America as a World Power

The Russo-Japanese War, the Panama Canal, and the Mexican Revolution added to America’s military and economic power.

American involvement in conflicts around 1900 led to involvement in World War I and later to a peacekeeper role in today’s world.

Terms & Names
- Panama Canal
- Roosevelt Corollary
- dollar diplomacy
- Francisco “Pancho” Villa
- Emiliano Zapata
- John J. Pershing

Joseph Bucklin Bishop played an important role in the building of the Panama Canal as the policy advisor to the canal’s chief engineer. As editor of the Canal Record, a weekly newspaper that provided Americans with updates on the project, Bishop described a frustrating problem that the workers encountered.

A PERSONAL VOICE  JOSEPH BUCKLIN BISHOP

“The Canal Zone was a land of the fantastic and the unexpected. No one could say when the sun went down what the condition of the Cut would be when [the sun] rose. For the work of months or even years might be blotted out by an avalanche of earth or the toppling over of a mountain of rock. It was a task to try men’s souls; but it was also one to kindle in them a joy of combat . . . and a faith in ultimate victory which no disaster could shake.”

—quoted in The Impossible Dream: The Building of the Panama Canal

The building of the Panama Canal reflected America’s new role as a world power. As a technological accomplishment, the canal represented a confident nation’s refusal to let any physical obstacle stand in its way.

Teddy Roosevelt and the World

The assassination of William McKinley in 1901 thrust Vice-President Theodore Roosevelt into the role of a world leader. Roosevelt was unwilling to allow the imperial powers of Europe to control the world’s political and economic destiny. In 1905, building on the Open Door notes to increase American influence in East Asia, Roosevelt mediated a settlement in a war between Russia and Japan.
ROOSEVELT THE PEACEMAKER  In 1904, Russia and Japan, Russia’s neighbor in East Asia, were both imperialist powers, and they were competing for control of Korea. The Japanese took the first action in what would become the Russo-Japanese War with a sudden attack on the Russian Pacific fleet. To everyone’s surprise, Japan destroyed it. Japan then proceeded to destroy a second fleet sent as reinforcement. Japan also won a series of land battles, securing Korea and Manchuria.

As a result of these battles, Japan began to run out of men and money, a fact that it did not want to reveal to Russia. Instead, Japanese officials approached President Roosevelt in secret and asked him to mediate peace negotiations. Roosevelt agreed, and in 1905, Russian and Japanese delegates convened in Portsmouth, New Hampshire.

The first meeting took place on the presidential yacht. Roosevelt had a charming way of greeting people with a grasp of the hand, a broad grin, and a hearty “Delight.” Soon the opposing delegates began to relax and cordially shook hands.

The Japanese wanted Sakhalin Island, off the coast of Siberia, and a large sum of money from Russia. Russia refused. Roosevelt persuaded Japan to accept half the island and forgo the cash payment. In exchange, Russia agreed to let Japan take over Russian interests in Manchuria and Korea. The successful efforts in negotiating the Treaty of Portsmouth won Roosevelt the 1906 Nobel Peace Prize.

As U.S. and Japanese interests expanded in East Asia, the two nations continued diplomatic talks. In later agreements, they pledged to respect each other’s possessions and interests in East Asia and the Pacific.

PANAMA CANAL  By the time Roosevelt became president, many Americans, including Roosevelt, felt that the United States needed a canal cutting across Central America. Such a canal would greatly reduce travel time for commercial and military ships by providing a shortcut between the Atlantic and Pacific oceans. (See Geography Spotlight, page 366.) As early as 1850, the United States and Britain had agreed to share the rights to such a canal. In the Hay-Pauncefote Treaty of 1901, however, Britain gave the United States exclusive rights to build and control a canal through Central America.

Engineers identified two possible routes for the proposed canal. One, through Nicaragua, posed fewer obstacles because much of it crossed a large lake. The other route crossed through Panama (then a province of Colombia) and was shorter and filled with mountains and swamps. In the late 1800s, a French company had tried to build a canal in Panama. After ten years, the company gave up. It sent an agent, Philippe Bunau-Varilla, to Washington to convince the United States to buy its claim. In 1903, the president and Congress decided to use the Panama route and agreed to buy the French company’s route for $40 million.

Before beginning work on the Panama Canal, the United States had to get permission from Colombia, which then ruled Panama. When these negotiations broke down, Bunau-Varilla helped organize a Panamanian rebellion against Colombia. On November 3, 1903, nearly a dozen U.S. warships were present as Panama declared its independence. Fifteen days later, Panama and the United States
States signed a treaty in which the United States agreed to pay Panama $10 million plus an annual rent of $250,000 for an area of land across Panama, called the Canal Zone. The payments were to begin in 1913.

CONSTRUCTING THE CANAL  Construction of the Panama Canal ranks as one of the world’s greatest engineering feats. Builders fought diseases, such as yellow fever and malaria, and soft volcanic soil that proved difficult to remove from where it lay. Work began in 1904 with the clearing of brush and draining of swamps. By 1913, the height of the construction, more than 43,400 workers were employed. Some had come from Italy and Spain; three-quarters were blacks from the British West Indies. More than 5,600 workers on the canal died from accidents or disease. The total cost to the United States was about $380 million.

On August 15, 1914, the canal opened for business, and more than 1,000 merchant ships passed through during its first year. U.S.-Latin American relations, however, had been damaged by American support of the rebellion in Panama. The resulting ill will lasted for decades, despite Congress’s paying Colombia $25 million in 1921 to compensate the country for its lost territory.
Analyzing

THE ROOSEVELT COROLLARY

Financial factors drew the United States further into Latin American affairs. In the late 19th century, many Latin American nations had borrowed huge sums from European banks to build railroads and develop industries. Roosevelt feared that if these nations defaulted on their loans, Europeans might intervene. He was determined to make the United States the predominant power in the Caribbean and Central America.

Roosevelt reminded European powers of the Monroe Doctrine, which had been issued in 1823 by President James Monroe. The Monroe Doctrine demanded that European countries stay out of the affairs of Latin American nations. Roosevelt based his Latin America policy on a West African proverb that said, “Speak softly and carry a big stick.” In his December 1904 message to Congress, Roosevelt added the Roosevelt Corollary to the Monroe Doctrine. He warned that disorder in Latin America might “force the United States . . . to the exercise of an international police power.” In effect, the corollary said that the United States would now use force to protect its economic interests in Latin America.

DOLLAR DIPLOMACY

During the next decade, the United States exercised its police power on several occasions. For example, when a 1911 rebellion in Nicaragua left the nation near bankruptcy, President William H. Taft, Roosevelt’s successor, arranged for American bankers to loan Nicaragua enough money to pay its debts. In return, the bankers were given the right to recover their money by collecting Nicaragua’s customs duties. The U.S. bankers also gained control of Nicaragua’s state-owned railroad system and its national bank. When Nicaraguan citizens heard about this deal, they revolted against President Adolfo Díaz. To prop up
Díaz’s government, some 2,000 marines were sent to Nicaragua. The revolt was put down, but some marine detachments remained in the country until 1933. The Taft administration followed the policy of using the U.S. government to guarantee loans made to foreign countries by American businesspeople. This policy was called dollar diplomacy by its critics and was often used to justify keeping European powers out of the Caribbean.

Woodrow Wilson’s Missionary Diplomacy

The Monroe Doctrine, issued by President James Monroe in 1823, had warned other nations against expanding their influence in Latin America. The Roosevelt Corollary asserted, in 1904, that the United States had a right to exercise international police power in the Western Hemisphere. In 1913, President Woodrow Wilson gave the Monroe Doctrine a moral tone.

According to Wilson’s “missionary diplomacy,” the United States had a moral responsibility to deny recognition to any Latin American government it viewed as oppressive, undemocratic, or hostile to U.S. interests. Prior to this policy, the United States recognized any government that controlled a nation, regardless of that nation’s policies or how it had come to power. Wilson’s policy pressured nations in the Western Hemisphere to establish democratic governments. Almost immediately, the Mexican Revolution put Wilson’s policy to the test.

THE MEXICAN REVOLUTION

Mexico had been ruled for more than three decades by a military dictator, Porfirio Díaz. A friend of the United States, Díaz had long encouraged foreign investments in his country. As a result, foreigners, mostly Americans, owned a large share of Mexican oil wells, mines, railroads, and ranches. While foreign investors and some Mexican landowners and politicians had grown rich, the common people of the country were desperately poor.

In 1911, Mexican peasants and workers led by Francisco Madero overthrew Díaz. Madero promised democratic reforms, but he proved unable to satisfy the conflicting demands of landowners, peasants, factory workers, and the urban middle class. After two years, General Victoriano Huerta took over the government. Within days Madero was murdered. Wilson refused to recognize the government that Huerta formed. He called it “a government of butchers.”

INTERVENTION IN MEXICO

Wilson adopted a plan of “watchful waiting,” looking for an opportunity to act against Huerta. The opportunity came in April 1914, when one of Huerta’s officers arrested a small group of American sailors in Tampico, on Mexico’s eastern shore. The Mexicans quickly released them and apologized, but Wilson used the incident as an excuse to intervene in Mexico and ordered U.S. Marines to occupy Veracruz, an important Mexican port. Eighteen Americans and at least 200 Mexicans died during the invasion.

The incident brought the United States and Mexico close to war. Argentina, Brazil, and Chile stepped in to mediate the conflict. They proposed that Huerta step down and that U.S. troops withdraw without paying Mexico for damages. Mexico rejected the plan, and Wilson refused to recognize a government that had come to power as a result of violence. The Huerta regime soon collapsed, however, and Venustiano Carranza, a nationalist leader, became president in 1915. Wilson withdrew the troops and formally recognized the Carranza government.

MAIN IDEA

Analyzing Motives

Why did President Wilson refuse to recognize Huerta’s government?

INTERVENTION IN MEXICO

Most U.S. citizens supported American intervention in Mexico. Edith O’Shaughnessy, wife of an American diplomat in Mexico City, had another perspective. After touring Veracruz, O’Shaughnessy wrote to her mother:

“I think we have done a great wrong to these people; instead of cutting out the sores with a clean, strong knife of war . . . and occupation, . . . we have only put our fingers in each festering wound and inflamed it further.”

America Claims an Empire

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REBELLION IN MEXICO  Carranza was in charge, but like others before him, he did not have the support of all Mexicans. Rebels under the leadership of Francisco “Pancho” Villa (vē’cho) and Emiliano Zapata (ē-mēl-yā’nō za-pā’ta) opposed Carranza’s provisional government. Zapata—son of a mestizo peasant—was dedicated to land reform. “It is better to die on your feet than live on your knees,” Zapata told the peasants who joined him. Villa, a fierce nationalist, had frequently courted the support and aid of the United States.

A PERSONAL VOICE  PANCHO VILLA

“[A]s long as I have anything to do with the affairs in Mexico there will be no further friction between my country and my friends of the North . . . To President Wilson, the greatest American, I stand pledged to do what I can to keep the faith he has in my people, and if there is anything he may wish I will gladly do it, for I know it will be for the good of my country.”


Despite Villa’s talk of friendship, when President Wilson recognized Carranza’s government, Villa threatened reprisals against the United States. In January 1916, Carranza invited American engineers to operate mines in northern Mexico. Before they reached the mines, however, Villa’s men took the Americans off a train and shot them. Two months later, some of Villa’s followers raided Columbus, New Mexico, and killed 17 Americans. Americans held Villa responsible.

CHASING VILLA  With the American public demanding revenge, President Wilson ordered Brigadier General John J. Pershing and an expeditionary force of about 15,000 soldiers into Mexico to capture Villa dead or alive. For almost a year, Villa eluded Pershing’s forces. Wilson then called out 150,000 National Guardsmen and stationed them along the Mexican border. In the meantime,
Mexicans grew angrier over the U.S. invasion of their land. In June 1916, U.S. troops clashed with Carranza's army, resulting in deaths on both sides.

Carranza demanded the withdrawal of U.S. troops, but Wilson refused. War seemed imminent. However, in the end, both sides backed down. The United States, facing war in Europe, needed peace on its southern border. In February 1917, Wilson ordered Pershing to return home. Later that year, Mexico adopted a constitution that gave the government control of the nation's oil and mineral resources and placed strict regulations on foreign investors.

Although Carranza had called for the constitution of 1917, he failed to carry out its measures. Instead, he ruled oppressively until 1920 when a moderate named Alvaro Obregón came to power. Obregón's presidency marked the end of civil war and the beginning of reform.

U.S. intervention in Mexican affairs provided a clear model of American imperialist attitudes in the early years of the 20th century. Americans believed in the superiority of free-enterprise democracy, and the American government attempted to extend the reach of this economic and political system, even through armed intervention.

The United States pursued and achieved several foreign policy goals in the early 20th century. First, it expanded its access to foreign markets in order to ensure the continued growth of the domestic economy. Second, the United States built a modern navy to protect its interests abroad. Third, the United States exercised its international police power to ensure dominance in Latin America.
By the late 19th century, the U.S. position in global trade was firmly established. A glance at a world map during that time revealed the trade advantages of cutting through the world's great landmasses at two strategic points. The first cut, through the Isthmus of Suez in Egypt, was completed in 1869 and was a spectacular success. A second cut, this one through Panama, in Central America, would be especially advantageous to the United States. Such a cut, or canal, would substantially reduce the sailing time between the nation's Atlantic and Pacific ports.

It took the United States ten years, from 1904 to 1914, to build the Panama Canal. By 1999, more than 700,000 vessels, flying the flags of about 70 nations, had passed through its locks. In the year 2000, Panama assumed full control of the canal.

**NUMBERS TELL THE STORY**

A ship sailing from New York to San Francisco by going around South America travels 13,000 miles; the canal shortens the journey to 5,200 miles.

**INTERCOASTAL TRADE**

The first boat through the canal heralded the arrival of increased trade between the Atlantic and Pacific ports of the United States.

**OCEANOING VESSELS**

Ships, like this one, must be of a certain dimension in order to fit through the canal's locks. These container ships must be no more than 106 feet across and 965 feet in length, with a draft (the depth of the vessel below the water line when fully loaded) of no more than 39.5 feet. Each ship pays a toll based on its size, its cargo, and the number of passengers it carries.
NEW YORK CITY

New York City and other U.S. Atlantic ports accounted for about 60 percent of the traffic using the Panama Canal in the early decades of its existence.

NEW ORLEANS

Since its founding in 1718, New Orleans has served as a major port for the products of the areas along the Mississippi River. In 1914, the Panama Canal brought Pacific markets into its orbit.

Panama is a narrow stretch of land—or isthmus—that connects North and South America. In building the canal, engineers took advantage of natural waterways. Moving ships through the mountains of the Continental Divide required the use of massive locks. Locks allow a section of the canal to be closed off so that the water level can be raised or lowered.

THINKING CRITICALLY

1. Analyzing Patterns: On a world map, identify the route that ships took to get from New York City to San Francisco before the Panama Canal opened. How did this route change after the opening of the canal?

2. Creating a Model: Use clay to shape a model of a cross-section of the Panama Canal as shown in the Science and Technology feature on page 567. For the locks, use styrofoam blocks or pieces of wood which you have glued together. Paint the model, and then label each part of the canal.

SEE SKILLBUILDER HANDBOOK, PAGE R31.

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