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“Point Four Does Not Exist”: U.S. Expertise in 1950s Nicaragua*

In June 1958 the Point Four program in Nicaragua, part of a wider scheme devised by President Harry Truman to bring development aid and expertise to poor countries, was closed at the request of the Nicaraguan government. It was a defeat repeatedly foretold. The previous year Nicaraguan Minister of Agriculture Enrique Chamorro had cornered one of the program’s Nicaraguan employees, treating him to a lengthy tirade about the scheme’s agricultural work. According to the minister the project was “nonsense . . . ridiculous . . . [a] complete failure.” The program’s “employees believe that they work for the United States and they feel backed because, according to them, they are members of Point Four.” Chamorro begged to differ. “Point Four does not exist—that was Truman’s idea, but the reality here in Nicaragua is that the Government puts up more than six million dollars while the ‘yankees’ don’t even put up half a million.”¹

Chamorro’s exact figures can be questioned, but his critique gets to the heart of an important feature of Point Four, commonly neglected by historians. Point Four has an important place in the historiography of development, because it has been seen as a “milestone,” an endeavor which linked the discourses of modernization and overseas development for the first time.² That foundational status is now often disputed, but an emphasis on the formative power of Point Four ideology still prevails.³ While the ideas at work behind Point Four have

*The author would like to thank the two anonymous reviewers, Charlotte Alston, Brian Ward, and Ray Chang. The Eccles Centre at the British Library and the British Academy/Leverhulme Trust Small Grant Scheme provided support for this research.

1. “Account of meeting between Minister of Agriculture Enrique Chamorro and STAN employee Jose Medina Motta,” July 16, 1957, U.S. Embassy Nicaragua, General Classified Records, 1938–1961 UD 3042 (hereafter UD 3042), Folder: Agriculture, Minister of, Box 15, Record Group 84 (hereafter Record Group 84), U.S. National Archives, College Park, MD (hereafter USNA).

2. Michael Latham, *The Right Kind of Revolution: Modernization, Development, and U.S. Foreign Policy from the Cold War to the Present* (Ithaca, NY, 2011), 31; Amy Staples, *The Birth of Development* (Kent, OH, 2006).

3. Recent contributions which dispute this chronology include Christy Thornton, “Mexico Has the Theories: Latin America and the Interwar Origins of Development,” and Amanda Kay McVety, “Wealth and Nations,” both in *The Development Century: A Global History*, ed. Erez Manela and Stephen J. Macekura (Cambridge, 2018), 263–282, 21–39. On the benefits of small-scale development and Point Four’s importance as a crucible for such thinking see Stephen Macekura, “Point Four and the Crisis of U.S. Foreign Aid Policy in the 1970s,” in

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been carefully scrutinized, therefore, the financial logistics of the program have received much less attention. Worldwide, U.S. policymakers made it clear that host governments should match U.S. funds for Point Four, but for small countries in the Global South equal did not mean the same.⁴ A project worth a few hundred thousand dollars was a token start-up for U.S. officials, but for their developing world peers it was a significant burden on limited state resources.

This exploration of the Point Four agriculture program in Nicaragua focuses on finances, showing how the scheme's budgetary demands created expectations in Nicaragua that could not be fulfilled. Building on recent work by David Engerman and Daniel Immerwahr, it suggests that the emphasis on ideas within the historiography of development has obscured the insights that are available if we follow the money.⁵

In Nicaragua, seeing development assistance "through its budget books rather than its social scientific theories" gives a much stronger sense of the ways in which Point Four impaired the United States' relationships with developing countries, by placing impossible demands on host countries without producing results to justify the financial sacrifice.⁶ Usually, the conflicts generated by Point Four are seen as the result of pre-existing tensions between the United States and host governments, or as an inevitable consequence of a U.S. decision to favor geopolitical imperatives over humanitarian aid.⁷ In Nicaragua, however, there were no such contradictions. The United States' relationship with the ruling Somoza dynasty was well established and Nicaragua's position as an important U.S. ally was only reinforced by President Anastasio Somoza García's support for CIA intervention in Guatemala in 1954.⁸ The otherwise

Foreign Aid and the Legacy of Harry S. Truman, ed. Raymond Geselbracht (Kirksville, MO, 2015), 73–100. Daniel Immerwahr questions the benefits of 'thinking small,' see Daniel Immerwahr, *Thinking Small: The United States and the Lure of Community Development* (Cambridge, MA, 2015).

4. Omer Stewart suggests that all host countries had to commit to 1:1 funding at least, while Tarun Bose suggests that on average host governments spent three times the amount provided by the United States. See Omer C. Stewart, "Social Scientists and the Point IV Program," *Human Organization* 9, no. 3 (1950): 26–27; Tarun C. Bose, "The Point Four Program: A Critical Study," *International Studies*, 7, no. 1 (1965): 66–97. There were exceptions to this general trend. In Bolivia, the United States invested considerably more, in an effort to control events in the aftermath of the 1952 revolution. Nicole Pacino, "Stimulating a Cooperative Spirit? Public Health and U.S.-Bolivia relations in the 1950s," *Diplomatic History* 41, no. 2 (2017): 305–335.

5. David Engerman, *The Price of Aid: The Economic Cold War in India* (Cambridge, MA, 2018); Daniel Immerwahr, "Development Politics: Seeing Past Ideas," *Diplomatic History* 43, no. 3 (2018): 580–582. See also Amy Offner, *Sorting Out the Mixed Economy: The Rise and Fall of Welfare and Developmental States in the Americas* (Princeton, NJ, 2019).

6. Immerwahr, "Development Politics: Seeing Past Ideas," 581.

7. Pacino, "Stimulating a Cooperative Spirit?"; Amanda Kay McVety, "Pursuing Progress: Point Four in Ethiopia," *Diplomatic History* 32, no. 3 (2008): 371–403; Jacob Shively, "'Good Deeds Aren't Enough': Point Four in Iran, 1949–1953," *Diplomacy & Statecraft* 29, no. 3 (2018): 413–431.

8. Revisionist accounts have questioned the traditional view that Somoza was a mere stooge of the United States, but there is no doubt that the relationship was a close one. See Bernard Diederich, *Somoza and the Legacy of U.S. Involvement in Central America* (Maplewood, NJ, 1989);

harmonious U.S.-Nicaraguan relationship means that the acrimony caused by Point Four is easier to identify, but the frictions generated by Point Four in Nicaragua were not unique. Around the world, Point Four was dismissed as an underfunded non-entity. Indian Prime Minister Jawaharlal Nehru commented that the scheme was of "no great value," while George Hakim of Lebanon suggested it would "barely scratch the surface" and Pakistan's Liaquat Ali Khan made it clear that a much more substantial Marshall Plan for the Middle East was needed.⁹ In Syria, officials dismissed the scheme as a series of surveys they would have to co-fund in order to scope out projects they would never be able to pay for, and chose not to participate at all.¹⁰

Issues with the implementation were not unique to Nicaragua, either. Across Latin America Point Four's failures were attributed to the flaws of the beneficiaries, an indication of the racist logic that underpinned the program. In Paraguay, the problem was that the locals did not "possess the native intelligence and capacity, the educational background, and the drive which lead to progress in the economic sphere."¹¹ In Cuba, Point Four foundered because of "corrupt and demagogic government," while the fact that Mexicans were a "proud people" hampered progress there.¹² U.S. officials' approach to the region was infused with the sense, as Secretary of State Dean Acheson later put it, that "Hispano-Indian culture—or lack of it—has been piling up problems for centuries."¹³

This article makes the case for 'bringing the money back in', but it also shows that a particular ideological framework preceded Point Four and created a consensus in favor of parity of contribution. The belief that beneficiaries' financial contributions would create empowerment and local 'ownership' of schemes was the result of a mix of expediency and racism, as the need to mollify U.S. domestic opposition to big spending programs combined with a

Paul Coe Clark, *The United States and Somoza, 1933–1956: A Revisionist Look* (Westport, CT, 1992); Michael D Gambone, *Eisenhower, Somoza, and the Cold War in Nicaragua, 1953–1961* (Westport, CT, 1997).

9. "Point Four Funds' Value Now Slight, Nehru Says," *New York Times*, August 5, 1950, 7; "Soviet Says Point Four is a Colonial Plot," *New York Times*, July 27, 1949, 7; "Truman Aid Plan Urged," *New York Times*, August 14, 1949, 21.

10. "Syria Aloof to Offer of \$10,000,000 Aid," October 20, 1952, *New York Times*, 1.

11. The Ambassador in Paraguay (Shaw) to the Department of State, January 2, 1953, *Foreign Relations of the United States* (hereafter FRUS), 1952–1954, Volume IV, *The American Republics*, eds. N. Stephen Kane and William F. Sanford, Jr. (Washington, D.C., 1983), doc. 664.

12. The Ambassador in Cuba (Beulac) to the Department of State, July 14, 1953, *FRUS*, 1952–1954, Volume IV, doc. 99; Letter From the Ambassador in Mexico (White) to the President, August 29, 1955, *FRUS*, 1955–1957, Volume VI, *American Republics: Multilateral; Mexico; Caribbean, 1955–1957*, eds. N. Stephen Kane, Joan M. Lee, Delia Pitts, Sherrill B. Wells (Washington, D.C., 1987), doc. 213.

13. Stephen Rabe, "The Elusive Conference: United States Economic Relations with Latin America, 1945–1952," *Diplomatic History* 2, no. 3 (1978): 279–294, 293.

confidence in U.S. technological superiority that was always racially inflected.¹⁴ The idea that Nicaragua could contribute the same amount as the United States to a development program and still be seen as the beneficiary of an act of charity relied upon an absolute faith in the value and superiority of U.S. expertise.¹⁵ The aim of this article therefore, is twofold. First, it shows how a particular set of racist assumptions about U.S. superiority, coupled with a domestic political environment in the United States that made greater investment impossible, led to the creation of Point Four as a program that provided U.S. expertise but very limited U.S. financial support. Second, it draws on Nicaraguan and U.S. government documents, as well as material from the Nicaraguan press, to explore the vicissitudes of the Point Four agriculture program in Nicaragua, showing how the financial arrangements for the program created considerable conflict between U.S. and Nicaraguan officials. At the same time, it demonstrates that whilst funding requirements were burdensome for Nicaragua, they really were empowering, in ways not intended by Point Four's architects. Point Four officials on the ground were beholden to their Nicaraguan peers who held the purse strings, and this need to go cap-in-hand for supplies produced working relationships which chipped away at the myth of U.S. superiority that underpinned the program.

The first section provides an overview of the ideological underpinnings of the Point Four program, showing how political pragmatism and a racially-grounded faith in U.S. technological superiority combined to ensure that the program would emphasize the provision of experts rather than resources. The second looks at the impact of these choices in Nicaragua, where Point Four's budgetary demands prompted the introduction of new and unpopular taxes. Finally, the article explores the Nicaraguan program's gradual demise, with conflicts between the two countries further compounded by U.S. Ambassador Thomas Whelan's repeated attempts to sabotage Point Four in Nicaragua and day-to-day wrangling over equipment, office supplies, and gasoline.

'NO MILK FOR HOTTENTOTS': DESIGNING POINT FOUR

Point Four was announced with surprising fanfare, given the limited funds ultimately dedicated to it. In his inauguration speech on January 20, 1949, Truman explained that alongside continuing support for the UN, the Marshall Plan, and collective security initiatives like NATO, there would also be support for a 'fourth point', "a bold new program for making the benefits of our scientific

14. For an account of similar post-facto justifications as development spending was reduced in the 1970s see Heidi Morefield, "More with Less': Commerce, Technology, and International Health at USAID, 1961-1981," *Diplomatic History* 43, no. 4 (2019): 618-643.

15. On the undercurrents of racism that shaped U.S. development programs after World War Two see Simon Toner, "The Paradise of the Latrine': American Toilet-Building and the Continuities of Colonial and Postcolonial Development," *Modern American History* 2, no. 3 (2019): 299-320; Corinna Unger, *International Development: A Post-War History* (London, 2018); Sara Lorenzini, *Global Development: A Cold War History* (Princeton, NJ, 2019).

advances and industrial progress available for the improvement and growth of underdeveloped areas.”¹⁶ Truman’s speech made it clear that the material resources available for the program were “limited,” but the announcement generated great hopes nonetheless.¹⁷ Samuel P. Hayes, of the Economic Cooperation Administration (ECA), the group responsible for administering the Marshall Plan, was involved in the earliest meetings on Point Four. For him, the program was originally envisaged as a ‘Marshall Plan for the world’ and a promise of substantial economic support was clearly implicit in Truman’s inaugural. According to Hayes, the ECA view was that “if you’re going to do anything effective in these countries, you’ve got to have both technical assistance and financial resources. Find out how to do something and then provide the resources with which to do it.”¹⁸

Despite these objections from the ECA, it is clear that the decision to limit spending for Point Four was made very early. In March 1949 Truman told White House aide George Elsey to develop a program that wouldn’t “play into the hands of crackpots at home—no milk for Hottentots.”¹⁹ His phrasing alludes to Henry Wallace’s 1942 ‘century of the common man’ speech. Wallace never actually said anything about Hottentots in his 1942 speech, but his advocacy of U.S. support for global peace and productivity after the war prompted the ire of white supremacists. Wallace was attacked so often for wanting to give milk to the Hottentots that even FDR came to believe that his vice-president had made the promise.²⁰ Truman’s selection as vice-presidential candidate in 1944 owed much to the fact that he was less of a “racial egalitarian” than the incumbent, Wallace, and Truman was clearly concerned that advocacy of Point Four might lead him to be labeled a dangerous progressive on race matters.²¹ Two months earlier, and only six days after Truman’s initial announcement of the Point Four program, Dean Acheson had put out a press release that sought to manage expectations. The message, as Willard Barber at State told the Managua Embassy in February 1949, was that “the general dispersal of huge amounts of cash and credit is not the purpose of Point Four.”²²

16. “Inaugural Address of Harry S. Truman,” January 20, 1949, *Harry S. Truman Presidential Library*, last accessed November 19, 2020, <https://www.trumanlibrary.gov/library/public-papers/19/inaugural-address>.

17. *Ibid.*

18. “Oral History Interview with Samuel P. Hayes,” *Harry S. Truman Presidential Library*, last accessed November 19, 2020, <https://www.trumanlibrary.gov/library/oral-histories/hayessp>.

19. Carol Anderson, *Bourgeois Radicals: The NAACP and the Struggle for Colonial Liberation, 1941–1960* (Cambridge, 2015), 271.

20. John C. Culver and John Hyde, *American Dreamer: A Life of Henry A. Wallace* (New York, 2001).

21. Thomas Borstelmann, *The Cold War and the Color Line: American Race Relations in the Global Arena* (Cambridge, MA, 2001).

22. Letter from Deputy Assistant Secretary of State Willard F. Barber to Phillip P. Williams, Charge d’Affaires U.S. Embassy Managua, February 11, 1949, U.S. Embassy Nicaragua, General Records and Classified General Records, 1947–1955, UD 3043 (hereafter UD3043), Folder: Political, General, Point IV of President Truman’s Inaugural, Box 30, RG 84, USNA.

The decision to limit Point Four expenditure came before the program was first presented to Congress in June 1949, and before the Chinese Revolution and the outbreak of the Korean War forced Truman to limit his ambitions. This suggests either that Hayes was wrong about Truman's original vision for the program, or that objections from within the State Department itself ensured that Point Four's scope was quickly curtailed. Many within State saw the program as an unhelpful imposition, a distraction from the diplomatic work that should have been their sole focus.²³ State Department officials fought hard to keep Point Four out of the inaugural address. Having lost that battle, they were far more successful at neutering the program in practice once it had been announced.

Whilst qualms at State played a role, domestic public opinion was also a factor. Truman's forceful advocacy of outward-looking, technology-based innovation ran up against profound concerns about excessive government spending. The Stanford Conference on Latin America, an early attempt to bring together policymakers, academics, and other stakeholders to consider technical cooperation in the region, foundered because of opposition from private enterprise. The organizers noted with regret that "a few businessmen . . . refused to attend the conference because they were convinced a priori that technical cooperation is just another big give-away scheme" a view the organizers conceded "is undoubtedly shared by a large section of the public." The "industrial leaders" who did choose to attend espoused a more circumscribed form of collaboration, "favoring technical cooperation in certain limited fields" whilst emphasizing that "there are large areas of activity which belong primarily if not wholly to private enterprise."²⁴

An emphasis on the limited use of technical expertise allowed the Truman administration to placate Republicans in Congress, industrialists averse to further 'handouts', and suspicious voters within the public at large. Overseas too, 'expertise' seemed the best way to avoid ruffling feathers. Officials expressed concern that the "charge of 'economic imperialism' may be leveled at the program" and hoped that "the technical assistance aspects are less susceptible to such attack than capital investment." Embassies were therefore instructed that the provision of expertise "should receive primary emphasis" in their local communications.²⁵

23. "Oral History Interview with Samuel P. Hayes."

24. "Special Number: Third Stanford Conference on Latin America, June, 18–20, 1951, Technical Cooperation with Latin America," *Hispanic American Report*, UD3043, Folder: Point IV General 1951, Box 44, RG 84, USNA, i. On the shifts in private enterprise views of foreign aid from the Marshall Plan to Point Four, see Robert Carlyle Beyer, "Point Four and Latin America," *Miami Law Quarterly* 4, no. 4 (1950): 454–474; Kim McQuaid, *Uneasy Partners: Big Business in American Politics, 1945–1990* (Baltimore, MD, 1994); Melvyn Leffler, *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* (Stanford, CA, 1992).

25. State Department Briefing, "Special Guidance—The Point Four Program", May 9, 1949, UD3043, Folder: 500 – Pt. 4, Box 30, RG 84, USNA.

Expertise was embraced as a neutral, uncontroversial form of overseas cooperation, but in practice ideas about technical superiority built upon and reaffirmed an older set of ideas about racial and ethnic superiority. A 1950 paper about agricultural development in Nicaragua sets the scene by emphasizing the juxtaposition between Iberian and Anglo-Saxon cultures, noting that "Few Americans are aware of the temper of the generation of Spaniards who conquered more than half of the American continent within thirty years of Columbus' discovery." The piece claims that understanding them "is a first step in interpreting the [conflict-ridden and backwards] agricultural heritage which they left upon the ruins of highly developed Indian civilizations."²⁶

Similarly, the organizers of the Stanford Conference argued that the stark differences between Latin and Anglo-Saxon cultures were threefold, "first, the opposition between unpractical and practical civilizations; second, the problem of the subjective attitude confronted by technical standardization; and third, the clash of social mores based on one hand upon established convention, on the other upon current practice or convention."²⁷ This vision of objective, modern, and practical U.S. experts confronting the irrational, old-fashioned subjectivity of Latin America was not just an adjunct to the vision for Point Four, it was an essential component of the program. The inferiority of Latin American culture and technology made the value of U.S. intervention self-evident, although the enormity of the gulf meant that U.S. officials would have to tread carefully. "In many respects," the Managua Embassy's second secretary noted in 1952, "these backward people are no more ready for technological changes than is the average American kindergarten student ready for the study of trigonometry. There is a definite need to key our objectives to the ability of the people to profit by them."²⁸

There was no equivalent concern about overburdening host countries financially. Point Four's structure was modeled on Institute of Inter-American Affairs (IAA) programs of the 1940s. As Claude Erb notes, these programs were designed in the knowledge that Congress would probably refuse to fund their continuation after the war. IAA programs typically began with over fifty percent of costs being funded by the United States, with Latin American governments assuming an increasing share of the burden until programs became self-sufficient. The original impetus for co-funding might have been practical, but officials quickly made a virtue out of necessity. Nelson A. Rockefeller, architect of the IAA program in Latin America, headed a commission charged with putting Point Four into practice. He stressed the importance of co-funding as a

26. Edward L. Tanner, "Agricultural Policy," October 28, 1950, Department of Agriculture, Office of Foreign Agricultural Relations, Narrative Reports 1904-1994, Arc ID 652290 (hereafter Arc ID 652290), Folder: Nicaragua, Agric Pol, Box 355, Record Group 166: Records of the Foreign Agricultural Service (hereafter RG 166), USNA.

27. "Third Stanford Conference on Latin America," 34.

28. "Budget Estimates 1954 - Part IV - Nicaragua," September 3, 1952, UD3043, Folder: Point Four, Box 43, RG 84, USNA.

basic model because it would ensure that people in developing nations “feel that they have a stake in it and will be prepared to carry it on with their own resources.”²⁹

In Nicaragua, the IIAA experience did not really back this up. An agricultural program was founded in 1942 at El Recreo on Nicaragua’s Atlantic Coast. In a model later incorporated into the Point Four program, a ‘*servicio*’ or service was established, staffed by U.S. experts but integrated into the relevant ministry of the local government. The *Servicio Técnico Agrícola de Nicaragua* or ‘STAN’ was born, charged with developing a strategic crops program which would expand rubber-growing in order to support the war effort. The United States provided experts and technological equipment not available in Nicaragua, whilst the host government provided everything else: land, buildings, supplies, unskilled and semi-skilled personnel.³⁰ The program was never particularly successful, and it floundered without ever being closed down after the war when synthetic rubber became widely available. The Somozas, still footing much of the bill, were not happy with the unfocused exploratory nature of the work taking place at El Recreo. Nicaraguan Minister of Agriculture Enrique Sanchez sardonically complained that the U.S. station’s experiments with dairy cattle might be even more impressive if they took place on the Pacific Coast where there were people to actually drink the milk produced.³¹

In reality, the Atlantic Coast was hardly deserted, but it was sparsely populated and dominated by indigenous and Afro-descendant groups considered unimportant by the Somoza government. As planning for Point Four began, a shift to the country’s major urban centers on the predominantly *mestizo* Pacific Coast was a priority for the Nicaraguan government. In the first meetings about Point Four, in October 1949, U.S. officials conceded this point, but set out a clear quid pro quo. It was “carefully explained” that the shift to the Pacific “would require a larger contribution from the Nicaraguan government.”³² Initially, the Somoza regime agreed enthusiastically to these terms, expecting the benefits of the new program to be considerable and immediate.

In 1949, U.S.-Nicaraguan relations were in a delicate, transitional phase. Since the withdrawal of U.S. Marines in 1933, the United States’ self-professed policy of non-intervention had allowed Anastasio Somoza Garcia to thrive, first as head of the National Guard and then, from 1936, as president. In 1944, however, protests threatened his grip on power, as a wave of democratic sentiment

29. Claude C Erb, “Prelude to Point Four: The Institute of Inter-American Affairs,” *Diplomatic History* 9, no. 3 (1985): 249–269, 269. The commitment to matched funds also echoed his father’s approach to philanthropy, see Darlene Rivas, *Missionary Capitalist: Nelson Rockefeller in Venezuela* (Chapel Hill, NC, 2002).

30. Robert C. Moncure, “Agricultural Collaboration in Nicaragua,” *Agriculture in the Americas* 6, no. 1 (1946): 10–11, 14.

31. Gordon Reid to Ambassador Capus A. Waynick, June 12, 1951, UD3043, Folder: 500 – Point IV Agriculture, Box 45, USNA.

32. John L. Topping, “Cooperative Agricultural Program in Nicaragua,” October 15, 1949, UD3043, Folder: 500 – Point IV Servicio Agrícola, Box 30, RG 84, USNA.

swept Central America, leading to changes of government in Guatemala and El Salvador. Somoza hung on by promising not to run for re-election in 1947.³³ Instead, he ensured that his proxy Leonardo Argüello won the vote fraudulently. Unfortunately for Somoza Argüello proved to be less pliable than expected, so Somoza removed him. In response, the Truman administration withdrew recognition. Diplomatic relations were not restored until May 1948, when increasing concern about the Soviet threat led to greater tolerance for dictators like Somoza. When Somoza's proxy, Victor Manuel Román y Reyes, died in May 1950, Somoza formally returned to the presidency and U.S. officials registered no objection.³⁴

For Somoza therefore, Point Four provided an opportunity to consolidate the U.S. relationship and shore up his power domestically, by demonstrating that he was now fully back in the U.S. fold. This ensured that Nicaraguan officials were initially enthusiastic, even if the early results of the program were underwhelming. The agriculture program established a Managua office in February 1950, but did not open an experimental station until December of the same year, when Somoza donated some of his land at La Calera to the program.³⁵ Then-Ambassador Capus Waynick saw President Somoza's gift of land as a sign of support, but this apparent act of benevolence delayed things further because Point Four personnel were forbidden from putting up any 'permanent' structures so long as the land title was in Somoza's hands, rather than the Nicaraguan government's, and Somoza would not give up his title to the land.³⁶ The umbrella agreement which initiated Point Four work in Nicaragua was signed on December 23, 1950, but in practice very little progress was made during the first year.³⁷ Gordon Reid at the Office of Middle American Affairs was an early critic of the lack of strategic thinking around Point Four. In June 1951 he told Ambassador Capus Waynick that "the Agricultural program in Nicaragua has been outstandingly inadequate and I see no prospects for effective rejuvenation in the near future."³⁸ Before long, Nicaraguan officials would begin to voice similar objections.

33. Leslie Bethell and Ian Roxborough, eds. *Latin America Between the Second World War and the Cold War: Crisis and Containment, 1944-1948* (Cambridge, 1997); Clark, *The United States and Somoza*.

34. Walter, *The Regime of Anastasio Somoza*; Clark, *The United States and Somoza*.

35. Gordon Reid, State Department to Ambassador Capus Waynick, June 22, 1951; and Virgil Peterson to Ambassador Capus Waynick, April 26, 1951, both in UD3043, Folder: 500 - Pt. IV, Agriculture, Box 45, RG 84, USNA.

36. Virgil Peterson to Ambassador Capus Waynick, April 26, 1951.

37. Mr Topping to the Ambassador, "Point IV Activities in Nicaragua," February 15, 1952, UD3043, Folder: 500 - Economic Matters General 1952, Box 43, RG 84, USNA.

38. Gordon Reid to Capus Waynick, June 22, 1951, UD3043, Folder: 500 - Pt. IV Agriculture, Box 45, RG 84, USNA.

“TO TAKE HER PLACE AS AN ADVANCED NATION”:
IMPLEMENTING POINT FOUR IN NICARAGUA

If Nicaraguans came to resent the Point Four program, it was not because they objected to the hubris surrounding U.S. technical expertise. On the contrary, many Nicaraguans shared a belief in the almost magical power of foreign, particularly U.S., technology. In the early 1950s Nicaragua was on the cusp of a cotton boom which would bring considerable wealth as well as enduring social and environmental costs. To exploit the boom fully Nicaragua needed expertise it did not yet possess. In 1951 the Conservative Nicaraguan daily *La Prensa* bemoaned the fact that cotton had a long history in Nicaragua—Christopher Columbus had found cotton growing in the region—but even though “nearly 500 years have passed since Columbus came . . . we are still so backward that we scarcely possess knowledge of the basics of cotton cultivation.”³⁹ For *La Prensa* the solution was clear: the government should immediately appoint a foreign expert to work on cotton, a professional who might be paid for by the government itself, or else “procured via *el Punto Cuatro*.” *La Prensa* was the newspaper of Nicaragua’s Conservative Party, the main opposition party, and it would be reasonable to expect the paper to take a position against Point Four out of fear that Somoza might exploit it for political advantage, but the intoxicating effect of cotton fever overruled all possible objections. By the time of *La Prensa*’s June 1951 report, anticipation relating to Point Four had been building for more than a year, since the memorandum on agricultural cooperation signed in January 1950 was reported by the Nicaraguan press with great enthusiasm. In their original report on that event, *La Prensa* gushed that the experts the new agreement would bring had all “graduated from specialized colleges after rigorous study” and that the program would bring “incalculable benefits to Nicaragua.”⁴⁰ Initial delays and a vagueness about the specifics did little to dampen this ardor. In January 1951 Ambassador Capus Waynick promised the Nicaraguan press that the first Point Four funds would arrive by July of that year. When asked how much money would be coming, Waynick’s response was enigmatic: “together with support from the Nicaraguan government, it will be enough for the things we have in mind.”⁴¹

Behind the scenes Waynick was fully aware that the gap between expectations and reality was going to create problems. In June 1950, whilst on sabbatical in Washington, working as coordinator for Point Four, Waynick had expressed his dismay about the \$30,000,000 that was promised for the program in its first year, noting that “the other American republics for the most part have great aspirations with respect to Point IV . . . they have tended to look at it

39. “La carrera del algodón,” *La Prensa*, February 14, 1951, 1.

40. “Los técnicos agrícolas a la orden. Convenio firmado con USA será favorable,” *La Prensa*, January 21, 1950.

41. “Ayuda Económica Antes de Julio. Habla Mr Waynick sobre el desarrollo del Punto Cuarto,” *La Prensa*, January 6, 1951.

as an aid program which would take into account their needs in somewhat the same way that ECA and other large United States programs have aided Europe." He warned that there would be "strong disillusionment in Latin America if no more Point IV money is spent there than is now proposed."⁴² Waynick's statements to the Nicaraguan press suggest an attempt to manage expectations, but if he passed the same message to President Somoza it was clearly ignored. Somoza played up expectations for Point Four, largely because the promise of impending funds was further evidence of Somoza's cozy relationship with the Americans, bolstering the sense that he was politically unassailable at home. In February 1951 an article in the Somoza-controlled newspaper *Novedades* declared Somoza's "great enthusiasm" for this "noble and valuable initiative," noting that "without ceasing to be Nicaraguan, Somoza is a grateful son of the generous country to which he owes his own education, as well as the education [*formación del alma*—literally 'soul formation'] of his sons . . . Somoza has constantly demonstrated his perfect synchronicity with the directives of American politics."⁴³ This performative sycophancy was not characteristic of Somoza's dealings with U.S. officials behind the scenes, but in public it suited him to project an image of seamless collaboration. As part of that effort, he did not hesitate to make bold claims about Point Four. *Novedades* told its readers that the "benefits of this program are incalculable and will definitively prevent red propaganda from reaching the masses."⁴⁴

The emphasis on the red menace chimed with Somoza's wider political strategy. Always a virulent anti-communist himself, Somoza flirted with an alliance with the Nicaraguan Socialist Party when his presidency was threatened in 1944, but once the Socialists had served their purpose, Somoza shifted back to a truce with the Conservative opposition.⁴⁵ A 1950 pact with Conservative leader Emiliano Chamorro was cemented with a business deal—they co-founded a dairy plant that would become the largest in the country—and Conservative and Liberal elites shared a pronounced fear of the communist threat.⁴⁶ This was homegrown, and not the result of U.S. influence, a product of many decades of anti-communist proselytizing from the Catholic Church. Fear of communism was exacerbated by the rapid economic changes taking place in the post

42. Thomas G Paterson, "Foreign Aid Under Wraps: The Point Four Program," *The Wisconsin Magazine of History* 56, no. 2 (1972): 119–126; Memorandum by William Tapley Bennett, Jr., of the Office of Middle American Affairs to the Deputy Assistant Secretary of State for Inter-American Affairs, June 12, 1950, *FRUS*, 1950, Volume I, National Security Affairs; Foreign Economic Policy, eds. Neal H. Petersen, John P. Glennon, David W. Mabon, Ralph R. Goodwin, and William Z. Slany (Washington, D.C., 1977), doc 308.

43. "Programa de Punto IV del Presidente Harry S. Truman contribuye al mayor estrechamiento de las relaciones entre los Estados Unidos de America y Nicaragua," *Novedades*, February 26, 1951, 2.

44. "Programa de Punto IV," *Novedades*, February, 26 1951.

45. Jeffrey L. Gould, *Orgullo Amargo: El Desarrollo del Movimiento Obrero Nicaragüense, 1912–1950* (Managua, 1997).

46. Walter, *The Regime of Anastasio Somoza*, 275.

war period. Nicaraguans proudly referred to their country as the ‘granary of Central America’, but this description belied a pattern of underdevelopment that was chronic even by regional standards. Between 1912 and 1933, with a brief respite in 1925, Nicaragua was occupied by U.S. marines. Whilst other countries in the region were investing in roads and coffee processing plants, Nicaragua’s finances were under U.S. control, and state income was used to pay down debts, rather than build infrastructure. Other Central American countries devoted as much land as possible to higher-earning crops like coffee, leaving the Nicaraguan ‘granary’ to supply less profitable subsistence foods to the region.⁴⁷ After 1945 a boom in commodity prices, coupled with the introduction of pesticides that made cotton commercially viable for the first time, allowed Nicaragua to begin catching up. The rapidity of growth prompted fears that economic and social change might breed revolution. In selling Point Four, therefore, Somoza repeatedly pointed to the program’s power to hold back the tide of communism, but he was also under pressure to demonstrate that he was making the most of all opportunities to consolidate and accelerate Nicaragua’s growth, because the uneasy Liberal-Conservative truce depended on Somoza’s ability to deliver profits for elites across the political divide.

During 1951, as the promised benefits of Point Four failed to materialize, *La Prensa* kept up a stream of criticism about the government’s inability to provide the necessary technological expertise. In February the paper reported that cotton farmers had been forced to rely on the goodwill of the exporters, who carried out the classification of that year’s cotton harvest themselves, in the absence of any independent expert.⁴⁸ In July a headline noted with obvious chagrin the presence of the first crop dusters in the region: “Planes that spread insecticides. Not here . . . in Guatemala.”⁴⁹ By the end of the year, however, dismay about delays turned to dismay about the way in which the program was implemented. Once the program began in earnest, it became clear that the Nicaraguan elite would have to bear a substantial portion of the cost of Point Four.

The financial burden for the first year of the program was established in a fairly arbitrary manner. In October 1950 Gordon Reid from State wrote to First Secretary Philip Williams (handling the budget while Waynick remained on sabbatical in Washington) to explain the process. Williams had to divide up the \$200,000 of U.S. aid allocated to Nicaragua, a challenge because each agency in Washington would be keen to maximize funding for ‘their’ programs. Reid warned Williams that he should take “a very hardboiled attitude,” taking care not to “allow anyone to browbeat you.” The ambitions for the program,

47. Michel Gobat, *Confronting the American Dream: Nicaragua under U.S. Imperial Rule* (Durham, NC, 2005), 154–155.

48. “La carrera del algodón,” *La Prensa*, February 14, 1951, 1.

49. “Aviones para que rieguen insecticida. No es aquí . . . sino que en Guatemala,” *La Prensa*, July 6, 1951, 1.

and the limits to U.S. support, inevitably created pressures to increase contributions on the Nicaraguan side. Reid described the number for Nicaraguan government spending on agriculture (at that point \$85,000) as "a lapsed figure and ... I am told, a complete dream thought up by the boys in [the U.S. Department of] Agriculture. Therefore if you can approach a more realistic figure, have no hesitation in filling it in."⁵⁰ In the end the Nicaraguan government spent \$47,473 on the Point Four agriculture program in 1950–51.⁵¹ This still represented 18 per cent of the Nicaraguan Ministry of Agriculture and Labor's budget for agriculture for the financial year.⁵²

Point Four's arrival coincided with a step change in government spending in Nicaragua. In the mid-1940s Somoza embarked on an ambitious program to expand the role of the state in Nicaraguan life, a shift supported by increasing profits from agricultural commodities. Spending in all areas increased, but the program began from a low base, and military and state-strengthening measures were prioritized.⁵³ In the late 1940s only one to two per cent of the national budget was allocated to the Ministry of Agriculture each year.⁵⁴ This increased significantly in the early 1950s, jumping from 1,799,915 córdobas (\$257,131) in 1950–1951, to 4,093,719 córdobas (\$584,817) in 1952–1953, but demands for Point Four increased equally rapidly: in 1952–53 the Nicaraguan government contribution to the Point Four agriculture program was \$320,000, or 52% of the Ministry's entire budget. The U.S. contribution for 1952–53 was \$100,000.⁵⁵

The financial burden was met by a new tax, introduced on December 7, 1951, on the profits of coffee and cotton farmers. Successive Nicaraguan governments had relied primarily on import and sales taxes, and no comprehensive income tax regime had ever been established. In the context of this fragile tradition of taxation, these measures proved deeply unpopular. Opponents complained that the tax was particularly unfair because it singled out the agricultural sector—already subject to substantial import duties—but left commercial and industrial interests untouched. Complaints were raised in the Nicaraguan Chamber of Commerce, and farmers' dissatisfaction was also

50. Gordon Reid to Phillip G. Williams, First Secretary U.S. Embassy Managua, October 4, 1950, UD3043, Folder 500 – Pt IV Gen., Box 43, RG 84, USNA.

51. "Budget Presentation Fiscal 1954," by U.S. Embassy Managua, January 12, 1953, Arc ID 652290, Folder: Nicaragua International Agreements 1954–1956, Box 357, RG 166, USNA, 25; Mr. Topping to the Ambassador, "Point IV Activities in Nicaragua," February 15, 1952, UD3043, Folder: 500 – Economic Matters General 1952, Box 43, RG 84, USNA, 4; Historic exchange rates from "Córdoba Dólar Cambio Histórico," *Nicaraguan Central Bank*, last accessed November 19, 2020, https://www.bcn.gob.ni/estadisticas/mercados_cambiarior/tipo_cambio/cordoba_dolar/cambio_historico/3193/.

52. U.S. Embassy, Managua, "Required Report, Agricultural Policy," June 24, 1952, Arc ID 652290, Folder: Nicaragua Agriculture Agricultural Policy, Box 355, RG 166, USNA.

53. Walter, *The Regime of Anastasio Somoza*.

54. "Report of the FAO Commission to Nicaragua," UD3043, Folder: 521 – FAO Mission, Box 44, RG 84, USNA, 3–4.

55. "Required Report, Agricultural Policy," by U.S. Embassy Managua, June 24, 1952, 3, 25.

communicated to the U.S. Embassy.⁵⁶ Once again, Somoza's response to these complaints was to play up the promise of Point Four and other development schemes, creating a set of expectations that the fledgling program was in no position to fulfill. Somoza acknowledged that thus far the results had been respectable but not spectacular: "the government has benefitted from the technical help and experience provided by the personnel of the international missions."⁵⁷ However, he suggested that a concerted effort and increased investment of resources would allow Nicaragua to "take her place as an advanced nation, as befits the resources of her soil and the work ethic of her people."⁵⁸

Even while Somoza praised Point Four's potential in public, in private complaints were already being raised with the Americans. In a trip to Washington in April 1951 Somoza's son Luis and Minister of Agriculture Enrique Sanchez suggested that the agriculture program was not practical enough.⁵⁹ They wanted to see more extension work, meaning more practical demonstrations of new techniques for Nicaraguan farmers.⁶⁰ Sanchez's perception that STAN's U.S. officials were "mainly scientists who are not doing enough extension work" was rejected by STAN's acting director, Virgil Peterson.⁶¹ "We agree with the Minister that the Servicio's program should be primarily one of extension," he explained, but "we feel it is, already."⁶² Peterson suggested that the Nicaraguans' attitude was the result of "a misconception about the relation between research and extension. They are so closely integrated that it is impossible to say 'this is research, this is extension.'" Moreover, Peterson argued, U.S. officials would have to check the local suitability of techniques before giving out advice: "we cannot give out inaccurate information."⁶³ Peterson's explanation did little to assuage Nicaraguan fears, and the dissatisfaction only increased as the Nicaraguan spending commitment escalated. In July 1953 Alfredo Sacasa, Somoza's nephew and head of the new Nicaraguan Development Bank, visited Washington. He complained to the IIAA that STAN had failed to take the necessary steps to coordinate with the Bank, and suggested that Peterson (now Director of STAN) be replaced.⁶⁴

56. Roland Welch to Department of State, "Point IV in Nicaragua," February 20, 1952, UD3043, Folder: Point IV Gen Jul 1951-Dec 1952, Box 43, RG 84, USNA.

57. "Explicación del Señor Presidente de la Republica sobre el Proyecto de Impuestos al Café y Algodón," *Revista trimestral del Banco Nacional de Nicaragua* 10, no. 43 (1951): 11-12, 11.

58. *Ibid.*, 11.

59. Mr. Topping to Ambassador, "Activities of Enrique Sanchez, Nicaraguan Minister of Agriculture, during his recent visit to Washington," May 25, 1951, UD3043, Folder: 500 - Pt IV Agriculture, Box 45, RG 84, USNA.

60. Gordon Reid to Ambassador Capus Waynick, June 12, 1951, UD3043, Folder: 500 - Pt IV Agriculture, Box 45, RG 84, USNA.

61. Virgil Peterson to Ambassador Capus Waynick, April 26, 1951, UD3043, Folder: 500 - Pt IV Agriculture, Box 45, RG 84, USNA.

62. *Ibid.*

63. *Ibid.*

64. "Memorandum for the Files by Lyall E. Peterson, Assistant Director ANR, IIAA," July 24, 1953, Institute of Inter-American Affairs, Administration Office, Country Files 1942-1953

In part, the conflict was fueled by unrealistic expectations on the part of the Nicaraguans, but STAN's own records suggest that the agricultural program was not fully keyed to local needs. In one routine report team horticulturalist Willis P. Duruz explained that he had eschewed coffee work (one of Nicaragua's most valuable export crops) in favor of research on the prospects for growing a range of ornamental plants: "it seemed to me that the coffee growers could get along very well, as they had been for 60 years or more; the price of coffee was high and they were prosperous. Furthermore, my own knowledge of coffee was limited and I would have to go slow and gradually find their problems."⁶⁵ In report after report, STAN officials acknowledged that progress had been limited, but attributed this to a lack of necessary resources, particularly in relation to transportation and supplies from the United States.⁶⁶

The Point Four team's tendency to plead poverty was irritating to the Nicaraguans because the supplies available to them were considerable by Nicaraguan standards. Even worse, Point Four officials seemed to be engaging in a great deal of conspicuous consumption. Point Four housing allowances were higher than those provided to U.S. embassy staff, and Point Four officials' willingness to pay more than the going rate for accommodation created price inflation which annoyed well-to-do Nicaraguans and U.S. expats alike. Some Point Four staff still found fault with their living conditions: in one report Peterson described the accommodation as "inadequate, according to the standards of the American housewife."⁶⁷ Transport was another flashpoint. Vehicles were provided by the Nicaraguan government, and the Point Four team felt that the access provided was completely inadequate for the needs of the project. From the point of view of most Nicaraguans, however, the number of vehicles used by the team was excessive and the fact that they were entitled to pass through all military checkpoints without stopping was the cause of considerable resentment, especially because the use of 'International Mission' plates meant that their favored status was obvious to all. "In a country where people have lived for many years in a simple and actually unostentatious manner," Peterson noted, "the display of much equipment, machinery, and special privilege is not conducive to cheerful social intercourse."⁶⁸

The greatest successes of the program came from those members of the team who were most adept at building connections with the Nicaraguans.

UD 889 (hereafter UD 889), Folder: Nicaragua – General, Box 89, Record Group 469: Records of U.S. Foreign Assistance Agencies (hereafter RG 469), USNA.

65. Paul G. Adams, Head of Extension Department, "Report of Extension Work in Nicaragua, 1952," UD 889, Folder: Annual Reports Nicaragua 1952, Box 89, RG 469, USNA, 8.

66. *Ibid.*, 7; Felix A. Nylund to Rey Hill, "Report of Program and Accomplishments April 15 1952 to January 1 1953,"; Ralph B. Swain to Virgil C. Peterson, "Report for the Ambassador on the Work of the Department of Entomology for the Calendar Year of 1952,"; all in UD 889, Folder: Annual Reports Nicaragua 1952, Box 89, RG 469, USNA.

67. U.S. Embassy Managua, "Budget Presentation Fiscal 1954," January 12, 1953, 23.

68. *Ibid.*

Entomologist Ralph Swain quickly became fluent in Spanish and wrote at length of his positive encounters with Nicaraguan farmers. Killed in a robbery in Mexico in 1953, Swain's obituary in the *Journal of the New York Entomological Society* noted that his colleagues had warned him on arrival to keep a lock on his possessions, even his refrigerator, at all times. Swain refused to take this precaution and never had anything stolen.⁶⁹ Swain contributed to the bonanza prompted by the cotton boom by distributing leaflets on common pests and the best combination of chemicals to use against them, supporting the first aerial crop spraying initiatives; and carrying out trials of pesticides that might be valuable in the fight against cotton insects.

In reports sent back to Washington, great claims were made for the impact of the entomological work. A summary of achievements for 1953 asserted that "a bumper cotton crop is directly attributable to entomological work on cotton insect control. This year's yields are better than 25 percent greater per acre than the 1952 crops solely because of more efficient use of insecticides as recommended and demonstrated by STAN."⁷⁰ Here too, however, the program was not without its controversies. Swain proudly reported in 1951 that the Point Four program in Nicaragua had attracted a considerable amount of attention because of its trial of new kind of Folidol, in collaboration with Bayer.⁷¹ This new pesticide was rolled out across Nicaragua without adequate training regarding its use and storage, and it was quickly withdrawn again after a spate of poisonings. Within a year, Methyl Parathion was available for sale once again: Nicaraguan agriculturalists claimed that the new pesticide was too useful to shelve permanently.⁷² Despite its dangers, therefore, it is clear that the cotton pesticides work was considered valuable by the Somoza regime and the Nicaraguan elite more broadly. This aspect of the program was later removed, as a result of U.S. competition concerns. The change was not well received: a STAN report noted "considerable friction and misunderstanding between the USOM and Nicaraguan Government officials as well as farmers" as a result of the halt to cotton work.⁷³

Over time, as the limitations of Point Four became more obvious, the Nicaraguan government's objections to the program became increasingly insistent. By 1953 Nicaraguan ministers were making frank complaints to U.S. officials about "American technicians [who] tried to do too much in too short a

69. George G. Becker, "Ralph Brownlee Swain, 1912–1953," *Journal of the New York Entomological Society* 61, no. 4 (1953): 185–188.

70. "Semi-Annual Report USOM Nicaragua," January 7, 1954, UD3043, Folder: 500 – Pt. IV, Box 63, RG 84, USNA.

71. Ralph B. Swain to Virgil C. Peterson, "Report for the Ambassador on the work of the Department of Entomology for the Calendar Year of 1952."

72. Sean L. Swezey, Douglas L. Murray, and Rainer G. Daxl, "Nicaragua's Revolution in Pesticide Policy," *Environment: Science and Policy for Sustainable Development* 28, no. 1 (1986): 6–9, 29–36.

73. "Monthly Summary Report," March 11, 1957, UD 3042, Folder: 500 – Point IV 1956–57, Box 15, RG 84, USNA.

time when funds are not available.” The fact that ministers “were not fully informed and could not control what the Americans were doing,” only compounded their disquiet.⁷⁴ In response, Point Four officials became more conciliatory. Lyall Peterson, Assistant Director of the Agriculture and Natural Resources Division at IIAA, noted in a memorandum for the files about the Nicaragua program that an “overemphasis on Research is recognized and an increasing proportion of future budgets should be devoted to Extension and Agricultural Development.”⁷⁵ Diversion of funds was not the only issue though. Point Four officials often judged their Nicaraguan colleagues to be too backward or uneducated to take a more active role in the programs. Ralph Swain suggested that the lack of education in biology meant that it would be at least four or five years before Nicaraguans could take on responsibility for the entomological work.⁷⁶ Felix Nylund, an extension specialist assigned to the National School of Agriculture, complained that only one of the eight teachers at the school had completed their secondary education, and reported a lack of experience in “modern teaching methods.”⁷⁷

In these years Nicaragua experienced an acceleration in economic growth and technical expertise that Telémaco Talavera has likened to “surgery without anesthetic.”⁷⁸ Nylund was right to note that the School began from a low base, but he neglected to mention the ambition of the overall program. The curriculum for the school, established in 1949, included addition and subtraction and the letters of the alphabet in the compulsory courses for first years.⁷⁹ By their fourth year students were expected to master agrostology, entomology, apiculture, poultry farming, genetics, and veterinary science.⁸⁰ Nylund does not appear to have contributed much to this work: the surviving theses from the School for these years acknowledge the Nicaraguan teachers, as well as Minister of Agriculture Enrique Sánchez, but none makes any mention of Nylund. Only one thesis mentions a STAN official, offering a dedication in memoriam to Ralph Swain.⁸¹

74. John Ohmans to Thomas C. Mann, “Point Four Program in Nicaragua,” February 16, 1953, UD 889, Folder: John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA.

75. “Lyall Peterson, Memorandum for the Files,” March 13, 1953, UD 889, Folder: John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA.

76. Ralph B. Swain to Virgil C. Peterson, “Report for the Ambassador on the work of the Department of Entomology for the Calendar Year of 1952.”

77. Felix A. Nylund, Extension Adviser, to Mr Rey Hill, “Report of Program and Accomplishments, April 15 1952 to January 1 1953.”

78. Telémaco Talavera Siles, *Universidad Nacional Agraria: Memorias de un siglo* (Managua, 2017), 31.

79. *La Gaceta*, no. 107, May 19, 1949, 987, *Asamblea Nacional*, last accessed November 19, 2020, <http://digesto.asamblea.gob.ni/consultas/coleccion/>.

80. *La Gaceta*, no. 113, May 26, 1949, 1043–1044; *La Gaceta*, No. 115, May 30, 1949, 1061–1062.

81. The full list of theses is available at <https://repositorio.una.edu.ni/view/divisions/ENAG/>. The dedication to Swain is in Roberto Moreira H., *Indicaciones y métodos para selección de*

Ideas about U.S. superiority strained relationships between U.S. and Nicaraguan officials, as did the funding structures that underpinned Point Four, but conflicts about the program increased significantly with the arrival of Capus Waynick's replacement. Ambassador Thomas Whelan was a political appointee of an unusual kind, a Republican appointed by Truman, much marked by the politics of his home state of North Dakota, Whelan began a one-man battle against Point Four.

“SHE’S A LULU”: THE DEMISE OF POINT FOUR IN NICARAGUA

Thomas Whelan was a moderately prosperous potato broker from Pembina County, North Dakota. A World War One veteran and president of the state branch of the American Foreign Legion, Whelan was not as isolationist as many of his Republican colleagues in North Dakota—he launched his campaign for the 1940 state primaries by printing ‘to hell with Hitler’ on his potato sacks—but Whelan did share his peers’ suspicions of external interference and unnecessary government spending, a worldview he would bring to bear during his time in Nicaragua.⁸²

Three months after his arrival he reported his first impressions of the program. “I have been looking into the Point 4 operations and, brother, she’s a Lulu,” he wrote. “We have some good men. We also have some overpaid, underworked gravy-train riders who are labeled technical experts. They never had to make any money so they don’t have to watch their costs. Their transactions don’t have to show a profit. They are educated spenders and the government bookkeeping system is a dilly. I still don’t understand it.”⁸³ Whelan’s antipathy towards Point Four staff was considerable but not universal. If an expert appeared sufficiently practical and lacking in affectation, then Whelan welcomed them into the fold. In 1952 he wrote to praise a cotton classifier who had apparently been well received by the Nicaraguans: “As a general rule, they don’t seem to care whether any of you long-haired PH.D.’s ever come back,” Whelan told the classifier, “but you are the exception. Thank you, my friend, for doing a wonderful job.”⁸⁴ Overall though, Whelan was completely opposed to the program and did his best to limit its scope. In May 1954 he told conservative magazine *American Mercury* that he had had conversations with President Somoza in which he “pointed out that Nicaragua was matching U.S. contributions dollar for dollar and that Nicaragua could much less afford to waste its funds than could the U.S..”⁸⁵ In fact, Nicaraguan concerns about the funding

ponedoras (Thesis, Universidad Nacional Agraria, 1954), last accessed November 19, 2020, <https://repositorio.una.edu.ni/3091/>.

82. Agnes Geelan, *The Dakota Maverick: The Political Life of William Langer* (Fargo, ND, 1975).

83. “Weeka No. 60,” February 23, 1952, UD3043, Folder: 350 – WEEKA Managua, Box 39, RG 84, USNA.

84. Ambassador Thomas Whelan to L.E. Dowd, March 14, 1952, UD3043, Folder: Pt IV Agriculture 1950–53, Box 45, RG 84, USNA.

arrangements predated Whelan’s arrival considerably, but Whelan’s desire to “cut out the boondoggles” certainly chimed with Nicaraguan officials’ misgivings and ensured that they expressed them more freely.⁸⁶

Whelan’s war on Point Four consisted of a steady stream of appeals to Washington that resulted in multiple inspection visits from DC-based IIAA and State Department officials, leaving a paper trail which is a testament to the pitch warfare within the U.S. mission in Managua. A 1953 letter from the entire STAN team complained that they “came down ready and capable to do the job needed . . . [and] expected obstacles and objection from the local people in this undeveloped country—but instead of this found that our own U.S. officials connected with the same program have provided the only real obstacles and hurdles to the program.”⁸⁷

Whelan’s stubborn prejudice against experts and everything they stood for was clear, but longstanding supporters of Point Four also displayed a certain rigidity. During the 1953 investigations, IIAA Director of Education Willfred Mauck made a case for the continuing importance of the Nicaragua program, noting that the country was an important U.S. ally whose weakness might make her a liability in the future. For Mauck, Nicaragua would remain weak “as long as her agriculture is undeveloped, her industry inchoate, her illiteracy rate high, her people weakened by disease.” The remedy was the “know how” that only Point Four could provide.⁸⁸ This account retained a sense that the link between U.S. expertise and Nicaraguan development was automatic and unproblematic, but the Nicaraguan government was less convinced. In 1953 the Nicaraguan cabinet demanded sweeping changes to the program. The key points in their critique were not new. There was too much of a focus on exploratory research, too little attention paid to the training of Nicaraguan personnel, and too much autonomy where direct supervision by Nicaraguan civil servants was needed.⁸⁹ Programs were scaled down as a result, but the U.S. commitment to co-funding was unwavering. An official response from the Secretary of State recognized “considerable difficulties” related to the program in Nicaragua, but maintained that “a satisfactory program cannot be one-sided; it must be one in which each

85. Patrick McMahon, “Thomas E. Whelan: An Ambassador in Shirtsleeves,” *The American Mercury*, June 1954, 78–83, 81.

86. *Ibid.*

87. “Untitled undated letter of complaint from Point IV agriculture personnel,” UD 889, Folder: Reports and Surveys 1952–1953, Box 92, RG 469, USNA.

88. Wilfred Mauck to Jonathan Bingham, “Proposed Curtailment of Operations in Nicaragua,” February 10, 1953, UD 889, Folder: John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA.

89. “Summary of Changes Requested in Point IV Program in Nicaragua,” March 13, 1953, UD 889, Folder: John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA; Virgil Peterson to John Floyd, March 3, 1953, UD 889, Folder: John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA.

of the governments are fully satisfied as to the over-all objectives and are making financial contributions to the extent of their relative abilities.”⁹⁰

The prospect of a realistic assessment of these ‘relative abilities’ receded further as funding for Point Four decreased under U.S. President Dwight Eisenhower. In 1956 United States contributed \$100,000 in cash and \$178,447.92 in in-kind contributions (chiefly salary costs) to the agricultural program. The Nicaraguans contributed a total of \$682,211.05.⁹¹ President Anastasio Somoza Garcia was assassinated in 1956 and succeeded by his son Luis. Luis Somoza Debayle was known as something of a technocrat, lacking the extravagant, gregarious style of his father, but more concerned with the nitty gritty of policy detail. His mild-mannered take was that the STAN “had been helpful but had not yet settled down to a firm program,” a damning assessment for an initiative that had been running for seven years by that point.⁹² In June 1957 Somoza appointed a new minister for agriculture. The STAN described Enrique Chamorro as “the owner of several thousand acres of farm land” and someone who was “familiar with Nicaraguan farm problems.”⁹³ This was a somewhat understated summary of the new minister’s background. A member of Nicaragua’s most famous (and famously Conservative) elite family, Chamorro converted to Liberalism in his youth, ostensibly out of a concern for the treatment of poor Nicaraguans under traditional debt peonage laws.⁹⁴ Educated in France, Chamorro was an enthusiastic advocate of progress and development, and should have been a natural ally for the Point Four program. He was also not known for his reticence. According to his cousin, former President Emiliano Chamorro (who had reason to paint an unfavorable picture, given his relative’s subsequent defection to the Liberals) Enrique had to be sent home during a 1920 diplomatic mission to Costa Rica, because he was planning to try out the fencing skills he acquired in France in a duel with a critical local journalist.⁹⁵ In 1957, Luis Somoza described Enrique Chamorro as “a very understanding man” and predicted that “the Minister and the STAN would get along well.”⁹⁶

90. Secretary of State to Officer in Charge of the American Mission, Managua, March 3, 1953, UD 889, Folder John Floyd’s Trip to Nicaragua, Box 90, RG 469, USNA.

91. “Report of Servicio Técnico de Nicaragua 1956–1957,” June 20, 1958, UD 3042, Folder: Point IV July–December 1958, Box 15, RG 84, USNA, 31.

92. “President’s Comments on ICA Program,” June 25, 1957, UD 3042, Folder: 500 – Point IV 1956–57, Box 15, RG 84, USNA.

93. “Monthly Summary Report,” June 10, 1957, UD 3042, Folder: 500 – Point IV 1956–57, RG 84, USNA.

94. Enrique Chamorro, “¿Porque me hice Liberal?,” *Revista Conservadora*, 91 (1968): 11–12. On the continuing importance of the Chamorros, and lineage in general in Nicaraguan politics, see Carlos Vilas, “Family Affairs: Class, Lineage and Politics in Contemporary Nicaragua,” *Journal of Latin American Studies* 24, no. 2 (1992): 309–341.

95. Emiliano Chamorro, *El Último Caudillo* (Managua, 1983), 275.

96. “President’s Comments on ICA Program,” June 25, 1957, UD 3042, Folder: 500 – Point IV 1956–57, Box 15, RG 84, USNA.

It was not to be. In an initial meeting with Whelan and the director of STAN, Chamorro made it clear that he felt the servicio was unfocused and extravagant. He wanted to know why filing cabinets and other office materials were being brought from the United States, and he suggested that the goals for experimental research were not at all clear. Whelan's response to these complaints was telling. In his interview with the *Mercury* he had portrayed himself as the senior partner in discussions about Point Four, pointing out issues to the Nicaraguans and suggesting ways of dealing with them. His stance with Chamorro was very different. "We recognize you are the boss," he told him. "We will coop[erate] with you, however you want to run your ministry."⁹⁷

The funding regime for Point Four created considerable tension and bitter resentment in Nicaragua. But it also remade the working relationship between Nicaraguan and U.S. officials. Co-funding had created situations where Nicaraguan officials could assert themselves even before Point Four was introduced. In 1946 Lewis Long, the director of the IIAA agricultural program on the Atlantic Coast, received a visit from the Nicaraguan minister of agriculture. The minister controlled all day-to-day expenditure on the project, and Long was keen to persuade him to invest in the team's housing. The power dynamics are clear from Long's report of the exchange: "When I suggested metal roofing, the Minister devoted several minutes to expounding the benefits of tile and I thought he was going to disapprove [it]."⁹⁸ In the end, Lewis Long got his roofing, but the need to beg for the raw materials became a constant source of frustration for Point Four officials, too. As Nicaraguan dissatisfaction grew, tensions around supplies became even more fraught. By 1957 Point Four officials working in agriculture were required to provide a detailed monthly account of the quantity of gasoline used by each of their vehicles. These figures were published and included in the Ministry of Agriculture's regular bulletins.⁹⁹ This very public and detailed form of reporting demonstrates the fragility of Point Four's position in Nicaragua.

Ultimately, efforts to placate the new minister of agriculture were unsuccessful. His 1957 outburst in the presence of José Medina Motta gives a good sense of his main grievances. STAN failed to get out and make a real impact in the country, its technicians were impractical and their projects fanciful, out of kilter with Nicaragua's immediate needs: "the publications that STAN puts out are nonsense (*una babosada*) . . . that pamphlet you have where you have included the

97. "Conv. with Chamorro, early June 57," [handwritten title on meeting notes] UD 3042, Folder: 500 - Point IV 1956-57, Box 15, RG 84, USNA.

98. Lewis Long to V Pettit, November 18, 1946, UD3040, Folder: 861 - Agri. Experi. Station, Box 223, RG 84, USNA.

99. Ministerio de Agricultura y Ganadería, "Informe de las Labores del Depto de Agronomía del STAN, durante el mes de Diciembre de 1957," *Nuestra Tierra Paz y Progreso: Órgano Oficial Para los Agricultores y Ganaderos*, no 7/8 (1958): 31.

drawing of a chair made out of boxes, is the most ridiculous thing I've seen."¹⁰⁰ Chamorro's dismissal of the STAN employee left little doubt about the power relationship between STAN and the ministry, or about the prospects for STAN's future. "Well take that letter, I am going to come to STAN tomorrow and we are going to talk about this. Make an appointment for me with Roberts. That's all . . ." ¹⁰¹

STAN was 'terminated' on June 30, 1958, but the agricultural program in Nicaragua had been a dead man walking for some time. The failure of the program is testament to the particular frustration created by a set of funding arrangements that placed a considerable burden on Nicaraguan state funds, but failed to deliver on the high expectations created by Truman's expansive promises for the program. U.S. officials' belief in expertise as an absolute unmitigated good led them to assume that a program which provided U.S. expertise, and not much else, could not fail to do good in the world. In this case, their assumptions were proved wrong.

The experience of Point Four did not blind Nicaraguan elites to the potential of U.S. development funding, but it shaped the way in which future initiatives were pitched in Nicaragua. In 1963 a special issue of *Revista Conservadora*, a Conservative magazine, was dedicated to the Alliance for Progress (AFP). A piece from USAID director Ralph Estrada began with an itemized list of U.S. financial contributions made during Point Four, suggesting an awareness that funding levels might be a sore point.¹⁰² Leaving nothing to chance, the magazine followed Estrada's piece with a detailed side-by-side accounting of the AFP contributions promised by the U.S. and Nicaraguan governments.¹⁰³ Both sets of figures showed that AFP would be far more generous than Point Four, but neither fully captured the scale of the change. Overall, excluding road-building programs, which were not integrated into Point Four, non-military U.S. aid to Nicaragua in the 1950s amounted to 7.3 million dollars. For the 1960s the equivalent figure was 115.5 million dollars.¹⁰⁴ Conservatives feared that AFP would empower Somoza but gave grudging approval because of escalating fears of the communist threat. In the same issue of *Revista Conservadora* Raul Arana Montalván suggested that the Kennedy plan "represented a healthy rectification of past errors," while Emilio Álvarez Montalván argued that whatever its flaws,

100. "Account of meeting between Minister of Agriculture Enrique Chamorro and STAN employee Jose Medina Motta," July 16, 1957, UD 3042, Folder: Agriculture, Minister of, Box 15, RG 84, USNA.

101. *Ibid.*

102. Ralph C. Estrada, "La Alianza: Contribución de Estados Unidos," *Revista Conservadora* 5, no. 30 (1963): 22–24.

103. "La Alianza en Nicaragua," *Revista Conservadora* 5, no. 30 (1963): 25–30.

104. Figures in historic dollars, Equivalent figures in 2018 constant dollars are \$52,767,961 for the 1950s and \$712,514,154 for the 1960s. Spending on roadbuilding in the 1950s far outstripped spending on Point Four, and amounted to \$14,700,000 in historic dollars. "U.S. Economic and Military Assistance Fiscal Years 1946–2018," from *U.S. Overseas Loans & Grants [Greenbook]*, last accessed November 19, 2020, <https://explorer.usaid.gov/reports.html>.

the AFP was an effective way "to prevent conflictive situations that could ultimately provoke a war of total annihilation."¹⁰⁵ President Luis Somoza, meanwhile, embraced AFP as a way to shore up power in the aftermath of the Cuban Revolution. In the years after 1959, U.S. development aid had a considerable impact in Nicaragua. Antonio Monte Casablanca shows how the AFP helped keep the Somozas in power in the 1960s, just as David Johnson Lee demonstrates that U.S. aid hastened the dynasty's demise in the 1970s.¹⁰⁶ Point Four, in contrast, never had the power to make or break the regime. A 2004 summary of the history of U.S. aid to Nicaragua dismissed the program as "ephemeral."¹⁰⁷

'Following the money' and noting the unequal funding structures that underpinned Point Four helps us to understand why Point Four failed so spectacularly, but the program's finances did not exist in isolation. The racial hierarchies of power and expertise that justified Point Four were also crucial. Nicaraguan government officials resented the drain on their resources and the program's lack of real impact, but they did not extricate themselves from the program for nearly a decade because they were also under the spell of an idea of U.S. technological progress too intoxicating to quickly dismiss. As disillusionment grew, however, the logistical constraints imposed by a flawed funding structure created a space where established hierarchies could be contested. U.S. officials were forced to placate and cajole their Nicaraguan superiors, getting bogged down in daily fights over gas and metal roofing. Over time, Nicaraguan officials wielded an even greater power. By consistently criticising the program and eventually rejecting it in toto, they chipped away at the myth of U.S. benevolence and philanthropy. For them, Truman's promise to bring improvement and growth to underdeveloped areas of the world was never realized: Point Four did not exist.

105. Raúl Arana Montalván, "Apuntes Ganaderos," *Revista Conservadora* 5 no. 30 (1963): 35; Emilio Álvarez Montalván, "Introducción a La Alianza," *Revista Conservadora* 5, no. 30 (1963): 1-4, 1.

106. Antonio Monte Casablanca, "Viejas/nuevas formas de poder: Luis Somoza Debayle y la transición de la dictadura," *Revista de Historia-IHNCA* 30 (2013): 67-84; David Johnson Lee, "De-centring Managua: Post-Earthquake Reconstruction and Revolution in Nicaragua," *Urban History* 42, no. 4 (2015): 663-685. Ligia María Peña Torres argues that the health programs implemented under Point Four did allow Anastasio Somoza García to consolidate his rule. Ligia María Peña Torres, "El Servicio Cooperativo Interamericano de Salud Pública en Nicaragua, 1942-1955," *Revista de Historia-IHNCA* 30 (2013): 49-65.

107. Emilio Álvarez Montalván, "La cuenta del milenio," *La Prensa*, July 2, 2004. A contrasting view is provided by Manuel Fernández Vilchez, who notes the survival to the present day of educational institutions founded during Point Four, as well as "a generation of children who grew up without lice and fleas in their homes" thanks to the DDT fumigation programs carried out under the auspices of the program. See Manuel Fernández Vilchez, "Introducción al Programa 'Punto Cuarto' de la Administración Truman," *Revista de Temas Nicaragüenses* 105 (2017): 61-64, 61.