destabilization in the region. Now that ISIS has been seemingly defeated, how probable is the creation of a Kurdish State?

In examining the consequences of an Iraqi state, this paper will ultimately prove that a Kurdish nation is not viable at this time. After bracketing the threats of a Turkish invasion of Iraq and more Iraqi sectarian violence immediately upon the declaration of Independence of Iraqi Kurdistan, my analysis considers a multitude of points. First, it discusses the culture of the Kurdish people to allow for a base understanding. Next, it analyzes the consistent oppression the Kurds have faced for decades. The paper subsequently weaves into the 2003 invasion of Iraq, highlighting Kurdish allies and foes while moving toward the 2017 Referendum and more-recent developments. Finally, it delves into

---

the trends of American foreign policy while also looking at the major costs and obstacles associated with the creation of such a state.

Kurdish Culture

When considering the viability of a Kurdish state it is also important to understand who the Kurdish people are. The Kurds are genetically Indo-European but their exact origins are difficult to find. Traditionally a nomadic group—as the states around them began to form more stabilized borders—the Kurds were pressured into settling into modern day Kurdistan or integrate into other cultures. When World War I ended, the Treaty of Sevres laid the plans for an independent Kurdish state, yet no such state was created when the borders of Turkey were developed. This left the Kurdish people as the largest ethnic minority in the Middle East without a home of their own.2

Since the fall of the Ottoman Empire the Kurdish people have been pushing for more political rights and independence. There are around 30 million ethnic Kurds in the world, primarily residing in regions of Iraq, Syria, Iran, and Turkey.3 They are a tribal people of mostly Sunni-Muslim descent and have the greatest consolidated power in an area in Northern Iraq called the Kurdistan Regional Government (KRG) as well as a Kurdish government body in Northern Syria. While they have a distinct culture with their own customs and language, many ethnic Kurds have also assimilated into populations all over the Middle East and Europe.

Unlike many of the people groups in the region, Iraqi Kurds do not determine ethnicity by faith. Instead Kurds are Kurdish before anything else; this subsequently explains why, in 2012, the KRG Independent Parliament passed a law stating that public schools would be religiously neutral. While most Iraqi Kurds identify as Muslim, they have been known to support equality of all religions—as evidenced in the fact their school systems are the only in the Middle East to teach world religions on an equal basis—a stark contrast to surrounding state administrations.4

---

Another cultural factor distinguishing the Iraqi Kurds from many of their neighbors includes the role Kurdish women play in government and the military. In 2014, a Pro-Kurd website claimed to have women serving in 30 percent on the KRG roles in government while the United Kingdom and United States employed roughly 22 percent and 19 percent, respectively at that time. Kurdish women have also played key roles in the fight against the Islamic State; the women of the Kurdish Democratic Union Party (PYD), known as the Women’s Protection Units (YPJ), have been recognized for their bravery on the battlefield. No other state uses all-female infantry units; furthermore, the YPJ proved to be extremely effective in the fight against ISIS. While the US military is still opening combat positions to women with varying degrees of success, the Kurds of Syria are setting the standard for gender equality in the military.

Although these roles women play in Kurdish society represents a step forward for gender equality, they also could be detrimental to Kurdistan regional politics. If Kurdish women are allowed to take such a strong role in politics then it is likely that one day a woman would rise to lead an independent Kurdistan. A female head of state in a region dominated by men is likely to be met with heavy resistance given the fact that Kurds in most Middle East states have little political standing as it is. Many of the neighbors of a potential Iraqi Kurdistan rank among the worst states for treatment of women in the world. This could also prove to be problematic for the ethnic Kurds living in other Middle Eastern states who may become emboldened by an Iraqi Kurdistan.

Kurdish Opposition

Kurdish secularism, along with Turkey’s absence from the fight against ISIS, has led to tensions and outbreaks of violence between Kurd factions and Turkish forces. Kurdish culture has also been under attack for some time. Middle Eastern states such as Turkey, Iran and Iraq have made things such as Kurdish language, music, and clothing illegal with punishments heavy enough to lead to imprisonment; it is safe to say these three countries are an absolute enemy to the Kurds.

---

Since those particular nations could lose population, territory, or influence in the creation of a Kurdistan in Northern Iraq, their opposition is logical; however, some issues run deeper than land rights. Kurds have been the target of ethnic oppression for decades from leaders of both Iraq and Turkey. In some situations, the Kurds have risen up in arms, as was the case with the PKK in Turkey or the Kurdish uprising in Iraq in 1991.

Conflict in Iraq and Syria has also made the fight between armed Kurdish groups and Turkey more intense. In the fight against the Islamic State, Turkey has chosen to conduct airstrikes on PKK targets and their affiliates rather than to target ISIS fighters. Turkey and the PKK have been in conflict for more than 30 years, with a two-year cease fire dissolving in 2015 after a suspected ISIS suicide bomber killed thirty Kurds near the border with Syria. The failed coup of 2016 in Turkey also led to increased scrutiny from the Erdogan regime of any threat. Kurdish success in the fight against ISIS will likely have made Turkish officials uncomfortable as increasing territory and the gaining of Western political recognition pose a direct threat to Turkey’s control of its own Kurdish population. Turkey has already threatened to move on Northern Iraq to root out “Kurdish rebels.” It can therefore be assumed that the creation of a Kurdish state would be opposed by the Turkish military force.

When former Iraqi president Saddam Hussein was on trial after his capture in 2006, one of the many charges brought against him was the genocide of the Kurds in northern Iraq. Starting in 1988, Iraqi forces moved on the Kurds destroying at least 2,000 villages and killing 50,000 civilians. The Kurds were attacked with airstrikes, death squads, and chemical weapons; anyone who survived was forced to flee to other countries or relocate immediately. The Kurds would again be forced out of Kirkuk after defeating ISIS by Iraqi forces who were afraid of the Kurds gaining control of the important oil regions around the city.

---

failed referendum vote for independence, Kurdish-Iraqi relations have become even more strained. Iraq has become closer with Iran in recent years and stands to lose the most in the creation of a Kurdish state. With Iraq still reeling from over a decade of war, as well as the coming fall-out from the Islamic State attacks, the last thing Baghdad can afford is to lose important territory and resources to the Kurds.

Despite being allies in the Iraq-Iran War, and in the fight against the Islamic State, the Iranians should not see the creation of a Kurdish state as a good thing. While the Iranian government has had good relations with the Kurds of Iraq, their own population of Kurds has been a prime recruitment territory for ISIS and other terror organizations. A successful Kurdistan would also likely trigger calls for similar action from the Kurds of Iran. Furthermore, a Kurdish state would weaken Iran’s key strategic ally in the region, Iraq, as well as bolster relations between Kurdistan and Israel. Iran cannot allow either of these options to come to pass. Since Tehran has vowed to do all it can to stop this from happening, a Kurdish state would naturally look to the United States for protection in its early stages of development. This would, no doubt, decrease the sphere of influence Iran had on the region and would bring further scrutiny on Tehran from the West.

2017 Referendum

The Kurds in Northern Iraq also have claimed the oil-rich region of Kirkuk as a primary city for the Kurdish people. Kirkuk currently lies outside of the established KRG region and has been a major point of contention between the regional Kurdish and national Iraqi governments. Many Kurds claim to have been displaced from the city under Saddam Hussein. After Iraqi forces fled from Islamic State fighters, the Kurdish peshmerga (Kurdish for “those who face death”) were able to mobilize, deploy and eventually regain control of the region, leading to claims of non-Kurdish Iraqis being forced from their homes. The initial 2017 Independence Referendum vote took place in Kirkuk and eventually led to armed conflict between Iraqi and Kurdish forces. It ended with a Kurdish

---

Kurdish Allies & Military Involvement

Aside from the Kurdistan Workers Party (PKK) in Turkey, which NATO has labelled a terror organization, Kurds in the region have fought alongside US forces for almost two decades. After helping to combat Saddam Hussein’s forces in 2003, the Kurds set up a regional government in 2005, creating a semi-autonomous role in the region. After the collapse of al-Qaeda and the rise of ISIS, Kurdish forces immediately moved to stop the advancing Islamic State, setting the groundwork for an extensive relationship in the fight against regional terror. In a 2015 interview with *The Guardian*, peshmerga fighters showed videos and photographs of Western-looking Special Operations Forces engaged in combat on the frontlines in Iraq. Although the Obama administration denied and pointed to its “No Boots on the Ground” policy, the internet hosts photographs and videos of what many have identified as American-resembling fighters.15

This should come as no surprise as arming, training, and leading foreign national fighters is a key role of the US Army Special Forces, or Green Berets. Founded in the 1960s by President John F. Kennedy, the Green Berets serve all over the world in similar conflicts and roles.

The relationship between Kurdish fighters in Iraq and Syria and US Special Forces is an important component to US regional strategic interests for two main reasons. First, the presence of elite US forces on the ground in Syria limit the expansion of Iranian influence. This leads back to a previous point regarding former Secretary of State Rex Tillerson’s assumed plans for the Middle East. Second, US forces can better track and destroy terror cells, including remnant ISIS groups. A third developing interest may come from US desire to monitor at Russian activity in Syria—having a regional ally on the ground allows for greater situational awareness for the United States. The use of Special Operations Forces (SOF) also means fewer resources need to be used and gives the American forces more freedom of movement in the region.

After the September independence referendum, the Kurds did come out with one key ally in Israel. Prime Minister Benjamin Netanyahu’s support

---


15 Chulov, 2017.
of an independent Kurdish state makes complete sense. Israel and the Kurds have historic ties similar to that of the Kurds and the Americans. Since the 1960s, Israel has had a discrete military and intelligence relationship with the Kurds, who it sees as a buffer against hostile Arab neighbors. This relationship would likely prove to be more dangerous for Kurdistan, as it would incur the wrath of the surrounding anti-Israeli states. While this may seem to be a benefit to Israel, this arrangement would do nothing to limit terrorism in the region and would allow Iran to gain more influence.

The Cost of a Developing Nation

With so few allies in the region, Kurdistan would likely lean on the United States during the initial formation of the state. This is problematic for the Kurds as Washington has proven to be an inconsistent political ally at best. American interactions with Kurdish fighters have become a point of contention with Turkey, a key regional—and North Atlantic Treaty Organization (NATO)—ally. Because of this, in November of 2017, President Trump told Turkish President Recep Tayyip Erdogan that the United States would no longer be providing weapons to the Kurdish rebel forces in Syria. This should come as no surprise; although the Syrian and Iraqi Kurds have been important US allies in combat, they do not have the same importance when it comes to regional diplomacy where the end goal is to stop the spread of Iranian influence, which the United States looks to Turkey assist with this endeavor. Furthermore, the Trump administration’s lack of action after the murder of Jamal Khashoggi by Saudi Arabian agents shows that Washington is hesitant to act politically against important Middle Eastern allies.

To successfully assess the true impact an Iraqi Kurdish state would have in the Middle East, one must first understand the current diplomatic

---


plans for the region. In order to effectively determine the effects of a united Iraqi Kurdish state, a general understanding of current US diplomatic plans for the region must be considered. For the past decade, however, this has proven difficult to achieve due to ever-changing policy from Washington. The obvious point to make is that the US has been in conflict in Iraq since 2003; the country’s priority should therefore shift to help create a strong and stable Iraqi state. An Iraqi government more closely aligned with the West would go far in reducing Iranian influence on the region. A 2017 RAND Corporation study identified Iran as the primary threat to US military and economic interests in the region. Its ability to influence the movement of resources within the Gulf, as well as its actions in the Syrian conflicts, create a delicate situation for all involved. Based on the current relationship between Baghdad and Tehran it is easy to see that the creation of a US-backed Kurdistan would create further tensions between the United States and Iraq and allow for more Iranian influence.

The current administration’s Middle East strategy seems to follow a plan with three major pillars. Steven A. Cook categorizes these pillars as fighting terror, containing Iran, and supporting Israel. If the US were to back the Kurdish state, not only would Iran’s influence over Iraq greatly expand, but there would likely be a massive increase in terrorist operations within the region. US Secretary of State Mike Pompeo has taken a hard line with Iran and it is difficult to believe that he would support the creation of such a state.

Cook also highlights the difficulties of trying to balance the interests of US’s major allies in this region. President Trump’s recognition of Jerusalem as the capital of Israel and the relocation of the US embassy to that city has created further tensions with allies and adversaries alike. Based on the regional response of the Jerusalem embassy move, it is a logical assumption that a similar, or more intense response, can be expected.

---

20 Cook, 2018.
States have a responsibility to ensure that their best interests are met. For the US this should mean a reunified Iraq, and not an independent Kurdish state. Since 2003 American foreign policy decisions have greatly destabilized the Middle East. Until Iraq is reunified as a stable, sovereign state and the war in Syria ends, the United States must ensure that no other factors within its control can further fracture the region. Currently the greatest regional threat to US interests is Iran. Washington should subsequently focus on creating a more stable and prosperous relationship with Baghdad. Closer relations with Iraq will go further in limiting Iranian influence in the region than any military action.

Additionally, the only viable political option for Washington in the development of a Kurdish state would be to ensure that the US took the lead in its creation. This would allow American and western influence to become the primary force behind the nation. But at what price? The wars in Iraq and Afghanistan have cost trillions since October 2001. The United States, with the help of France and the United Kingdom, would likely have to invest similar resources to ensure the Kurdish state could survive the initial stages of statehood. As successful as the peshmerga and YPJ fighters have been in the battle against ISIS, the fact is that they have not faced an external threat such as those probable to immediately arise after the creation of Kurdistan. Israel alone is not enough to ensure the safe transition of power, and the United States and coalition allies have grown tired of constant war. Training, arming, and outfitting an entire conventional Kurdish military force will require substantial time and investment from partner states and is entirely outside of the US Special Operations capabilities.22

More importantly—and perhaps more difficult—would be attempting to limit the amount of corruption within the newly created state. Iraq and Afghanistan both serve as prime examples of the difficulties of creating a brand-new “Western” democratic state in the Middle East. The creation of things such as a legitimate court system and constitution to ensure the basic rights of all citizens require time and energy that the United States does not presently have to spare. Allowing a tribal group such as the Kurds to create its own rules, on its own terms, is a recipe for failure, if experience shows the world anything. The distribution of resources must also be examined. Iraq has long benefited from the oil revenues of the Kirkuk region; if this is to be a part of the Kurdish state, how will the revenues be divided?

**Summary**

The Kurds of Northern Iraq continue to push for self-rule and even independence. However, even if the Iraqi national government were willing, and Turkey were not hostile to its creation, a Kurdish state is still not viable. The region is presently at complete unrest while the Middle East teeters between destabilization across various regions. Furthermore, while the Kurds have proven their ability to fight and protect their culture and values, there is just no plausible way for them to be adequately trained without world partners shelling out trillions of monies that are simply not available. Whether this is possible in the future remains to be seen. A Kurdish state will only be feasible when they can provide their own infrastructure and defense, or when the Middle East has reached a more stable position.

**Bibliography**


