Referencias

- **Fortines bolivianos.**
- **Fortines paraguayos.**
- **Pretensiones paraguayas desde 1902.**
- **Ferrocarriles.**
- **Líneas de los diversos tratados de límites suscritos con el Paraguay.**
- **Límite de las posesiones de facto del Paraguay en el Chaco boliviano.**

MAPA DEL CHACO Y PARTE DEL ORIENTE DE BOLIVIA

En este mapa los fortines paraguayos han sido puestos conforme al "Mapa de la Región Occidental de la República del Paraguay" anexo al Memorial de la Delegación Paraguaya de Fecha 4 de abril de 1929, presentado a la Comisión de Investigación y Conciliación de Washington.
THE EVOLUTION OF THE CHACO DISPUTE

DISSERTATION

Presented in Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy in the Graduate School of the Ohio State University

By

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* * * * * * *

The Ohio State University
1959

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The author wishes to express his appreciation to the various members of the Department of History, Ohio State University, under whom he has worked for some five years. The guidance and inspiration of Dr. Lawrence F. Hill requires especial notice. Without the sympathetic interest of Colonels John R. Neal and Clarence E. Wilson, and Major Edward J. Kelly, United States Air Force, the research would never have been accomplished. Particular thanks are due to Colonel John R. Sala, Chairman of the Department of History, United States Air Force Academy, for facilitating completion of the study. Research was performed at the Library of Congress, Columbus Memorial, University of California, and Bancroft libraries. The administrative personnel, in particular of the latter, were most cooperative.

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Responsibility for errors and imperfections lies solely with the author, who cheerfully accepts same.
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CHAPTER I

EMERGENCE OF THE ISSUE

The collapse of the Spanish Empire, a by-product of the Napoleonic demolition of the Old World system, resulted in the appearance of many new Western Hemisphere political entities. The ensuing friction incident to boundary determination occasioned sporadic, flagrant hostilities. The most serious of these conflagrations flamed only after a long period of slowly rising temperatures.

The first warning of impending tension between Bolivia and Paraguay appeared at the mid-nineteenth century. On 15 July 1852 the Republic of Paraguay and the Argentine Confederation signed a treaty of friendship and navigation.

Article four stated: "The River Paraguay from bank to bank belongs in perfect sovereignty to the Republic of Paraguay, to its confluence with the Paraná." Article twelve authorized a Guarani port as far up the Pilcomayo as it was navigable for trade "through the Paraguayan territory" with Bolivia.¹

¹ British and Foreign State Papers, XLII, 1256-1258; César Gondra, La diplomacia de los tratados (Buenos Aires, 1906), 104-110. For variety, "Guarani" and "fluvial" are used interchangeably with "Paraguayan," while "Andean," "Altiplano," and "Cordilleran" are substituted for "Bolivian."
When news of this pact was published in the Buenos Aires paper _El Progreso_, Dr. Juan de la Cruz Benavente, the Bolivian Chargé d'affairs in that city, grew alarmed over evidence that the Chaco had been treated as Paraguay's exclusive domain. Unable to make contact with his Government (La Paz had no telegraph in those days), he took it upon himself to protest Article four on the ground that Bolivia had riparian rights to the west bank of the Rio Paraguay "between parallels twenty, twenty-one and twenty-two."

Argentina rejected the protest, denying that Bolivian rights had been prejudiced. But the Andean Republic had served notice that she considered herself a river power, owner of the northern Chaco Boreal.²

When the Government on the Altiplano learned of these events, it backed the envoy with a decree dated 27 January 1853 proclaiming ownership of the Pilcomayo, the littoral of the "Paraguay ... to 26°54'" south, and the left bank of the Bermejo. Bolivia asserted her right to navigation on these streams from her territory to "wherever they flow into the ocean, and no power may adopt exclusive sovereignty over ... the Plata." She opened her ports to world commerce, and declared certain points free ports, including Bahía Negra

² Notes, 22 and 23 August 1852, in _La Política Argentina en la Guerra del Chaco_ (Buenos Aires, 1937), i, xxi-xxii; or Leon M. Loza, _El Laudo Hayes_ (La Paz, 1936), 14-15. See also David Alvestegui, _Bolivia y el Paraguay_ (La Paz, 1926), 192; Miguel Mercado Moreira, _El Chaco Boreal_ (La Paz, 1920), 122.
and Fuerte Borbon on the upper Paraguay. A generous reward was offered the first vessel reaching them from the Atlantic.\(^3\)

This gratuitous declaration came to nought. Among other reasons, the places called ports either were mere unpopulated geographic coordinates or, in the case of Fuerte Borbon (Olimpo), were occupied by Paraguay. In the following year, when the river Republic (12 June) protested the Bolivian declaration, a border dispute was in the making. Very significantly, although the decree claimed the Chaco down to 26°54', the Minister of Foreign Affairs, de la Cruz Benavente, in his 1855 report to Congress reiterated his 1852 contention that "riberiños nosotros sobre la costa occidental del rio Paraguay desde el Marco Jaurú hasta el grado 22, más o menos." The unilateral nature of these actions is confirmed by the 1858 López-Paranhos Protocol in which Paraguay and Brazil established the Rio Negro (approximately 20° south) as their border on the west bank of the Rio Paraguay.\(^4\)

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3 For decree, see Appendix 6, Reply of Bolivia, in Proceedings of the Commission of Inquiry and Conciliation Bolivia and Paraguay (Washington, 1929), 1008-1010; or British and Foreign State Papers, LV, 505-07.

Each state took weak steps to effect her claims: Paraguay by founding a French colony on the west bank of her river, on the site of the old mission Melodia; Bolivia, by making some explorations down the Pilcomayo and accepting a Spaniard's proposal for a road from Santa Cruz to the Paraguay. In a note of 18 November 1857 de la Cruz Benavente advised Asunción that he planned to accredit an envoy, seeking permission to navigate the Rio Pilcomayo. Dr. Ancieto Arce was finally sent to the López Government in 1863 as Chargé d'affairs. Nothing came of the mission beyond opening relations, and Arce quickly departed.

Paraguay meantime became embroiled in her war against the Triple Alliance which had been formed by secret treaty on 1 May 1865. A copy of this agreement found its way from

5 For decree founding Nuevo Bordeos, see Benjamin Aceval, Chaco Paraguayo. Memoria presentada al Arbitro (Asunción, 1896), 300-06; Appendix 6, Reply of Bolivia, Proceedings of the Commission, 1010-1014. See also Cecilio Báez, Historia diplomática del Paraguay (Asunción, 1932), II, 280.

6 "El litigio paraguayo-boliviano," Revista Chilena (Santiago de Chile), Nos. 93-94, January-February, 1928, 50. Also see Ricardo Mujia, Bolivia-Paraguay. Exposición de los títulos que consagran el derecho territorial de Bolivia, sobre la zona comprendida entre los Ríos Pilcomayo y Paraguay (La Paz, 1914), III, 789. Alvestegui, p. 181, says that Arce's biographer, Luiz Paz, believed López demanded an alliance as a condition to any agreement, something Arce could not grant. On the other hand, Arce's son, Ricardo, revealed that the envoy lost his credentials when his boat capsized passing down the Pilcomayo. Consequently, he could not prove his status at Asunción. Jaime Mendoza, La Ruta Atlantica (Sucre, 1927), 223n.
Dr. Carlos de Castro, Uruguayan Foreign Minister, to William Lettson, British agent in Montevideo, and was subsequently published in British and Foreign State Papers. The document provided for the dismemberment of Paraguay, allotting all the Chaco to Argentina. 7

Sometime later (6 July 1866), José Raimundo Taborga, Bolivian Foreign Minister, read about the treaty in La America, a Buenos Aires newspaper. He promptly addressed to all three Allies a protest to their including in the proposed partition a "large portion of Bolivian territory" west of the Rio Paraguay. Accordingly, the Allies were quick to placate Taborga, possibly because the Bolivian dictator, Melgarejo, was widely known to sympathize with Paraguay, supposedly having threatened to enter the war on her side. The powers had secretly signed "reversales" on 5 May 1865 protecting "whatever claims Bolivia might make to some territory on the right bank of the Rio Paraguay." La Paz accepted these assurances and sat out the bloody war. 8

7 British and Foreign State Papers, LV, 83-87. Note Article sixteen. See also Loza, 22; José Aguirre Acha, The Disagreement and Conflict between Bolivia and Paraguay (New York, 1929), 8.

8 For this correspondence see Loza, 30-35, or Alvestegui, 187-193. For Melgarejo offer, see Alvestegui, 200-04; also consult League of Nations Publications, Political, 1934, VII, No. 7, Dispute between Bolivia and Paraguay. Statement of the Paraguayan Case Submitted to the Assembly by the Paraguayan Government, 24.
When Paraguay's defeat was complete, Bolivia sought to cash her letters and secure Allied recognition of her Chaco claims. Foreign Minister Casimiro Corral informed Argentina in February, 1872, that a Minister had been appointed to participate in signing the treaty of limits between the Allies and Paraguay. It must be considered that Bolivia's border with Argentina was still unsettled, La Paz claiming the Bermejo as her frontier. The Triple Alliance treaty also threatened this claim by extending Argentina northward to Bahia Negra. To Bolivia, the fluid situation existing after the conflict offered a propitious moment for her to settle the entire question of the vague southern borders. The victors, however, would have none of this and turned her from the door empty-handed for attempting to become "a fourth ally having no obligations." Paraguay, however, in her negotiations with Argentina, specified that Bolivia's rights must be protected in "one of the territories" covered by their treaties.

The Machain-Irigoyen boundary treaty finally divided

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10 Aceval, Chaco Paraguayo, 79, 83, 104, for source references to this point in negotiations. For text of the protocol, see Loza, 36.
the Chaco into three parts. The part between the Bermejo and Pilcomayo was recognized as belonging to Argentina; the portion from the Rio Verde to Bahia Negra, to Paraguay. The region between the main arm of the Pilcomayo and the Verde was submitted to the arbitration of the President of the United States.  

Dr. Benjamin Aceval, Asunción's Minister in Washington, transmitted his case on 27 March 1878. Admitting that much archival material had disappeared during the late war, he nevertheless advanced arguments based on the right of initial conquest and uninterrupted peaceful possession. In support, a collection of documents printed in New York was attached. Dr. Manuel R. García, in a 155-page manuscript with 314 documents, endeavored to refute the theses previously advanced by the Guaraní scholars Miranda and Falcon. He argued that colonial Buenos Aires exercised a kind of suzerainty over the Province of Paraguay, nullifying the latter's actions in the region under litigation.  

11 British and Foreign State Papers, LXVIII, 97-100; Aceval, Chaco Paraguayo, 157-163; Eduardo Amarilla Fretes, El Chaco en el primer cincuentario del Fallo Arbitral del Presidente Hayes (Asunción, 1932), 45-49.

12 The respective cases are found in Benjamin Aceval, Chaco Paraguayo. Appendix and Document, Annexed to the Memoir Filed by the Minister of Paraguay (New York, 1878), and in Cuestión de Límites entre los República Argentina y el Paraguay, Ojeada retrospectiva (Buenos Aires, 1880). For an excellent summary see John Bassett Moore, History and Digest of the International Arbitrations to which the United States Has Been a Party (Washington, 1898), 1898 edition,
Bolivia again sought to advance her Chaco claim, preparing a memorandum which was sent to Washington. Secretary of State William M. Evarts advised on 6 September that the President could not be influenced by this evidence since La Paz was not a party to the treaty soliciting his arbitration. The Andean Foreign Minister, Dr. José M. del Carpio, then released a previously prepared document protesting inefficacy of the arbitral decision under the doctrine of res inter alios acta.\(^\text{13}\)

President Rutherford B. Hayes found Paraguay "legally and justly entitled" to the disputed region. He was possibly influenced in his decision by Brazilian exertions. The defeated nation found here a new hope for her rejuvenation and joyfully acclaimed the award. In gratitude her principal Chaco town was renamed Villa Hayes. Argentina accepted the verdict with good grace, having already acquired the Chaco Central.\(^\text{14}\)

II, 1925-1940. Aceval's fascinating correspondence while in Washington may be enjoyed in República del Paraguay, Memoria del Ministerio de Relaciones Exteriores Presentada Al Honorable Congreso, 1878, 19-55. (Cited hereafter as Memoria.)\(^\text{13}\)

Bolivian Memo 1 April 1878, República de Bolivia, Ministerio de Relaciones Exteriores, Notas y el Memorándum de Bolivia Contra el Tratado de Arbitraje Argentina-Paraguayo de 1876 (La Paz, 1929), 15-64; Loza, 64-77; Evart's reply, 78; Appendix 11, Reply of Bolivia, Proceedings, 1140. Loza was the discoverer of the Carpio memorandum.\(^\text{14}\)

Text of award, Loza, 188; Moore, 1943; British and Foreign State Papers, LXIX, 600. See also Amarilla Fretes, El Paraguay en el primer cincuentario, 51-52.
Bolivia never fully accepted the decision, insisting that it was in no way binding upon her, a bystander. She believed that her actions and protests prior to and after the arbitration fully protected her rights. Merely by ruling as to the better claims of the two signatories to the 1876 treaty, the Hayes Award in no manner could affect a third party. Paraguayans, however, henceforth regarded the region as indisputably their own and usually rejected La Paz's disavowal, asserting res inter alios acta inapplicable due to Bolivian awareness of the facts at all times. They maintained that Bolivia had tacitly recognized and accepted the award, both by silence and by deed.¹⁵

In this early period from 1852 to 1879 the boundary question emerged slowly and falteringly. There was no well defined, generally accepted doctrine on either side. Each groped uncertainly with the problem, and neither had a lucid concept of the other's position. Consequently, the inconsistency of the official statement of the Bolivian Foreign Minister in 1855 with the decree of 1853 attracted little attention. Neither party protested the explorations

¹⁵ For the finest summary of the Bolivian view of the Hayes Award see the Loza monograph, 187-191. See also reply of Bolivia, Proceedings, 955; Statement of the Paraguayan Case, 27; Manuel Domínguez, Bolivia atropelló el statu-quo y sus reconocimientos del laudo Hayes (Asunción, 1935), 3-24.

Res inter alios acta is a clause of international law protecting parties ignorant after the fact from injury.
and colonies of the other, because each was tacitly aware that the other possessed claims in the vague, unknown region. The boundary lay where these claims met, but circumstances did not necessitate haste in its exact definition. Paraguay had taken no real interest in the upper river in many years, and certainly the impotent oral pretensions of a country almost inaccessible by land caused little concern to the country by the sluggish Rio Paraguay. In these years of slow communications, unenlightened populations, and relative calm in chancelleries, the Chaco question could readily have been solved had Bolivia been admitted, for this purpose alone, to the diplomatic liquidation of the War of the Triple Alliance.
CHAPTER II
THE DIPLOMATS

Quijarro and Decoud

Alarmed for the future of her oriental, at war with Chile, and wounded in her national pride, Bolivia now launched the second phase of the Chaco dispute. As part of a major diplomatic offensive, she accredited Dr. Antonio Quijarro Minister to Argentina and Paraguay. He arrived at Asunción in September, 1879, with instructions to settle the question outstanding with that country. His appearance was opportune. Paraguay, still a pitiful, defeated province, believed that facilitation of pending Bolivian activity in the river basin would stimulate her own stagnant economy. Her statesmen, primarily occupied with reconstruction, negotiated with that in view. Quijarro, at first seeking a line along the Rio Verde, in a few days of bargaining with Foreign Minister José S. Decoud, settled for a treaty dividing the Chaco by a parallel from the mouth of the Rio Apa at 22°5' straight west to the Pilcomayo. Paraguay "renounced" her rights above the line up to Bahia Negra, and Bolivia "recognized" as Paraguayan the region south to the Pilcomayo. The Chaco Boreal was thus roughly split, and La Paz obtained
some hope of clearing title to national territory granted to Francisco Javier Bravo, a Spanish developer.¹

Ratifications were to be exchanged by 15 April 1881. In Asunción, Congress listened to the President recommend approval of an equitable treaty settling borders between the two countries, and then failed to act. Bolivia, busy losing her Pacific littoral through military impotence, found it impossible to consider the agreement until later. Finally, on 3 August 1881, her National Convention ratified with the condition of acquiring lands below the Esteros de Patiño on the Pilcomayo for a port site. Quijarro felt that this clause "occasioned insuperable difficulties"; however, La Paz's Minister to Brazil, Dr. Eugenio Caballero, was rushed to Asunción in July, 1882, to implement the legislature's modification. There he found resistance to such a concession, and concluded his mission with the Decoud-Caballero Protocol which stated mainly that no agreement had been reached.²

¹ For negotiations, see Mercado Moreira, El Chaco Boreal, 143-46. For the treaty, República del Paraguay, Paraguay-Bolivia. Tratados y Protocols (Asunción, 1927), 3-4; Telmo Ichaso, Antecedentes del tratado de límites celebrado con la República del Paraguay (Sucre, 1894), 1-3; Alvestegui, 246-47; Mujía, Bolivia-Paraguay, Annexes, V, 7-10. Also consult Gondra, La diplomacia de los tratados, 14, 20; Mujía, Bolivia-Paraguay, III, 789; Statement of the Paraguayan Case, 28; Appendix 4, Memorial of Paraguay, Proceedings, 705; Manuel Dominguez, Nuestros Pactos con Bolivia (Asunción, 1928), 3.

The following year (1884) Quijarro reached Asunción 15 June as envoy to secure modification and approval. He pointed out that for Bolivia to continue her efforts to develop communications, she would need a zone below the Bañados on the Pilcomayo as a terminus. Paraguay, unless she were willing to fix a western limit to her portion of the Chaco, along perhaps 63° west of Paris, would have the unenviable obligation of defending her neighbor's highway. Negotiations with Decoud reached their climax in a note dated 31 January 1885 in which hope was held out for legislative approval in Paraguay, but without modifications of the original treaty. Quijarro returned to La Paz, where the opposition in the Senate blocked the 1879 pact.

Late in the year, Paraguay, casting about for a method to rehabilitate her desperate finances and encourage

3 August 1881 was "bajo la condición de que se negociane uno o mas puertos in la margen oriental del Pilcomayo al sud de los Bañados," 11; Domínguez, Nuestros Pactos, 5; Gondra, 21.

In defending the treaty before the convention, Quijarro said that the river bank south of 20°5' was low and valueless. South of the line, he wrote, was Villa Hayes, "centro de Población fundado por los paraguayos y que siempre ha estado bajo su dominion, sin otra discontinuidad que la de la ocupación armada por la República Argentina por efecto de la guerra." Quijarro, Bolivia Política, 59-60.

3 Mercado Moreira, El Chaco Boreal, 150-57; Mujia, Bolivia-Paraguay, III, 793-98; Alvestegui, 256. Optimistic for the treaty, Quijarro himself acquired the Oliden grants, a concession made in 1834 to a vast region in the extreme east of Bolivia, Proceedings, 216; Quijarro, Bolivia Política, 74-76, for Senate Bill granting him these rights 23 October 1886.
development, commenced sale of all her public lands. Classes Three, Four, and Five land were, respectively: the Chaco coast to a depth of ten leagues up to opposite Concepción; ten leagues of hinterland and the coast above Concepción; and the remaining interior. The prices were 300, 200, or 100 pesos per square league. Payment was in equal installments over three years with an aggregate discount of 36 per cent possible for cash. Since there was no real capital in Paraguay, most of the land found its way, through speculation in options, into the hands of Argentine carpet-baggers.\(^4\)

Actually, as soon as the Hayes Award registered on the Guarani consciousness, colonization schemes began. A law of 4 July 1879 offered free land in the Chaco, exemptions from military service, free seed and implements, and the use of state-owned oxen (provided they were not abused) to get in the first crop. A month later a concession to all the national territory between a parallel twenty leagues south of Bahía Negra and "the northern and western frontiers" was granted for forty years.\(^5\)

After Quijarro took leave of the city of Ayolas, President Pacheco of Bolivia decided to await a more opportune

\(^4\) Alvestegui, 411; Appendix 3, Memorial of Paraguay, Proceedings, 648-49, 713.

\(^5\) For law and concession, ibid., 642-45, 701-03.
moment, meanwhile pressing to link up the Rio Paraguay with the Cordillera. In the hope of gaining either ratification or a new arrangement, Isaac Tamayo was sent to Asunción as Minister in early 1886. Bolivian hopes for navigation of the Pilcomayo were mounting, and to this end a port was still needed south of the Bañados. Paraguay, however, resented Andean procrastination and attempts to recreate the 1879 treaty; therefore, she was not disposed toward concessions to her neighbor. The Asunción Congress, before adjourning for the summer, passed a law directing re-establishment of a garrison of six officers and sixty men at Fuerte Olimpo. Tamayo protested that Paraguayan military action north of the Apa line violated a tacit status quo created by the Caballero-Decoud protocol. Decoud retorted that the troops were intended solely for defense against Indians, and declined to enter further discussions pending the November inauguration of President-elect General Escobar.

Tamayo was also plagued by the virtual chaos in the affairs of the Andean entrepreneur, Miguel Suarez Araña. The concession had first been proposed in 1874, and in 1878 the Government extended official support to Suarez's Empresa Nacional de Bolivia. The original agreement was expanded

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6 Garrison decree, Appendix 3, Memorial of Paraguay, Proceedings, 654; Diplomacy, Bolivia, Mensaje del Presidente 1885, 13; Mujia, Bolivia-Paraguay, III, 798-805; Alvestegui, 255; Mercado Moreira, 159.
to include a large land grant, and to permit loans against future customs receipts at Puerto Suarez on the Caceres lagoon. Later in the year a new District of Otuquis was erected whose eastern boundaries were those "to which Bolivia has right on the western bank of the Rio Paraguay which separate her from the Paraguayan Republic."\(^7\)

"Dragged along by an adventurous and free spirit," Suarez Araña "exceeded the bounds of prudence," squandered funds, and mismanaged his business. Matters became so unsavory that in 1887 the Empresa was nationalized, and the venturer given a political plum, Senator from Santa Cruz.\(^8\)

Decoud asserted that Suarez Araña's failure smashed fluvial hopes of gaining commercial prosperity through agreements with La Paz, and Congress therefore would not consider the 1879 treaty. Quijarro had earlier foreseen such a result for Bolivia's conditional ratification and convinced his Government that the condition must be removed. Paraguay probably regarded the ceded portion of the Chaco as valuable, Quijarro asserted, a belief confirmed by the premature founding by Suarez of Puerto Pacheco on the Rio Paraguay. In 1885 a projected law for unconditional ratification had gone to the Andean legislature. Late in December, Senators

\(^7\) 1 June 1875 resolution, Appendix 6, reply of Bolivia, Proceedings, 1016-1025; Resolution 9 August 1878, ibid., 1030-1032; Creation of new district, decree 7 October 1878, ibid., 1033.

\(^8\) Jaime Mendoza, Figuras de Pasado, Gregorio Pacheco (Santiago, 1924), 309; Alvestegui, 404.
QUIJARRO DECOUD TREATY
OF OCTOBER 15, 1879

TAMAYO ACEVAL TREATY
OF FEBRUARY 17, 1887
Mendez and Cabrera departed the upper chamber, destroying a quorum and consummating an obstructionist plan which assumed that any new treaty would be more favorable than the last. Under these circumstances Tamayo was sent to Asunción the following month.

**Tamayo and Aceval**

On 15 November 1886, the Bolivian Congress, under pressure of the Paraguayan land law, overrode the opposition and approved the Quijarro-Decoud Treaty as originally written. Tamayo then initiated talks with Dr. Benjamin Aceval, Paraguay's new Foreign Minister. He asserted that the alternatives were Guarani acceptance of the previous treaty, new accords, or title study. Aceval proposed friendly discussion without reference to titles. Since the glowing expectations of his country for the previous pact had not altered, he offered a line from one league north of Olimpo due west to 63°, thence down that meridian to the Pilcomayo. This gave Bolivia the desired western area, compensating Paraguay in the north. The Andean, however, strangely countered with the old Apa line, and offered arbitration as an alternative. Paraguay could not arbitrate what had already been arbitrated, Aceval replied, referring to the Hayes Zone...

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9 Mujia, Bolivia-Paraguay, III, 808; Quijarro, Bolivia Politica, 60-62. The opposing Senators also slandered the treaty's creator with "odious invective"!
and laying down a postulate for future Paraguayan diplomats. He then proposed several arbitration lines, none of which came below 21° south.  

On 16 February 1887 a treaty was signed which divided the Chaco into three parts. The middle zone lying between the Apa line and one league north of Fuerte Olimpo, and bounded on the west by 60°39'46", was to be arbitrated by Leopold II, King of the Belgians. Bolivia was recognized as owner north and west, and Paraguay as owner south of these lines.

Tamayo left the legation under Dr. Claudio Pinilla, Chargé d'affairs, instructing him to strive to obtain consideration of the treaty by the new Asunción legislature while he himself defended it on the Altiplano. Aceval sent the agreement to Congress in August, but action was wanting. In Bolivia the Senate received the pact without endorsement after the cabinet split over whether it was an accurate reflection of Tamayo's instructions.

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10 Mujia Annexes, V, decree 15 November 1886 approving treaty, 14-15; Preliminary protocol, 19-24; Appendix 4, Memorial of Paraguay, Proceedings, 716.

11 For treaty, Mujia Annexes, V, 25-31, or Alvestegui, 271-74; Paraguay, Paraguay-Bolivia, Tratados y Protocolos 5-8; Ichaso, 4-5.

12 Mujia, Bolivia-Paraguay, III, 819; Alvestegui, 277; Bolivia, Mensaje del Presidente 1887, 3; Paraguay, Memoria 1887, 7.
Matters remained thus until in January, 1888, an executive decree of President Escobar divided the Western Department into the two military districts of Villa Hayes and Fuerte Olimpo. The latter, running up to Bahia Negra, was authorized to establish outposts as deemed necessary. Pinilla immediately protested, seeking interpretation of this decree in the light of the pending treaty. To him erection of a military district in what had been considered the Bolivian area implied disavowal of the still unconsidered treaty. Decoud, again in the Foreign Office, replied that this would in no way interfere with the "final execution" of the Tamayo-Aceval agreement. It merely meant "protective measures in the exercise of the exclusive sovereignty which Paraguay had maintained in that extensive territory since time immemorial." The treaty lacked worth until ratified. Until such time, Paraguay would not relinquish her rights in those lands.13

The date originally specified for approval of the treaty had now expired, and Pinilla and Decoud signed a protocol on 14 February 1888 extending the term nine months. This was necessary due to procrastination in both countries. In Bolivia opinion was divided within the Government; in Paraguay publicists fanned nascent interest in the question,

13 Appendix 4, Memorial of Paraguay, Proceedings, Decree 13 January 1888, 717; Pinilla protest, 718; Decoud reply, 719.
influencing the thinking class away from disinterested solutions. Pinilla therefore continued his futile efforts to get the treaty discussed by the Paraguayan Congress. At the same time, he was working with the knotty problem of Suarez Araña and Puerto Pacheco.\footnote{On July 1885 the erratic Cruceuho had addressed a note to the River Government, announcing his intentions, and seeking approval of a port site on the Rio Paraguay from which to make preliminary explorations for a wagon road to La Paz, to be eventually followed by a railroad. He admitted that no point below Bahia Negra could be selected without the approval of Asunción. The Minister of Interior immediately assented, with the express stipulation that no port be created without prior consent of the Paraguayan Congress. Suarez agreed and proceeded to select a spot ten kilometers south of Bahia Negra, which he named Puerto Pacheco and advised the Asunción Foreign Ministry of its location.}^14

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\footnote{For protocol, Mujia Annexes, V, 32; Gondra, 23-27; see also Juan M. Sosa Escolada, El Paraguay Occidental (Buenos Aires, 1934), 12.}^15

\footnote{Appendix 10, Memorial of Paraguay, Proceedings, 891-92; Gondra, 170. For notes see Alvestegui, 399-400, or Isidro Ramírez, Alrededor de la cuestión Paraguayo Boliviano (Lima, 1930), 129-130.}
coat of arms was nailed to the headquarters building over which flew the Altiplano flag. To inquiry, administrator Ricardo Urdininea replied that these actions were spontaneous and without order from La Paz officials. Paraguay responded with the January, 1888, decree running the Fuerte Olimpo military district up to Bahia Negra, well north of the Bolivian camp. Major trouble culminated at the settlement in September when a citizen had recourse to Paraguayan law against Urdininea, charging him with crimes, including murder, against workers. When a Paraguayan military party from Olimpo entered the camp, the offender fled, and acting chief Enrique Moscoso, director of highways, was apprehended instead. 16

Pinilla secured the release of the innocent Moscoso.

After protest against the taking of the port and any land sales which had or would be made in the Chaco, he asked for his passports. 17 Journeying to Buenos Aires, he worked with

16 Appendix 10, Memorial of Paraguay, Proceedings, 893-894; Mercado Moreira, 168; Alvestegui, 289; Mujía, Bolivia-Paraguay, II, 824; Ramírez, 131-34; League of Nations Publications, VII, No. 9, 1934. Dispute Between Bolivia and Paraguay. Statement of the Bolivian Government’s Case Communicated in Virtue of Article 15, Paragraph 2, of the Covenant, 20.

17 Note, Pinilla to Centurión, 15 October 1888, Alejandro Audibert, Cuestión de Límites entre El Paraguay y Bolivia (Asunción, 1901), III-16, alleged extensive rights in the Chaco and maintained that the 1887 treaty had created "a status quo in the possession, and had regularized the jurisdiction, of both States within their respective assigned zones." From this, he argued Puerto Pacheco was in Bolivian Territory.
other diplomats in hopes of reaching some agreement. Meanwhile, on 23 November 1888, Bolivia's Congress approved the Tamayo treaty with the suggestion that if possible a new arbitration zone between 21° and 22° be secured, the present zone be split without arbitration, or the entire section be obtained for a "pecuniary remuneration." The legislature, having procrastinated during the previous year and been dispersed by the army a short time before, failed in its action to meet the time limits agreed to with Paraguay. This fact shed a new light on Pinilla's situation and drove him to even greater efforts to secure his Government's aim—a suitable treaty. 18

Not discouraged by a note from Foreign Minister Centurion reasserting Paraguay's full and legitimate rights in the Chaco, Pinilla began working with Vaca Guzmán, the Andean Minister to Argentina. The Bolivians sought a confidential arrangement which would clear the way for ratification. The fluvial power would give Pinilla no formal assurances, but hoped that petty differences might be settled. The Uruguayan Minister to Argentina offered good offices. Shortly before, Pinilla had received word from President Escobar that while

18 Mujia, Bolivia-Paraguay, II, 826-29; Alvestegui, 291-93; Ichaso, 9. On 5 June 1888 Bolivia signed a protocol with Argentina fixing their border at the twenty-second parallel, a line which approximately corresponded to the old Apa line drawn by Quijarro and suggested by others. British and Foreign State Papers, LXXIX, 832-33.
Paraguay did not deem it convenient to extend the time limit for ratification, she would be willing to do so on condition that Bolivia recognize her as sovereign on the right bank up to Bahia Negra. The President also gave his private assurance that the treaty would be considered by Congress. Pinilla's return to Asunción, he concluded, could be "very useful and profitable." 19

Accepting the belief of the Foreign Relations Committee that Bolivia's prior approval would assure compromise from Asunción, his Government wired Pinilla, "Dispense with Pacheco. Proceed Asunción. Solicit approval treaty." Since apparently that disputed port would go to Bolivia anyway once the larger issue, the Aceval-Tamayo treaty, was settled, La Paz's move was designed to ignore minor irritations and settle the basic question. Pinilla, emulating Jonah, declined to accept his orders. Thereupon the Minister to Uruguay was given the task, but begged off saying his credentials had lapsed. In desperation the Foreign Ministry wired a traveler, "You is [sic] plenipotentiary for Treaty." This wire failed to reach the addressee, and the disgruntled

19 Mujia, Bolivia-Paraguay, II, 832. Centurion note, 3 November 1888 is found in Alvestegui, 294-96; Ramírez, 137-144; or Audibert, Cuestión de Límites, 117-135. It asserted full Paraguayan claims to the Chaco and denied Pinilla's contentions that a status quo had been created prior to ratification.
Pinilla finally took up his burden and went to Asunción. For a month he lobbied for congressional deliberation in the fluvial capital. He found prevalent the opinion that the treaty had lapsed owing to passing of the time limit. Finally, in early September the Senate took up the matter, deciding that if the term for ratification were still pending, the pact should be considered by the next legislature. The interim would be devoted to study. Centurion at once notified Pinilla, raising the question of whether the treaty had really lapsed. Pinilla promptly turned to new bases for agreement, but was advised by the Foreign Ministry that "opinion has changed and nothing can be foreseen." Bolivia determined to withdraw her legation pending a more favorable turn of affairs. As per instructions, Pinilla delivered a final declaration asserting that his country's full rights were now restored to the entire region from the Pilcomayo to Bahía Negra. She was willing, nonetheless, to arbitrate her claims, or to accept ratification of the defunct treaty. Foreign Minister Centurion retorted that

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20 Mujia, Bolivia-Paraguay, II, 833-37; Pinilla arrived 24 July 1889; Elías Ayala, Paraguay y Bolivia en el Chaco Boreal (Asunción, 1929), 85. The traveler was Senator Cabrera, who had obstructed the first treaty. Foreign Relations Committee report is found in Ichaso, 8, and was given after full Congressional knowledge of the Pacheco affair.

21 Paraguay, Memoria 1890, 6; Note, Centurion to Pinilla, 12 September 1889, 68; Mujia, Bolivia-Paraguay, III, 837.
the Bolivian declaration lacked the seriousness necessary to be taken into consideration, because the existence of her rights is neither based on title nor fundamentally reasonable.

He reiterated that his country was always ready to negotiate if La Paz wished to accredit a diplomat with less exaggerated pretensions. These latest claims constituted a new departure, not in keeping with the Benavente protest, Centurion concluded. 22

In April the Minister advised Paraguay's Congress of the need for a serious study of the nation's rights to all the territory of the Chaco included between the Pilcomayo and Bahia Negra from South to North, and the right margins of the Rio Paraguay to the Parapeti from East to West.

This work was entrusted to Doctor Alejandro Audibert, who prepared the first extensive case, Los límites de la Antigua Provincia del Paraguay, published in 1892. A few years later the Senate voted compensation to the author for his toil. 23

When Dr. Mariano Baptista was named Bolivian Minister in 1891, nothing had changed. La Paz hoped that he could either secure approval of one of the previous treaties, make

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22 Mujia, Bolivia-Paraguay, III, 838-840; Bolivia, Mensaje del Presidente 1890, 2; Pinilla declaration, 6 January 1890, Mujia Annexes, V, 35-39; Paraguay, Memoria 1890, 71-72.

23 Paraguay, Memoria 1890, 7; República del Paraguay, Camara de Senadores de la República del periodo Legislativo del año 1896 (Asunción, 1896), 229.
a new arrangement, or secure arbitration. However, when on 27 July he "climbed the high stoop of the great house of [Foreign Minister] López" to advance these possibilities, the Foreign Minister declined discussion. Having obtained no further reply, Baptista on 13 August unsuccessfully sought an answer, or failing this, an interview. He learned sometime later that the full Paraguayan cabinet was not present, and therefore no negotiations would be authorized. Consequently, the envoy devoted his days to preparation of a memorandum setting forth for the first time Bolivia's titles and claims.²⁴

In September he made a new inquiry and was reminded on 9 October that Paraguay had furnished proof of her good intentions in the projected treaties of the past, "generously consenting to give an exit on the Rio Paraguay, in its territory of the Chaco, to the commerce of the Republic of Bolivia." At present, however, the prospective Paraguayan negotiator (López) had been absent from his country for twenty-one years, and time to study the antecedents would be necessary. He refused to treat in ignorance.²⁵

²⁴ Mariano Baptista, Obras Completas, Vol. IV, Asuntos Internacionales (La Paz, 1932), 169-172; Mujia, Bolivia-Paraguay, III, 846-855.
²⁵ Mujia, Bolivia-Paraguay, III, 856; Mujia Annexes, V, López to Baptista Note, 71-76; Audibert, Cuestión de Límites, 42.
When first apprised verbally of these circumstances in July, Baptista had conceded the importance of preliminary studies. Now he foresaw only an indefinite postponement and, having been summoned to Argentina, he wrote López affirming his willingness to negotiate at any time in Buenos Aires. He was resolved to depart Paraguay, leaving behind a Memorandum to help acquaint López with the Altiplano case once he initiated his contemplated study of antecedents.

In this document the Bolivian revealed that Altiplano government circles were divided over the Chaco problem: some favored searching for legal titles to establish and confirm rights; others advocated surrender of derecho in the interest of an agreement favorable to economic development. Baptista himself preferred the latter approach, which to date had dominated diplomacy. He stressed Bolivia's need for a port below the Esteros on the Pilcomayo and found basis for such claims in the uti possidetis of 1810, in Laws of the Indies and Reales Cédulas. In essence his thesis was a brief outline of the later, full-blown Bolivian case. After hinting the profit to the Guarani Republic of a rich trade with the cordilleria, the Paceño concluded with a resumé of his own mission.

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26 Mujia, Bolivia-Paraguay, III, 857; Annexes, V, Baptista to López, 5 October 1891, 69.
27 For Memorandum, Baptista, 173-198; Ichaso, 272-286, or Mujia Annexes, V, 41-68. Alvestegui summarizes the
On 1 February 1892 he addressed López from Buenos Aires, reaffirming his faith in the principle of negotiated settlement. He advised that having been called back to Bolivia, he was now packing and taking leave of his Buenos Aires legation. 28

Ichaso and Benítez

The persistent Bolivians initiated yet another major effort in the nineteenth century to realize their aims in the Plata basin. On this occasion La Paz perhaps hoped to obtain a greater portion of the disputed plain. Dr. Telmo Ichaso, as Minister, was instructed to reopen "debate and negotiations of boundaries," commencing with a protocol nullifying the previous accords. He was to found his position upon the uti possidetis of 1810 as laid down in the Baptista Memorandum, and aim for nothing less than the entire Chaco north of the Hayes Award. If argument could not

Baptista mission adequately, 301-306.

Ut possidetis is a principle of international law signifying the holding of lands by right of possession. It applies usually after hostilities, and in case of no stipulations to the contrary, property and territory in the actual possession of either at the time of peace remain so vested. It has been exaggerated by later Latin-American writers and, by the addition of the word "juris," converted to cover what each country had a right to possess at a given date, usually 1810. See The Collected Papers of John Bassett Moore (New Haven, 1944), III, 124-349.

28

For note, Mujia Annexes, V, 78.
achieve such a victory, the diplomat was to press for arbitration of the region below the twenty-first parallel, being careful to include nothing above that line, "por pertenecer ella a la antigua y nunca descubierta jurisdicción alto-peruana de Chiquitos." As a last resort all of the Chaco might be submitted to an arbiter.  

Negotiations opened 30 July 1894, and within five days the Cordilleran gained a protocol from Foreign Minister Gregorio Benitez nullifying the previous treaties and proceeding to new discussions without scrutiny of titles. Nevertheless, Article three provided for such examination should other methods fail. On 4 August, Ichaso proposed a line from the mouth of the Apa directly to the Pilcomayo at 22° 5' south latitude. Benitez, uninterested in this repetition of the dead 1879 treaty, countered with 20°45' south to a point on the Pilcomayo at 62° west. He added that opinion in his country was opposed to any cession whatever and he himself would be held accountable by Congress. No agreement seemed likely, and the bargainers by 11 August turned to title study.

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29 Bolivia, Memoria 1895, 86-89; Mujia, Bolivia-Paraguay, III, 860-61. Ichaso advised López 5 April of appointment from Buenos Aires and was welcomed. Overthrow of the Asunción government in June did not hinder proceedings and he found the new regime ready to negotiate; Ichaso, 16, 323-28.

30 Protocol, 3 August 1894, Bolivia, Mensaje 1895, 90-91, or Mujia Annexes, V, 83-84. "Acta General y Extractos
Ichaso offered a detailed statement of his country's rights anchored in four categories: Cédulas placing the Chaco under the Audiencia of Charcas, ordinances and acts confirming this, maps and contemporary opinions, and finally, acts of the National Period. Benítez' case and rebuttal were based on Paraguayan possession and Bolivian absence, the inefficacy of his opponent's documentation and interpretation of the uti possidetis, and Cédulas entrusting Chaco savages to Paraguayan dominion.31

After these lengthy presentations, each returned to his original proposition for tracing a frontier. Ichaso then mentioned arbitration. Benítez replied that he lacked instructions for such a method. Further, he would consider unacceptable any arbitration of a region Paraguayan "from time immemorial" and which had already in part been entrusted to an arbiter. On 9 October he offered a line from de las Conferencias celebrados por los Plenipotenciarios de Bolivia y El Paraguay a proposito de la cuestión de Limites Pendiente entre ambos países, 1891. Ibid., 95-97. Same "Acta General," Gregorio Benítez, Exposición de los derechos del Paraguay en la cuestión de limites con Bolivia (Asunción, 1865), 190-93; and Ichaso, 13, 289-290.

31 Mujía Annexes, V, 98-111; Benítez, 194-211. For the full text of his Exposición, 11-182. He also argued that Bolivia could not show any title based on the uti possidetis; Ichaso, 291-98. For Ichaso's case, his reply to the Paraguayan effort and an impressive collection of documents proving Andean control of much of the North Chaco, see 19-238.
three leagues above Fuerte Olimpo to the Pilcomayo at 62°
west. A few days later Ichaso countered with two leagues
above Olimpo to the Pilcomayo at 62°30' west of Paris [sic].
Agreement proving evasive, Benítez repeated Paraguay's stand
on arbitration, expressing a willingness to treat by this
method only the lands between 20° and 21°. He demanded a
definite answer to his proposal. Ichaso rejected the valid-
ity of the Hayes Award as a prior arbitration. After addi-
tional discussion, talks were suspended on 2 November 1894.32

Ichaso had determined in Buenos Aires that Argentina
and Uruguay would follow the negotiations with interest and
provide mediation if necessary. Accordingly, the Uruguayan
Chargé, Adolfo Bazañes, offered his country's good offices.
He succeeded in stimulating Paraguayan willingness to ne-
egotiate, obtained broader instructions for Benítez, and
pressed forward to a treaty signed 23 November.33

By this treaty the Chaco was divided by a line from
three leagues above Olimpo to 61°28' west on the Pilcomayo,
essentially a triumph for Benítez. Ratifications were to
be exchanged in Asunción as soon as possible. Ichaso, who
believed that some high ground along the Pilcomayo and

32 Mujia Annexes, V, 112-123; Benítez, 212-225; Ichaso,
33 Adolfo Bazañes, "Mediation of the Republic of Ur-
uguay," Mujia Annexes, V, 124-134, or Ichaso, 305-10, 325.
See also Alvesteguí, 310; Manuel Bernardez, El Tratado de
la Asunción (Montevideo, 1894), is an Uruguayan account of
some interest.
ICHASO BENITEZ TREATY
OF NOVEMBER 23, 1894
restoration of Puerto Pacheco were imperative, left Francisco Iraizos as Chargé d'affairs and went home to La Paz, where his reception was mixed. 34

Paraguayan President Eguzquiza presented the treaty to the Senate on 23 July 1895, pointing out that it brought an old dispute to a friendly conclusion. Recognizing the tenor of popular opinion, he advised secret sessions so that the deliberations might "be inspired by patriotism and in the highest public interest of the nation." Ignoring, however, the Executive's advice, the Senate made public the terms of the treaty, setting off a strong press campaign led by the opposition scholar and publicist, Alejandro Audibert. In November the Senate adjourned after asking the Foreign Ministry for documents and antecedents relative to Guarani rights. Decoud, again in the Foreign Office, notified Iraizos that favorable consideration could be anticipated in April, 1896, when the Congress would reconvene, after having studied the question during the annual recess. La Paz, in order to show good intentions and strengthen diplomatic exertions, then accredited a new Minister, Dr. Rodolfo Soria Galvarro. 35

34 For treaty, Mujía Annexes, V, 136-140, or Paraguay, Paraguay-Bolivia, Tratados y Protocolos, 9-10; Benítez, 227-29; Ichaso, 319-320. See also Mujía, Bolivia-Paraguay, III, 872; Gondra, 28; Alvestegui, 313. Ichaso says this was the final Paraguayan formula (with the exception of 61°30' west) and he chose to accept it; 334.

35 Bolivia, Memoria 1897, 27-30; Mujía, Bolivia-Paraguay, III, 874-76; Annexes, V, 141; Alvestegui, 315. For debate of Senate, 22 August 1895 see Camara de Senadores
Meanwhile, the treaty had failed to gain wide approval on the Altiplano, and was placed before the Bolivian Congress with the observation:

If discussion of titles is ineffective, if arbitration is impossible of acceptance, if postponement is inconvenient, if war is imprudent and foreign to our sentiments, what other course than that of the present transaction can be seen? What other unknown recourse can be offered? 36

That body responded by a complete lack of action, making the treaty a partisan political issue. Then on 19 May 1896 the Asunción Senate, not satisfied with the information available, passed a law providing for a "scientific commission" to make further study and explore the question in accord with historic titles. Since the latest treaty had been made without consideration of titles, this act was regarded in the Andes as an indefinite postponement, abandoning "this delicate point to the uncertain determination of fate." 37

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36 Bolivia, Memoria 1895, 105. In La Paz, in defense, Ichaso said his treaty achieved the 1881 reservations to the Quijarro pact; 338. Iraizos later wrote that 1879 was the minimum Bolivia could hope to obtain, 1887 secured what could be expected at that time, while 1894 realized the maximum possible; El sudeste de Bolivia (La Paz, 1901), 65.

37 Bolivia, Memoria 1896, 42; Mujía, Bolivia-Paraguay, III, 877. For law see Appendix 3, Memorial of Paraguay, Proceedings of the Commission, 667. Aceval and Cecilio Báez were the first commissioners; ibid., 733. Senate debate, Sesiones del Año 1896, 64-89. Some lawmakers
Soria Galvarro exchanged notes with the Asunción chancellery, culminating in a Memorandum setting forth the basis of Andean claims and reviewing the question to date. To him the fluvial Republic's position on titles indicated only that she possessed none, or had a weak case inadmissible in International Law; on the other hand, his own country's documentation was flawless. Consequently, Paraguay would not agree to arbitration such as Ichaso had suggested, and instead elected procrastination. Decoud replied that Paraguay had always demonstrated her rights and had responded loyally to the continuous Bolivian propositions. The new commission was not created to forestall settlement, he concluded, but to pave the way to a sagacious solution.38

After Soria's departure, relations lapsed for a time.39 A new mission was opposed at La Paz as exposing Bolivia to "new fiascos." Then on 17 December 1898 Asunción accredited her first envoy to Bolivia, César Gondra. Since the studies of the commission of 1896 were now complete, Paraguay was ready to reconsider the 1894 treaty. Gondra envisioned engineers to survey the Chaco, not scholars to delve into theory.

38 Paraguay, Memoria 1897, 7-8; Mujia, Bolivia-Paraguay, III, 879; Memorandum, 28 September 1896; Annexes, V, 145-166, or Bolivia, Memoria 1896, 145-157.

39 From 15 July 1897 to 6 May 1898 the Foreign Ministers carried on correspondence over a Bolivian concession to the American Development Company. Paraguay, in protecting her rights, asserted she had always claimed the entire Chaco to
was to establish bases for mutual ratification, but unfortunately he was unable to present his credentials on the Altiplano due to a revolution then in progress. The only government he found was a de facto Junta located at Oruru and made inaccessible by a general uprising of rural Indians. After an exchange of wires and consultation at La Paz with Tamayo and other prominent statesmen, he left the country in May, 1899.  

The Bolivian Government, in 1898, optimistic over Aceval's attaining the Presidency in Asunción, had offered Dr. Antonio Quijarro a new opportunity to achieve his aims for himself and the nation. This austere zealot's great frustrated dream was still the colonization of his holdings in Chiquitos near Bahia Negra. The Andean Junta finally permitted him to go as confidential agent to the City of Irala. There his first task was to secure discard of the previous treaty as a step toward new accords. Paraguayan Foreign Minister Fabio Queirolo stated that opinion in his Bahia Negra. Paraguay, Memoria 1898, 11-27; Bolivia, Memoria 1897, 30.  

For Gondra's report, Paraguay, Memoria 1900, 21-42; Mujia, Bolivia-Paraguay, III, 863; Annexes, V, 182; Bolivia, Memoria 1900, 46; Antonio Quijarro, La Cuestión de Límites entre Bolivia y el Paraguay (Buenos Aires, 1901).  

Jaime Mendoza, La Tesis Andinista (Sucre, 1933), 79. Although Quijarro was accredited 9 December 1898, the revolution necessitated waiting for new credentials until the following June; Alvestegui, 323.
country opposed large territorial concession; but if Quijarro would secure full powers, negotiations could open at once. An interview with Aceval confirmed these facts.\textsuperscript{42}

Quijarro, following the lead of his predecessors, prepared a Memorandum for the consideration of the Asunción Foreign Office. The document began with Asunción's mention of possessions in the Chaco "between the limits that correspond with the Republic of Bolivia" in soliciting Andean recognition of Paraguayan independence in 1842. He pointed out that Bolivia was the first to recognize Paraguay and traced La Paz's early unsuccessful efforts to send diplomats. With sagacious insight, Quijarro realized that the Chaco question was a grave and difficult matter of "pure law," and he was completely dedicated to the principle of a compromise solution beneficial to both.\textsuperscript{43} After reviewing the previous treaties, he suggested a line directly across the Chaco at 22° to bring mutual commercial prosperity.

Queirolo responded that the proposal was but 1878 repeated and reiterated that public opinion would not accept


\textsuperscript{43} "Memorándum Referente al Estado de los Relaciones entre los Repúblicas del Paraguay y Bolivia, y a las perspectivas de su futuro desarrollo." Mujia Annexes,
such a concession. How could a new treaty be made without title study? How could Fuerte Olimpo and Bahia Negra, possessed "from time immemorial" at cost of blood and treasure, be sacrificed? Congress could merely voice popular sentiments. Consequently, the Government would negotiate only within the spirit of the law of 19 May 1896.

Unrelenting, Quijarro corresponded persistently with Queirolo and his successor, Flecha, even after returning to Buenos Aires, and his invariable theme was an arrangement dictated by commercial interest and made without study of titles. Paraguay enacted a new electoral law (to which the Andean protested) incorporating the Chaco bank up to Bahia Negra, thus serving notice that the Bolivian Minister expounded the antedated views of the nineteenth century. The new thesis in Asunción was unassailability of the Guaraní titles as far as Bahia Negra "tan antiguos como su propio descubrimiento." Since La Paz believed that indisputable Bolivian territory above Puerto Pacheco had been infringed, Quijarro’s mission was promptly terminated in July, 1901; negotiations thereafter took the form of notes between the Foreign Ministers.}

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45 V, 193-236; Quijarro, La Cuestión de Límites, 45-76; Paraguay, Memoria 1901, 54-75; Bolivia, Memoria 1901, 170-195.

44 Queirolo note, 12 January 1901, Quijarro, La Cuestión de Límites, 81-84; Paraguay, Memoria 1901, 77-79; Bolivia, Memoria 1901, 195-97; Mujia Annexes, V, 237-241.

45 Quijarro protest, 11 May 1901, Mujia Annexes, V, 257-261. See also his note 21 January, 252-250, and replies
Chancellor Flecha replied to the termination the following January, stressing the Paraguayan stand for the twentieth century. He arbitrarily denied the audiencia thesis, asserting that Guarani titles were firm up to the borders of the colonial dependencies of Upper Peru, particularly Chiquitos and the Intendancy of Cochabamba. These borders stretching in the west to the Parapeti could be defined only by title study in negotiations, and Paraguay was ready at any moment to proceed in this manner. Accordingly, she planned to maintain diplomatic representation in La Paz.

In his answer, Federico Diez de Medina lucidly defined the Bolivian position. Basing her rights on her succession territorially to the Audiencia of Charcas, protected by her actions during the past century, Bolivia insisted that her claims were intact to the entire west bank of the Rio Paraguay down to the Pilcomayo. Diez de Medina thus implicitly asserted that the dispute was now a territorial question as

_of Flecha, 251-56, 269-274. Mission suspended 10 July 1901 by note, Federico Diez de Medina, Bolivian Foreign Minister to Flecha, 265-68. Same correspondence, Paraguay, Memoria 1902, 70-84, and Bolivia, Memoria 1901, 198-213. Also see 31-32; 1902, 1._

Flecha to Diez de Medina, 8 January 1902, Mujia Annexes, V, 275-287. Alvestegui viewed this as the most "transcendental" Paraguayan note up to this time; 329; Paraguay, Memoria 1902, Bolivia, Memoria 1902, 326-334.
opposed to the Guarani contention that merely boundaries were involved.47

With this exchange of notes, the dispute between Bolivia and Paraguay actually passed into the new century. Previously, efforts at settlement were characterized by compromise for the convenient solution of the issue and advancement of commercial prosperity and economic growth. Now each had arrived at a crystalline position based on the documentary evidence which archivists were beginning to produce in La Paz, Asunción, Buenos Aires, London, and Spain. Paraguay, gradually incorporating much of the Chaco into her governmental and administrative system, would be less willing to part with any portion of it; Bolivia, on the outside looking in, would become more determined as years passed to secure what she believed her sister had usurped from her birthright.48

48 In 1897, for example, the noted Paraguayan, Blas Garay, worked in the Spanish archives copying documents for the Government. Eduardo Diez de Medina, De un Siglo al Otro, Memorias de un hombre publico (La Paz, 1955), 192; Paraguay, Memoria 1900, 8; 1901, 14; Iraizos, 28. Bolivia established an "oficina de limites" in the Foreign Ministry to supervise research in the Archives of the Indies and prepare cases against Peru, Chile, and Paraguay. Bolivia, Memoria 1903, 77.

It seems clear that an interest in colonial titles had been fostered by Paraguayan publicists by the time of the
By the November, 1903, Treaty of Petropolis, Brazil obtained Acre from Bolivia and as a sop to the Andean pride ceded a small strip north of Bahia Negra on the west bank of the Rio Paraguay, held by her as heir to the colonial Portuguese regime which had arrogated it from Spain. Since in the 1858 López-Paranhos Treaty, Brazil had recognized Bahia Negra as her border with Paraguay, the latter quickly protested. Foreign Minister Irala asserted that Bahia Negra was now used by Brazil as her border with Bolivia. In bringing the protest to the attention of Pinilla, presently Bolivian Foreign Minister, Irala stressed that the only question between their countries was the definition of the Chiquitos border at the moment of Independence. Pinilla replied with counterassertions, dismissing Irala's claims as "under the sole authority of your word."

Ichaso-Benítez negotiations. Alejandro Audibert's first unified fluvial study in 1892 was a reply to the expansive Andean claims voiced by Pinilla. He argued that on the basis of the uti possidetis Paraguay was secure within the bounds of the original province of that name, while Bolivia was devoid of titles. When it became apparent that Bolivia, too, had a case, the negotiations faltered and were saved only by reversion to the essential bases of the previous treaties. Thereafter Paraguay launched an effort toward improving her case with the creation of the scientific commission.


Pinilla to Irala, 3 August 1904, Ibid., 327-333.
Meanwhile, Juan Cogorno, first Guarani Minister received by Bolivia, had exchanged propositions with Doctor Elidoro Villazón. The envoy suggested that each name a commission to study titles and report to the respective Governments, which would then proceed to making a treaty. Villazón retorted that since each country at present believed that its titles were full and conclusive, and earlier title studies had failed, they should instead be submitted to arbitration. He proposed that "Bolivia and Paraguay declare that their question of boundaries in the Chaco will never be the cause of war between the two Republics."51 As a result, new talks were arranged in Asunción between Doctors Emetério Cano, the Cordilleran Minister, and Manuel Domínguez, Paraguayan Minister _ad _hoc._

Simultaneously, Doctor Pedro Peña was sent as envoy to the Altiplano. Peña, upon assuming his legation, read in the periodical _El Comercio de Bolivia_ of the establishment of forts along the Pilcomayo by a Tarijan expedition to the bañados led by Leocadio Trigo.52 These two posts,

51 Bolivia, Mensaje 1903, 4; 1904, 7; 1905, 10; Memoria 1903, 71; 1904, 17-19; 1905, 42; Paraguay, Memoria 1903, 17; Mujía, Bolivia-Paraguay, III, 902; Báez, Historia diplomática, II, 281. Paraguay's case was at this time far from complete. Her only new work was submitted in 1898 by the first scientific commission and was deemed very inadequate; Francisco Rolón, _El Paraguay y Bolivia. Cuestión de Limites_ (Asunción, 1903), 6.

52 The expedition consisted of 140 men who were in 1906 designated the 2nd "Tarija" Cavalry. Colonel Julio Díaz
Guachilla and Ballivián, were to be centers of settlement. In a strong note, Peña requested satisfactory explanations, assurances that Bolivia did not intend a formal occupation of Paraguayan territory, and immediate withdrawal of the troops. Pinilla, not wishing to disturb the Asunció talks, allowed Peña to cool for exactly two months, and then replied on 20 April 1906 that the troops were there to bring civilization, were not meant to pose any threat to Paraguay, and would not be withdrawn. In actuality, this marked the inauguration of a methodical Andean occupation policy down the Pilcomayo.53

At about the same time, Cano in Asunción was protesting to Foreign Minister Soler against the Larreta-Caminos Protocol by which Paraguay and Argentina set out to define their Pilcomayo boundary pursuant to the Hayes verdict. In a lengthy document, Cano repeated as background data the bases of Bolivia's claims, reviewing the uti possidetis of 1810 and the era of the Triple Alliance, and reserving Altiplano rights in the present instance. Soler answered that the Benavente protest—the first notice of any

53 Arguedas, História del Ejercito de Bolivia, 1825-1932 (La Paz, 1940), 515.

Mujia, Bolivia-Paraguay, III, 904; Annexes, V, Peña to Pinilla, 20 February 1906, 374-376; Reply, 20 April, 377-383; "Informe Presentado al Supremo Gobierno de Bolivia por el Delegado Nacional Dr. Leocadio Trigo," 387-389; Gondra, 175; Alvestegui, 375; Bolivia, Memoria 1906, 29.
Bolivian aspirations in the Chaco—had extended south only to 22°. Not until 1890 did the Altiplano nation claim the entire region, and that was too late to constitute a lien against the 1876 Argentine-Paraguayan treaty now being implemented. After referring to the recently established Andean "fortins" on the Pilcomayo, Soler entered a title discussion of his own. 54

54  *Mujia Annexes, V, Cano to Soler 23 February 1906, 334-357; Reply, 10 March 1906, 358-373; Bolivia, Memoria 1906, 28.*

Fortins were commonly rude collections of huts ubic- cated relative to water rather than defense. There is no similarity to a "fort." As the word is not translatable it is commonly used hereafter.
At Asunción, on 24 February 1906, a new experiment in seeking solution was inaugurated. The Bolivian Minister and the Paraguayan Minister ad hoc set aside diplomatic etiquette in favor of simple courtesy and private meetings in their efforts to establish the bases of a treaty founded on right and reciprocal interests rather than on the extreme demands of their Foreign Offices.¹

Dr. Cano suggested arbitration, should agreement fail to materialize. After fifty years of discussion in the legislatures, press, and Foreign Ministries, no clear evidence of primordial title had been established. Therefore, arbitration zones based on population, fertility, productive capacity, and cultivation near the frontiers, might well be drawn. At the Mexico City Pan-American Conference of 1901-1902 Dr. Cecilio Báez had taken a strong stand for

¹ "Actas de los Conferencias Celebrados por los plenipotenciarios de Bolivia y El Paraguay sobre la cuestión de límites pendiente entre ambos países, Febrero a Noviembre de 1906," Mujia Annexes, V, Part II, 3-6; authority to negotiate, Appendix 4, Memorial of Paraguay, Proceedings, 763.
arbitration. Let Paraguay, then, proceed along these lines.  

Dr. Domínguez disagreed, asserting that titles should first be examined. He reaffirmed as official Dr. Báez's stand on arbitration, but added, "all things have their limits," and Paraguay could never arbitrate what was undeniably her own, for example, the Hayes Zone. That region would never be rearbitrated. Cano replied that exclusion of any zone was outside the principles of international law. Bolivia, as heir to the Audiencia of Charcas, possessed rights to the entire Chaco. The Hayes Award, to which she was not a party, in no sense compromised these rights; it merely determined the better title as between Paraguay and Argentina. Submission of the present question to an arbitrator would not, therefore, be "arbitration of arbitration" as Domínguez contended.  

In the second meeting, Cano expressed a desire to avoid title study, since constant reference to Cádulas, Laws of the Indies, travelers, and interpretations would prove an unrewarding effort. If, after examination of the archives of England, Spain, Buenos Aires, and Lima, no titles more

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2. Mujia Annexes, V, Part II, 8; Báez, História diplomática, II, 284. Cano was reflecting the position of his Executive who, although fully aware that Paraguay wished a dividing line derived from title study, himself favored a compromise or arbitration; Bolivia, Memoria 1903, 72.

3. Mujia Annexes, V, Part II, 9-12; Domínguez, Nuestros Pactos, 11.
conclusive and perfect than those so far unearthed could be found, it seemed useless to consider them in preference to a simple agreement based on peace and common progress. He then invited Dr. Domínguez to proceed to the heart of the question and propose frontier lines. That gentleman took Cano's attitude for a tacit confession of weakness in the Bolivian case. In 1891 Baptista had presented the first doctrinaire discussion. Domínguez now sought to force a reversal of position, placing Bolivia on the defensive against title study. He charged that previously there had been no "scientific treatment" of the issue. The new Paraguayan documentation (prepared by the commission appointed in 1896) ruined completely the simple propositions of La Paz. Consequently, each negotiator should be familiar with both cases as a requisite to a mature and reasoned settlement.

At the next meeting Dr. Domínguez, though frequently mentioning the need for title examination, consented to hear Cano's proposals. The Andean began with 1879, suggesting the old Apa line. This provoked the Paraguayan into bringing to the meeting of 16 June two bulky portfolios of extracts and briefs for the edification of his colleague. Summarizing them, he began with the conquest, drawing conclusions favorable to Paraguay. He cited her

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expeditions into the Chaco, the jurisdiction of the munici-
pality of Asunción, the limits of the Audiencia of Charcas,
and several Cédulas. A sterile discussion of titles was
useless, Cano observed, but the best proof lay in Cédulas
and Laws of the Indies. If Domínguez wished to go into
documentos inéditos, he (Cano) could produce an equally im-
pressive catalogue of recently copied items from the Ar-
chives at Salamanca. Domínguez rejected the Apa line,
asserting Paraguay's rights were incontrovertible from the
twentieth parallel westward to the 62d meridian and thence
to the Pilcomayo. North and west of this area Bolivia had
some claim. Her needs were for an outlet "on our great flu-
vial artery" while Paraguay had need to preserve the greatest
amount of territory possible in accord with her rights.
Since Bolivia already possessed a vast land area, Domínguez
advanced possibly the finest compromise suggestion made in
the whole long Chaco dispute. Let Bolivia extend far enough
south between 20° and Olimpo to satisfy her port needs.
Paraguay would advance up the 62d meridian for an equal dis-
tance. Thus the interests of each would be met--Bolivia
would have a river bank; Paraguay, territory. Cano rejected
the offer as injurious to Bolivia's interests. Much of the

Mujia Annexes, V, Part II, 16-19. The documents which
Domínguez presented were the first of three Paraguayan col-
lections. The second was held in reserve as a reply to the
Bolivian case, while the third (trump) was reserved in case
of arbitration; Domínguez, Nuestros Pactos, 13.
region had always been under Charcas and the northern Rio Paraguay had never been disputed.\footnote{Mujia, Annexes, 20-22; Domínguez, Nuestros Pactos, 13-14.}

After some discussion as to what effective control either exercised over Chaco aborigines—Domínguez maintaining that Paraguay had generic claim north of Bahia Negra—Dr. Cano offered his second proposal: a direct line from 21° on the Rio Paraguay to the Pilcomayo at 63° west of Paris. Since the conquest, Paraguay had been too impotent to conquer the Chaco; he asseverated that she still showed no capacity for colonization, either from Europe's masses or from her own population. Bolivia, on the other hand, as a requisite to survival, must develop communications and transportation lines across that desert and "fertilize it with the elements of her population and her riches." Paraguay would herself benefit from this program. Dr. Domínguez, saying that his country's commercial activity and towns in the Chaco were well known, rejected the second Cano proposal as emasculation of Guarani territorial integrity. Agreeing, however, with the Andean stand on commercial advantages, he offered a free port on the upper Rio Paraguay, but insisted that his country required land mass in the Chaco.\footnote{Mujia Annexes, V, Part II, 23-25; Domínguez, Nuestros Pactos, 14.}
Cano then revealed his third project: the twenty-first parallel west to the 63rd meridian west of Paris, thence south to the Pilcomayo. Domínguez consented to consult the Báez cabinet on this proposition. After nearly three months had passed, he met again with Cano on 10 September, excusing the delay as being due to consultations within the Government. It was the will of the regime and articulate class that their country have large territorial extension in the Chaco. Bolivia already possessed an imperial expanse, much of which was undeveloped, and had need solely for a port. The Domínguez proposal of 20° south on the river to the 62nd meridian with an exchange of equal triangles above and below 20° would serve the interests of both. The River Republic was small, and without fairly large territory, "a brilliant national existence is not possible. Paraguay must assure herself sufficient territory for fifty or sixty million inhabitants." She was willing to offer her sister nation the only thing she could, a port.

Cano took note of what he deemed a natural desire for extensive domain. The Domínguez plan, however, was based

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8 Mujia Annexes, V, Part II, 26-28; Domínguez, Nuestros Pactos, 14, says he referred to forty million.
solely on the smaller state's needs. It was unacceptable because Paraguayan possession in the northwest interior would hinder Bolivian enjoyment of sovereignty in her river outlet. Only the desire for a truly free, unimpeded port motivated her willingness to cede rights in the south Chaco. The third Cano proposal of $21^\circ$ to the 63d meridian west of Paris, thence to the Pilcomayo, was La Paz's final and maximum offer. Domínguez, reflecting his Government's view, replied that Paraguay's rights were not vested in desire alone; she possessed full and ample titles as well. A straight border along a parallel would not be in the best interests of either country. It was essential, Cano pleaded, that they offer their Governments and peoples a definitive solution. His proposal, he affirmed, was actually generous to Paraguay; but his opponent disagreed. Ruined in war, the Guarani Republic must have lands in order to thrive. The best way to settle the question, he added, returning happily to his original point, was title study, followed by consultation with the respective Governments. The Andean nevertheless reiterated that this would serve no practical result; the Governments must now be informed how negotiations stood.\footnote{Mujia Annexes, V, Part II, 29-31.}

The Paraguayan negotiator, the Cabinet directed, should inflexibly maintain his line. It posed the question, "Why
should little Paraguay with faithful titles have to sacrifice her territory again for the sake of ample Bolivia, ample and without titles?" Domínguez accordingly replied on 18 September that only a modification of the Bolivian stand could bring agreement. No further yielding was possible, Cano replied, pointing out that he spoke candidly. Domínguez, with like frankness, said that he and his Government in equally open and friendly manner had made their maximum concession. Cano believed that the time had come (6 October) for a definite pronouncement on the propositions discussed; Domínguez, however, stressed that in view of possessing such excellent rights, Paraguay could yield no more. Cano dismissed these titles as being inconclusive and pleaded for settlement, saying that delay would produce distrust, arouse editors to new fever pitch, and provoke fresh border incidents. For these reasons he must insist on a definitive answer without title examination, for which Bolivia was always prepared, but which he (wisely) deemed futile. Dr. Domínguez replied that his answer for the moment was not final, but new avenues should be sought.\textsuperscript{10}

\textbf{Meanwhile,} Paraguay having undergone a change of government through the army, Domínguez had turned in his credentials so that General Ferreira's regime might proceed

\textsuperscript{10} Ibid., 32-35; Domínguez, \textit{Nuestros Pactos}, 15.
unfettered. He insisted that proceedings of the meetings be protocolized for study by their Governments, to which Cano agreed. Thus perhaps the most promising negotiations in the entire eighty-year dispute came to an inopportune halt. The final proposals were very close, and a simple compromise might have settled the question peacefully. On the other hand, governmental instability could easily have destroyed hope of ratification and left the issue still pending. 11

When the Cano-Domínguez talks appeared doomed, Brazil offered mediation. Foreign Minister Rio Branco favored submitting the dispute to the Hague court, and Soler agreed. When Dr. Estanislao S. Zeballos, Argentira Foreign Minister since 26 November 1906, learned of this offer, he stepped forward seeking a diplomatic triumph of his own. Acting through the Bolivian Minister, García Mansilla, he sought to bring the negotiations to Buenos Aires. The Minister declined to undermine the Asunción talks, whereupon Zeballos interviewed Pinilla, who was in Buenos Aires en route to the second Hague Conference. Zeballos offered mediation for confidential conversations among negotiators with limited powers. Soler and Domínguez journeyed to the Argentine city 27 December, where Zeballos brought them together with

11 Mujis Annexes, V, Part II, 36; Domínguez, Nuestros Pactos, 16.
Pinilla. After discussions of the bases of accord, Zeballos secured their signatures to a protocol on 12 January 1907.\textsuperscript{12}

This act provided for submission to the arbitral decision of the President of Argentina. Article two stated that

the zone submitted to said arbitration is that included between parallel 20°30' and the line which Paraguay may maintain on the north in her allegations, in the interior of the territory between meridians 61°30' and 62° west of Greenwich.

Ratification, Article three stipulated, was to be by the Foreign Offices within four months and then the present Plenipotentiaries in Asunción, Doctors Domínguez and Cano, shall sign this limited arbitration agreement, and submit it for necessary approval of the respective Congresses at their first regular sessions.

The decision of the arbiter would be based upon statements of title and antecedents submitted by each disputant. Article six stated:

\begin{quote}
\textsuperscript{12} United States Department of State, Papers Relating to the Foreign Relations of the United States (Washington, 1907), 85-86, (cited hereafter as Foreign Relations); La Política Argentina, I, 4; República del Paraguay, Ministerio de Relaciones Exteriores, Paraguay-Bolivia, Cuestión de Límites (Asunción, 1924), 5; Bolivia, Mensaje 1907, 3; Mujía, Bolivia-Paraguay, III, 911-15; Alvestegui, 354. The latter alleged that Zeballos had vast holdings of Chaco lands; 414. Paraguayan records in Proceedings, 592, confirm that he had Fifth class lands. Argentine mediation had been proposed in the previous decade by Roque Saenz Peña while he and Decoud represented their countries in Washington; Joaquín de Lemoine, Bolivia y el Paraguay. Pleito de medianería (Anvers, n.d.), 13.
\end{quote}
In case either of the High Contracting Parties does not grant the ratification referred to in Article 3, the respective plenipotentiaries at Asunción shall negotiate an agreement fixing the zone to be submitted to the arbitration agreed upon, and in the meantime, the status quo referred to in the following Article shall be understood to have been extended.

Article seven then provided:

The High Contracting Parties oblige themselves from this moment, pending the fulfillment of this agreement, not to change or advance the possessions existing on this date. In no case may the status quo expire for one year from the date fixed by Article 3. The status quo shall be faithfully observed under the guarantee of the Argentine Government.¹³

In 1906, Bolivian activities along the Pilcomayo had first excited Paraguayan concern. (See above, page 44.) Apparently, Paraguay sought the status quo provisions at this time to forestall such moves. In 1886 Tomayo had first attempted to assert the status quo doctrine. Pinilla alleged in 1888 that the 1887 treaty created "a status quo ... and regularized the jurisdiction of both States within their respective assigned zones." Paraguay now took recourse to this Bolivian-created doctrine, seeking to halt Andean advances.

The arbitration zone was essentially bounded on the west by the final lines proposed by Cano and Domínguez a few

¹³ For protocol see Appendix 8, Memorial of Paraguay, Proceedings, 851-52, Mujia Annexes, V, Part II, 39-41, or Paraguay, Tratados y Protocolos, 11-12; Paraguay-Bolivia, Protocolos y Notas cambiadas (Asunción, 1927), 3.
months earlier, while in the north 20°30' was an exact splitting of the difference. However, the protocol had a grievous flaw in that it failed to confirm this compromise northern line, indeed making it the minimum attainable by Paraguay while leaving open to her unlimited pretensions, lands above this parallel.  

Public opinion in the fluvial Republic greeted the pact with great rejoicing because 9,124 square leagues south and east of the arbitration zone were placed in her possession, nearly 3,000 more than by the most generous previous treaty. Indeed, here her hopes for territory were at last realized. Bolivian public sentiment found little to appreciate, and rose in protest. Pinilla allegedly was still buoyant from the regal treatment showered upon him at Petropolis by Rio Branco and acted without consultation with his Government. His behavior was certainly not in harmony with his previous record. Only the year before, as Foreign Minister, he had dictated the third, final, Cano proposal. 15

On the other hand, a Bolivian memorandum transmitted to Washington by the United States Minister at La Paz explained very lucidly the motivation of Pinilla's actions.

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14 Alvestegui, 376.

15 Paraguay, Paraguay-Bolivia, Cuestión de Límites (1924), 5; Domínguez, Nuestros Pactos, 17; Statement of the Bolivian Government's Case, 21; Alvestegui, 355-57; Aguirre Acha, Disagreement and Conflict, 15. Báez, Historia diplomática, II, 291, said Soler had shown skill superior to that of Pinilla.
Harsh discrimination against Bolivian goods at Corumbá, Brazil, had ruined Puerto Suarez. Fees levied were equal to shipping charges from Montevideo. To obtain Puerto Pacheco, greater concessions than before were made in the interest of commerce. "The Pinilla-Soler agreement, therefore, satisfies the practical needs of Bolivia, giving it a port of its own upon the Rio Paraguay to the north of parallel 20°30'." This assumed a favorable arbitral verdict.

At Asunción, Dr. Manuel Domínguez, brilliant thirty-eight-year-old man of letters, teacher, lawyer, scholar, and Minister ad hoc, had been busy revising and correcting the protocols of his 1906 conferences with Dr. Emeterio Cano. "The Soler-Pinilla agreement raised the question of boundaries in a manner incomparably more favorable to Paraguay than all the preceding treaties," he happily observed. But in Bolivia's Senate, the opposition led by Dr. Daniel Salamanca vigorously assailed the agreement as a grave error, while in a booklet Dr. Bautista Saavedra viciously attacked Pinilla's "give away" and urged strong measures against Paraguay.  

16 U. S., Foreign Relations, 1907, 87-89.
17 Domínguez, Nuestros Pactos, 17; República del Paraguay, Ministerio de Relaciones Exteriores, Informe del Plenipotenciario Dr. Domínguez acerca de las negociaciones Domínguez-Cano posteriores al ajuste Soler-Pinilla de 1907 (Asunción, 1929), 5. See also Alvestegui, 359; Bautista Saavedra, La cuestión fronteriza con el Paraguay (La Paz, 1908).
Shortly after the protocol was signed the Ferreira Government prepared a draft treaty to implement the third article, which was then delivered to Cano by the Minister ad hoc. Article one of this proposal confirmed Paraguayan possession within the inner lines of the protocol's arbitration zone, while Article two provided arbitration as per the Zeballos formula, but changed the stipulations in the north to between the $20^\circ 30'$ parallel and the northernmost line supported by Paraguayan titles. Thus she voluntarily placed some limitation upon the undefined zone which she might allege. Asunción then definitively renounced claims west of $62^\circ$, reiterated designation of the arbiter to hand down the award based on memorials submitted within twelve months, and stipulated that each party should be given the other's memorial for preparation within ninety days of a reply. The decision of the President of Argentina, based on the best right from the viewpoint of the *uti possidetis* of 1810, would be binding on both States. No new evidence would be admissible after the initial manuscripts.\(^{18}\)

Several weeks later, on 20 May 1907, the Bolivian offered Domínguez a draft of his own. The Guarani noted with horror that the very first article departed from the spirit of Pinilla-Soler by converting the $20^\circ 30'$ parallel into a

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firm line, or worse. In vague wording it stated:

\[ y \text{ en la parte Norte sobre el Río Paraguay la porción comprendida entre el paralelo veinte y medios grados de Norte a Sud, en línea recta hasta su intersección con el meridiano } 61°30' \text{ al } 62° \text{ de Greenwich.} \]

Only six months were allowed for presentation of cases. The status quo was to be maintained "in the present possessions of both contending parties" during the period of arbitration, and if they made land grants or "se produjese algún hecho de posesión antes del fallo, no tendría valor ni se alegarán en la discusión como un título nuevo." Lands previously legally acquired by concessionaries would be respected by the winner of the award.\(^{19}\)

Domínguez, understandably, could not fathom the poorly-worded Cano version of the arbitration zone and, consequently, he quite naturally suspected its intent. He felt that it attempted to convert the Paraguayan portion into the arbitration area itself. "\text{El diplomático boliviano,}" he lamented, "\text{no parece entender que haya zona reservada al Paraguay.}" He objected to shortening the period for preparing cases from a year to six months. Paraguay would require twelve months "to organize her titles and authenticate many of her documents in Europe." The Andean version of the status quo, which had not even been mentioned in the

\(^{19}\) \text{Ibid., 13-15.}
Ferreira version, disturbed Domínguez since it implied cessation of all activity in the Chaco. The ambiguous Article one and the shortened time for preparing cases were absolutely unacceptable, he concluded. 20

Two months went by without Cano's completing the modified and edited protocols of the previous year's talks. On 20 July, Domínguez met him on the street and inquired about the matter. Cano replied by letter on 12 August, but affairs dragged along for two more months before the scholars met at the Domínguez residence. After finally signing protocols of the 1906 conversations, Dr. Cano asserted that the line Paraguay might allege was an alternative proposition to 20°30', and ran diagonally to 61°30' or 62° west at the twentieth parallel. Domínguez could not find such provisions in the protocol, and pointed out that in the negotiations at Buenos Aires from 31 December 1906 to 12 January 1907 there had been an inability to agree to a northern arbitration between 20°30' and 19°. Accordingly, the northern end of the zone had purposely been left open for the present negotiators to determine. Never was south of 20°30' considered anything but Paraguayan. 21

20  
Ibid., 20-27.

21  
Ibid., 28-44; Mujia, Bolivia-Paraguay, III, 919.
Dr. Cano now proposed 20° as a firm northern line with 20°30' on the Paraguay to 61°45' and thence to the Pilcomayo as an alternate. Domínguez found this unacceptable, sustaining without concession the original Ferreira proposal. Cano, endeavoring in accordance with instructions from La Paz, to evade what was considered the extremely unfavorable Pinilla-Soler Protocol, asked, "Why do you wish me to accept your line? My name would roll in the mud!" Failure of the talks seemed imminent, he wrote his Government. He suggested using the Argentine Minister in Asunción to accelerate progress, and sought Altiplano approval of a new counter-proposal. Then, on 16 November 1907, Cano died and was accorded in death the honors of a Paraguayan General of Division.22

Mujía and Ayala

After the demise of Cano, the first phase of negotiations by scholars came to an end. Relations stagnated until Dr. Ricardo Mujía was appointed Minister to Asunción in 1909. The award pronounced by President Figueroa Alcorta of Argentina in Bolivia's dispute with Peru had occasioned riots in La Paz and a break in diplomatic relations with Buenos Aires. Noting Andean bad faith, the arbiter wisely

22 Mujía, Bolivia-Paraguay, III, 920; Paraguay, Informe del Plenipotenciario, 47-61; Appendix 4, Memorial of Paraguay, Proceedings, 789.
declined to serve in the pending case with Paraguay. About
the same time, Guaraní opinion became highly disturbed over
a reported landing on the shore of Bahía Negra by Bolivian
boundary commissioners seeking to define the borders de-
limited with Brazil in the Treaty of Petropolis. Foreign
Minister Báez readily accepted Bolivian explanations, how­
ever, and the incident was closed, opening the way for the
next phase of the Chaco dispute.23

In his 1910 message to the Bolivian Congress, Foreign
Minister Daniel Sánchez Bustamante stated that the Pinilla-
Soler Protocol had been ineffectual. The death of Cano,
named in the text as the Cordilleran negotiator, and the re­
nunciation of his task by the specified arbiter, made execu­
tion of the agreement impossible. This posed sufficient
cause for an exchange of notes declaring it null and void.24
Revolution in Paraguay then halted negotiations.

23 Bolivia, Mensaje 1910, 8; Mujia, Bolivia-Paraguay,
III, 921-22. For the very minor border incident and its
settlement see documents in Mujia Annexes, V, Part II,
45-63.
24 Mujia, Bolivia-Paraguay, III, 924-26; Bolivia,
Memoria 1910, 52-55. Sánchez also stated that lines drawn
previously by diplomats had been but partitions in which
Bolivia displayed extreme liberality, forgetting borders
cannot be drawn without knowledge of terrain. Now, one or
more ports on the upper Paraguay would be a sine qua non to
any settlement.

Bolivian desire to evade the 1907 Protocol is also
seen in the 1908 edition of Tratados Vigentes, which failed
to include it, although by any interpretation it was still
viable at the date of preparation.
In October and November, 1912, Mujia entered into correspondence with Foreign Minister Eusébio Ayala regarding an incident involving lands sold in 1885 and now owned by the Paraguay Land and Cattle Company, an American firm. The company, attempting to enter into possession of the property, had been blocked by Altiplano troops who claimed the land was in Bolivian territory. Paraguay pointed out that she had sold the property; Bolivia had been so informed but had made no protest. Mujia denied all knowledge of the 1885 land sales as no documents concerning them existed in his legation archives; he alleged the property was west of lines drawn in previously expired treaties, including "the latest and already expired Pinilla-Soler agreement."  

Mujia then asserted that the 6 January 1890 Pinilla statement is in force whereby Bolivia maintains the integrity of her territorial rights upon the contentious region lying between the Pilcomayo and Paraguay rivers, and does not recognize any of the jurisdictional acts of the Government of Paraguay with

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Mujia to Ayala, 30 October 1912, Appendix 8, Memorial of Paraguay, Proceedings, 853-54; Reply, 30 October 1912, 852; Ayala to Mujia, 11 November 1912, 855; Paraguay, Protocolos y Notas, 5-9. The incident was closed when the company withdrew its protest to the Paraguayan Government which then let the matter drop. Paraguay, Paraguay-Bolivia. Cuestión de Límites (1924), 8.

In his Bolivia Política published in 1887, Quijarro says he had made known in his country in 1886 that Paraguay had sold lands up to 21° and mapped the Chaco for that purpose; 58.
respect to the Chaco territories, nor any actions arising out of said acts.\textsuperscript{26}

Ayala replied, appropriately enough, with Centurion's retort to the cited Pinilla note, namely, that since

rights are proclaimed, the existence of which is not based upon any title or reasonable arguments, it lacks the necessary weight to be taken into consideration by my Government, and for this reason, the undersigned confines himself to acknowledging its receipt.\textsuperscript{27}

On the basic question itself, Ayala observed that he and Mujia had discussed the situation in October, the latter laboriously defending Bustamante's 1910 statement. The Pinilla-Soler Protocol was dead. They agreed in principle on the need for a new definition of matters, a declaration of the lapse of all previous treaties being an indispensable beginning. Reviewing the past, Ayala found no unilateral declarations of nullification, but rather the failure of mutual ratification due to Andean procrastination had brought the lapse of pacts.\textsuperscript{28}

The status quo of 1907 was an "immediate obligation" which went into effect when the instrument was signed. It rested on mutual good faith. Mujia's contention that it

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\textsuperscript{26} Mujia to Ayala, 12 November 1912, Appendix 8, Memorial of Paraguay, Proceedings, 836; Paraguay, Protocolos y Notas, 10.
\textsuperscript{27} Ayala to Mujia, 2 December 1912, Proceedings, 857; Protocolos y Notas, 11.
\textsuperscript{28} Ayala to Mujia, 29 November 1912, Mujia Annexes, V, Part II, 89-99.
\end{flushright}
would have had force only upon ratification was erroneous. Otherwise, how could the minimum one-year term of the status quo after the signing be explained? Mujia had said that renunciation by the arbiter constituted collapse of an intricate condition. Was Figueroa Alcorta the only Chief of State in whom La Paz reposed confidence? he asked, playing on the Altiplano's shameful response to that gentleman's arbitration of her dispute with Peru. Asunción could not regard this Cordillera-motivated renunciation as affecting the substance of the protocol. The status quo was clearly understood by both signatories as independent of the arbitration clause. The fluvial Republic therefore considered it in full effect. Any new discussions, Ayala concluded, would first have to determine whether the Pinilla-Soler Protocol could serve as the basis for a new agreement. 29

In his reply, Mujia said that he was confused by Ayala's points. How the previous treaties had lapsed could be determined only by study of documents and circumstances. As for Pinilla-Soler, it was the opinion of Bolivians that this protocol would be impossible to execute for the reasons previously given. In Paraguay, the agreement had been promptly denounced in Congress, while Ayala and his political friends attacked it in the columns of the opposition press.

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29 Ibid., 100-106; República del Paraguay, Mensaje 1913, 15-16.
The status quo was to come into effect after Cano and Domínguez had signed a treaty and while that awaited congressional approval. However, the main purpose of Pinilla-Soler was arbitration, not a modus vivendi. The status quo was merely a concession dependent upon the basic instrument, and not viable upon collapse of the conditions of the protocol. Even granting the Paraguayan interpretation, it would have lapsed in 1908 (that is, a year after signing) and in no sense compromised the rights of either party. An agreement was imperative, but permitting one party to claim all that it desired while limiting the other to the hope of realizing only its minimal claim would not be just.  

Finding that there were possible bases of agreement (for example, a Paraguayan willingness to declare the earlier treaties and pacts nullified provided the status quo were retained), Mujia queried his Government on Bolivian activities along the Pilcomayo. Assured "that the present possessions ... are those that existed before the accord of 12 January 1907," he signed a new protocol with Ayala on 5 April 1913.  

Article one bound the High Contracting Parties to negotiate, within two years of ratification, "a definite treaty

30 Mujia to Ayala, 13 January 1913, Mujia Annexes, V, Part II, 67-85; Bolivia-Paraguay, I, vii.
31 Mujia, Bolivia-Paraguay, I, viii; III, 944; Paraguay, Mensaje 1914, 19.
on boundaries." Articles two and three provided for direct settlement, bearing in mind commercial advantages, or failing this, legal arbitration. Article four asserted that until settlement or arbitral decision, "the status quo stipulated in the agreement of 12 January 1907 shall remain in force, both parties declaring that they have not changed their respective positions since that date." The Pinilla-Soler Protocol was declared void, and four months were prescribed for exchange of ratifications. 

At this time both litigants were optimistic for the success of negotiations. Paraguay was pleased to maintain the status quo of 1907 in force, while Bolivia was most delighted to nullify the hated Soler-Pinilla Protocol. Ratification was accomplished in July, 1913, within the prescribed time limit. Both sides now viewed as desirable full discussion, including consideration of titles. By 1911, the fluvial technical commission, then composed of Domínguez and the equally eminent Doctor Fulgencio Ricardo Moreno, had compiled a major work composed of over 2,000 documents. Bolivian agents and scholars had been active abroad, and Mujia now set himself the task of organizing the Andean

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32 Appendix 8, Memorial of Paraguay, Proceedings, 857. Mujia, Bolivia-Paraguay, I, i-11; República de Bolivia, Ministerio de Relaciones Exteriores y Culto, Tratados Vigentes 1825-1925 (La Paz, 1925), II, 578-580; Paraguay, Protocolos y Notas, 11-12; Tratados y Protocolos, 13.
case for the forthcoming talks.  

Mujia and Moreno

Dr. Moreno, Paraguayan plenipotentiary-designate for negotiations with Mujia (who himself had been absent for nearly a year) returned from Santiago de Chile, and the distinguished gentlemen met at the Asunción Foreign Office with the Minister, the renowned former President, Dr. Manuel Gondra. On Friday, 26 March 1915, the new series of conferences got under way amid an exchange of conviviality and bright hopes for success. Recognizing that the two-year limit for settlement specified in the Ayala-Mujia Protocol would expire 28 July, Moreno observed that an extension might be in order, particularly since the world situation was less favorable for arbitration. Mujia replied that should this prove necessary, it would not inconvenience his Government or himself.  

33 Bolivia, Mensaje 1913, 12; Memoria 1914, 25; Mujia, Bolivia-Paraguay, I, IV, x, xiii, XVI; III, 945. This Paraguayan commission was established by executive decree, in implementation of the 1907 Protocol, to prepare the Guarani case for arbitration. Appendix 4, Memorial of Paraguay, Proceedings, 787; Política Argentina, I, 5.

Meeting in mid-April, Mujia expressed Bolivia's vital need for a port to revive her decadent and stagnated oriental. Puerto Suarez was wholly inadequate, a port in name only during the dry season. A new independent all-weather anchorage was imperative. Foreign capital was interested in railroads and development of the Oriente, but awaited settlement of the question with Paraguay. Bolivia possessed explicit claim and clear title in the northern Chaco which had been within Chiquitos at the moment of Independence. In draft treaties, Guarani statesmen had always recognized this fact. In reply, Moreno (a former professor of history) stated that frank discussions would doubtless lead to practical results for both countries. Asunción, too, was serene in her titles, but was motivated by a sincere desire for settlement. Bolivian titles would be justly considered, although they could not be derived from lapsed treaties. The best procedure, he suggested, would be memoranda as a base for negotiation.  

Mujia pointed out that Cordilleran negotiators had previously presented memoranda without result, but said he would accede to the wishes of his colleagues. Moreno answered that previous documents had uniformly been inefficacious. Lack of common ground had brought about the  

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Cuestión de Limites con Bolivia, I, 11-13; Bolivia, Memoria 1916, 325-27.
failure of earlier efforts, but methodizing negotiations, avoiding lengthy manuscripts, and holding to concrete points would "unify criteria and produce transcendental convictions." For example, Bolivia needed a port in the north. She should present her titles in that region for comparison with those of Paraguay. The resulting discussion based on solid data would lead to a treaty resting on firm foundations. Mujia cordially replied that anything leading to solution would be most welcome.36

At their next meeting on 31 May 1915, Moreno exchanged his thesis on method for Mujia's document, which set forth Bolivian titles to the north. Moreno argued that previously fragmentary titles had been presented, and the resultant treaties were based on mere exigencies of the moment. He was of the opinion that an objective presentation would pave the way to a more viable solution and, if publicized, would allay false impressions spread abroad in the land by propagandists.37

Several weeks later the scholars discussed these works. After giving it his careful consideration, Moreno found Mujia's effort a step in the right direction, although he was

36 Bolivia, Memoria 1916, 328-29; Cuestión de Límites con Bolivia, I, 14-15.
37 Cuestión de Límites con Bolivia, I, 16, 22; Paraguay, Mensaje 1917, 16; Bolivia, Memoria 1916, 330.
not in agreement on the significance of all the documents produced. Mujia thanked him, and stressed the mutual advantages of a port on the upper Paraguay for Bolivia.\(^{38}\)

Talks had scarcely begun when on 19 July 1915 a protocol was signed extending the period for negotiation to 28 July 1916, during which time efforts should be made to conclude the issue by direct settlement or arbitration. Article two stated that "the continuation of the status quo ... shall be the object of a special provision in the treaty on arbitration to be signed in case a direct settlement [should fail]."\(^{39}\)

In the succeeding months progress was slow. By 22 August, Moreno had completed only the first part of his observations on Mujia's brief exposition. In September, his original memorial having been discussed in the Bolivian Foreign Minister's report to the Congress, the Paraguayan felt obliged to expand his reply. He had not presented titles, he protested, but had simply endeavored to synthesize the Bolivian pretensions. Mujia replied that he would gladly examine anything which Moreno offered, and added that

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38 Paraguay, Cuestión de Límites con Bolivia, I, 97; Bolivia, Memoria 1916, 331-32.
he would soon have the honor of placing in his associate's hands an "exposition" already complete (printed in La Paz), comprehensive of the entire region in litigation, and containing all the Andean documentation until then discovered. Moreno expressed his interest, but attempted to localize the negotiations in the north. Finally, on 11 October they exchanged answers to the first memoranda of the May meetings.  

Sensitive to criticism in Bolivia, Moreno asserted that talks had opened on the question of the northern boundary because Mujía had stressed Bolivia's port needs in that sector. In his original work, he had shown that in her dispute with Peru, Bolivia had advocated possession as the primary consideration. He then had indicated that while Paraguay had always exercised possession in the Chaco, Bolivia was historically a Pacific power. Her interest in the Plata basin was new, not traditional, and to bolster it she invoked an extension of the ancient province of Chiquitos. Since the Guarani Republic was in occupancy, the issue was one of frontiers, not territories. He then set forth Paraguayan titles to the northern regions.

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40 Paraguay, Cuestión de Límites con Bolivia, I, 103-104, 163.
41 Ibid., 164-171. Moreno's personal friend, Bolivian Foreign Minister Sanjinés, accused him of expanding the talks to the whole region by stating that Bolivia "had never had jurisdiction in the Chaco."
MAPA COROGRÁFICO
DE LA
REPUBLICA DE BOLIVIA

CON LA TOPOGRAFÍA DE LAS FRONTERAS LÍMITROFES
MANJADO LEVANTAR POR EL EXCMO. SR. PRESIDENTE JOSE BALLIVIAN

Y FORMADO POR EL CORONEL DE
INGENIEROS FELIPE BERTRES. DIREC
POR LA MESA TOPOGRÁFICA - 1843.
Mujia replied that in La Paz's arbitration with Peru, it was specifically stated possession did not constitute title. He reviewed the *uti possidetis* as based entirely on royal decree, and attempted to limit application of the word "Chaco" to the Argentine *Chaco Central* between the Bermejo and Pilcomayo. He also denied that the map of Bertres, introduced by his opponent, had ever enjoyed official sanction.\(^2\)

Moreno, in directing the opening discussions toward the north, had actually acted in continuity with earlier fluvial endeavors. Particularly, it will be recalled, Paraguay had been willing to renounce claim west of the 62d meridian and, in fact, had never pressed rights in the west, even peacefully and quickly settling the dispute of 1910-1911 over the Paraguayan Land Company holdings. In the Cano-Dominguez talks of 1907, the open northern frontier had proven to be the stumbling block. Titles there were not clear. Dominguez himself wrote that documents "do not permit us to determine the demarcation between the Province of Paraguay and the Captaincy of Chiquitos despite deep study."\(^3\) Moreno consequently tried to bring about an

\(^2\) *Paraguay, Cuestión de Límites con Bolivia*, 177-182, 198. Obviously Mujia's attack on the word "Chaco" aimed to dispose of those royal documents referring to Paraguayan establishments and actions in the "Chaco."

\(^3\) Dominguez, *Nuestros Pactos*, 17.
objective examination of titles and rights in that area in order to arrive at an historically valid treaty line.

Unfortunately, in so doing he walked directly into a well-prepared trap laid for him by Mujia. As an outgrowth of the Domínguez strategy of backing Cano down, and attempting to awe him with incessant demands for title study, La Paz had grown wary. Mujia himself, after informing his Government that the Paraguayan boundary commissioners had compiled a major work, resolved to counter that labor. The result was a massive study consisting of three volumes of narrative, five large volumes of documents, and one supporting folio of maps, and embracing the entire Bolivian case. When Moreno insisted upon an exchange of papers, intending that only the north be dealt with, Mujia used the opening to inject his Bolivia-Paraguay on November 8, 1915. Thus negotiations were thrust beyond a limited section of the Chaco into the realm of an intensely doctrinaire discussion which actually did not cease until after the Chaco Peace in 1938.

In January, 1916, Moreno advised that he was writing a reply to Volume I of Mujia’s work. In February they argued the Bertres map, Mujia saying that since it had been erroneously drawn, it was immediately repudiated by the Bolivian

Cuestión de Límites con Bolivia, I, 249, 268.
Government. Throughout the following months, while discussion of this chart continued, Moreno presented Mujia with chapters, one by one, of his rebuttal. Since Asunción's printing office was in ill repair, extreme delay in reproducing this document necessitated Mujia's hand-copying it for his Government. The Andean also composed a reply to Moreno's thesis, much of which dealt with ethnography of nomadic Chaco Indians. 45

At the end of May, Mujia suggested that since each knew the desires and positions of his own Government, they should enter a frank discussion aimed at settling the basic issue. Moreno declined, affirming that Mujia's introduction of "The Work," prepared in advance, had expanded the talks and necessitated much study on his part. He had been diligent, but time was running out and he was far from finished. Mujia admitted that the original conversations had been limited to the north, but blamed Moreno's initial suggestion for expansion of the debate. Previously, the Guarani had demanded evidence sustaining Bolivian contentions—and he had come prepared! The Paraguayan commission's work, Moreno replied, had been compiled for the Government. It was never made public, and was not fully included in his reply.

45 Ibid., 251-261. The incomplete Moreno reply is found in Volume II of this work. See also Mujia, Anotaciones a la "Réplica" del Excelentísimo Sr. Ministro Plenipotenciario Especial del Paraguay Don Fulgencio R. Moreno (La Paz, 1916), 29.
Mujia had, however, raised new areas in which the Commission had never probed—origin of the word "Chaco," Upper Peruvian Indian wars, and the Cádula of 1743. Answers would require considerable time.

Gondra advised Mujia on 23 June 1916 that notwithstanding the incomplete studies, the Paraguayan Government desired the negotiators to proceed to concrete formulae. Mujia obtained approval from his Government and awaited Moreno's proposal. That gentleman insisted that the Andean speak first since he, Moreno, could more readily take up affairs with his Government; Mujia observed that the telegraph gave him close contact also. Prior Altiplano proposals had come to nought. Let Paraguay make the first move. As neither deemed it convenient to offer a suggestion for a treaty, it was agreed that debate would close with the publication of the works pending. They would then proceed to settlement or arbitration.

On 21 November 1916 the two scholars signed their second protocol. It ordained that the extension provided in the 1915 document should endure until 15 June 1917, at which time boundary negotiations between the two republics would terminate. Conditions of the 1913 Protocol were kept in force, and the recess in talks since 28 July was specifically

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46 Cuestión de Límites con Bolivia, I, 269-270.
not to imply suspension of the stipulations of Ayela-Mujia. The agreement was made with the consent of both Governments to the diplomats' voiced desires for a definite termination date for the discussions.48

Each continued the projects which he had under way, and the two did not again meet formally until 4 June 1917. Shortly thereafter (15 June), they signed a third protocol extending that of 21 November 1916 in order to conclude the work still pending. Article two provided that after a reasonable lapse which should "not exceed the periods of time previously stipulated," either party could give thirty days' notice of concluding negotiations. During those thirty days a direct settlement should be made or, if impossible, resort had to arbitration.49

Mujia then decided to deliver his anotaciones. When Moreno replied to them on 23 June, Mujia asserted that the studies contemplated in the act just signed were now complete. There was therefore no reason for not declaring the long debate at a close.50

48 Cuestión de Limites con Bolivia, I, 275-76; Bolivia, Tratados Vigentes, II, 584-85; Memoria 1917, 99-100; Paraguay, Tratados y Protocolos, 16-17; Protocolos y Notas, 14; Appendix 8, Memorial of Paraguay, Proceedings, 859.
49 Appendix 8, Memorial of Paraguay, Proceedings, 860; Bolivia, Tratados Vigentes, II, 587-88; Memoria 1917, 105; Paraguay, Tratados y Protocolos, 18; Protocolos y Notas, 15.
50 Bolivia, Memoria 1917, 123-144.
On 19 July Mujía declared that he had been invited to enter the new Bolivian administration as Foreign Minister, and sought Paraguayan permission to withdraw from the negotiations without prejudice. Moreno placed the matter before his Government and replied that Asunción chose to accredit him Minister to La Paz, averting any interruption. On 24 May 1918 he presented his credentials on the Altiplano, and conferences reopened on 7 June. Almost immediately the fourth Mujía-Moreno Protocol was signed.51

The provisions were an extension of the time fixed by Articles two and three of the 1917 Protocol to "the date on which one of the proposals for direct settlement is accepted." During the interval, provisions of 1916 should remain in force. Article two specified that "in case a direct settlement is not reached, a Protocol shall be drawn up stating the latest date on which arbitration shall be agreed upon."52

In his report to Congress as Foreign Minister, Mujía stated that the long discussions had now ended in a friendly atmosphere and propositions would be considered. Moreno quickly responded by suggesting a free zone on the right

51 Bolivia, Tratados Vigentes, II, 589-592; Mensaje 1918, 9; Memoria 1917, 144-48; 1918, 176-79; Mercado Moreira, 226.
52 Appendix 8, Memorial of Paraguay, Proceedings, 861; Tratados Vigentes, II, 595; Tratados y Protocolos, 19-20; Protocolos y Notas, 16.
bank of the Rio Paraguay. Bolivia rejected the formula as against her interests, but presented no counterproposal. Moreno then offered to request new instructions. Late in 1918, still not having completed his reply to Bolivia-Paraguay (henceforth to serve as the Bible for Andean polem-icists), Moreno departed La Paz for the more pleasant climate of Santiago de Chile to which he was also Minister. In February he protested inclusion of the Chaco in a Bolivian Apostolic Vicariate of the South East. Mujia soon left the Cabinet, resigning his position as negotiator, and a de facto postponement, aggravated by political unrest in both countries, commenced in 1919.53

Incidents and Interim

The frontiers had not been free of incidents while talks had been in progress. In November, 1914, the Altiplano capital grew alarmed over reports that Paraguay had prepared a military expedition against her. La Paz asked Chile and Brazil to intervene with good offices to secure Paraguayan assurances that troop movements would be suspended. In reality, La Paz later reported:

The troops that have appeared in the neighborhood of our forts in the vicinity of the Paraguay boundary turned out to be some filibusters armed by some land speculators.

53 Bolivia, Memoria 1918, 25; 1919, 47; Paraguay, Paraguay-Bolivia. Cuestión de Limítes (1924), 10, 13; Mensaje 1919, 17; 1920, 22; Ayala, 105.
Meanwhile, Acting Secretary of State Lansing, at the urging of the Bolivian Minister in Washington, directed unofficial representations urging Asunción to keep the peace. Innocent of war preparations, Paraguay took the occasion to reaffirm her loyalty to the 1907 status quo, pointing out that her neighbor had "long had a policy of territorial expansion to reach deep river navigation on the Paraguay."

In 1920, a new but similar incident arose. On 16 April Bolivian interim Chargé d’affaires Benjamín Mujía Fernández protested an alleged dispatch of troops to the frontier in violation of the status quo. In both republics the press flamed over the matter. Actually, only a detachment, sent to the Esteros de Patiño to exercise civil police powers, was involved. After discussion at the Foreign Office, Mujía Fernández and Rogelio Ibarra, thirty-three-year-old Foreign Minister, signed a simple act on 20 May 1921 which sought to close the incident. The Bolivian withdrew his original protest, and Asunción withheld a threatened counter-protest. Ibarra added that his country’s pickets along the Pilcomayo were well within the 1907 Paraguayan zone. Both declared in the name of their respective Governments that

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said Governments had always observed most loyally the modus vivendi" of 1907. 55

Ibarra pointed out that incidents were prone to occur due to the fact that maps of the Chaco varied in showing the relationship of terrain features to geographic coordinates. Groundless reports then disturbed public opinion. A major technical effort was needed to fix with exactitude the lines and zones established. Paraguay was even willing to organize a mixed commission including a third disinterested member to investigate these reported border violations. 56

On the Altiplano, the Foreign Office was shocked at Mujia Fernández' action. By note on 21 June 1921, it rebuked him for exceeding instructions, which had required withdrawal of Paraguayan troops from the Esteros as a sine qua non. His action was repudiated, for he admitted, in detriment of the rights of Bolivia, that Paraguayan forces have been stationed for the purpose of policing positions which had been occupied by that Republic more than 50 leagues below the zone demarcated as contentious. ... That is not the Bolivian Government's understanding with respect to the status quo agreed upon. 57

55 Text of Protocol, Appendix 8, Memorial of Paraguay, Proceedings, 861-62; República de Bolivia, Ministerio de Relaciones Exteriores y Culto, Actas y Documentos de los Conferencias de Plenipotenciarios Bolivianos y Paraguayos (La Paz, 1929), 41; Paraguay, Paraguay-Bolivia, Cuestión de Límites (1924), 11-12; Protocolos y Notas, 17-18.

56 Paraguay, Paraguay-Bolivia, Cuestión de Límites (1924); Protocolos y Notas, 13. See Protocol, final paragraph.

57 Actas y Documentos, 43-44; Appendix 4, Preliminary Statement of Bolivia, Proceedings, 300-301; Bolivia, Memoria 1921, 51-53.
The Chargé was replaced and his successor instructed to disavow his unauthorized action before the Asunción Government.

Bolivia believed that the 1918 Act had now failed. The chauvinistic Dr. Bautista Saavedra and his Republican party, in power through revolution, intensified activity in the Chaco. Saavedra, who believed Paraguay too poor to resist a gradual penetration down the Pilcomayo, directed construction of Fortins Nuevos Magariños, Muñoz, and later Saavedra. Hostile elements hindered and harassed this work; floods alternated with drought. In 1923, high waters drove the Andeans out of their lower positions and forced them up to higher ground, where they built Saavedra, a favorite target for savages. Early in 1924 this new fortin touched off significant alarm in the Paraguayan press. 58

In 1921, Paraguay herself had begun military colonies around her Chaco outposts, thus giving them a dual role as forerunners of civilization. The chief of the Pilcomayo fortins completed a plan for extensive military developments, which motivated wide travels by Captain Juan B. Ayala along the untamed and primeval límites of the 1907 Paraguayan zone.

58 Colonel Miguel Aliaza, Los Derechos de Bolivia sobre el Oriente y el Chaco Boreal (La Paz, 1928), 34-35; Cornelio Ríos, Los Derechos de Bolivia sobre el Chaco Boreal y sus Límites con el Paraguay (Buenos Aires, 1925), 90-91; Bolivia, Memoria 1921, 54. For a lucid statement of his attitude see Bautista Saavedra’s La cuestión fronteriza; Lieutenant Colonel Oscar Moscoso, Recuerdos de la Guerra del Chaco (Sucre, 1939), 25.
Unfortunately, the political upheaval of 1922-1923 halted this project, along with normal diplomatic intercourse.  

Paraguay, possibly as a countermeasure to Bolivia's fortins, and certainly with a view to strengthening her grip on the northwest interior corner of the zone of 1907, accepted 1,765 Canadian Mennonites as colonists in 1924. These pacifistic folk, asking only to live according to the dictates of their faith without interference from the world, unwittingly became tools in the Bolivia-Paraguay dispute. When the Altiplano Republic learned of the colonies, believed to be in her indisputable domain, she at once (May, 1924) sought information as to their exact nature and location. Since the community had been contracted through the Argentine house of Casado, the largest owner of 1885 Chaco lands, the Guarani Government informed Bolivia it was purely a private affair situated within the 1907 status quo lines.  

60 B. Mujia to Ibarra, 21 May 1924, Paraguay, Libro Blanco 1927-1928, 21; Reply 26 July 1924; 22-24; Appendix 4, Preliminary Statement of Bolivia, Proceedings, 281; Paraguay, Paraguay-Bolivia, Cuestión de Límites (1924), 14; Paraguay, Mensaje 1925, 18; Bolivia, Mensaje 1924, 2; Memoria 1923, 42.  
Law #514, 26 July 1921 regulated the colonies, granting complete religious freedom, exemption from any State service whatsoever, private schools and prohibition within five kilometers of each colony. República del Paraguay, Ministerio de Económica, Las Colonias Mennonitas en el
At the same time, Paraguay sought information regarding (and protested) Bolivia's William H. Murray concession which the Buenos Aires press announcements implied might be within the arbitration zone of 1907 itself. She also sent Modesto Guggiari as Minister to suggest that plenipotentiaries of both sides resume consideration of a treaty. The press, once more saturated with stories of Bolivian advances and violations of the status quo, led Ibarra to

Chaco Paraguayo (Asunción, 1934), 5. Compare this grant with conditions of law of 4 July 1879, above page 14.

Much has been written, mostly apocryphal, concerning the manner in which the Mennonites and Paraguay come to one another's aid. The truth probably is that in 1920, disturbed by Canada's ban on German-language schools, conservative Mennonites began a search for a new land. Samuel McRoberts, Vice-President of the National City Bank of New York, became interested in them through his wife, a devout woman who convinced her husband that here was an opportunity to serve Christ. While en route to Argentina on business in 1921, he met Manuel Gondra and Eusébio Ayala on board ship and found them instantly interested in the Plain People and willing to meet their conditions. Fred Engen, a Norwegian employee of the banker, investigated the Chaco, finding the type of soil and grassland desired fifteen days west from the Rio Paraguay. The land, it was found, belonged to the Argentine Casados who were persuaded of this opportunity to turn some of their holdings at a high price. McRoberts founded three corporations to effect the Mennonite migration, of which Corporación Paraguayo purchased 100 square leagues from Casado for the very high price of $733,950. In late 1926 the Mennonites reached Paraguay but were delayed by surveying from entering their new holdings until April, 1928. In 1930 the Mennonite Central Committee, U. S. headquarters of the Church's foreign activities, recommended Paraguay to 1,500 Russian Mennonites who had fled the Volga ahead of the Stalinist collectivization terror. Joseph Winfield Fretz, Pilgrims in Paraguay (Scottsdale, Penna, 1953), 12-23, 229-233; Amarilla Fretes, El Paraguay en el primer cincuentenario, 171-74.
protest to Congress that the Government had absolutely no substantiation from landowners, settlers, or missionaries in the western reaches of Paraguayan control, of the extremist accusations against Bolivia. La Paz's word that the status quo had not been violated, he asserted, was not suspect and should be honored. Later, President Saavedra informed the Altiplano Congress that these rumors stemmed from the founding of two forts to "defend the line of the status quo covenanted with the Republic of Paraguay."

Bolivia sent Eduardo Diez de Medina to Asunción where on 15 August 1924 he proposed that territories then occupied, to which each had indisputable right, should be incorporated; Puerto Pacheco, however, was to be returned to Bolivia. Territories on which no agreement could be reached would be submitted to the arbitration of the President of the United States. Paraguay at once accepted in principle, offering a counterproposal which omitted Puerto Pacheco (Bahia Negra) and inserting a clause preserving the status quo of 1907. She suggested that should the opportunity arise, a final attempt at direct settlement might be made under the mediation of the arbiter. Guggiari indicated at La Paz that Asunción felt that new talks on the basis of

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61 Bolivia, Mensaje 1922, 64; 1923, 5; 1927, 79; Memoria 1924, 73; Paraguay, Paraguay-Bolivia. Cuestión de Límites (1924), 15-16; Diez de Medina, De un Siglo al Otro, 247.
the Diez de Medina proposal should be held in Buenos Aires. 62

In June, 1921, Bolivia unofficially sought United States intervention. Paraguay was highly interested in direct talks under auspices of President Coolidge, but the State Department seemed cool toward intervention, and Argentina came forward in November with her good offices for a preliminary accord at her capital. La Paz was favorably disposed, but no envoy could be sent to Buenos Aires until Saavedra's return from a State visit to Peru. Preliminary talks could be held with the new Paraguayan Minister, Arsenio López Decoud, a fifty-six-year-old opposition politician. Prematurely, Paraguay sent Moreno to Buenos Aires 9 January 1925 as Minister ad hoc for negotiations. Since López Decoud sought Bolivian withdrawal from all fortins beyond the 1907 line, and Bolivian pretensions were based on a port in the Bahia Negra area, the Argentine Minister to La Paz informed his Government that negotiations appeared futile at that time. While Paraguay was ready to proceed with Argentine good offices, Bolivia viewed them as an alternative to further direct negotiations.

62 Bolivia, Mensaje 1925, 6; Paraguay, Mensaje 1925, 19; Statement of the Bolivian Government's Case, 221; Diez de Medina, De un Siglo al Otro, 242, 246; Ayala, 106; René Ballivián Calderon, El Problema del Chaco (Santiago, 1933), 146; U. S., Foreign Relations, 1924, 282-86.
Looking toward the prospect of new negotiations, and intending not to have the titles controversy initiative again seized by the Cordillerans, Paraguay organized within the Foreign Office a new Advisory Commission on Boundaries to complete and systematize her case. It was no surprise that those two "doctors in Chaco," Fulgencio R. Moreno and Manuel Domínguez, should be designated its members. While the former did some writing, it was the fiery Domínguez who more than any other person dominated the vanguard of Asunción's Chaco scholars until his death in 1935. An auxiliary body charged with investigation and propaganda also was formed.  

The final phase of investigation and polemics now erupted, possibly as a reaction to the Bolivian master work of the previous decade. The outpouring was designed for all levels of fluvial society: school children received a small text which left no doubt their country was 100 per cent right, newspapers gave popular articles to the average literate Guarani, and in booklets the rapier pen of Domínguez slashed at Mujía, Mercado Moreira, Cornelio Ríos, and lesser Andean experts, to the delight of the Paraguayan ruling

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63 La Política Argentina, I, 14-15; Bolivia, Memoria 1925, 72-74; 1927, 9; Paraguay, Libro Blanco 1927-1928, 4; note, Leopoldo Díaz, Argentine Ambassador, to Manuel Peña, Paraguayan Foreign Minister, 28 November 1924, 37; Reply accepting good offices, 38.

64 Paraguay, Mensaje 1925, 20.
class. "El Chaco es Paraguayo," the people cried with conviction, goaded on by the opposition Colorado party. The men of the mountains responded blow for blow, parry for thrust, cudgel for cudgel, filling their schools and press with vindication of the Patria. In the Foreign Ministry, a propaganda section was charged with publicizing Bolivia's international rights abroad through her consulates and legations. The Center of Propaganda and National Defense was formed to direct such a domestic propaganda campaign that the Aymara and Quechua soon knew full well that the ancient enemy of the plains must be expelled from that "treasure trove of the universe," the Chaco Boreal! It is timely to pause here for a brief survey of the cases each country developed and would perfect in the next ten years.65

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65 Propaganda had actually been carried on in the press since the 1890's, while as early as 1903 Rolón's booklet was prepared as a portion of the course in International Public Law at the University in Asunción.
CHAPTER IV
CASES IN LITIGATION

Introduction

In endeavoring to prove their rights to the disputed Chaco Boreal, Bolivia and Paraguay adopted contending principles. The Andean Republic rested her case on the uti possidetis juris of 1810, maintaining that she was the territorial heir of the Audiencia of Charcas. Her fluvial counterpart contended that the region was hers by right of discovery and conquest and continuous possession since the dawn of Spanish rule. She insisted that the uti possidetis de facto was the basis of international law, and that legal right was meaningless unless accompanied by physical occupation.

To implement these claims, Bolivia endeavored to present evidence that the Chaco Boreal had repeatedly been adjudged by the crown as within the jurisdiction of the Audiencia and was clearly included therein at the close of the imperial years. Paraguay introduced the work of explorers and missionaries, the opinions of colonial personages, and the history of the Bishopric of Asunción to substantiate continuous possession confirmed by the final will of the Spanish monarchy, the Ordinance of Intendants.
Each of the disputants then produced replies to the main thesis of the other; these led to counterpropositions ad infinitum. Researchers minutely probed the colonial histories of the disputants, ignoring no significant fact. The resultant literature is a vast quicksand bog from which the unwary investigator must extricate himself lest he squander years in an unrewarding pursuit of a definitive title.

**The Bolivian Case**

The drive for empire which gave Spain her turn as the greatest world power thrust two prongs of conquest into sixteenth-century South America. Spearheaded by the Pizarros and Diego de Almagro, the one pressed down the Pacific coast via Panama. Meanwhile, Pedro de Mendoza, first adelantado of the Rio de la Plata, sailed directly from Spain and up the gaping throat of the lower continent. One route led to the Incaic treasure which went to power the mother country's European war machine; the other to a fruitless searching soon ending, leaving a few poverty-stricken settlements on the neglected rim of the empire.

On 21 May 1534 lower South America was divided between Almagro and Mendoza, each receiving two hundred leagues above or below 25°31'26" south latitude. The eastern limit of Almagro's Nuevo Toledo was undefined. Bolivians, therefore, insisted that this gobernación ran straight across the continent to the Line of Tordesillas, eastern boundary
of the Spanish half of the earth. As such, it included the entire Chaco Boreal.¹

Mendoza's agents and successors, unconcerned with theoretical borders in this virgin land, and impelled by the wealth of the cordillera, explored out of Asunci ón to the northwest.² One of them, Ñuflo de Chávez, reached Peru, where he sought title to the lands he had conquered along the Rio Guapay.³ Viceroy Cañete had meanwhile commissioned Captain Andrés Manso to explore on the far side of the Chiriguanos Mountains and subdue cannibal natives.⁴ When the two explorers disputed the plains, Chávez was favored

1 Mujía, Bolivia-Paraguay, I, 34; Statement of the Bolivian Government's Case 6. For capitulaciones see Mujía Annexes, I, 11-14, or Documentos Inéditos, Vol. 22, 328 and 350. Latitude mentioned is as later computed. No finer, concise yet complete, Bolivian case can be found than Mercado Moreira's Títulos de Bolivia sobre el Chaco Boreal (La Paz, 1935).

2 Dóminguez, La Sierra de la Plata (Asunci ón, 1904), 15; El Chaco Boreal (Asunci ón, 1925), 21; República del Paraguay, Fulgentio R. Moreno, La Extensión Territorial del Paraguay (Asunci ón, 1925), 15.

3 Report of Alonso de Herrera, Chávez' agent, Mujía Annexes, I, 29-33. Chávez left Asunci ón in February, 1557, with 155 Spanish troops, traveling up to the Xarayes lagoon. By August, 1559, he had crossed to the Guapay where he founded Nueva Asunci ón. Dóminguez, El Chaco Boreal, 35.

4 Letter, Cañete to the King, 28 January 1560, Mujía Annexes, I, 26-28. Chiriguanó, a Quechua word meaning "perished by cold," referred to Guarani invaders who died in the snow-capped mountains during wars with the Incas; Federico Avila, El Andinismo del Chaco (Buenos Aires, 1935), 30; José Aguirre Acha, La Antigua Provincia de Chiquitos Limitrofe de la Provincia del Paraguay (La Paz, 1933), 13.
in the judgment. Manso returned to the east, and founded a town along the Rio Parapetí. Although he was probably devoured by the Chiriguanos, cartographers applied his name to a large portion of the flatlands.

As a phase of the royal effort to extend Spain's constitutional system to the chaotic new kingdoms, a royal Audiencia was established at Charcas in 1559. Included within its district were the lands of Manso and Chávez. Shortly thereafter, the Audiencia was authorized to undertake explorations of a river called the Pilcomayo, which emptied opposite Asunción. From these directives, Bolivians inferred that the Chaco made up a part of the Audiencia of Charcas at its founding. Paraguay itself passed into Charcas' jurisdiction in 1566, a condition enduring for most of two centuries.

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5 For his plea and other documents, Mujia Annexes, I, 38-67. The Viceroy being Chávez's kinsman did him no harm! Mujia, Bolivia-Paraguay, I, 46.

6 Mujia, Bolivia-Paraguay, I, 49; Statement of Bolivian Government's Case, 7. The ubicación of the town, Santo Domingo de la Nueva Rioja, was disputed by early polemists; 130.

7 The process of its formation is found in documents, Mujia Annexes, I, 235-399. Created by Cédula of 12 June 1559 (ibid., 244-46), its area was fixed by Cédula of 29 August 1563 (ibid., 395-99), and exploration authorized by Cédula of 10 December 1563 (ibid., 408-09).

8 Cédula, 1 October 1566, Mujia Annexes, I, 412-14; Mujia, Bolivia-Paraguay, I, 143; Statement of Bolivian Government's Case, 8.
LA PROVISON REAL DE 22 DE MAYO DE 1561 LE ASIGNÓ A LA AUDIENCIA DE CHARCAS CIEN LEGUAS DE DISTRITO AL REDEDOR POR TODAS PARTES.

LA CÉDULA REAL DE 29 DE AGOSTO DE 1563 LE AMPLIÓ POR EL ORIENTE "LAS TIERRAS Y PUEBLOS DE ANDRES MANSO Y ÁUFLIO DE CHÁVEZ, CON LO DEMÁS QUE SE POBLARE EN AQUELLAS PARTES"
Cordilleran scholars also made much of the Cádula Real of 16 December 1617 which divided Rio de la Plata from Paraguay, henceforth called the Province of Guayra. Based on information furnished by Viceroy Monte Claros, the separation was by cities, with the Chaco omitted from mention. Therefore, it clearly remained under Charcas. 9

Paraguay failed to prosper upon being parted from Rio de la Plata. Consequently, in order to facilitate defense against Indians and Portuguese, the Audiencia of Charcas was itself divided in 1661. The new Audiencia of Buenos Aires included Paraguay, Rio de la Plata, and Tucuman, with all the territory at present pacified and colonized within the said three provinces and all the territory which may be conquered, pacified and colonized in the future. 10

Since the Chaco at this time was an unreduced desert, Bolivia asserted that it was under the direct legal jurisdiction of the original Audiencia of Charcas, and not of any province. It therefore remained outside the Audiencia of Rio de la Plata. 11

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9 Cádula, Mujia Annexes, III, 369-376; Monte Claros' report, Ibid., 268-282; Statement of Bolivian Government's Case, 9.

10 Mujia, Bolivia-Paraguay, I, 264-68; Statement of Bolivian Government's Case, 9.

11 Mujia, Bolivia-Paraguay, I, 291; El Chaco Boreal, 92.
By the beginning of the eighteenth century, Jesuit fathers were beginning to move into the hot tropical northern Chaco, where heathen Indians dwelt in primordial savagery. The men of the Cape made notable progress with the Chiquitos Indians, founding reducciones, and bringing salvation and civilization. About 1723 the southernmost mission, San Ignacio, was founded among the Zamucos tribe. Situated at approximately 20° south, according to Andean asseverations it was the center of a missionary district reaching almost to the Pilcomayo.12

As the Chiquitos mission communities grew and thrived, the fathers petitioned the Audiencia of Charcas for a census so that the acme of civilization, taxation, might be brought to the Indians. A royal decree of 17 December 1743 granted this request, authorizing tabulation of the Chiquitos Indians between the Paraguay and the Pilcomayo near Santa Cruz de la Sierra, "to which district and bishopric

12 The latitude mentioned is taken from Aguirre Acha, La Antigua Provincia, 47. Less moderate Bolivians, including Mujia, argued for 21°30′ south; Mujia, Bolivia-Paraguay, I, 371. The whole issue revolved about statements of various Jesuits and depended upon interpretation. San Ignacio was abandoned in 1745. See also Statement of Bolivian Government's Case, 11. Placido Molina M., Historia de la Gobernación E intendencia de Santa Cruz de la Sierra (La Paz, 1936), 159-177; Historia del obispado de Santa Cruz de la Sierra (La Paz, 1938), 29, 75.
they are adjudged to belong." Interpreting "between the rivers" to mean the entire region down to their confluence, and asserting that the Chiquitos exercised hegemony over all other tribes within that area, the Bolivians believed this to be explicit evidence that the Chaco Boreal in its entirety belonged to Charcas and its dependency, the Bishopric of Santa Cruz.14

By a decree of 1772 the tributación was placed in the hands of the Bishop of Santa Cruz. The Jesuits having been expelled in 1768, this provided new religious supervision for the missions. Previously they were independently administered without superiors other than the Jesuit province of Paraguay. The same decree authorized Charcas and its dependencies to defend the Chaco against Portuguese invasions. Thus the Audiencia's title to the region was reaffirmed.15 At the same time, within Santa Cruz, Chiquitos

13 For Cádula, Mujia Annexes, III, 471-77; Bolivia-Paraguay, I, 344-350; El Chaco Boreal (Sucre, 1933), 121-26, or Aguirre Acha, La Antigua Provincia, 49-53. Cádula, after entrusting the task to the Audiencia of Charcas, stated: "Misiones de Chiquitos en que se comprenden todas las naciones o parcialidades de Indios que ay entre los Ríos Pilcomayo and Paraguay desde las vecindades de Santa Cruz de la Sierra a cuya gobernación Y obispado se Juzgan pertenecer."

14 Mujia, Bolivia-Paraguay, I, 352-53; Aguirre Acha, La Antigua Provincia, 70; Statement of Bolivian Government's Case, 13.

15 For Cádula, Aguirre Acha, La Antigua Provincia, 73-76; opinions, ibid., 60; interpretation of defense role, ibid., 77; Molina M., Historia de la Gobernación, 105.
became a corregimiento stretching along the border with Portugal. Upon the establishment of the Viceroyalty of Rio de la Plata in 1776, all the parts of the Audiencia of Charcas, including Paraguay itself, were placed under Buenos Aires. The Cédula implementing this creation provided that the new kingdom should include the

Provinces of Buenos Aires, Paraguay, Tucuman, Potosí, Santa Cruz de la Sierra, Charcas and all of the corregimientos, Townships and Territories over which the jurisdiction of that audiencia extends. Charcas was thus included as a political entity in the new Viceroyalty.

In the interior marches military governments had been organized, that of Chiquitos taking over the civil authority for the mission district of that name. When the Intendant system was promulgated at Valladolid by Ordinance of 22 January 1782, the Military Government of Chiquitos had as its function the upholding of civilization and defense against Lusitanians. From its inception, it was an ineffective entity, marked by paralyzing disputes between the governors

16 Mujia, Bolivia-Paraguay, II, 546, 680. See also document, Mujia Annexes, IV, 596.
17 Cédula of 27 October 1777, Mujia Annexes, IV, 560; Statement of the Bolivian Government's Case, I; Cédula 5 August 1777, Aguirre Acha, La Antigua Provincia, 94-102.
18 Cédula of 5 August 1777, Mujia, Bolivia-Paraguay, II, 571-572.
and the clergy administering the missions. This necessitated constant reference to the Audiencia, to which it was subordinate in civil and administrative affairs.19 The exact territorial jurisdiction of Chiquitos, the Cordillerans maintained, was illustrated by a map, "Political and Administrative Organization of 28 June 1782," which clearly gave it the Chaco Boreal.

Meanwhile, by the 1777 Treaty of San Idelfonso, Spain and Portugal attempted to redefine their borders. The Rio Apa to the Paraguay, thence up the main channel to the Xarayes lagoon, across this body and direct to the Rio Jaurú, was set down as the eastern limit of Spanish possessions. The Spanish boundary commissioners who entered the river basin to effect this line left writings to which Bolivians called attention. Felix de Azara, Aguirre, Bueno, Flores, and César were cited as placing Paraguay's western boundary at the river of that name.20

19 Ordinances of 1782 and 1783, Mujia Annexes IV, 621-632; Mujia, Bolivia-Paraguay, II, 600-605. For Instructions to Verdugo, first governor, ibid., 572-581. Among other things he was to erect cities in the Chaco for civilizing and defense against mamelucos. Also see Aguirre Acha, La Antigua Provincia, 73; Statement of Bolivian Government's Case, II.

20 For summary of these opinions see Mercado Moreira, El Chaco Boreal (1920), 67-76; Aguirre Acha, La Antigua Provincia, 110; Reply of Bolivia, Proceedings of the Commission, 93; Mujia, Bolivia-Paraguay, II, 689. Azara, who particularly delighted Mujia, in his later edition repudiated the opinions favorable to Bolivia. This, of course, was a source of pleasure to the Paraguayans.
From all this evidence, it seemed indisputable to the Upper Peruvians that in 1810 the Audiencia of Charcas, reconstituted as the Republic of Bolivia at the end of the wars of Independence, included the disputed Chaco. The region had been within Nuevo Toledo on which Charcas was founded. As "the lands of Manso and Chávez," it was included within the Audiencia at its inception; its Pilcomayo border was entrusted to Charcas for exploration, while when old Paraguay was divided, the Chaco was excluded by silence from either of the new governments. It remained with Charcas when the Audiencia of Buenos Aires was created in 1661, was adjudged Charcaño in 1743, and after 1777 was a segment of Chiquitos, a subordinate of the Audiencia. Within Chiquitos until 1825, it was then incorporated into Bolivia as part of the Department of Santa Cruz.

The Paraguayan Case

Paraguay, too, had an interesting and impressive case. At the time of the conquest, Spain's Iberian world rival, Portugal, chafed restlessly behind Tordesillas, awakening Spanish anxiety for her Andean treasure house. With a sense of considerable urgency, the king commissioned Pedro de Mendoza, a member of his own household, to form a wedge against the threat. While Almagro and Pizarro were busy in the west, Mendoza's capitulación ordered him to defend the limits of the empire and gave him "the lands and
peoples of the Río de la Plata," as well as two hundred leagues along the west coast. Since the Tordesillas line was the only limit to Spanish possessions, Paraguayans reasoned that this was Mendoza's defense responsibility. Therefore, the entire core of the continent along that line and westward to the borders of the Inca empire conquered by Almagro and the Pizarros was included in Mendoza's capitulación.  

Possessing the heart of South America, the adelantados of the Río de la Plata proceeded to explore and conquer what was their own. Among their expeditions was that of Ñuflo de Chávez, who in 1546 traveled up the Pilcomayo to the foothills before Charcas was empowered to investigate the stream. The same explorer, on Paraguay's fourteenth expedition into her northwest, encountered Manso at the head of Peru's first advance toward the plains. Manso himself never entered the Chaco Boreal, stopping at the Río Parapeti, while Chávez secured a grant of lands along the Guapay north of the Chaco.

21 Domínguez pressed this thesis and it is found in particular in his Paraguay-Bolivia. Cuestión de Límites (Asunción, 1918). See also his El Chaco Boreal, 46-90. Actually it was borrowed from Manuel Ricardo Trelles who advanced it in Cuestión de Límites entre la República Argentina y Bolivia (Buenos Aires, 1874).

22 Domínguez, El Chaco Boreal, 18. For a detailed discussion of Paraguay's first expeditions see his La Sierra de la Plata.

23 Domínguez, El Chaco Boreal, 40; Moreno, La Extensión, 19; Enrique de Gandía, La Ciudad Encantada de los Césares
The capitulación made with Juan Ortiz de Zarate, as governor of the Río de la Plata, included within his province the lands between Asunción and the Peruvian city La Plata. He was authorized to construct three towns in that region. However, in 1592 the Viceroy of Peru fixed the Río Parapeti as the border of Santa Cruz de la Sierra, thus drawing a limit to Paraguayan exploration and expansion.

In 1589, in connection with the founding of a new city, Hernandárias, Paraguay's governor, stated that since its founding the municipality of Asunción had embraced a radius of one hundred leagues. No ordinary provincial governor, he had the same powers as the original adelantados to found cities and distribute lands. Consequently, when Guayra was organized in 1617, there was no need to mention the Chaco, since it was understood to be included in the municipality of Asunción, capital of the new province.

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25 Statement of the Paraguayan Case, 4, 6; Special Supplement #133, 13.

26 Hernandárias document is found in Domínguez, El Chaco, I, 135-39; Interpretation, ibid., 127-131. Moreno,
Confirmation could be found in control by the Cabildo of Asunción over Chaco Indians in 1626, and in the 1633 title of the governor—"Governor and Captain General of the Provinces of Paraguay, the Gualamba Chaco and the plains of Manso."  

When the Audiencia of Buenos Aires was erected in 1661, the Chaco, as a partially subdued section of Paraguay, was separated from Charcas. In addition, the phrase, "y de lo que se redujere, pacificar y poblar en ellas," gave authorization for Paraguay to continue her Chaco activities. Her progress on the western plains could be found in a long list of military and exploratory expeditions, while from 1579 until the end of the colonial period, Asunción's citizens pastured their stock on communal or ejido lands across the river. In 1671 the same phrase was included in the

La Extensión, 21; Special Supplement #133, 14; Statement of the Paraguayan Case, 5. Domínguez cynically observed that the Cédula of 1617 had been used by both Paraguay and Argentina in their dispute; now it was Bolivia's turn to find comfort in its broad wording; El Chaco Boreal, III.  

27

El Chaco Boreal, III, 161-64; Special Supplement #133, 21.  

28

Domínguez and Mujía had a long battle over alleged misquoting of this by the latter, which led to much ill will and no gain.  

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Domínguez, Expediciones del Paraguay al Chaco (Asunción, 1934), 21; El Chaco Boreal pertenece al Paraguay (Asunción, 1932), 5.
royal decree ending the experiment with two audiencias.  

In the realm of spiritual jurisdiction, bishoprics were established under the law of 1534, with a radius of fifteen leagues around their cathedral city; the intervening area between any two bishoprics was divided equally. The Bishopric of Asunción, founded in 1547, had as its nearest neighbor the Bishopric of Cuzco some four hundred leagues to the west. When the Bishopric of La Plata was created in 1553, its limits with Asunción were the most clearly-marked natural features outside the fifteen-league radius of each, or the Río Parapeti-Chiriguanos Mountain line. La Plata was divided in 1609, at which time the Chaco was mentioned as belonging to none of the new bishoprics of La Paz, La Plata, or Santa Cruz.

The colonial Government of Paraguay included a Minister in charge of the Chaco reducciones and an ecclesiastic visitor to the same missions. From earliest times, vice-patronage, the appointment of parish priests and chaplains, was exercised over the Chaco by the governors of Paraguay.

30 Mercado Moreira, Títulos de Bolivia sobre el Chaco Boreal, 27.
31 For law see Cardozo, El Chaco en el Régimen, 83–84; Bull of 1547 may be found in Mujía Annexes, IV, 597–606, or Raul del Pozo Cano, Paraguay-Bolivia, el Chaco Paraguayo y el Vaticano (Asunción, 1927), 11–14; Cédula of 11 February 1553, Mujía Annexes, IV, 606–08; preliminary decree to 1609 division, ibid., 609. For interpretation see Moreno, La Extensión, 41; Pozo Cano, El Vaticano, 15–22, Statement of the Paraguayan Case, 5, 10.
N. 2. DELIMITACION DE LOS OBISPADOS
The See of Asunción was authorized by Cádula Real of 1765 to oversee Chaco Indians.32

When Intendencias were erected, their boundaries were designed to coincide with those of the ecclesiastical jurisdictions. Since the Chaco had always been within Asunción's See, it was therefore in the new Intendancy of Paraguay.33 Evidence of this could be found, to mention a few of many documents, in a letter of the Governor of Santa Cruz confirming that the Rio Parapeti was his border, and also from a 1791 memorial wherein the Bishop of Paraguay styled himself "Vicar General of the Province of the Gran Chaco."34

In 1792, an expedition from Asunción constructed Fuerte Borbon on the west bank of the Paraguay for defense against Paulistas and Indians. To the fluvial debaters this was but a natural incident in perfect continuity with the historic rôle of Paraguay on the Chaco bank of her river. Her

32 Cádula of 29 January 1765, Paraguay, Cuestión de Limites, I, 307; Cardozo, El Chaco en el Régimen; El Chaco y los Virreyes (Asunción, 1934), 22-28, 31-33; Special Supplement #133, 8; Dominguez, El Chaco Boreal Pertenece al obispado del Paraguay (Asunción, 1934), 7.

33 Cardozo, El Chaco en el Régimen, 13, 20, 59, passim; Statement of Paraguayan Case, 5.

34 For 1787 Governor Viedma letter, Mujia Annexes, IV, 646. Also see Cardozo, El Chaco en el Régimen, 79; El Chaco y los Virreyes, 15; Pozo Cano, El Vaticano, 30; Special Supplement #133, 8. For an extensive collection of documents on the jurisdiction of the bishopric under the Intendancy, consult Pozo Cano, Paraguay-Bolivia. Nuevos Documentos que Prueban la Jurisdicción del Paraguay en el Chaco (Asunción, 1927).
missionary, military, and agricultural activities obligated her to defend the region.\textsuperscript{35}

In contrast to the notorious failure of the governors of Santa Cruz to fulfill their defense responsibility, Paraguay continued her resistance to the Lusitanians up to the Rio Jaurú into the National Period. Although the enemy for a time occupied Fuerte Borbon, he withdrew in front of a new Paraguayan garrison. The Junta of Asunción kept its Buenos Aires counterpart informed of this and similar efforts.\textsuperscript{36}

The Paraguayan litigant therefore concluded that from the first adelantado to the end of the colonial regime, the Chaco was integral to the river Government. Not only was this true of political antecedents, but also of the Bishopric of Asunción as well, as demonstrated by a lengthy, continuous history of military and evangelical intercourse with the natives west of the Rio Paraguay. Possession and custom confirmed the Guarani asseverations. Indeed, Paraguay was born with the Chaco Boreal.

\textsuperscript{35}See Mujia Annexes, 354-362, for a contemporary account; Moreno, La Extensión, 77; Statement of Paraguayan Case, 7; Elías Ayala, Paraguay y Bolivia en el Chaco Boreal, 35; Cardozo, El Chaco y los Virreyes, 129-155.

\textsuperscript{36}For excerpts from Junta correspondence see Ayala, Paraguay y Bolivia, 39. Paraguay's case up to the Jaurú is found in Cardozo, El Chaco y los Virreyes, 103, 127, 184, 186. See, too, Amarilla Fretes, El Chaco en el primer cincuentenario, 132.
Paraguay's Reply to Bolivia

Viewing the Bolivian case as a whole, the Guarani polemicists found it invalid and irrelevant on several grounds. First, after 1566, Paraguay itself was a segment of the Audiencia of Charcas (except from 1661 to 1671) down to 1783. Therefore, the Chaco was obviously similarly included. Of Bolivian efforts to prove this, Domínguez exclaimed, "Erudición fácil, inconducente, inútil!" Second, the Audiencia of Charcas was a court whose district was judicial, not political. True, Audiencias had tended to usurp and interfere with political functions, but the ordination of Intendants, the final will of the sovereign, had aimed at halting this abuse. As an axiom to this, Paraguay denied that Bolivia's territorial domain stemmed from the Audiencia. Rather, the acts creating the Republic of Bolivia in 1825-1826 indicated that she was made up of the former provinces of Upper Peru.37

Although dismissing the Bolivian case in toto, the fluvial scholars produced counterevidence to refute individual Andean points. The Cédula of 1743, however, seemed a particularly burdensome harassment. When Mujia (who called

37 Pozo Cano, Paraguay-Bolivia. La Audiencia de Charcas (Asunción, 1926), adequately covers this issue; Domínguez opinion, El Chaco Boreal, 100. Alejandro Audibert and Rolón both argued Bolivia's provincial origin, borrowing the thesis from Trelles.
it the "perfect title"), initially placed it in evidence, Moreno sought to dismiss the decree as "a secondary link of a series of works, episodes of the Jesuit missions." Later, he ubicated San Ignacio to the western Chaco. Finally, he divided the Cédula in two, falsely alleging that the prologue was not directive. 38

Dominguez maintained that the Cédula of 1772 assigning the Indians to the Bishop of Santa Cruz "revoked" that of 1743. The most plausible explanation waited for Pozo Cano, who noted that "between the rivers, in the vicinity of Santa Cruz" restricted the zone in question to the northern Chaco, between the headwaters of the rivers. Cartography being defective, the common belief at that time placed the Pilcomayo and Paraguay nearly parallel, he added. 39

Paraguay rejected Bolivia's assertion that the Audiencia was a political level superior to intendants and political and military governors in affairs of state and subordinate only to the Viceroy. Intendants were responsible only to the Viceroy for justice, finance, and war.

38 Quotation from Mujia, El Chaco Boreal, 128. Moreno's opinion is found in Cuestión de Límites, I, 121, 151. The slashing Bolivian retort is well summarized by Aguirre Acha, La Antigua Provincia, 56; Mujia opinion, Bolivia, Memoria 1918, 33.

39 Pozo Cano, Paraguay-Bolivia. La Real Cédula de 1743 a la luz de la Geografía de la Época (Asunción, 1935), 6-16; Dominguez, El Chaco Boreal, 178; Special Supplement #133, 7; Statement of the Paraguayan Case, 11; Gandía, La ciudad encantada, 13.
Military governors of Chiquitos had similar powers, but were by special authority under the Audiencia of Charcas in economic affairs. In fact, they were semi-autonomous and responsible in most things directly to the viceroy. Chiquitos continued in this state and was never fully incorporated into the provinces of Upper Peru. As a defense barrier to the Paulista threat, it proved wholly impotent, leaving to Paraguay the major responsibility for protecting the empire's eastern flank. As a natural result, she viewed the Rio Paraguay from the Apa to Xarayes as her common border with the enemy.

The Audiencia itself was stripped of all remaining usurped political powers by Cádula of 23 October 1806. Since it continued to function until abolished by Sucre in 1825, there was ample time for this final decree to take effect in Charcas.

The advocates of the Bolivian Case deliberately confuse the functions inherent in the office of President of the Audiencia with those attributed to the Audiencia itself, just as they also confuse the

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40 Mujia, Bolivia-Paraguay, I, 135; II, 656; Statement of the Bolivian Government's Case, 15; Cardozo, El Chaco en el Régimen, 146; Báez, Historia diplomática, II, 265; Special Supplement #133, 9. See Mujia Annexes, IV, 637, for paragraph 37, Ordinance of Intendants of 1803, superseding previous ordinances and defining final status of Chiquitos, etc.

41 Special Supplement #133, 10; Ayala, Paraguay y Bolivia, 33, 37; Cardozo, El Chaco y los Virreyes, 98, 120.
extent of the administrative area of the province of Charcas with the extent of the legal jurisdiction of the audiencia which had its headquarters in the capital of that province.\footnote{42}

When, at the conclusion of the bloody Fifteen Years War, the last Spanish forces surrendered to the revolutionary armies, Bolivia embarked upon the road to sovereign statehood. In the decrees and acts by which Sucre and Bolivar erected the state, the Audiencia of Charcas was not mentioned as the territorial basis of the country. Rather, she had as her heritage the provinces of Upper Peru as clearly proclaimed by the Liberator in his decree of 16 May 1825. Her Act of Independence enumerated the provinces and parts of the country, even including Chiquitos, though omitting all reference to the Chaco. No objective person could therefore assert that Bolivia was the territorial heir of the Audiencia of Charcas or that the Chaco was included within her patrimony.\footnote{43}

\footnote{42}{Special Supplement #133, 33; Quotation, 39.}

\footnote{43}{Cardozo, El Chaco en el Régimen, 130-36; Act of Independence quoted in full, 137-142; Statement of the Paraguayan Case, 19-20. Luis Pizarro, a Tarijan provincial historian, launched an interesting oblique case culminating in the assertion that the Chaco was not mentioned in Bolivia's founding documents because it was a part of Tarija. In 1825 that province was still a part of the Rio de la Plata. See his Tarija (Sucre, 1937), 68, passim.}
Bolivia's Refutation

The Bolivian experts scorned Paraguayan pretensions to uninterrupted possession. They rejected her expeditions as either of non-Paraguayan origin or as trifling endeavors proceeding only a healthy walk into the disputed lands. Missions and campaigns which the river state had supported west of the Paraguay, were uniformly relegated to the Chaco Central south of the Pilcomayo. During most of her history, Asuncián was far too impotent to venture across the river against the Indian preponderant there, much less to reduce and Christianize him.44

If the Royal Audiencia of Charcas lacked, as the Paraguayans claimed, power to possess and control untamed areas, by what right could Hernandárias, a simple provincial governor, arrogate to his backwoods province a radius of 100 leagues? And the Bishopric of Asuncián! It was bounded by the Paraguay and the Paraná, lacking even a full fifteen-league radius due to prior possession of the Chaco by the Peruvian church.45

Fuerte Borbon was erected by royal order, with royal funds, for the defense of the empire. Paraguay, as the nearest province, was merely used as the agent. Disorder

44 Mujía, Bolivia-Paraguay, I, 100-02, 251-55, 264-65, 455; El Chaco Boreal, 51-54; Proceedings of the Commission, 951; Molina M., História de la Gobernación, 148.

45 Mujía, El Chaco Boreal, 118-121; Molina M., História de la Gobernación, 185; História del obispado, 4-21.
in Chiquitos would have made it unpropitious to entrust the task to that government. The Guarani gained no new title from this simple imperial act. On the other hand, in the early nineteenth century, the Governor of Paraguay was ordered to cease military expeditions into the Chaco.\footnote{46}

The Audiencia of Charcas and, less significantly, her subgovernment of Chiquitos, continued in legal possession of the Chaco until 1810. Where were the Cádulas to prove Paraguay's rights? Bolivia's nationality asserted itself when the Audiencia, long a part of the Viceroyalty of Peru, was incorporated into the Viceroyalty of La Plata. As such, she was its natural heir, a situation not unique in American history.\footnote{47}

**Early National Period**

The Chaco played no significant rôle in the history of either Bolivia or Paraguay during the early National Period. Bolivia was long absorbed with the convulsions of the revolution, while Paraguay isolated herself under the dictatorship of Francia. Fuerte Borbon, now called Olimpo, was


garrisoned as an outpost against foreigners and Indians until the dictator's death; and other garrisons were also maintained. A party sent by Bolívar to open relations was turned back at the fort in 1825; two years later a Santa Cruz emissary was treated in the same way.148

In the west, Franciscans from Tarija continued their work among their well-established mission flock. Chiquitos was incorporated into Santa Cruz in 1811, the union being confirmed in 1822 by Viceroy Laserna. As a "Partido" its chief remained a subgovernor directly responsible to the intendants. Pressure from the Portuguese, who were consolidating their hold on the west bank of the upper Paraguay, culminated in Brazilian seizure of the entire province. With the emergence of Bolivia, Chiquitos was included within the Department of Santa Cruz. The Indians continued in diminished numbers around a few remaining reducciones. In 1833 an Argentine geographer published the opinion that of all the Chaco, only Chiquitos above 10° was tamed.49

48 Rios, Los Derechos, 78-80; Mujia, Anotaciones, 17; Bolivia-Paraguay, II, 695; Iraizos, 29, 42.

49 Molina M., História de la Gobernación, 25, 85, 179. História del obispado, 167. Document, Brazilian occupation of Santa Cruz, Mendoza, La Ruta Atlantica, 201n. The geographer was Arenales, Director de la Mesa Topografica de Buenos Aires; Mujia, Bolivia-Paraguay, II, 699.
About the same time, Manuel L. Oliden obtained a large concession along the Rio Otuquis as settlement of his losses in the Fifteen Years War. Constituted as the New Province of Otuquis, it represented the first Bolivian interest in opening up her Orient. A decree of 1834 offered generous rewards to settlers coming up river to settle. Oliden, although very active, chose not to press river navigation because of undefined international boundaries "conducive to an opposition which might occasion greater difficulties later on" with Brazil and Paraguay. The concessionaire's son led a party downstream to Fuerte Olimpo, where he found a large Paraguayan garrison barring the river. These troops, probably the only Paraguayans in the Chaco Boreal, were in poor condition due to inadequate supplies and were unable to venture forth because of hostile Indians.50

Evaluation of Titles

Bolivia, seeking to prove her legal right to the Chaco on the basis of its historic inclusion in the Audiencia of Charcas, failed in this effort. Biased interpretation of the evidence presented is necessary to draw from the

50 The source for Oliden's fascinating story is Mauricio Bach, Description of the New Province of Otuquis in Bolivia. Originally published in 1842 by Oliden's secretary, the third edition is found in Proceedings of the Commission, 206-250; quotation from 211.
Cédulas Real the conclusion which the Bolivians desired to reach. Even their best document, the Cédula of 1743, can be construed contrary to Bolivia's claim to Audiencial possession. No conclusive legal title was advanced to prove that the entire Chaco was ever a part of the Audiencia, except in so far as it was intervening territory between Paraguay and other parts of Charcas. Neither can it be satisfactorily shown from the sources that at her birth it was accepted by her authors that the Audiencia was the basis of Bolivia.

Paraguay, attempting to prove her legal title through conquest and continuous possession, likewise failed to substantiate her full claim. She could and did prove original discovery and exploration; but in the north and west actual conquest fell to Bolivia's dependencies through their missions. Vacillations in the extent of Paraguay's effective dominion characterized the entire colonial period. Taken as a whole, her average possession possibly extended from the vicinity of Bahía Negra diagonally to a point near the Esteros on the Rio Pilcomayo, and to this region her de facto claim was good. Her legal claim up to the Jaurú, and north and westward to the natural boundaries was as hazy and weak as was Bolivia's claim to the entire region.

Bolivia found herself in far the least advantageous position because Paraguay was in actual physical control of the most desirable portion of the Chaco. The nature of
Bolivia's audiencial claim forced her to allege a legal right to the entire region down to the confluence of the Paraguay and Pilcomayo because the Audiencia either included all or none of the Chaco. This also gave La Paz a bargaining position to secure the only thing she initially desired, an unmolested port south of Bahia Negra. In turn, it tended to detract from her best title, the colonial jurisdiction of Chiquitos (particularly after 1777), which was equally de facto to Paraguay's claims, but which was weak on the river bank where Bolivia needed a port. Paraguay countered in this legal sphere with her own extreme claims to the "natural boundaries" of the Parapeti-Chiriguanos, neutralizing whatever advantage Bolivia might originally have gained with the Audiencia theory.

The dilemma which caused all efforts at settlement through title study to flounder, was the overlapping of Bolivia's rights to the limits of the Audiencia and Paraguay's rights to the limits of the original Provincia. This was due to their distinct characteristics, and made any genuine comparison impossible—unlike entities cannot be compared. Each litigant sought to confine the extent of the other's claim in terms of her own jurisdictional antecedents, a manifest impossibility, which was responsible for the great ill-feeling engendered. Further, the nature of the respective colonial entities dictated the nature of the cases: the Audiencia, a court, clearly rested on, and could
be understood solely in terms of, legal directives; the Provincia, an administrative governmental entity, could best be defined by deeds and practices of Governors and officials. Colonially, Audiencia and Provincia were territorially nonconflicting entities. The effort to bring such divergent jurisdictions into firm legal opposition in order to justify nationalistic territorial aspirations was the nucleus of the title controversy and accounts for the strength and weakness of each case.
CHAPTER V

THE NEIGHBORS--THE BUENOS AIRES CONFERENCE

Preliminary Negotiations

Numerous conversations took place at La Paz in 1926 between Lisandro Díaz Leon, Paraguayan Minister, and Dr. Alberto Gutiérrez, Bolivian Foreign Minister. After months of preliminary talks which partially clarified positions, and included the bases for the projected Buenos Aires Conference, the Andean Republic formally accepted the Argentine offer as a method of negotiation.¹

In February, 1927, Foreign Minister Enrique Bordenave, a mild-mannered, thirty-eight-year-old former history professor, addressed his Cordilleran counterpart and reiterated Paraguay's understanding of the territorial status quo advanced in the July 1926 note. From President Bautista Saavedra's reference, in his 1925 mensaje to the Altiplano Congress, to fortins to "guard the line of the status quo," he inferred Bolivian acceptance of the fluvial understanding of this point. However, in Dr. David Alvestegui's new

¹ Políticas Argentinas, I, 17-18; Bolivia, Memoria 1927, 43; 1928, 90; Mensaje 1928, 9. In March, Paraguay unofficially sought United States intervention, but although the Minister personally was "convinced of the justness of Paraguayan claims," he recommended that his Government avoid meddling in South American controversies; U. S., Foreign Relations, 1926, 5:1-33; 1927, 316.
book, *Bolivia y el Paraguay*, he found a map which graphically revealed (probably for the first time) the location of Bolivia's line of Pilcomayo fortins. He was alarmed to find that the new positions were past the lines of the 1907 status quo in "territory unquestionably Paraguayan."  

At 1500 hours on the following day at the Bolivian Fortin Sorpresa, situated near the Esteros of the Pilcomayo, a Paraguayan officer, three enlisted men, and an Indian guide appeared. Second Lieutenant Rojas Silva and his scouting party, exploring waterways, inadvertently wandered up to this Cordilleran outpost and were immediately taken into custody. Due to the carelessness of the Captain commanding the post, Rojas Silva was placed in a small hut guarded by a single conscript to await interrogation. Following the accepted practice of captured military men, the Lieutenant attempted to escape and in the resulting struggle was killed by the guard. First blood had been let in the Chaco Boreal, a few drops which would swell eventually to a torrent!  

Immediately, La Paz notified Asunción of the incident, saying that it had taken place in Bolivian territory in violation of her sovereignty. On 1 March, Bordenave informed  

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the Andean Minister, Dr. Bailon Mercado, that his Government knew nothing of the matter, but that all agents of that authority were under strict orders not to go beyond $61^031'$ west which marked "the beginning of the zone of the status quo pacted in 1907 and maintained without interruption until the moment." Bolivia quickly released the prisoners, and as information reached the Altiplano it was relayed to Bordenave. La Paz expressed regret for this isolated event without international significance; it was being investigated.  

Bordenave replied 19 April accepting the Bolivian assurances pending an investigation by the War Ministry. However, he pointed out that he still had received no reply to his note of 1 March asserting the linear status quo and protesting any violations which the Rojas Silva incident might reveal.  

Opinion in Paraguay was greatly aroused by this incident. Eusébio Ayala traveled to Buenos Aires in late March

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3 Notes, Mercado to Bordenave, 27 February, 7 March, 17 March, 18 March, 2 April; Libro Blanco 1927-1928, 26-32; Appendix 8, Memorial of Paraguay, Proceedings, 867-871; Paraguay, Protocolos y Notas, 26-33; Bordenave to Mercado, 1 March; also Report of Investigating officer, Bolivia, Memoria 1927, 45-46.

4 Bordenave to Mercado, 19 April, Proceedings, 874; Protocols, 35.
and conferred confidentially with Gutiérrez, apparently reaching an understanding and securing verbal agreement for the desired conference. Bolivia responded to the indignation by yielding diplomatically to Paraguayan desires. Consequently, Díaz Leon was sent to Buenos Aires, and there signed a protocol with Gutiérrez 22 April 1927 as a preliminary implementation of their reiterated acceptance of Argentine good offices. Plenipotentiaries would meet at Buenos Aires within ninety days of approval of the protocol and would determine the topics for deliberation. "For the determination of the boundary line, in addition to the titles or antecedents ... terms of settlement or of territorial equivalence" might be considered. Article four provided that if agreement proved impossible, the plenipotentiaries would state the reasons for disagreement and "fix the exact zone which will form the subject of the decision of an arbitral court to be appointed by mutual agreement." Either result should be communicated to the respective Governments and to the host, Argentina.⁵

⁵ For protocol, Proceedings, 267-270; Bolivia, Actas y Documentos, 1-4; Paraguay, Protocolos y Notas, 36; Libro Blanco 1927-1928, 34. See also La Política Argentina, I, 20; Mercado Moreira, El Chaco Boreal, 1929 edition, 140. The La Paz correspondent of the London Times reported 30 May 1927, p. 16, that on the Altiplano "public opinion has been unmoved by recent events in the Chaco and will accept with calm any decision arrived at."
Bordenave, responding to sharp attacks for omitting reference to the status quo, informed Gutiérrez on 25 May that Asunción did not consider that this new protocol modified in any manner the status of the border question as defined in existing agreements. Now back from Buenos Aires, the Bolivian responded on 27 May to Bordenave's note of 25 February accepting Paraguay's 1924 explanations of the location of the Mennonite colonies. He also declared that the Murray concession, about which inquiry had been made at that same time, was located in the far western Chaco in Bolivian territory. A few days later Mercado advised Asunción that Bolivia agreed with her assertions concerning the new protocol. With these clarifications, ratification of the Buenos Aires act became possible and an exchange of instruments occurred in July.

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6 Bordenave to Gutiérrez, 25 May 1927, Gutiérrez to Bordenave, 27 May 1927, B. Mercado to Bordenave, 30 May 1927, Proceedings, 876-888; Paraguay, Protocolos y Notas, 37-40; Libro Blanco 1927-1928, 32-33, 36-38; La Política Argentina, I, 21; Bolivia, Memoria de Ministerio de Guerra, 1927, 122; 1930, 110. Bordenave actually doubted that Bolivian representatives would appear at the scheduled conference, but it was possible "Bolivia might make a pretense of desiring the solution of the question." U. S., Foreign Relations, 1927, 315.
In the broader sphere of international politics, Bolivia, badly defeated in the War of the Pacific, had lost her entire coast; she now sat in injured solitude on her mountain perch licking her wounds while Chile grew wealthy and powerful from the plundered region's minerals. One school of political thought, called "revindicationalistas," never gave up the hope that the lost lands would be partially recovered so that the colors of Bolivia might again wave in salt breezes. Bautista Saavedra and his Republican Socialist party symbolized that position. Once in power through the Revolution of 1920, these statesmen put their program into practice and sought revision of the status quo of the Pacific.7

When the advance of the line of Bolivian fortins (actually a subordinate aspect of Saavedra's international policy) began really to alarm Paraguay, her Government determined to launch a major diplomatic campaign to strengthen her own position vis-à-vis Sucre's creation. Friendship between the fluvial state and Chile, chief Pacific power, was traditional. Now, with each threatened by the Cordilleran condor, that platonic relationship strengthened with the arrival in Santiago de Chile of Minister Vicente

7 Bolivia, Memoria 1925, 3.
Rivarola, former Chief of Police in Asunción, railroad attorney, and potentially brilliant diplomat.

Moving rapidly, Rivarola formed a political liaison with the Boliviaphobic Foreign Minister, Conrado Rios Gallardo, which indirectly opened to Asunción's profit and use the reports and intelligence of the Mapocho. A report from the Chilean legation in La Paz, written about this time, dwelt on the alleged provincial, anti-foreign, egotistical Bolivian spirit on which the schools and press had engraved the "port sentiment." Ports were the national cure-all. Inseparably bound up with the drive for salt water was the determination never again to cede a foot of territory. The Republican Socialist party, alone in its aspirations in the Pacific, was joined by the opposition Liberals, creating a united bipartisan policy of retaking the lost Puerto Pacheco on the Rio Paraguay. The Chilean Minister to Argentina deemed this project as likely of fulfillment as a Bolivian port on the moon. Under the pressure of the two-forked Altiplano "portitis," Chile and Paraguay moved steadily into an unsigned moral alliance which strengthened enormously the Guarani continental position.

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By coded wire, Rivarola informed Asunción on 13 April 1927 his sources advised that La Paz had contracted over £2,000,000 of arms in England. Rios Gallardo considered any direct settlement unlikely, believing that Bolivia would procrastinate until the arrival of these weapons enabled her to bargain in great strength. In the southern winter, however, some sources implied that the contract might be broken because of Bolivian inability to pay for her weapons.9

Asunción advised Rivarola on 17 September that at the Buenos Aires Conference about to open Paraguay would press the status quo as the primal issue, and directed him to solicit Chilean support. This he immediately obtained. Fishing in the troubled Pacific, Rivarola had secured strong benefit for his small state.10

The Rojas Silve incident revealed to the world that the Chaco was a potential powder keg, and sentiment in 1927 on our planet did not lightly dwell on prospective conflicts. Knowledge that Bolivia had purchased arms, the 1927 report of her War Minister on improved roads and establishment of an advance supply depot at Fortin Ballivián, and President Siles' mensaje that "routes of penetration" were being

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9 Rivarola, I, 64, 77, 80, 86-89, 95; New York Times, 16 August 1927, 34.
10 Rivarola, I, 95.
studied—all these tended to substantiate the alarmist cries of the Asunción press and bring deep concern to the neighboring countries. What was not known—for it was the most closely guarded secret of the Chaco dispute—was that in 1925 President Eligio Ayala launched a program of arms acquisition for Paraguay designed to equip a modern army of 24,000 with the latest equipment. Contracts were let in many countries on a cash basis and paid for from current revenues. To counteract a 1926 Altiplano effort at creation of a fleet of merchant craft on the upper river, a secret decree, 21 March 1927, even authorized purchase of two modern gunboats. Diplomats and scholars had sought settlement for nearly half a century. Now it was indeed time that the neighbors stepped in!11

The 1927 Sessions

Following an exchange of pleasantries on 29 September, the Buenos Aires Conference opened on 3 October 1927. The Bolivian delegation included Dr. José María Escalier as Chairman, Dr. Daniel Sánchez Bustamante, General Carlos Blanco Galindo, Dr. Ricardo Mujia, Dr. Julio A. Gutiérrez,

11 Bolivia, Mensaje 1927, 78; Memoria de Ministerio de Guerra y Colonization 1927, 12, 115; not with any great hope of solution, however. Argentine officials were pessimistic, according to U. S. Ambassador Bliss, U. S. Foreign Relations, 1927, 319; Major Angel F. Rios, La Defensa del Chaco (Buenos Aires, 1950), 42, 129, 369-396, 424-26, 439-448.
Colonel Oscar Mariaca Pando, and Dr. Miguel Mercado Moreira. Paraguay accredited Dr. Eusebio Ayala as Chairman, and as delegates the leaders of the two political parties, José P. Guggiari and Francisco Chávez, and her two experts Moreno and Domínguez. Captain Elias Ayala served as adviser. The presence of title experts on each side seemed to forecast readiness for definitive solution.\textsuperscript{12}

Dr. Ayala proposed that the agenda be determined, and asked that examination of the status quo of 1913, and any violations, be the first business. Once the status quo had been restored, they should proceed to direct solution, or failing this, to definition of an arbitration zone. He proposed a treaty embracing all points at variance—a non-aggression pact, \textit{modus vivendi}, permanent character of the conference, and creation of a commission of experts to examine titles as a basis for final settlement. Dr. Bustamante opined that their purpose was not the status quo, whose very existence Escalier questioned, but final settlement. This would obviate the need of a status quo, which therefore should be considered only as a last resort. He

\textsuperscript{12} Bolivia, Ministerio de Relaciones Exteriores y Culto, \textit{Actas y Documentos de las Conferencias de Plenipotenciarios Bolivianos y Paraguayos} (La Paz, 1929), 7; \textit{Proceedings} (English edition of \textit{Actas}), 273; Rivarola, I, 193, says that the Bolivian delegation was composed of men who could pay their own expenses.
offered a draft agreement embracing his concept.  

A week later the delegations exchanged memorials on the Chaco status quo. The Bolivian paper viewed study of the subject as inappropriate and not contemplated by the Díaz Leon—Gutiérrez Protocol. In 1907 and 1913 it had come first in deference to Paraguay and resulted only in a vague modus vivendi. This time, why not work in the opposite direction, trying first for a solution of the basic question? Paraguay's memorial premised that the Argentine offer of good offices was an obligatory antecedent to the resumption of negotiations. Bolivia had wished to precede acceptance with an agreement on principal points to be covered. Consequently, by Article three of the 1927 Protocol, delegations were to determine subjects for discussion. On this basis, Paraguay deemed the status quo a "matter for precedence," since it had been the basis of all talks, and public alarm over its violation had motivated the original Argentine offer. If an agreement were made on this crucial issue, the air would be conducive to definitive solutions.

Mujia, in reply to Paraguay's repeated request, and authorized by his government, read a new memorial on

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13 Actas, 9-11; Proceedings, 274-75; Paraguay, Libro Blanco 1927-1928, 96-99; La Política Argentina, I, 22-23.

14 Actas, 12-26; Proceedings, 276-288; Libro Blanco 1927-1928, 43-48; Política Argentina, I, 24-27.
31 October setting forth the Bolivian position on the status quo. The Pinilla-Soler Protocol had arbitration as its prime objective and established zones merely for that purpose. Pending that arbitration, the contracting parties accepted retention of existing possessions. When the arbitration agreement lapsed, so did the status quo lines and zones. The Ayala-Mujia Protocol revitalized a status quo of possessions only, not lines. Since 1906, Bolivia had had establishments known to Paraguay down to the Esteros de Patiño, far east of the obsolescent 1907 lines. This confirmed the fact that the status quo had always been possessionary and never linear. The Paraguayan thesis could not be sustained, since neither she nor Bolivia exercised full dominion up to the old lines expressly abolished by Ayala-Mujia. On the other hand, since 1907, in violation of the true status quo, Paraguay had relentlessly expanded her holdings westward and northward. The Bolivian government would consider the status quo of 1927 as the first point for discussion, but revival of the 1907 lines was out of the question.  

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Actas, 28-31; Proceedings, 288-291; Libro Blanco 1927-1928, 49-52. On 25 October, Carrillo, the Argentine Minister to Bolivia, reported the Andean delegation had been advised that the linear status quo could not be revived. However, La Paz had no objection to discussion of the status quo of possessions; Política Argentina, I, 28-30.
Dr. Guggiari read Paraguay's counter-memorandum on 3 November, first recalling the antecedents of the Pinilla-Soler Protocol. Reports of Bolivian advances and land grants in Paraguayan territory had become known to Zeballos. After Soler informed him that a guaranteed status quo based on the Domínguez line and 62° west would be requisite to any agreement, Zeballos agreed to obtain this from Pinilla. The lines then accepted were at 61°30' and 62° west, as previously discussed by Cano and Domínguez. The 1913 protocol preserved this identical status quo and was of "posiciones," not "posesiones." Paraguayan approval of this protocol specified retention of the status quo in the "contentious zone" erected in 1907. The protocol of 20 May 1921 reiterated the meridianal status quo, while 1924 and 1927 diplomatic correspondence contained implicit Bolivian recognition of zones, in that no objection was made to Asunción's reference to them. Mujia's memorandum offered a new, novel twist which served to redouble the need for discussion of the point. In rectification of its asseverations, Guggiari asserted that the status quo was not "re-established," but declared in force by Ayala-Mujia, since for not a single moment had it ceased to exist. He categorically denied any Paraguayan awareness prior to 1913 of Bolivian possessions south of 20°30' or east of 61°30'. Ayala, as present chairman of the delegation, had no recollection of Bolivian evidence of such possession. In 1906, Asunción had protested
to Andean fortins west of 62°--how much less did she know of any east of 61°30'. In addition, the true status quo in no wise implied de facto possession up to the fullest extent of the lines, as Bolivia asserted would be necessary for its validity. Paraguay had never taken a step within the neutral zone and would be happy to offer proof. 16

Dr. Mujia offered a reply on 9 November. Under the 1907 protocol, arbitration zones were to be established by Domínguez and Cano in direct negotiations. The 23 September 1910 Paraguayan note confirmed that arbitration was the primary purpose. To Paraguay the status quo was now the simple execution of Article two of Pinilla-Soler, giving her free title to a vast region. Lacking legislative approval, and since lines per se were excluded by the 1913 protocol, this act was completely void. Article five of Ayala-Mujia repealed 1907, and only the principle of the status quo based on possessions remained. Bolivia's true possessions at the time were revealed to Ayala in 1913. Mujia had been sent to secure nullification of the whole agreement from Ayala. Could he then have simply reinstated in different form the very portion to which his country most objected? As for "posiciones," the text on file in the La Paz Foreign Office

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16 Actas, 33-40; Proceedings, 292-98; Libro Blanco, 53-61; Política Argentina, I, 30-36. It is also interesting to note that the Bolivian argument here ran counter to Bolivia's usual objection to de facto possession.
read "posesiónes." If real possessions were not the sole basis of the status quo, then Paraguay would be free to advance in the Chaco at will, while Bolivia sat helpless. The repudiated act of 1921, and Bolivia's attitude toward Paraguayan claims, in no wise implied their acceptance, nor did Andean foreign ministers ever accept Guarani viewpoints, or in statements concur in a zonal status quo. Bolivia was willing, however, to submit to an investigation of all advances made since 1907, or to arrive at any new and different modus vivendi. 17

Guggiari continued the debate on 18 November, agreeing that the primary purpose of the Soler-Pinilla Protocol was arbitration, not the status quo, although the two were inseparable. Article two actually divided the Chaco into three parts, one for each litigant and one for arbitration; sovereignty remained in doubt only in the latter. To this region the status quo applied, the only one which had ever existed between the contenders and which was still in effect at this moment. The 1913 Act preserved it within its original lines; anything else would have been a senseless limitation on the development within the other's domain. Any fortins in the status quo zone at the time were unimportant, since the signers were only bound to refrain from new

17 Acts, 45-54; Proceedings, 302-09; Libro Blanco 1927-1928, 62-72; Política Argentina, I, 36-43.
advances within the zone, not to destroy what already existed, such as Bahia Negra in the northern contentious area. In 1907, Guggiari alleged, Paraguay sought $19^\circ$ as the limit of the northern arbitration zone, but Pinilla wished it undefined. Paraguay, however, had no intention of alleging claim all the way to Bolivia's northern frontier and would gladly negotiate an immediate northern status quo line if the Andeans so wished. As for the original text of the Ayala-Mujia, Paraguay offered it in evidence proving that the word stipulated was "posiciones." Asunción would accept investigation of acts since 1907, but would make no new **modus vivendi** accepting violations of the old. Only one question, the present **modus vivendi**, blocked agreement; therefore, Paraguay offered a draft convention submitting interpretation of the 1913 protocol to the Argentine Supreme Court. The decision would not affect sovereign rights. Once it was given, a mutual security system would be created assuring the peace.\textsuperscript{18}

The battle of papers reached a climax when Mujia delivered the third Bolivian memorandum on 25 November. He began by welcoming the Guarani admission that the 1907 protocol was primarily for arbitration, and the status quo unchanged since 1907. He then denied that the Pinilla-Soler

\textsuperscript{18} Actas, 55-66; Proceedings, 310-17; Libro Blanco 1927-1928, 72-93, 102; Política Argentina, 1, 44-51.
had accorded any sovereignty—Bolivia had not renounced her rights in a mere project for arbitration. No permanent zones or new rights were created because the protocol had lapsed. Were this not so, a separate agreement would have established the zones as a modus vivendi. That this was not done made clear that the status quo applied solely to existing possessions. No one wished a cessation of development. No advances should, however, have been made beyond the forward possessions of 1907.\footnote{Note that this is actually advocacy of a line or zone, albeit a more restricted one than the Paraguayan interpretation.} As for antecedents of the Soler-Pinilla Protocol, Pinilla had no instruction to make proposals, and anything not included in the document itself was now valueless. Ayala's denial of knowledge of the Trigo expedition was worthy of respect, but so was Mujia's personal recollection that he supplied the data in 1913. Paraguay's proposal for a revision of the zones was courteously declined as jeopardizing Bolivian rights. Zones had been deeply injurious to the Cordillerans in 1907 and they had honestly understood them to have been abolished in 1913. At that time Bolivia had agreed to a possessory status quo to please Paraguay. Now it was necessary to reject it entirely due to Asunción's insistence on a zonal interpretation, even seeking to regularize it with a new agreement on the north. Mujia now admitted that the agreement he signed with
Ayala in 1913 did indeed say "positions," although the explicit intent was not altered by mere phonetic similarity. The last extension of the status quo was in 1918 and was for the duration of negotiations then in progress. When they expired in 1919, the clause was kept alive only by La Paz's conciliatory spirit.

Bolivia had been required to reorient quickly her Chaco policy of decades. Since 1913 she had praised the Ayala-Mujia Protocol as superseding the odious 1907 convention. From the 1913 Act she could argue against any status quo other than that of possessions, under which she could portray her neighbor as an aggressor for expanding commercial enterprise and towns in the Chaco. Now that it was proven that Mujia had actually attested to a status quo of "positions," a term (deliberately inserted by Ayala) which could be restricted to military posts, Bolivia was certainly the disturber of the status quo. The only alternatives for the Altiplano were to de-emphasize 1913, reverting to the possessionary portion of the hated 1907 protocol, or to seek to deny and evade the existence of any status quo whatsoever.

20 Actas, 67-77; Proceedings, 318-326; Política Argentina, I, 51-59. Bolivia, confident that her version of the text of 1913 was correct, summoned the Argentine Minister, Paraguayan Chargé d'affairs, and other gentlemen to witness the primero cincuentenario of the original. Out it came with "Ricardo Mujia" signed at the root! Amarilla Fretes, El Paraguay en el primero cincuentenario, 60-61; Eusébio Ayala, Ante el País (Asunción, 1932), 71-82.
From this moment, the Cordillerans mainly followed the latter course.

In view of the apparent impasse, it was decided to initiate private talks between delegates. Bustamante, in his own name, proposed a technical commission to determine a new *modus vivendi*. Ayala accepted, presenting another draft agreement. This provided a commission to fix status quo zones which would not imply sovereignty. Definition would be based on existing agreements, circumstances of violation, and security requirements. In the north, the line would run from the headwaters of the Otuquis westward to the meridional status quo line fixed by the commission. Naturally, Bolivia could not accept, and stipulated that all lines be left to the impartial judge. Bolivians insisted in private that the Ayala-Mujia Protocol, as now revealed with "posiciones," was completely unfavorable to them and consequently they would oppose any interpretation of a status quo through existing treaties.

Ayala, therefore, made his final proposal: A convention including a nonaggression pact, permanent character for the Conference, and submission of the *modus vivendi* to a decision made in the light of 1907 as "maintained in the accords posterior to the Soler-Pinilla Protocol."\(^{21}\)

Receiving this suggestion favorably, the Andeans agreed on 7 December to consult their Government. On the twelfth, Escalier reported that after pondering in the High Councils of State, the Andean Republic elected to reject the Guarani offer, but would accept application of the same procedure to the basic issue. Ayala replied that his delegation had instructions for treating final solution, but would not do so without a modus vivendi to assure peace during the interim.  

The Bolivians retorted that a modus vivendi would be a great victory for Paraguay and would render her unamenable to a settlement of limits, since her definitive zone would be less spacious than the status quo. To this ominous indication of Andean intentions to grant them but a small corner of the contentious Chaco, the Paraguayans mentioned Bolivian arms purchases, troop movements, and the inflammatory statements of Altiplano leaders. The fluvial Republic, in the face of such threats, required immediate, guaranteed security from attack. The Cordillerans denied hostile intent, blamed Paraguay for the existing situation, and pointed out that La Paz had a more vital problem in the Pacific, for which her arms were intended.

While the talks were going on, however, Rivarola had

22 Ibid., 108-110.
23 Ibid., 100, 111.
provided a report from the Chilean embassy in La Paz that the Government there had decided Bolivia's future lay in the East. A fluvial route to the sea was imperative, but there was little hope for the Buenos Aires conference. A possible arrangement to secure Puerto Pacheco had been considered, but was rejected in the belief that Paraguay would demand an ungrantable compensation. Ayala, aware of this, wrote Rivarola that no concessions could be made and that an impasse had now resulted.

On the same day, 12 December, Bolivia bypassed the conference and wired Paraguay an invitation to submit all outstanding questions to an international tribunal. Asunción referred La Paz back to Buenos Aires, where the fluvial delegates had instructions for such a method, provided a peaceful atmosphere were first assured.

Dr. Isidoro Ruiz Moreno, the Argentine observer who had attended the meetings on behalf of the host Government, then came forward on 13 December with a three-point suggestion for activating the mired talks:

1. Paraguay to agree to proceed directly to arbitration of the fundamental question.

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24 Rivarola, I, 97, 102-05, 117. See also U. S., Foreign Relations, 1927, 320.

25 Actas, 78-80; Proceedings, 326-28; Libro Blanco 1927-1928, 39-40; Rivarola, I, 119; Bolivia, A Quarterly Survey of Bolivian Activities, March 1928, 17.
2. Both countries to demilitarize fortins, or to withdraw by fifty kilometers each those facing each other, this act to be confirmed by a neutral military commission.

3. It should be declared that advances of each served to create a *de facto* situation, conferring on them no rights, and that such advances could not be alleged as a basis for claims before an arbitrator. 26

Two days later Argentine Minister Carrillo reported that President Siles wanted item (1) changed to direct settlement within 90 days or arbitration. He wished item (2) to specify withdrawal of military garrisons by fifty kilometers, leaving civil administrative personnel in the fortins, subject to Argentine inspection. On the other hand, Paraguay, Argentina learned, was of the opinion that permanent security guarantees by a third party, preferably Argentina, would be necessary pending arbitration. Nevertheless, she accepted the basic suggestion in principle on 20 December. 26 Meeting on 27 December, the delegations formally accepted the suggestion as a means of continuing the conference. Thereupon, in view of the season and to permit consultations with their Foreign Offices, they adjourned. 27

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26 Actas, 85; Proceedings, 33; Politica Argentina, I, 59.
27 Politica Argentina, I, 60-62.
The 1928 Sessions

When the conference reconvened on 7 May, 1928, Gerónimo Zubizarreta had replaced Guggiari, who would soon be inaugurated President of Paraguay, while on the Bolivian side of the table Bustamante sat as chairman with Tomás Manuel Elio as the sole delegate. The smaller delegation indicated that La Paz expected nothing from the 1928 meetings. Advisers remained, augmented by David Alvestegui.  

On 10 May 1928, Bustamante stated that it would now be necessary to follow the method of the Argentine suggestion, by which he meant the order of the points. In accordance with this concept, he now proposed consideration of arbitration, not without hope that in the discussion, direct agreement could be reached. Ayala immediately exclaimed that the minutes of 27 December 1927 had been misquoted; there was no foundation for the assertion on method; this was simply a scheme to avoid a modus vivendi. The Argentine suggestion had attempted to harmonize both views without favor to either; its points should be simultaneously considered.  

Bustamante retorted that he had correctly quoted the "concept" of 27 December. Arbitration had not been
considered in 1927 and should be now. On the Altiplano, it was commonly believed that Paraguay merely wished to consolidate her dominion prior to arbitration in order to gain a favored position. In the ensuing discussion it was made clear that Paraguay would require a status quo before agreeing to arbitration, while Bolivia demanded arbitration agreement as a requisite to any *modus vivendi*.\(^3^0\)

Ayala asked Rúiz Moreno to "throw some light upon the matter." Diplomatically, the Argentine suggested there was no real difference between the positions. The Bolivian version did not conflict with Paraguay's thesis of considering all points at once. Ayala then answered that solution lay in creation of two commissions to consider simultaneously the two questions. Having but two members, the Bolivian delegation found this suggestion infeasible and repeated its objections to considering the *modus vivendi*.\(^3^1\)

Paraguay was disappointed. In view of the remarkable Andean interpretation, the Argentine suggestion had been for nothing. Amidst mounting tension, the Brazilian press headlined Bolivian arms movements through her ports and Asunción stressed to her delegation the need to keep talks going in order to gain time for diplomatic action with neighboring

\(^{30}\) *Actas*, 92-93; *Proceedings*, 338; *Libro Blanco*, 124.

Ayala reiterated his position on 18 May and suggested two commissions which would meet in such a manner that the Bolivians could attend both. While one dwelt on arbitration, the other, concerned with a modus vivendi, would deal with the Argentine suggestion for either demilitarization or withdrawal of fortins. The work of each commission would be narrowly confined to its proper area. Bustamante asked to defer decision so as to consult his Government. Ayala retorted that this was pointless, offering the Bolivian a fifteen-minute recess to consult his delegation. Ríz Moreno advised the Andeans that the modus vivendi now to be contemplated was not the same as, nor would it involve, that of the 1927 sessions. Argentina intended all points of her suggestion to be considered, though not the status quo which had created an impasse.33

Three days later Bustamante agreed to discuss all points simultaneously, arbitration and the modus vivendi on alternate days. He observed that Bolivia upon accepting the suggestion had advised the Argentine Government she would not withdraw her fortins, and he now made this a matter of record. After a fifteen-minute recess, Ayala

32 Actas, 98; Proceedings, 342; Rivarola, I, 153-55.
33 Actas, 100-05; Proceedings, 344-49; Libro Blanco, 130-36; Política Argentina, I, 67-68.
accepted this method for proceeding, and on 24 May offered a paper on frontiers.\footnote{34}

He asserted the problem lay in defining the borders of the original province of Paraguay and the Alto-Peruvian dependencies. Study of "the facts and acts previous and subsequent" to independence would prove these jurisdictions, although nothing since 1907 should be considered. Definition of the frontiers should be in accord with the uti possidetis of 1810 and acts and facts of possession from 1810 to 1907 confirming the uti possidetis. The Bolivian delegation countered with a memorandum arguing the Audiencial basis of the political divisions of the New World. It stressed the Charcas-based case, denying that Paraguay had ever had legal rights in the Chaco and asserting that incursions, regardless of how old, were inadmissible. The Rio Paraguay was portrayed, not as a boundary, but as the natural outlet of a vast region presently restrained by artificial barriers. Arbitration was proposed for the Paraguayan Chaco heartland south of the Apa and west to 590.\footnote{35}

On 28 May, Zubizarreta spoke on the modus vivendi, stating that by demilitarization of fortins Paraguay meant dismantlement. Bustamente asked, if Bolivia will not with-\footnote{Actas, 108-09; Proceedings, 350-52; Libro Blanco, 137-39; Politica Argentina, 69-70.}
\footnote{Actas, 112-19; Proceedings, 353-59; Libro Blanco, 140-48; Politica Argentina, 1, 70-75.}
He understood demilitarization to be a reduction in arms, not a geographical movement. Zubizarreta retorted that conflict could start as readily between a few poorly equipped soldiers as between armies. Paraguay requested dismantling of fortins built since 1907 because by their construction Bolivia violated the status quo and infringed upon territory adjudged Paraguayan by the Hayes Award. Bustamante replied sharply that his country did not recognize that verdict and was not obliged to give explanations to Asunción. With great vehemence they debated the issue, reaching an impasse of very ill feeling. 36

Returning to arbitration at the next meeting, Bustamante criticized Zubizarreta's position as not offering a concrete proposal. They then fell into an argument over whether the uti possidetis was juris or de facto, whether the point at issue was of boundaries or territory, and whether possession had any significance. When it became clear that Bolivia was ruling invalid the entire Paraguayan thesis based on possession, and that Asunción was discarding the Audiencial hypothesis--thus ruling out in advance each other's cases--a new deadlock arrived. Zubizarreta

36 Actas, 121-29; Proceedings, 360-67; Libro Blanco, 149-158; Política Argentina, I, 76-82.
then suggested a commission of experts to define the contentious zone. Bustamante rejected this, saying that Paraguayan claims were growing and that Bolivia could not submit an undefined expanse of her national territory to an arbitrator's verdict. Legal arbitration was the Altiplano policy. 37

Papers on point two of the Ruiz Moreno proposal were exchanged on 4 June. Bolivia again rejected withdrawal or dismantlement of fortins, regarding this as a surrender of her sovereignty. She merely held out hope for some kind of limited arms reduction, and concluded by repeating that if Paraguay would only agree to arbitration there would be no need for a modus vivendi. The Guarani document reiterated that Bolivia's fortins were a violation of agreements, threatening the peace of the Americas. Whether Bolivia accepted or rejected the Hayes Award, she had no right to enter into military occupation of a portion of this Paraguayan area. For this, Asunción could demand compensation, but she wished to enable her neighbor to take a graceful way out and would therefore withdraw her own fortins. As neither would change his irreconcilable position, a new bitter debate occurred based on interpretations of titles and nineteenth-century diplomacy. Ruiz Moreno then attempted

37 Actas, 130-35; Proceedings, 368-372; Libro Blanco, 159-164; Política Argentina, 1, 82-86.
to avert the inevitable impasse by proposing creation of an international police force in the Chaco. 38

Zubizarreta having stated that in the face of the Andean stand he considered the conference at a stalemate, and would require new instructions to continue, Ruiz Moreno reconvened the delegations on 11 June to determine if new instructions on the international police idea had been received. Learning that Asunción had not responded, he succeeded in persuading the gentlemen to return to their regular schedule and take up arbitration again on 18 June. 39

At that meeting Zubizarreta announced Paraguay's acceptance of the Argentine suggestion, and interpreted it to mean withdrawal and dismantlement of fortins and occupation of their sites by neutral troops. Bustamante said the idea was for an international vigilance patrol to investigate incidents, without any replacement of garrisons. Zubizarreta claimed he understood a withdrawal from adjacent fortins was contemplated, to which Ruíz Moreno agreed. Bustamante replied that without an arbitration agreement there would be no international police force, since it could function only during arbitration. Henceforth, snapped Zubizarreta, every proposal must be put in writing to prevent its perversion.

38 Actas, 136-149; Proceedings, 373-383; Libro Blanco, 165-177; Política Argentina, I, 86-94.
39 Actas, 151; Proceedings, 384; Libro Blanco, 178.
The intemperate language of Zubizarreta made settlement impossible, Bustamante snorted. The conference was indeed at an impasse. Zubizarreta then retreated, advocating private talks between the two chairmen, to which suggestion Bustamante agreed. To avert further misunderstanding, Rúiz Moreno put his suggestion in writing:

That the forces of both countries be substituted by an international police in the zone where there are fortins in close proximity, which substitution may be made by international forces or by troops from each country under the command of officers and commanders of a third State. 40

The gentlemen reported on 25 June on the cordial meetings they had held. First discussing direct settlement, Bustamante had alluded to a possible arrangement of essentially the third Cano proposal modified to permit Andean retention of all fortins. Finding no agreement here, they turned to arbitration. No Bolivian Government would dare arbitrate beyond 60° west and 21° south, Bustamante said, for it was widely feared that the decision would be an equal division of whatever region was submitted. Zubizarreta could not accept, but repeated that the litigious zone could

40 Actas, 153-56; Proceedings, 365-86; Libro Blanco, 180-84; Política Argentina, I, 95. Rúiz Moreno confided to a member of the U. S. Embassy that it was vitally important to get troops out of the disputed zone, as this was the major source of friction. Peaceful settlement was imperative, for a war, he sagaciously predicted, would be long and find Bolivia's greater strength neutralized by distance; U. S., Foreign Relations, 1928, 671.
be defined by experts. The Bolivian was unable to accept any procedure which did not in advance fix the zone. Realizing that no hope of agreement existed, they resolved to end the conference.

Ruíz Moreno said the final act should be an Act of Suspension so as to avoid the impression of failure. Zubizarreta then asked clarification of Article three of the Argentine proposal, saying that he understood it referred to acts since 1907. In the ensuing exchange it became clear that Bolivia applied it to all occupations contrary to colonial titles; on the other hand, Argentina, reflecting the interest of private landowners, meant by it possessory acts "from an epoch such as, for example, the one contemporary with the application of the Paraguayan Law of 1885 with reference to the sale of public lands."41

Turning next to the communication to the Argentine Government explaining their failure, the delegations fell into disagreement over the same issues as before, exchanged mutual recriminations, and finally drafted separate reports. Separate Acts of Suspension also had to be written, since agreement seemed impossible on any point. Both delegations did agree that the dispute should be settled pacifically "except in case of self-defense," an exception which in

41 Actas, 157-172; Proceedings, 389-400; Libro Blanco, 185-191; Política Argentina, I, 95-100.
practical situations negated the clause itself.

The Buenos Aires Conference of 1927-1928 marked a complete departure from previous diplomatic history of the Chaco dispute. In an analysis of the positions, the following points are most significant.

1. Bolivia now denied Paraguay any part of the Chaco. She viewed it in toto as her exclusive sovereign territory, a belief predicated upon the complete rejection of the admissibility in evidence of all possessory actions of Paraguay since 1536.

2. Bolivia talked much of juris arbitration as her official policy. This involved no conciliatory spirit whatsoever, since she was willing to arbitrate only her neighbor's section, and not even the whole of that. In order to prevent consideration by the arbitrator of Paraguay's full claims, Bolivia insisted that the zone in contention be determined first by direct agreement.

3. Bolivia rejected any status quo or modus vivendi except possibly that of the moment. Although she believed that Paraguay was seeking by definition of the status quo to create a de facto situation which, with the passing of time would become permanent, she was most disturbed by the

very unfavorable location of the lines of such a status quo. She would not withdraw an inch from her fortins, the sole evidence of altiplano rights in the Chaco, even to permit neutrals to police a buffer zone. She was willing to consider only some theoretical disarmament.

4. Paraguay, fearful of conflict and resentful of Bolivian advances, particularly in the Hayes Zone, sought to have Bolivia pushed back or controlled as a guarantee that her own possession would go unmolested. She attempted to gain this by clinging to her transitory victory of 1907 through a now unilateral interpretation of the linear status quo, by a new modus vivendi, by withdrawal or dismantling of the fortins of both countries, or by the creation of a nonaggression pact.

5. Paraguay was willing to arbitrate, either the nature of the status quo or the basic issue, but only if her full claims were considered. These extended to the Rio Jaurú on the north, although in earlier diplomacy Bahia Negra had always constituted their implicit limit. She did not seek, however, to confine the extent of the claims Bolivia might submit to impartial decision, although tacitly she would exclude the Hayes Zone.

The pressure of the man in the street, mouthing the doctrinaire assertions of polemicists and chauvinistic publicists, was a force neither Government dared to ignore. The result was the impossibility of direct agreement,
definition of the arbitration zone, or creation of a *modus vivendi*—in short, of any relaxation whatsoever in the existing grave situation. There were now only two alternatives—someone must yield fundamentally or, diplomacy being bankrupt, military solutions would be tried.

DE FACTO POSSESSIONS OF PARAGUAY IN THE CHACO BOREAL
Vanguardia

Rivarola supplied his government with an extensive and detailed report on the Bolivian arms contracted in England with Vickers, at a price of £2,190,000. Included with four bombers, four fighters, and seven training aircraft, were 65 batteries of artillery, 50,000 rifles, 10,000 carbines, 300 machine guns, 760 automatic rifles, and an abundance of ammunition. He appended data on Bolivian military units and their officers, which he had come to know "like the palms of my hands." In Paraguay, Chief of the General Staff, Lieutenant Colonel José Felix Estigarribia, had been beefing up Chaco defenses with new roads, telegraph lines, and construction of fortins where the Andean threat was believed greatest.¹

When the Buenos Aires Conference closed, Bustamante had taken note of President-elect Guggiari's statement that the

¹ Rivarola, I, 156-58, 180; Fernández, I, 49-52; Rios, 157. Pablo Max Insfran (Editor), The Epic of the Chaco: Marshal Estigarribia's Memoirs of the Chaco War 1932-1935 (Austin, 1950), 6. (Referred to hereafter as Estigarribia.)
Guarani army would soon be increased from 5,000 to 7,000 men. Since that state had no other pending problems, it was clear this constituted a threat in the Chaco. Meanwhile, Bolivia, which actually had only about 2,700 men in the Chaco, was responding to the intensified Paraguayan military activity by reconnaissance and careful study of her own situation. In the Oriente, the task was entrusted to Colonel Victorino Gutiérrez, commander of the 5th Division at Puerto Suárez.2

On 22 August at 2200 hours, Gutiérrez, two Lieutenant Colonels, Lieutenant Filiberto Lozada, a Sergeant, and an Indian were in their hammocks in a palm grove located in the swamps along the Rio Negro (Otuquis), when they were surprised and taken into custody by a Paraguayan patrol. After a sharp exchange of notes between the Foreign Offices over the respective rights in the region, the officers were released. Following through with the original purpose of the party, a Captain, two Lieutenants (Lozada and Tomás Manchego), and a company from the 13th "Quijarro" Infantry arrived on 5 September 1928 at a point on the Otuquis midway between Paraguayan Fortín Galpón and Bolivian Fortín Vitriones, which

2 Actas, 203; Rivarola, I, 218; Proceedings, 425, 824-27; Díaz Arguedas, Historia del Ejército, 611. See also Tomás Manchego, "El Asalto Paraguayo," Revista Militar, Nos. 100-101 (1930), 274. In fact, the League of Nations Armaments Yearbook, 1928, reported that Paraguay had only 160 officers and 2,809 men (p. 644). It listed Bolivian strength at 8,000 (p. 62).
"from this day took the name of Fortin Vanguardia."³

While the Bolivian company cut logs and built their fortin, Enrique Finot, new Altiplano Minister to Chile, received authority for direct talks with Rivarola looking toward a Chaco agreement. Rivarola had no faith in the outcome, for he believed that Bolivian President Siles, on whom the Buenos Aires breakdown was blamed, was merely attempting to appear more conciliatory before the neighboring states. Finot, who thought Rios Gallardo had motivated the talks either to probe Siles' intentions toward Paraguay or to achieve a diplomatic triumph after Argentina's failure, was not himself optimistic. Each anticipated that the other had a proposal, and when this proved false, their talks would fail.⁴

In October, Rivarola returned to Asunción to attend to personal matters, but informed Zubizarreta, now Foreign Minister, that Chile was eager to intervene; she would not, however, take the initiative since she believed it was essentially a matter for the Atlantic powers, who accorded her a free hand in the Pacific. The Chilean Military Attaché in

³ Manchego, 275. For Zubizarreta-Iturralde correspondence, Appendix 5, Preliminary Statement of Bolivia, Proceedings, 487-510, or Appendix 5, Memorial of Paraguay, Ibid., 797-809; Bolivia, Ministerio de Relaciones Exteriores y Culto, Documentos Relativos a la Agresión del Paraguay contra el Fortín Boliviano Vanguardia (La Paz, 1929), 89-127.

⁴ Manchego, 276; Rivarola, I, 183-190; Enrique Finot, Nuevos Aspectos de la Cuestión del Chaco (La Paz, 1931), 11-13.
London had quoted the Bolivians who were negotiating the Vickers deal as saying "that in a few more months Bolivia would make war on Paraguay." Bolivia unsuccessfully sought United States intervention against Paraguay's new fortins, Boquerón and Toledo. Argentina was greatly alarmed, and on 15 October Irigoyen offered his personal mediation. Paraguay accepted, but La Paz, Carrillo reported, merely looked with favor on the offer. Argentina would do no more without Brazil, which was reluctant to intervene. Uruguay, meanwhile, was unilaterally working to gain Bolivian approval for the international police idea. 5

Early in November, Bolivian patrols penetrated to Ca­cique Ramón, a Guarani fortin near the Mennonite colonies, and alarmed some of the settlers. Bailon Mercado, Minister to Paraguay, advised La Paz that he feared the new Guggiari Government would undertake some heroic enterprise as a sop to the public. The General Staff had gone to Concepción; cavalry, troops, and trucks were entering the Chaco, which implied a blow in the offing to inflict an insult on Bolivia and increase international interest in the problem. On 3 December, the Bolivian 5th Division was ordered to take precautions in all positions, but word did not reach iso­lated Vanguardia, which had been under surveillance of

Paraguayan cavalry. On 2 December, soldiers who were engaged in catching crows for meat had seen "República Paraguaya" inscribed on trees nearby. 6

On the morning of 5 December a few of the conscriptos were preparing coffee in the fortin, when they thought they saw a flock of ostriches in the thick brush. When they advanced, horsemen materialized. One galloped forward under a white flag. He was a Guaraní trooper! The typewritten message he gave to Lieutenant Lozada, the commander, read:

The Paraguayans knowing that you have occupied our territory, we allow you ten minutes to stack arms and be ready for us, one hundred meters south of the barracks. Otherwise we shall open fire.

From all sides Guaraní infantry was advancing. Manchego distributed the single case of ammunition, 15 to 20 rounds per man, and fired a warning shot into the air, though there was no real battle. In ten minutes Paraguay occupied the fortin, sacked it, captured two officers and nineteen men, killed five, and pursued the balance of the little garrison toward Vitriones. By evening the prisoners, less one who escaped and one who was shot, were interned at Fortín Galpón.7

6 Manchego, 277-78; Proceedings, 830-36; Finot, 25-27. Finot asserted that he was told by Francisco Cháves, Paraguayan opposition leader, that the Guggiari Government prepared the Vanguardia attack in a bipartisan consultation November, 1928 (p. 68); Rivarola, I, 198; Alberto Virreira Paccieri, Bolivia-Paraguay, 5 de Diciembre de 1928 (La Paz, 1932), 7-9.
7 Manchego, 279; Proceedings, 153-172, 1070-73.
Here indeed were shots heard round the world. What had been a little-known, and less understood, seemingly minor Latin-American dispute, suddenly made the headlines throughout the world. On 5 December, Rivarola received by wire the initial Paraguayan dispatches originating with Major Rafael Franco, commander of the 5th Infantry at Bahia Negra, who had perpetrated and executed the entire adventure without the knowledge of Asunción. Franco accused Bolivia of aggression, firing on Paraguayans, and causing violence. Rivarola at once released copies to the United States Ambassador and to the press, which put the reports onto the world wires. From Bolivia, President Siles sent a circular to all legations denouncing Paraguayan aggression against a small Bolivian fortin.  

The Bolivian General Staff on 5 December ordered the 5th Division, "Proceed energetically--take Galpón." At the moment the entire division had 520 men in the 9th "Warnes" and 13th "Quijarro" Infantry at Roboré, Puerto Suárez, and Fortin Vitriones. By 8 December, this feeble force arrived at Vanguardia, reoccupied the place, and advanced 100 men through the tall swamp grass and muck that barred the route.

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7 Manchego, 279; Proceedings, 153-172, 1070-73.
8 Rivarola, I, 202; Colonel Carlos José Fernández, La Guerra del Chaco (Buenos Aires, 1956), I, 45; Ríos, 158; Bolivia, Documentos Relativos, 1; Proceedings, 442, 837-38; New York Times, 8 December 1928, 2; Major Antonio E. González, La Guerra del Chaco (São Paulo, 1941), 31.
to Galpón. Rain intervened, raising the water level, and forcing abandonment of any counterattack in this sector.9

On 7 December, Paraguay advised La Paz that, lamenting Bolivia's violation of the status quo and wishing to remove all doubt as to her own actions and to shed light on the Altiplano-provoked military action, she had taken recourse to the Gondra Convention of 1923, Article two. The message reached La Paz on the 8th and at 1500 that afternoon Chargé d'affaires Captain Elias Ayala was given one hour to board a train. Asunción reciprocated the evening of the same day by packing Mercado off to Formosa by motorboat. Meanwhile, at Montevideo the Permanent Commission under the Gondra Pact was convened and Paraguay designated its members.10

Although Asunción was quiet, La Paz was filled for days with demonstrations and war sentiment. General Hans Kundt was recalled from abroad. Boy Scouts asked to be mobilized. Students demonstrated. Siles suspended the constitution, and the crowds screamed, "We want War!" Youths massed outside the offices of the General Staff screaming "Viva Bolivia! Muerte el Paraguay." Newspapers

fanned the belligerence of the crowd, saying that Asunción's appeal to the Gondra Pact was an attempt to prevent Bolivian vindication of her "outraged honor."11

In a circular to legations on 9 December, La Paz claimed that, wronged and her sovereignty trampled, she could not accept action under the Gondra Convention, to which she was not bound since her legislature had never voted approval. Relations had been severed and would remain so pending apologies and reparations necessary to restore the state of moral equilibrium. When this apparent ultimatum reached the Gondra Commission set up in Uruguay, its chairman, Mexican Ambassador Fortunato Vega, pointed out that Bolivia had deposited her adherence to the Convention at Santiago on 21 July 1928, and urged her to respect her international responsibilities. In reply, Elio, new Foreign Minister, heatedly retorted that his country would not be a test case for the Gondra machinery, nor would she "surrender her sacred attributes as a free and deserving people." She would not submit to a long, drawn-out commission. Better to be left isolated from the entire world!12

11 Times (London), 11 December, 15; 13 December, 14; New York Times, 9 December, 20; 10 December, 1, 2; 15 December, 5; Rivarola, I, 226. In fact, Paraguayan appeal to the pact bearing the name of her great statesman was only natural, as it was the only appropriate international machinery available in America.

12 Documentos Relativos, 14-38; Proceedings, 448-463; Política Argentina, I, 147; Rivarola, 222-23.
Then, on 14 December, after troop build-ups on the 4th Division's western Chaco front, three platoons from the 6th "Campos" Infantry attacked the Guarani Fortin Boquerón, taking the place after heavy fighting. At the same time, elements of the 8th "Ayacucho" Infantry at Cuatro Vientos overran Fortin Mariscal López, routed the garrison and killed fourteen men, four Indians, and the Lieutenant in command. In the afternoon, the Bolivians pulled back, but left the 6th Infantry in occupation of Boquerón. Bolivian reserves were called up, and on the following day an Andean bomber dropped four duds on Bahía Negra.¹³

Meanwhile, on 10 December 1928, the International Conference of American States on Conciliation and Arbitration had convened at Washington. A special committee was formed, headed by the renowned Dr. Victor Maurtua of Peru, to advise the Conference on actions which might be taken to cope with what was generally considered the most serious Latin American situation in many years. Eusébio Ayala, the Paraguayan delegate, had been instructed to cooperate in every way. Siles, saying that Bolivia expected reparations, ordered Diez de Medina, Bolivian delegate, to leave the International Conference until Paraguay came to terms. On the

following day, upon request from Secretary of State Kellogg, Diez rejoined the Conference, and Maurtua diligently continued his efforts.  

On 14 December, the Conference formally extended good offices, after ascertaining that Argentina, who was absent, would not object. Opinion in the hemisphere at this time was generally highly unfavorable to Bolivia's belligerence and her primitive demand for an "eye for an eye, a fortin for a fortin." "Bolivia's attitude thus far," the New York Times observed, "has impressed [students of the situation] as an admission of weakness in her claim to possession of the territory in dispute." Uruguay's Baltasar Brum asserted that Bolivia was morally obligated to conciliate. In Argentina, apprehension prevailed. In Chile, what little sympathy Bolivia had was destroyed by her temper. From Europe, the League of Nations exerted whatever influence it had, while individual States brought pressure to bear on the Sons of Sucre. It was generally feared that Bolivia was about to make war.  

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15 Documentos Relativos, 65-74; Proceedings, 476-480; Rivarola, 1, 228-29; The International Conference, 80; U. S., Foreign Relations, 1928, 690-93; New York Times, 11 December, 3; 12 December, 3; 13 December, 1; 14 December, 1, 22; 15 December, 1; Times (London), 15 December, 10. For correspondence of the League with Paraguay and Bolivia,
While in La Paz bands played and 40,000 persons cheered the capture of Boquerón, Paraguay was provoked to the same high pitch which had earlier characterized La Paz and led to mobilization of the Reserves. At this untimely moment, a shipload of the Vickers arms was landed at Rosario for Bolivia, fanning the flames. Asunción was filled with war preparations, and in this critical hour even the opposition press came to the support of the Government. Reinforcements were shipped north to halt what was believed to be an impending full-scale Andean assault. In Buenos Aires, however, it was believed that Boquerón would open the way for conciliation, since the Altiplano would feel itself avenged.16

On 17 December, General Patricio A. Escobar issued orders for general mobilization of the Guarani. The tiny, 3,000-man army formed a cadre for 10,000 Reserves who appeared for service, were awkwardly organized, and defensively deployed along the river with a thin screen of cavalry. Paraguay was unready for war; her new weapons were ordered but still not received, and she would easily have been annihilated. Fortunately for her, Bolivia's

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16 Rivarola, I, 214-243; Virreira Paccieri, 144-168; New York Times, 13 December, 3; 14 December, 22; 16 December, 25; 17 December, 2; 18 December, 2; Times (London), 17 December, 14; 18 December, 14; 19 December, 12.
partial mobilization also proved a failure. Due to the mani-
fest military incapability of the contenders, war did not de-
develop. 17

Bolivia now queried Chile, Argentina, Uruguay, and
Brazil as to what conciliation course to follow. Rios
Gallardo at once replied sharply, deploring that La Paz did
not resort to good offices before attacking Paraguayan for-
tins. He hoped she would immediately suspend all military
operations and meditate the disastrous consequences of war.
Yielding to strong pressures from all sides, La Paz accepted
the good offices of the International Conference on 18 De-
cember, thus dodging the Gondra Convention which would have
meant loss of face. Paraguay having already accepted, the
Maurtua committee proceeded to implement the good offices,
securing eventual agreement from both disputants on the
procedure to be followed. Each State calmed somewhat and
the crisis appeared to be under control. 18

On 31 December, the disputants designated Argentina,
Brazil, Cuba, Uruguay, and the United States as members of
the conciliation commission. Chile had been desired by

17 Fernández, I, 35-37, 45-46; Rios, 139-140; Díaz
Arguedas, História del Ejército, 29.
18 Política Argentina, I, 158-160, 162-63; U. S., For-
eign Relations, 1928, 695-97; Documentos Relativos, 62-64;
New York Times, 19 December, 1; Proceedings, 476. See also
Rivarola, I, 248-49, 254; Finot, 46-47.
Paraguay, but Diez de Medina adamantly opposed her, as a result of the tart lecture which Rios Gallardo had recently administered to La Paz. Tactfully, the Pacific power declined to serve and thus averted embarrassment. Brazil also begged off, pointing out that her treaties with both Bolivia and Paraguay over the northern Chaco were now pending before their legislatures. She could not, therefore, sit in judgment on a question in which she herself had some interest. Actually, she did not wish to act apart from Argentina, who also refused in view of her sponsorship of the (theoretically) still viable Buenos Aires Conference. With Mexico replacing Argentina, lots were drawn between Ecuador and Colombia for the last seat, and the latter was selected. 19

The protocol signed at Washington on 3 January 1929 by Eduardo Diez de Medina and Juan Vicente Ramírez, Paraguayan Chargé, was preceded by an exchange in which the Bolivian said that the commission should determine why, in spite of the 12 July 1927 Buenos Aires agreement that differences would be pacifically settled, Paraguay had attacked the Andean outpost of Vanguardia. Ramírez denied any aggression by his country. He accused Bolivia, however, of acts of

provocation in the penetrating of Paraguayan territory, not only at Vanguardia, where the Andeans fired first, but also in the invasions afterward.

The Commission would be composed of two delegates from each of the principals, one from each neutral. It should hear both sides and then determine which had disturbed the peace. Its work would end within six months, whereupon if proposals for settlement failed, a report should be made, revealing the truth of the affair. The border dispute and agreements in force were unaffected by this protocol. The High Contracting Parties reiterated their desire for juridical settlement and bound themselves to refrain from new troop concentrations at points of contact. 20

On 5 January, the International Conference of American States on Conciliation and Arbitration concluded its primary business with the General Treaty of Inter American Arbitration, which provided that all questions impracticable to diplomatic solution be adjusted by arbitration. Bolivia attached reservations excluding prior acts or issues of "exclusive jurisdiction of the State" and specified that "for submission to arbitration of a territorial controversy or dispute, the zone to which the said arbitration is to apply must be previously determined in the arbitral agreement."

Paraguay excluded "from its application questions which
directly or indirectly affect the integrity of the national
territory and are not merely questions of frontiers or
boundaries."\textsuperscript{21}

La Paz released a circular to her legations denying
Asunción's charge of counterattacks. They were to cite Bo­
livia's expressed willingness at Buenos Aires to arbitrate
a predetermined zone. Asunción's counter-circular reminded
that the proposal to which La Paz alluded deprived Paraguay
of 80 per cent of the Chaco. Elaborating on this in the
Buenos Aires press, Rivarola alleged the absolute absence
of effort of nonmilitary origin in the Bolivian Chaco.\textsuperscript{22}

Throughout January and February the press carried
alarming reports of Bolivian arms purchases and troop moves,
but Paraguayan activities were well guarded secrets. Rios
Gallardo attempted to concert with Argentina, Brazil, and
the United States to block arms delivery to the Altiplano,
but when it became clear that Washington was reluctant, and
Brazil and Irigoyen would allow their shipment, Chile de­
cided she could not be "mas popista que el Popa." In view
of a lessening of war feeling, Rios Gallardo covered his

\textsuperscript{21} The International Conference of American States,
21-29.
\textsuperscript{22} Proceedings, 485; Documentos Relativos, 83-85;
Rivarola, I, 267-277; DeBarros, 111-114.
March concession by opining that Bolivia was now peacefully inclined. The United States Department of State called in Minister Diez de Medina, who stated that Bolivian arms shipments were solely for replacement purposes. He added that his Government was willing to come to Washington for discussions with Paraguay, but if pressure were brought upon her in the form of an arms embargo, she would boycott the Conference. When, however, Assistant Secretary of State Francis White denied that the United States was attempting to fashion such an embargo, Diez de Medina was placated.  

The Conference

The Washington Conference opened with great pomp and ceremony on 13 March 1929. The United States delegate and Chairman was General Frank R. McCoy, who had just completed supervising elections in Nicaragua. Paraguay was represented by Dr. Francisco C. Cháves, the opposition leader, and Dr. Enrique Bordenave; Bolivia sent Dr. David Alvestegui and Dr. Enrique Finot, both diplomats and scholars. General Guillermo Ruprecht represented Uruguay; Dr. Raimundo Rivas, Colombia; Dr. Manuel Marquez Sterling, Cuba; and Mexico had accredited Dr. Fernando González Roa. The State Department provided an elaborate secretariat and machinery

for a First Class International Conference. The Chaco dis-
pute had "hit the big time."^24

The sessions opened slowly. From the first, the Neu­
trals displayed "a marked tendency to occupy themselves
with the fundamental question, scorning the investigation
of the case of Vanguardia," Finot wrote. Bolivia insisted
that any such project must be preceded by establishing the
ture facts and recognition of Paraguayan aggression. Ac­
cordingly, the usual memorials were presented on 4 April.25  

The Paraguayan document, largely prepared by Cecilio
Báez, former President and legal adviser to the Foreign
Ministry, asserted that Bolivian forces penetrated the Chaco
clandestinely and constructed a new fortin which was dis­
covered by patrols from Fortin Galpón. When ordered to re­
tire, the invaders opened fire and were routed in battle.
He then argued the uti possidetis, going back to Roman law
and finding a de facto foundation for the principle. After
the assertion that to fix responsibility for Vanguardia
the legitimate possession must first be decided, he re­
viewed 400 years of Paraguayan activities in the Chaco.
Paraguayan dominion existed up to the Rio Negro, he con­
tended, and Vanguardia was built south of that stream.
Therefore, the trespasser must bear full responsibility for

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24 Proceedings, 5-15; Finot, 75-78.
25 Finot, 81; Proceedings, 21.
his incursion and its consequences. In appealing to the Gondra Convention, Paraguay did not seek to justify her conduct, but to avert any future repetitions. Turning to the broader aspects, he asserted that proprietors paying taxes on their land to Asunción were in ownership west to $61^030'$ since 1885. Against this peaceful possession, Bolivia opposed military occupations and invasions commencing in 1906, a provocation which had since continued. Since Paraguay was the _de facto_ owner by virtue of physical possession and the _de jure_ owner under the possessory and true _uti possidetis_ of 1810, the Vanguardia incident was the logical result of Bolivian acts; the Altiplano was solely responsible. 26

The Preliminary Statement of Bolivia began by asking why Paraguay had attacked Vanguardia. Bolivia was pacific, and as a result had lost her seacoast and ceded vast lands. Convinced that hope of harmonious settlement was futile, she had pushed missionary and agriculture programs and military colonies into the Chaco. Finally, these peaceful enterprises encountered the Paraguayan outposts protecting foreign exploiters. Yet the contenders lived in peace until after the Buenos Aires Conference, when Paraguay prepared an aggression against Vanguardia located in the old Olliden grant, 26

as well as territory recognized as Bolivian by Brazil. The garrison had not fired first. A fortin was but a small outpost against Indians and cattle rustlers, whose defense against regular troops was impossible. Vanguardia was not defensively situated; it rested in a swampy palm grove, screened by high grass. It was defended by only forty-two men and two officers (equipped with a machine gun, .44 Mausers and 1900 rounds), but was assailed by 400 Paraguayans. A tacit status quo of peace was violated, and Bolivia demanded reparations. She proposed that prisoners be interviewed upon release, and a subcommittee created to determine exact location of the fortin. The statement concluded by suggesting that Bolivia's replacement of her obsolete military equipment had caused Paraguay to stir up sentiment against her, and to seek by means of the Gondra Convention to humiliate her before the Americas and prevent her arming.27

On 17 April Dr. Marques Sterling asked if Bolivia would entertain proposals for settlement of the fundamental issue. Two days later La Paz replied in the affirmative. Mexico and Cuba were then constituted as a subcommittee to deal

with this point. Finding progress slow, the Commission
turned also to repatriation of prisoners taken at Vanguardia
and in the Bolivian attack on Boquerón and Mariscal López. 28

General Ruprecht once observed that if Vanguardia were
north of the Rio Negro, Paraguay had indeed aggressed, and
thereupon McCoy asked the Cordillerans for the exact loca-
tion of the place. On 4 May, a small Paraguayan surveying
party, seeking to define the ubicación of Vanguardia for the
Commission, became involved in an incident when Bolivian
forces in the place fired upon them. Fortunately, there
were no new casualties, but Paraguay grew alarmed over ap-
pearance of the 13th "Quijarro" Infantry near Vanguardia
and feared that the peace would be disturbed. When the Com-
mission met in plenary session on 13 May, the suggestion
was made that both states issue categorical orders against
advances of any kind in the Bahía Negra region. The dis-
putants were then invited to submit replies to the papers
of 4 April. 29

28
Fernando González Roa, Comisión de Investigación
y Conciliación (Mexico, 1930), 34.

29
U. S., Foreign Relations, 1929, I, 846-851; Proceed-
ings, 24-33, 39-40, 46-48; Finot, 82-83, 86-87; League of
Bolivia responded by asserting that the Báez legal contentions failed because they sustained an "unjust cause." For the trespass argument to be successful, Paraguay would have had to be in possession of Vanguardia and disturbed by Bolivia, and the act of trespass would have had to occur within one year prior to appeal. Paraguay could not prove this, since Vanguardia was founded on 5 July 1927. It was Bolivia who was disturbed, for Vanguardia had never been a part of the Chaco; it was in fact in the region ceded to Bolivia by Brazil in 1903. Paraguayan laws relating to the Chaco were limited on the north by Bahia Negra. If, as the early Paraguayan military communiques alleged, she was preparing to construct an outpost and found Bolivians in occupation, then Paraguay violated the status quo. The entire well-conceived attack was planned by the Guarani War Ministry. As for Boquerón, events after 5 December were outside the scope of the Commission's powers. It had been occupied in reprisal because Asunción would not pay reparations. Bolivia admitted that in 1923 she had begun building forts

30 This date is a prevarication engaged in by the Bolivian Government to lend more legitimacy to its position. The true date, 5 September 1928 (given earlier), is taken from the writings of Bolivian officers, including Manchego who built the place.
to protect her national territory. When the Buenos Aires Conference failed to secure their removal, Paraguay resolved to do so by arms. An attack on Paraguay's right to the Chaco through conquest and possession concluded the paper. 31

Paraguay's reply to the 4 April Bolivian statement asserted that having lost her Pacific coast, Bolivia turned to Paraguay, which had possessed the Chaco since 1534, and sought a river port. Bolivia's claims in the Chaco had fluctuated and grown since 1852. When her plea failed, she resorted to military incursions, of which Vanguardia was but a single example. Paraguay had acted in accordance with the legitimate defense clause of the Act of Suspension of the Buenos Aires Conference. In appealing to the Gondra Pact, feelings of guilt were not her motivation, but rather the new antiwar spirit pervading international diplomacy. After Vanguardia, Paraguay attempted to preserve the peace and avert incidents, but Bolivia spread the conflict to the Western Front and used a war plane for the first time in the Western Hemisphere to bomb Bahia Negra. Reiterating that Vanguardia lay south of the Rio Negro, Paraguay denied that Bolivian fortins were surrounded by civilian populations or that they were aimed at rustlers and Indians; on the contrary, their single purpose was aggression against Paraguay.

31 *Proceedings*, 899-962.
The rebuttal concluded by referring to the history of the Province of Otuquis, which Bolivia had appended in evidence, but which actually supported Paraguay's contentions since José Oliden had found Paraguay in possession of both banks of the river at Olimpo and accepted that fact without protest.\(^{32}\)

On 23 May, the Commission heard the report of the Repatriation Committee which had arranged for the exchange of prisoners and the taking of their depositions, and proceeded to implement the program proposed. On the 31st, McCoy advised Bordenave and Alvestegui that the Commission desired to effect settlement of the fundamental issue, the border dispute, and asked replies.\(^{33}\)

Meanwhile, the subcommittee on this point had been meeting privately with the delegations. In a secret report, Cuba and Mexico indicated that both delegations were eager for a solution. Neither, however, would make proposals for transmittal to the other, and each attached reservations. Bolivia accepted theoretical arbitration, but preferred direct negotiation. Paraguay preferred arbitration, but would make no arrangement ceding territory to the enemy.

\(^{32}\) Proceedings, 1143-1163.

\(^{33}\) U. S., Foreign Relations, 1929, I, 851-58; Proceedings, 34-37. While the depositions of the prisoners are fascinating, they are of no real consequence to the present study. The reader may find this sidelight in the Proceedings, if interested.
Bolivia was closer to arbitration than Paraguay was to immediate settlement. The problem for the Commission would be to trace a definitive frontier, or design an arbitration zone, neither of which might deprive Bolivia of a port and "territories to the north of the Chaco" nor "affect Paraguay in her vast possession to the South." Arbitration of a zone fixed after study by the Commission seemed the most promising solution. The Commission required increased powers to offer proposals for direct settlement or, failing, to determine the arbitration zone.34

McCoy formally proposed expansion of the Conference in order to seek full settlement, and on 1 July each delegation accepted. Through the hot Washington summer, the neutrals labored diligently on this point, carrying proposals to and fro between the litigants. In line with the proposals of the Cuba-Mexico subcommittee, experts were consulted in an effort to determine bases for partition.35

Of particular note, was the report of Emerson B. Christie of the State Department which was predicated upon the least disturbance to present occupants, while assigning them "present or potential equivalent values." Examining the territory, he defined the disputed region by using the

34  González Roa, 35-40.
Paraguayan definition, even quoting Dominguez. Not until page twelve did he admit Bolivia to the Chaco, citing a 1904 map of the Bahia Negra region which had been made for her. He reviewed her needs for a port, terming Puerto Pacheco an anchorage of excellent quality. Christie asserted that population in the Chaco was Paraguayan except for military garrisons and Indians. He compared Guarani enterprises with Bolivia's lack of economic development—with the exception of "pretended" oil concessions—in her possessions west of 60°. 36

Needless to say, this report aroused the Andean delegation by its removal of the issue from the realm of "law and high ideals," and by its biased sources of information. From it, a project of two arcs was created—Bahia Negra to the Pilcomayo at 22° south, and 21° south on the Paraguay to the Pilcomayo at 61° west. The zone between was defined as contentious. Bolivia at once objected, saying that the region above Olimpo was indisputably her possession and could not be admitted to contention. There is no evidence that Paraguay found the project satisfactory. Significantly, the Andean Government had now come to the conclusion, no suitable port could be built north of Olimpo. 37

37 Finot, 93-103; Proceedings, 101.
Concluding that no direct agreement could be reached, the Neutrals worked on arbitration throughout August, while winding up their raison d'etre, the Vanguardia incident. On the 31st, McCoy transmitted a draft treaty providing for arbitration by a court of two members selected by each disputant, one of which could be their own national. These four individuals would agree upon a fifth member. All five must be citizens of the Americas. Bolivia and Paraguay should determine the litigious zone, but failing agreement in three months, the court would have a like period to fix the zone. In any case, the Hayes Zone would be excluded from arbitration and Bahia Negra reserved to Bolivia. Advocates assisted by experts could represent each state before the Court, and its decision would be final. The Court would settle all disputes incident to interpretation of the verdict and ties would be broken by the neutral member. No hostile actions would be carried out during the life of this agreement. An attached supplementary protocol extended the life of the Neutral Commission to settle differences arising until the court of arbitration was created. Ratifications would be deposited within six months.38

In her retort, Bolivia rejected arbitration without definition of the zone. She objected to reserving the Hayes

38 Proceedings, 102-07; Finot, 107; Pan-American Union, Bolivian-Paraguayan Boundary Dispute, 8-12; Politica Argentina, 1, 182-87; U. S., Foreign Relations, 1929, 1, 875-880.
Zone to Paraguay, alleging this limited the extent of La Paz's claim, without granting her a like zone, and without restricting the extent of fluvial allegations. The return of Puerto Pacheco merely "constitutes an act of reparation which should be made immediately," Finot observed, thus following the myth which made of Suarez Arana's miserable little camp of tents and Paraguayan laborers a great anchorage stolen by jealous Paraguay. 39

As could be expected, Paraguay rejected the draft because it gave Bahia Negra to Bolivia, although she was happy to note it recognized her sovereignty in the Hayes Zone. Giving Bolivia a port in advance, meant that she would also require some territory for access and protection. If merely the present or assumed needs of Bolivia dictated this prejudgment, the "requirements of Paraguay might be invoked" to make her titles effective in their entirety. Paraguay then made an important, ingenious proposal: two arbitrations, the first to select the zone in dispute on the basis of an unappealable award of reason; the second would arbitrate this zone. 40

General McCoy replied to both on 12 September


expressing pleasure that each had indicated adherence to
the principle of arbitration. He asked the disputants to
recognize that the Neutrals wished to treat them with ab-
solute equality, without prejudgments. The arbitration
proposal, made without any consideration of titles, was
offered because the two countries appeared irreconcilable.
A few changes could probably make the draft acceptable to
both. The Neutrals suggested that the Arbitral Court be
empowered to compromise the zone in dispute, and submit
their recommendations to each state. The Neutrals would,
therefore, tender their good offices for definitive solu-
tion.41

Since the life of the Commission was expiring, despite
almost desperate Paraguayan efforts to keep it in session
until final Chaco settlement was reached, a draft resolu-
tion was presented which found that coercive measures by
Paraguay at Vanguardia led to Bolivian reaction at Bo-
querrón. The disputants agreed to mutual forgiveness, re-
establishment of the "state of things" prior to 5 December
1928, and renewal of diplomatic relations. Paraguay was
to restore the buildings at Vanguardia; Bolivia, to evacuate
Boquerón, leaving it as found, without the presence of
Asunción authorities. The Commission, therefore, believed

41U. S., Foreign Relations, 1929, I, 887-891; Proceed-
ings, 115-120; Pan-American Union, Bolivian-Paraguayan
Boundary Dispute, 17-20; González Roa, 47; Política Argen-
that conciliation had been achieved and deemed fixing responsibilities unnecessary. The Paraguayans accepted this act, albeit at the last minute under pressure. Guggiari agreed that Paraguay would rebuild Vanguardia, but only if the supplementary explanations did not form part of the signed act. Uruguay was then entrusted with execution of the agreement. 42

While Paraguay was unhappy that the act of conciliation implied she was an aggressor, Bolivia was even more dissatisfied with the effort of the five neighbors and, therefore, refused to extend the life of the Commission in favor of new direct talks. The predominant opinion of the United States, Finot wrote, was that the Chaco was Paraguayan and Bolivia was entitled to only a small corner for a port. The State Department, he believed, held this view, and it was also characteristic of the Associated Press. American capital and the Mennonite colonies tended to create prejudice against Bolivia. For these reasons, the United States would never be acceptable as an arbitrator. 43


43 Finot, 73-74. Examination of contemporary newspapers supports much of this contention. Minister Kreek at Asunción was strongly biased. In 1924, for example, Roswell Barker, Chargé to Bolivia, had advised the State Department of Bolivia's "uncompromising position which would reduce Paraguayan claims to be arbitrated to territory which has long been in the full military and economic control of the latter." U. S., Foreign Relations, 1924, 287; 1929, I, 893-94.
Bolivia found consolation in the verdict, which she painted as a vindication, propagandizing to the world that Paraguay had been branded the aggressor. Although the £1,000,000 indemnity which Foreign Minister Elio had promised the country in April was not achieved, nevertheless, Bolivia was very fortunate. Her use of violence at Boquerón, Finot felt, could well have exposed her to an unfavorable decision, or even a general censure, which she could ill have afforded. In effect, he concluded, the Commission had discarded the status quo argument, "famous battle horse of Paraguayan diplomacy," by ruling against the fluvial argument founded on that principle.

In Asunción, where the public falsely believed that the Government was asleep to the Andean threat and neglecting military preparation, the Guggiari regime was in difficulties. On 12 September, martial law had been proclaimed to cope with the anticipated reaction to the act of conciliation. When the Washington verdict became known, the situation exploded. The cabinet resigned to give Guggiari a free hand with Red agitators. In the Chamber, Zubizarreta underwent a merciless interpellation, finally securing a secret session to avert publicity. The crowds were enthusiastic, however, over the new good offices held out

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Finot, 127-29, 144-151, 159-160; República de Bolivia, Boletín del Ministerio de Relaciones Exteriores, March-April, 1929, p. 45.
by the Commission, thinking it was United States-sponsored and meant that the "Colossus of the North" was coming to Paraguay's rescue. Zubizarreta informed the Chamber that if it were opposed to any arbitration, it should honestly and firmly declare the Chaco an insolvable issue.

On the Altiplano, President Siles sat on his own powder keg. Political outs charged he had provoked Vanguardia and then kept it hot in order to consolidate his grip on political power and remain in office after his term expired. Siles rapidly lashed back, arresting the Vice-President and driving former President Montes to the Chilean embassy.

The Neutrals on 2 October appealed for final settlement which would use the machinery of the Commission in case direct negotiations were unsuccessful. Uruguay, aware of Bolivian feeling, offered Montevideo as a site if Washington were not acceptable. Uruguay was rapidly moving into the vacuum in South American diplomacy created by Irigoyen's virtual retirement of Argentina from foreign affairs. The United States was hampered by the customary cries of "Yankee imperialism," and had lost some face over the Washington Conference's failure. Montevideo, as agent for effecting the 12 September conciliation, suddenly moved into the hemispheric spotlight.

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45 Ramirez, Alredor la cuestión, 225; New York Times, 13 September 1929, 1; 14 September, 6; 16 September, 1;
Attempting to conclude the conciliation, Uruguay struck a typical snag: Bolivia insisted that Vanguardia must be rebuilt as a condition for the return of Boquerón, and Paraguay was willing to commence reconstruction only at the moment her fortín was delivered. Bolivia insisted that in the act of 12 September the wording regarding restoration of Vanguardia preceded that concerning Boquerón; therefore, the one was a condition of the other. Thus she sought to clinch her victory and flaunt her "vindication." This brought about a pessimistic turn, since naturally Paraguay, her Government facing the crowds, dared not bow to such a requirement; consequently, she rejected it in December.46

To add to the tension, Bolivia, believing that Paraguay had aggressive designs, prepared an offensive for January. On the 16th, fighting broke out between patrols at Huijay (Carayá), a small outpost occupied by Paraguay near Boquerón. Military activity stepped up all along the front,

17 September, 10; 19 September, 10; 21 September, 8; 28 September, 10; 6 October, 28; 7 October, 11; 20 October 31; 27 October, III, 6.


For polemics on this question see Alberto Ulloa y Sotomayer, Habla un Maestro de Derecho Internacional (Lima, n.d.), or Ramirez, 161-206.
and on 20 January Paraguay (having obtained the Bolivian code by espionage) intercepted a wire in which General Hans Kundt, German Chief of the Bolivian General Staff, ordered the 4th Division at Fortin Muñoz to attack Fortins Ayala (Nanawa), Rojas Silva, and Cacique Ramón on 26 January; at the same time the 5th Division was to clean up the Vanguardia sector. A squadron of aircraft was leaving La Paz on 22 January. Bolivia, caught red-handed when Paraguay released the orders to the press, protested her innocence and quietly cancelled the orders. She asserted that the incident had been planned by Asunción to avoid compliance with the act of conciliation and to bring new international intervention. The United States legation at La Paz reported that the clash had been provoked by Siles for domestic political reasons, but, having failed to stimulate response, quiet was likely. 47

Finally, on 4 April, Guggiari secured a protocol entrusting Uruguay with execution of the conciliation formula. This avoided any direct acceptance of Andean demands and placed responsibility on Montevideo, which then requested Paraguay to rebuild Vanguardia under the observation of an Uruguayan officer. When it was completed, another

Uruguayan would turn it over to Bolivia at the same moment Boquerón was entrusted to his colleague. Thereafter, Ministers would be exchanged on the same day and relations restored. 48

Before any new disturbances could occur, Bolivia underwent a constitutional crisis in which Siles, attempting to hold office illegally after his term expired, was overthrown by a revolt led by General Carlos Blanco Galindo, former delegate to the Buenos Aires Conference. Well occupied at home, Bolivia's de facto Government avoided the Chaco issue. With strong hemispheric sentiment for peace, restoration of diplomatic relations and the exchange of fortins on 23 July closed a phase of the Chaco dispute. 49

The difficulty of negotiations was now critical. No Paraguayan Government dared make a direct agreement which would satisfy Bolivia's desires. La Paz asserted that the zone above Olimpo was not contentious, and on that basis she would have allowed reservation of the Hayes Zone to Paraguay. Thus the region she considered in dispute was almost double the arbitration zone of the 1887 Tamayo-Aceval treaty. The great sacrifice to the fluvial Republic

that such a concession would involve, made direct talks im-
possible, as La Paz very well knew.

Báez's argument as presented at Washington by the
Guarani again tacitly admitted the Rio Negro as the claimed
northern limit. His stress of the linear status quo was
consistent with Paraguay's obligation to defend and protect
titles to the lands she had sold in 1885. The Argentine
holders, from their strong position in the Guarani economy,
bound Paraguay to a firm position which in essence appealed
to the Anglo-Saxon principle of possession as legally ad-
missible title.
CHAPTER VII

THE NEIGHBORS—THE NONAGGRESSION PACT

Antecedents

From the Buenos Aires Conference onward, Bolivia's titles explanations fell on a world increasingly sympathetic to her small antagonist. Almost incessant, exaggerated reports of her military moves and aggressive intentions came from Chile and Argentina. In the United States, where possession is a highly regarded title to lands, it was difficult to find support for a nebulous, involved plea of colonial documents against the physical, visible occupation and exploitation of the Chaco by Paraguay. Indeed, from the Andean position, this factor rendered North America suspect while doubtlessly stimulating the intense desire of Asunción for an American settlement.¹

Having lost out in the north when Paraguay occupied Puerto Pacheco and made palpably clear during the Mujia-Moreno talks that she would retain her hold, Bolivia

¹ Daniel Antokoletz, La Cuestión del Chaco Boreal (Montevideo, 1934), 30.
attempted to flank her opponent, driving down the Pilcomayo below the Paraguayan holdings and posing a threat to nuclear Paraguay. When the front door of Arica slammed in her face with settlement of the Pacific question in 1929, Bolivia turned full force toward her back door to the sea, the Rio Paraguay. Faced with being permanently encloistered in his mountains, the Bolivian condor began to go mad with thirst for salt water.²

Leading statesmen and the man in the Asunción street alike found intolerable Bolivia’s military occupation of the western extremity of the Hayes Zone. Eusébio Ayala admitted that La Paz had a perfect legal right to contest his country’s title, but he denied her right to invade what had been adjudged to Paraguay in international arbitration. Getting the Bolivian army out and securing a reciprocal security pact were the prime aims of Paraguayan diplomacy, as well as conditions to final settlement.³ No Altiplano Government, however, dared withdraw a fortin, just as no

² This is not to imply that the Tacna-Arica settlement was the chief cause in bringing the Chaco issue to a crisis. The origins of that crisis have been shown in the preceding pages. Tacna-Arica was merely a single, relatively minor factor, which has been greatly exaggerated by journalists and others seeking simple explanations for complex political phenomena.

³ Eusébio Ayala, Ante el País, 86; Amarilla Pretes, El Paraguayan el primer concuentenario, 56-57. Ayala held that the Hayes Award tacitly extended from the headwaters of the Rio Verde due west (Bolivia asserted due south), to the Pilcomayo. Andean troop concentrations were in this doubly disputed triangle.
Paraguayan could even consider vacating Bahia Negra in Bolivia's favor. The political impasse was complete—only temporary measures to gain time and avert a military solution were diplomatically practicable.

When the Washington Conference terminated, Paraguay had favored the continued existence of the same machinery until definitive settlement was reached. Bolivia opposed this, favoring direct negotiations in deference to opinion, which was alarmed that the tentative Washington formulae were based, not on the uti possidetis of 1810, but on practical matters of geography and economics (1). Similar results were feared from a new commission sitting in the United States. 4

A formal offer of renewed good offices was tendered on 1 October 1929, which Paraguay accepted at once. Bolivia replied that the time was not propitious; however, should direct negotiations fail, recourse would again be had to the method suggested. The basis of such a commission's work must be the uti possidetis of 1810, and under no circumstances would Bolivia ever agree to the double arbitration or submit to judgment "an undetermined portion of the national territory." In the attempt to convert what had previously been recognized as Paraguayan into the disputed, or arbitration zone, she suggested that an average of the

nineteenth century treaties might be taken as the northern limit for arbitration.\textsuperscript{5} The Neutrals protested Bolivia's attitude, and on 9 January 1930 replied that they would hold themselves in readiness for the arrival of the "propitious" moment to which La Paz had referred.

Acceptance of the Neutral offer would have been taken as a token of weakness in La Paz and undermined Siles' efforts to retain power by conjuring up the apparition of a grave national emergency. When La Paz replied on 25 February, she defensively restated her position, and stipulated that no new talks could be held until the exchange of fortins had been effected.\textsuperscript{6}

After Siles' ouster, the Junta of General Carlos Blanco Galindo, in a remarkable job of preserving the constitutional processes, presided only until the 4 March 1931 inauguration of Dr. Daniel Salamanca, the compromise presidential candidate, a man universally regarded as honest. During his entire long public career, Salamanca had been on the benches of the opposition. Politically affiliated with the genuinista faction of the revindicationalist Republican Socialist party, his inauguration was not an omen of peace in troubled times. He was a gaunt, uncompromising esthetic

\textsuperscript{5} U. S., Foreign Relations, 1929, I, 905, 917, 921-23. 
widely known as a chauvinistic advocate of extreme measures against Paraguay. As Enrique Finot wrote:

Well known as were the opinions of the new President on the energetic policy that must be followed in the Chaco dispute, they patronized the fear that he would adopt measures which would oblige the country to go to war.7

With Bolivia's return to constitutional government, Zubizarreta, Paraguayan Foreign Minister, addressed the Neutrals on 20 April 1931 repeating acceptance of good offices and affirming the gravity of Andean advances in the Hayes Zone. The time had arrived to ascertain if good offices could be carried out, he observed.8

In May, an 11 April Bolivian circular appeared which denounced accusations in President Guggiari's annual message that Bolivia had created the existing unsavory de facto situation in the Chaco. The circular lodged the blame with Paraguay for not having accepted a nineteenth century treaty, seeking only a new status quo at Buenos Aires, and invading territory which belonged to Bolivia in perfect title. La Paz was obliged to direct legitimate defense.

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against this incursion. Direct talks were the only solution, with the guarantee of nonaggression in the meantime. The United States parried a proposal for secret joint action with Brazil, and conferred with the other Neutrals to prepare a reply which would consider both of these notes.

Just as this reply was being prepared, an incident occurred in Washington between Bolivian Minister Diez de Medina and Paraguayan Chargé Pablo Max Insfran. The Andean legation issued a statement on 18 June based on alarm over Paraguay's new Fortin Corrales which was farther west than some of Bolivia's fortins, the Argentine military mission contracted by Asunción, and the appearance on the upper Paraguay of two new 1,000 ton gunboats. (These were purchased by Paraguay in Italy and were the finest in the world.) Tension was increasing, Diez de Medina emphasized, at the very moment when La Paz was reducing military spending. Insfran immediately replied through the press that Bolivian economies were not due to peaceful intent but to financial difficulties, resulting from vast arms expenditures. Paraguay's gunboats were no secret and, as in all

9 Paraguay (Mensaje 1931, 31-33) was not especially provocative and in fact indicated a strong desire for arbitration. Bolivia, Memoria 1934, 19-22n; U. S., Foreign Relations, 1931, 1, 719-21.
10 Ibid., 717-18, 722.
countries, they were instruments of surveillance, not ornaments.\footnote{11}

The Neutral note was delivered on 25 June to both countries with the observation that conciliation under the 1929 formula having been effected, and both countries expressing interest in solution, new direct talks might be held at Washington, with the Neutrals standing by in case their services were desired.\footnote{12}

Before either could reply, the Insfran-Diez de Medina press release crisis progressed rapidly to a climax. Bolivia demanded that Zubizarreta repudiate his envoy to assuage her wounded "honor." This brought the retort that Insfran's statements were not amiss. Paraguay would not be intimidated. When it was plain that Asunción would not yield, La Paz—notwithstanding vigorous efforts by Argentina, the Papal Nuncio, and the United States—severed relations on 5 July, a grave setback to the cause of Peace.\footnote{13}

Again, the neighbors were thoroughly alarmed for the

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\footnote{11}{\textit{Política Argentina, I, 211-12; Diez de Medina, De un Siglo, 329; New York Times, 7 June 1931, 3; 15 June, 8; 19 June, 2; Rivarola, II, 61, 64. Armament of the gunboats was each four 120 mm., two 40 mm., and three 74 mm. anti-aircraft guns; Rios, 90.}

\footnote{12}{\textit{Política Argentina, I, 217-19; Bolivia, Memoria 1931, 14-20; Libro Blanco. No Agresión, 6-9; U. S., Foreign Relations, 1931, I, 725-29.}

\footnote{13}{U. S., Foreign Relations, 1931, I, 724, 731, 733-745; Política Argentina, I, 213-14, 225-28; Rivarola, II, 65-66; Bolivia, Memoria 1931, 5-13; Boletín, June-September 1931, 58-69; DeBarros, 122.}
peace. Brazil urged strong measures on the United States, fearing that a war would spread to other countries. Argentina's Minister, his Government working unsuccessfully for the old neutral police idea, reported that La Paz seemed disposed to drag out the Insfran incident. United States sources indicated that Salamanca resented pressure, and feared and mistrusted Neutral motives.\(^{14}\)

Bolivia replied on 24 July to the Neutral's note of 25 June; she conditionally accepted good offices, but observed that the Buenos Aires Conference had demonstrated uselessness of talks lacking a previously defined base. This could best be found through direct talks. Meanwhile, she was disposed to immediate study of a nonaggression pact. The Neutrals considered such a pact a useless waste of time, but, believing it was the only tangible thing Bolivia would discuss, they advised La Paz on 6 August that they were recommending to Paraguay her "suggestion" of a nonaggression pact. Asunción accepted study of the proposed pact on 21 August, although it seemed to her a Bolivian effort to gain recognition of advances made in violation of the status quo.\(^{15}\)

\(^{14}\) Política Argentina, I, 210; Rivarola, II, 68-70, 72; Bolivia, Memoria 1931, 23; U. S., Foreign Relations, 1931, I, 750-54.

\(^{15}\) Bolivia, Memoria 1931, 20-22; Paraguay, Mensaje 1932, 43; Libro Blanco, No Agresión, 9-14; U. S., Foreign Relations, 1931, I, 748-49.
On 3 September 1931 La Paz agreed to talks for the basis of a nonaggression pact. She declined any troop withdrawals, honestly explaining that they served as a barrier to Guarani expansionism and posed a visible evidence of Bolivian sovereignty. Orders, however, had been issued to the army against any innovations. Because of difficulty in arranging a date, and last minute fears that Bolivia would not appear, all the American Republics joined on 19 October in supporting the proposed 11 November conference.\textsuperscript{16}

Meanwhile, an armed clash occurred in early September which nearly crippled the latest diplomatic efforts. The Paraguayan garrison of Masamackly, an outpost of Fortin Nanawa, had been removed for lack of water, it being the dry season. Although covered by daily patrols, the position was expropriated on 6 September by a Bolivian patrol and renamed (ironically) Fortin Agua Rica. An effort at recapture, ordered by Lieutenant Colonel José Felix Estigarribia, failed on 25 September.\textsuperscript{17}

Fanned by the opportunistic, rabble-rousing \textit{Liga Nacional Independente}, which bleated national prostration before the cordilleran invader, students and radicals

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{17} U. S., \textit{Foreign Relations}, 1931, I, 756, 764-65; Rivarola, II, 76-77; Bolivia, \textit{Memoria 1931}, 27-28; Boletin (June-September, 1931), 69-70; Arze Quiroga, I, 66-67; Estigarribia, 9; González, 32.
\end{itemize}
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attempted to overthrow the Guggiari government in late October. The cooperation of troops of Major Rafael Franco, the ambitious author of the Vanguardia incident, was prevented by Estigarribia's timely shifting of forces. When the students were repelled with loss of life, the opposition Colorados left the legislature and forced a major crisis. The President resigned and the Vice-President took over. The Non-Aggression Pact Conference thus acquired a backdrop of extreme uncertainty in which compromise by Paraguay was politically infeasible.\textsuperscript{18}

The Conference

Although the conference opened formally on 11 November 1931 in the Hall of the Americas of the Pan-American Union, it did not actually engage in business until 9 December, when the Bolivian delegation of Diez de Medina and Enrique Finot presented a draft treaty of nonaggression. An accompanying memorandum observed that interminable debates on antecedents must be avoided; the purpose was a simple reciprocal security pact to prevent bloody incidents without affecting attributes of sovereignty. Such a treaty must be of short,

defined duration and merely serve to clear the air for final, definitive settlement of the Chaco dispute. The draft treaty mutually obligated the signatories to make no armed attack upon the effective positions of the other, and to resort to war only in exercise of legitimate self-defense. If acts of hostility should occur, immediate investigation would be made by a mixed commission whose decisions would be definitive.

The Paraguayan delegation of Juan José Soler and César A. Vasconcellos offered a counterdraft on 18 January 1932 which, as could readily be expected, provided complete Bolivian withdrawal from the Hayes Zone and all other positions occupied in violation of the linear status quo of 1907. Paraguay would make a like withdrawal from all positions established since 1907, except the Hayes Zone, but would police the Chaco east of 61°30'. Bolivia could police west of 62°. Settlement of questions arising would be by the United States Supreme Court. The modus vivendi so established would not infringe broad titles to the Chaco. An accompanying memorandum stated that a de facto situation was devoid of the security, which could come only through

20 Bolivia, Memoria 1934, 38; Libro Blanco. No Agresión, 26-27; Diez de Medina, De un Siglo, 333.
creation of a modus vivendi for the duration of the Chaco question itself. A nonaggression pact, the paper observed, could not be based on recognition of prior aggression. 21

In the light of the domestic situation in Paraguay, it is unlikely that the people and legislature would have accepted less. Incipient in both proposals was a desire to regularize a status quo: for Bolivia, that of the moment; for Paraguay, that of 1907. Purely from the standpoint of preventing hostilities, that of La Paz was perhaps the most practical, as it required no change in the existing situation and was on the order of a truce; on the other hand, the Guarani proposal attempted to secure recognition of the 1907 status quo as an indefinite, potentially permanent condition. Thus the Non-Aggression Pact Conference was experiencing little success in calming the excited disputants. The Argentine Ambassador in London reported that British firms in Paraguay were reacting to rampant rumors of impending war. Rivarola, Asunción's Minister at Buenos Aires, reported intelligence from his kinsman, Colonel Guinazú of the Argentine division at Salta, who, like President Augustín P. Justo, regarded Bolivia as a positive threat. "The war of Bolivia on Paraguay is an inevitable fact and that will be my final and definitive opinion," Rivarola informed his

21 Libro Blanco. No Agresión, 29-37; Bolivia, Memoria 1934, 41; Política Argentina, 1, 239-246.
Chancellery. Bolivia was completing her Chaco road net and building up Chaco supply centers. The ruling Liberal party of Paraguay, reflecting this information and the internal situation, made defense of the Chaco its principal election plank.\(^{22}\)

Paraguay responded to Bolivia’s sincere proposal, the Andean delegation observed in a "replica" 25 February, by twisting the project back to Paraguay’s extremist desires, making conciliatory agreement difficult. They rejected the counterproposal as in essence a settlement of the basic issue; they denied that Bolivia had invaded and occupied the Hayes Zone, affirming that region ended with the meridian of the Verde headwaters. The Paraguayan delegation immediately rejected this "replica" as couched in language offensive to their country. After threatening to end the conference immediately, they were finally persuaded by Assistant Secretary of State Francis White, the presiding officer, to consider the Bolivian document and advise when they were ready to reply.\(^{23}\)

After what the Andeans claimed was a deliberate effort to drag out and prolong the conference, the Guarani delegation on 15 April offered a lengthy, involved "duplica" to

23 Libro Blanco. No Agresión, 38; Bolivia, Memoria 1934, 42-53; Política Argentina, I, 247-261.
show that Bolivia had always recognized the Paraguayan presence west of the Rio Paraguay. Writing to Cano in 1905, Pinilla had stated that the latter's task was not to effect a quick solution, but to allay Paraguayan suspicions of an aggressive and bellicose plan on our part, a plan that has always been in the minds of all Bolivian statesmen, but whose execution required elements of communication and resources to make it effective; meanwhile we are separated from the Paraguayan coast by the immense deserts that today impede us, checking our advance. 24

From this it was clear the Cano mission cloaked military advances behind protests of peaceful intent, the same purpose with which Pinilla himself signed the 1907 protocol. The "dúplica" then sought to prove that Bolivia had recognized the status quo of 1907 as late as 1925, when Diez de Medina, then Foreign Minister, published the Pinilla-Soler Protocol in Tratados Vigentes. A 1906 Cano note referring to the Hayes Zone as a triangle was offered to refute the thesis that it terminated bluntly at the Verde headwaters instead of continuing due westward to the Pilcomayo. After additional effort to prove Bolivia's inability to contest the Hayes Award, the "dúplica" concluded, leaving a sour taste in the mouths of Finot and Diez de Medina. To save the Conference, White then proposed immediate conversations.

24 Libro Blanco. No Agresión, 102-03. For corroboration, see Arze Quiroga, I, 43; Traizos, 10.
for a nonaggression pact. Both delegations agreed to consult their Governments.  

On the Plata, Justo's Foreign Minister, Dr. Saavedra Lamas, had been working to restore diplomatic relations between the disputants. He tentatively supported the Bolivian draft pact as the more feasible, and noted that although La Paz repeatedly denied that she was contemplating war, Asunción seemed greatly alarmed. The Argentine army, however, took seriously the talk of a pending Bolivian offensive, and reports in the press reached an unprecedented volume. La Paz asserted that Paraguay was building up for an attack when the dry season came, while Asunción felt that Bolivia was sabre-rattling to support the diplomatic efforts at Washington. On 14 April the Neutrals, supported by Argentina, Brazil, Chile, and Peru— the ABCP powers— made representations at La Paz and Asunción on behalf of peace. Salamanca's government resented Argentine interference because most reports of Bolivian aggressions were from Argentina or her legation at La Paz. On 18 April, Rivarola wrote Eusébio Ayala, President-elect of Paraguay, that he had confidentially learned Paraguay would have "the decided help" of Argentina in case of war, albeit "debajo del pancho."
The delegations met at Washington on 22 April 1932 with Mr. White suggesting that they draft articles of the proposed pact. As no agreement was possible, White himself was asked to prepare a draft. Finot proposed inclusion of articles on arbitration and resumption of relations (to which Soler and Vasconcellos agreed), and recommended that White confer with the delegations individually. In almost daily meetings, Mr. White filled the unenviable role of middleman, hammering out a draft, and seeking to allay passions. Not until much later did he discover that the Paraguayan delegation had collaborated merely to secure a rough, working draft, parts of which were in fact unacceptable to them from the beginning, especially since Bolivian withdrawal from the zone of the 1907 status quo was not mentioned.27

The White draft of the Non-Aggression Pact, 6 May 1932, provided peaceful settlement of differences, resumption of

7 April, 9; 10 April, 15; 12 April, 2; 17 April, 7; 21 April, 4; U. S., Foreign Relations, 1932, V, 136, 139. Significantly, Chile, Bolivia's old antagonist, was drawing nearer to her due to depression economics and a change in government. Therefore, the flow of anti-Bolivian reports that once emanated from Santiago declined to a trickle. 27

The interesting facts on this episode are found in an exchange of letters between White and Soler, 27 and 28 July and 4 August 1932. U. S., Foreign Relations, 1932, V, 41-44, 53-55.
relations, and direct negotiations within six months. If unsuccessful within two years, an arbitration agreement on all points outstanding would be concluded. An international mixed commission to settle incidents which might arise would sit in Buenos Aires during the two and one-half year life of the pact. As a preparatory step, incidents would be investigated by civilian commissions from each side. No troop advances, mobilizations, or concentrations were to occur in the Chaco, and patrols meeting each other were to withdraw immediately five kilometers toward their respective bases. The pact would not affect the respective rights or treaties in force. Article five provided that neither litigant would advance his existing extreme positions (which were to be enumerated in the final copy); these, however, being mentioned only in the interests of peace and constituting no recognition of rights in favor of either. 28

Paraguayan Foreign Minister Higinio Arbo replied on 2 June that his Government was disposed to sign a treaty which included effective security guarantees, such as mandatory troop reductions. If a separate treaty of double arbitration were signed at the same time, Asunción could even accept the draft virtually as it stood. Bolivia, however, he observed, barred arbitration, hoping to gain the bulk of the

28 Ibid., 8-13; Libro Blanco. No Agresión, 160-65; Bolivia, Memoria 1934, 55-58.
Chaco through prior agreement, leaving only a small Paraguay-held zone to the tribunal. As for Article five, this actually jeopardized the peace in that Bolivia will endeavor, with a mere announcement of agreement on this point, to advance her positions following her policy of desiring to seize by military occupation the territory which is in dispute.29

The clear foresight of Dr. Arbo is borne out by the fact that within two weeks the Chaco War was commenced by Bolivia through exactly the method he foretold. Even as he wrote, Bolivian troops were already marching to a rendezvous with Mars.

On the Altiplano, Dr. Daniel Salamanca convened his cabinet to prepare amendment to the draft which would provide prior definition of any arbitration zone, abolish the stipulation of five-kilometer withdrawal, and assure complete freedom of activity behind the advanced position lines. The United States Minister was informed that a reply "could be sent within the next ten days."30 Actually, Salamanca was procrastinating in order to gain time for a military move already under way which was to start the long-impending war. His desire for complete liberty behind the lines of advanced positions was in effect the creation of a new linear status quo, but in this case, one to Bolivia's liking.

30 Ibid., 18; New York Times, 1 June 1932, 5.
Time was running out on the Non-Aggression Pact Conference. It had moved at a very leisurely pace, the State Department feeling that the disputants could not be hurried and that only extreme patience could bring them to agreement. The history of the Chaco dispute supports this belief. But while Bolivia was seeking time to complete a military program, Paraguay wished to keep the conference in session as long as possible in the hope that it would act as a restraining influence and prevent war by compelling the perpetrator of any new incidents to come to terms. The impotence later revealed by the Neutrals, however, shattered these hopes and was a major factor in the consummation of all-out war.

Paraguay was primarily concerned with security, which to her meant the absolute, definitive removal of Bolivian armed forces from their existing line of fortins and the Hayes Zone as defined by Asunción. Bolivia sincerely desired a simple truce from clashes. The conference itself was most desired by Asunció, whereas Bolivia required the goading of international pressure even to appear. Her grave economic problems caused by a drop in tin prices might have made her bellicose elements amenable to temporary relaxation in tension; however, the need to distract from such cares, establish the genuinista party in power, and implement Bolivia's claims, impelled President Salamanca to a forceful program in the Chaco. The result was war.
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CHAPTER VIII
THE ISSUE MATURES

Military Preparations

On the eve of conflict, standing forces and war potential appeared to favor Bolivia. Her modern army, dating from the first presidency of Montes, rested on obligatory military service and an officer corps trained largely at home by foreign military missions. In 1905 a French mission began modernization of the army, but was succeeded in 1911 by a German mission headed by Colonel Hans Kundt, a man destined for a large role in Bolivian history. Serving as Chief of the General Staff 1911-1914, 1921-1926, and 1929-1930, Kundt brought German regulations to the Altiplano and created an awesome force feared in many quarters as a threat to peace in the hemisphere. When General of the Army John J. Pershing heard Diez de Medina expounding Bolivia's military prowess, he allegedly trembled for the safety of the United States! ¹

The Bolivian army, as an instrument in support of the State's policy, pushed down the Pilcomayo, as has been shown, building forts. In 1922-1923, during the civil war in Paraguay, activity was extensive along the Esteros. When in 1927 the line of Paraguayan forts based on Nanawa, a former Anglican mission, was encountered by exploratory patrols, the Bolivians turned northward. Lack of water had previously held them close to the river, but now with rugged determination they moved north through the strange waterless jungle forest, following a few unexcelled trail blazers. In 1929, Arce was founded, a main hub from which smaller outposts were fanned eastward and ever northward, probing Paraguayan positions and leading to numerous minor clashes. The whole network stemmed from Muñoz, headquarters of the 4th Division. It had crude communications through Ballivián to Villa Montes at the western extremity of the Chaco, but was supplied from Argentina.²

It could not have been expected that Paraguay, lacking the relatively vast economic base of her antagonist, and with less than a million people, would be able to match Bolivia in the field. That, in her poverty, she could pay $1,730,733 for arms from 1926 to 1932 is a standing tribute to one of her greatest statesmen, Dr. Eligio Ayala, President

² Moscoso, 29; Arze Quiroga, II, 41; Fernández, II, 56.
from 1924-1928, thence Finance Minister until his death in 1931. As chief executive, Eligio Ayala encouraged explorations of the unknown Chaco by General Belaieff, a Czarist officer who had served with Wrangel. Lieutenant Colonel José F. Estigarribia, Ayala's friend and close associate, also participated in this work. He set himself apart from his colleagues by firsthand knowledge of the Chaco, unusual except among the few conscriptos and lieutenants who garrisoned the scattered outposts.

The thin line of troops, never more than a few hundred, was intended to protect Paraguay's Chaco industry and development. True, as Bolivia charged, most Paraguayan enterprise was in the hands of firms with Argentine, United States, and British capital exploiting quebracho or raising cattle. But Paraguay, in her poverty, could not develop her own lands, and cooperation with such companies was decidedly in her interest. A third of her revenues and most of her foreign exchange came from the Chaco. Such significant holdings required military protection, especially when the pressure of Bolivia became strong. Against Guarani protection of civil establishments, Bolivia advanced militarily, her civil activity being mainly in support of the army

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3 Rios, 129; Estigarribia, 6; Justo Pastor Benítez, Bajo el signo de Marte (Montevideo, 1934), 17, 118.
4 Rivarola, II, 111.
charged with civilizing and incorporating the Chaco.

Dr. Daniel Salamanca, new President of Bolivia, had many times pondered his country's adverse geography—her nucleus on the Altiplano, dependent upon a mineral-based economy, while the lowlands stagnated for lack of markets. Bolivia's neighbors reached her lowlands ahead of her and appropriated them, dismembering her from the Pacific and the Atlantic. All that now remained were rights in the Chaco to an outlet through the Plata. Here, too, Bolivia's diplomatic efforts to achieve possession of what was her own were resisted by geographically-favored Paraguay, who moved with impunity since La Paz was far away, isolated in the clouds. Feeble Andean efforts to establish communications failed dismally.  

Salamanca resolved in March, 1931, to accord the Chaco the full devotion which its importance to the oriental merited. There "existed in the Government no desire to provoke war" when it proposed "to extend and consolidate the Bolivian possession to all the territory not yet occupied by Paraguay." Although after the Rojas Silvas incident, Salamanca had called for expenditures of $14,000,000 borrowed in the United States on Chaco penetrations, he was less guerrista in power than out; the new project was

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Arze Quiroga, I, 39-41; Pinot, Nueva Historia, 372.
financed by funds from Simón Patiño, the tin king, and based upon the ancient need for roads.

On 13 April 1931, a month after Salamanca's inauguration, the General Staff sought approval for the link-up of the Pilcomayo fortins with the Oriente; that is, Puerto Suarez-Roboré, where the 3rd and 5th Divisions, each with a pitiful handful of men, were quartered. A solid barrier would be forged across the Chaco against Paraguay, whose cries of righteous indignation kept Bolivia on the diplomatic defensive and cloaked Guarani expansion. On 2 May, the General Staff revealed its plan for Chaco penetration. This was predicated on the belief that the importance of the Pilcomayo sector had been exaggerated. Bolivia's numerical superiority there was contained by a screening of heavy Paraguayan patrols. These diverted attention from the Toledo sector, where the Guarani pushed westward from the Mennonite colonies, hoping to flank the Bolivian first line terminating at Castillo, a dependency of Fortin Arce. Penetration should drive east from Ballivián to Arce, then north as watering places for men, cattle, and cavalry horses were found available. From Carandaití and the Parapetí, roads should be directed toward the same objective. To

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6 Arze Quiroga, I, il; Rios, 156. Siles had also been interested in Chaco penetration and colonization, it will be recalled. Bolivia, Memoria de Ministerio de Guerra, 1930, 25.
cut off Corrales—the new, most westerly Paraguayan fortin (northwest of Arce)—a road must be built across its rear.\(^7\)

In July, an expedition under Lieutenant Colonel Angel Ayoroa and Lieutenant German Busch set out from Roboró to explore southward. The general objective was reincorporation of the Zamucos region, following the same route which the Jesuits had used two centuries before. All during the dry season of 1931 the Bolivians toiled—exploring, building forts and roads, and glorying in the arduous, exciting task which was theirs. On the site of ancient San Ignacio de Zamucos at 20°S. they erected Fortin Ingavi.\(^8\)

In a secret resolution 17 October 1931, the Bolivian Chamber called upon the executive to "avoid if possible signing a pact of nonaggression with Paraguay." If this were not possible, "the pact that is signed," the Deputies resolved, "must make no zone line or prescription of immobilization of our armed frontiers in the Chaco." Consequently, the only object of entering the conference at Washington was "to gain time to complete the preparation" on which the army had been engaged. In effect, Congress had endorsed the program of the General Staff and the

\(^7\) Moscoso, 35; Arze Quiroga, I, 81, 83-99.

\(^8\) Ibid., 25-26n, 101-103, 109-133.
President, joining them in full responsibility for the ultimate results.  

General Filiberto Osorio Telles, Chief of the General Staff, reported to Salamanca on 29 October 1931 on progress of the pacific penetration. After mentioning the numerous, unpublished clashes which had occurred since 1930, he cited the grave danger in the Central and Northern Chaco where "the limits of our rights ... are more doubtful and undefined than in the Southeast." (Having been Foreign Minister during the rule of the Junta, Osorio understood the titles and diplomacy of his country.) In those less known sectors, Paraguay must be confined, he continued, mentioning the expedition of Belaieff as proof that Paraguay planned advances in the North Central region. Possibly she even suspected Bolivia's latest moves in the Zamucos area further north.

With the knowledge gained from the activity of the dry season, the General Staff prepared its "General Plan for Penetration of the Chaco" (dated 15 January 1932). This document proposed, by de facto occupation of the Chaco Boreal, (1) to strengthen Bolivia's juridical position, (2) contain Paraguayan advances, and (3) gain positions favorable for

9 Ovidio Urioste, La Encrucijada (Cochabamba, 1941), 19, 172-73.
10 See below, p. 221.
11 Arze Quiroga, I, 71-72.
future arbitral or military solutions. Once theoretical rights were thus guaranteed, Bolivia's political and defensive position would be strong. Occupation would open the way for development and civilian enterprise, giving the army something at its back besides empty desert.

The penetration would remedy existing severe limitations on military possibilities by expanding the theatre of operations; the 4th Division moving up through Fortin Camacho to meet the 3rd and 5th would create a new central sector. When strategic transport could be rapid and certain, and the three divisions linked, a precise "plan of operations for a war against Paraguay" could be prepared. The new road network would create a base behind the center, where strategic and tactical reserves could be concentrated for shifts to either side. This would attract the center of gravity, gaining the strategic initiative.

Concealing activity from the enemy was imperative, since a thrust by him while the army was devoted to this work would be ruinous, especially in the center. Link-up would be prevented and Paraguay would bring superior forces to bear. Therefore, "imprudent provocations, premature aggressions or advance suspicions" had to be avoided. In case of a Paraguayan reaction, the 4th Division would hold
itself ready for a drive against the Guarani salient of Boquerón--Huijay--Toledo--Corrales.

"If diplomacy directs a premature arbitration of law," it would find Bolivia in de facto possession of "the major terrain in controversy" and in an excellent juridical position. Such possession would counterbalance that of Paraguay, a "factor of insuperable moral force," and greatly limit the arbitral zone. "Our inferiority, in this sense, presently is very manifest," the plan admitted. Once completed, the penetration would favor Puerto Pacheco-Olimpo as the next objectives, either by envelopment or concentrated pressure. The plan symbolized the fervor of the "visionary Captain General" Salamanca, Osorio concluded. 12

While Bolivia had made well-publicized arms contracts in England, and supposedly maintained numerous and powerful Chaco forces, Paraguay's activities were little known and assumed to be negligible. This was in fact a skillfully fostered illusion. The Liberal governments of Eligio Ayala and José P. Guggiari actually devoted 60 per cent of their revenue to preparation for the reckoning with Bolivia. This included arms purchases, domestic military expenditures, service on the small but ruinous foreign debt contracted after the War of the Triple Alliance, and the creation of a small hard currency and gold reserve. Few Paraguayans knew

12 Ibid., 135-173.
of the secret preparations, for it was feared that either Bolivia would pounce before Asunción was ready, or that the pacifistic influences in the world would release adverse propaganda against her. Consequently, troops in the Chaco had strict orders to avoid incidents which might provoke war prematurely. This policy motivated charges that the Government neglected defense, and led to Franco's blunder in assaulting Vanguardia. But the Guarani strategy worked, for Bolivians read the Asunción press and accepted its charges of unpreparedness.  

In July, 1924, secret plans were prepared for a new 4,000-man standing army as cadre for a contemplated mobilized force of 24,000-30,000. In 1925, a proposal for four combat groups of 5,000 men each, with integral artillery, aircraft, and cavalry, was outlined by General Manlio Schenoni Lugo and accepted by Eligio Ayala. Arms for this establishment were ordered in Europe by Eusébio Ayala, then Minister to the United States, and by General Schenoni himself. The Rojas Silva incident caused frantic pleas to hasten delivery of over 10,000 Mauser rifles and carbines.  

Arms contracts let in 1926-1927 in Europe exceeded $2,000,000 and included all types of equipment. In 1929,  

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13 Rios, 8, 12-14, 70, 134; Paraguay, Mensaje 1931, 7; Benitez, Bajo el signo, 19; Artaza, 13.  
7,000 Belgian Mausers and 200 Madsen automatic rifles were obtained. The two gunboats were contracted in Genoa in July, 1928, at a cost of £300,000. Guggiari also overrode army opposition in 1929 and ordered 24 Stokes-Brandt mortars.  

After Vanguardia, the country lived "in a climate of war." A flight of gold to Argentina began and commerce declined because businessmen, ignorant of preparations, were sure that Bolivia would overrun their country. The opposition, whether well-meaning or opportunistic, continually made governing difficult for those working to prepare the country. Paraguay, unlike Bolivia, had no credit abroad because of (1) the oppressive 1870 loans which Ayala was now trying to pay off at $5,000 per month, (2) the war debt from the War of the Triple Alliance still held over her by Argentina and Brazil, and (3) domestic anarchy which made her a poor risk. In addition, in this pauper's land there was no prospect of a domestic loan.  

Select Paraguayan officers studied in the best war colleges of Europe. From 1926 to 1930, a French mission instructed the infantry, revised military regulations, developed the Paraguayan artillery, and provided training in

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15 Rios, 63-68, 85-86, 98, 397-402, 405-08, 433-38; Arze Quiroga, II, 47-50, 75-82; Fernández, I, 39-40.  
16 Rios, 105, 140-45, 220; Artaza, 30.
fortifications and defensive tactics as learned at Verdun. It was followed in early 1931 by an Argentine mission obtained to create a war college. 17

**Pitiantuta**

In December, 1930, an Indian cacique reported that ten raiders had come to Laguna Pitiantuta, a fabled lake known only to the savages, and had returned in the direction of the Bolivian fortins. On 24 December, Estigarribia requested authority from the War Ministry to occupy the lake, which he believed to be of capital military importance. A few days later, General Belaieff, the incomparable Russian, set out from Puerto Casado with a small exploration party. In the afternoon of 13 March 1931, Belaieff became the first white man to reach Pitiantuta, a unique five-by-two-kilometer body of water in a desert region, covered with aquatic vegetation and host to flocks of waterfowl. In July, a platoon under Major Rogelio Bordón founded Fortin Carlos Antonio López on the east shore of Pitiantuta. By October, 1931, as mentioned earlier, Osorio knew of the Belaieff expedition, but apparently was not aware that a fortin had been built. 18

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17 Ríos, 105; Fernández, I, 34; Paraguay, Mensaje 1931, 123-24; Arze Quiroga, II, 150-51.
18 Fernández, I, 68-71; Moscoso, 57; Colonel Julio Díaz Arguedas, Los Elegidos de Gloria (La Paz, 1937), 19.
In January, 1932, Bolivia began employing aircraft to support the penetration program. From the north, Lieutenant Colonel Felipe Rivera reported a new Paraguayan fortin (Bogado) in the Zamucos region. On 25 February, the General Staff warned the 4th Division against premature work on the road north from Camacho, last of the new fortins, for fear of discovery. On 24 April, Majors Oscar Moscoso and Jorge Jordán flew over Laguna Chuquisaca (Pitiantuta), observing buildings on the northeast shore which appeared to be deserted. 19

On 3 May 1932, the General Staff directed the 4th Division to entrust occupation of the lake to Moscoso. His instructions were not clear, but there were standing orders to avoid any friction which might jeopardize the success of the great penetration in progress. Salamanca personally endorsed Moscoso's mission to clear up the enigma of the buildings. He did not wish war, but foolishly believed that the road network could be completed, with Paraguay limiting herself to diplomatic protest. A large wall map in the Cartographic Office of the General Staff portrayed in red lines the daily advance of the penetration routes—crawling vipers with the venom of war in their heads. War became inevitable when on 21 May, in direct response to the

19 Arze Quiroga, I, 175-211, 217-220, 242; Moscoso, 44.
incentive of Article five of the White draft, General Osorio wired the 4th Division that the Neutrals were pressing for prompt and precise designations of the most advanced positions. Consequently, occupation of Laguna Chuquisaca, golden spike in the link-up of the 3rd and 4th Divisions, was diplomatically urgent and must be accomplished "before the end of the month." 20

Moscoso, already well on his way, received this order on 3 June and immediately accelerated the advance of his eighteen men. Late in the afternoon of 14 June 1932 they reached the lake and, after many days spent in crossing waterless wastes, its sight was undoubtedly thrilling. Carefully skirting the shore, Moscoso was able to watch from a treetop the Paraguayan soldiers swimming along the eastern edge. His orders were "occupy," not merely observe or explore; Moscoso had been left with full initiative. He resolved to capture the Guarani post by surprise just before dawn. Unfortunately for his country, at 0530 hours 15 June the six Paraguayan soldiers were awake preparing breakfast, and at the first sign of danger fled into the brush and escaped! The Bolivian aggression was not long a secret. On 18 June, five of the men reached their parent 2nd Cavalry and their report was immediately on its

20 Arze Quiroga, I, 236, 243; Moscoso, 49; General Angel Rodriguez, Autopsia de una Guerra (Santiago, 1940), 20-21.
way to the headquarters of Estigarribia's 1st Division. 21

Moscoso reported, 16 June, on his actions and requested reinforcements to prevent Paraguayan recapture of the very valuable prize. Since diplomatic protests would surely result, he suggested saying a Bolivian fortin at Laguna Chuquisaca (Pitiuntuta), abandoned because of the seasonal floods, had been occupied by the Paraguayans. On 17 June, Salamanca, who had recognized that the Guarani fortin should not be disturbed, ordered Moscoso to depart Fortin Carlos Antonio López. Osorio and Colonel Enrique Peñaranda Castillo, acting 4th Division commander, insisted that Bolivia could not afford to evacuate the lake (the only water within 75 kilometers), but should build a new fortin on its west shore. Osorio ordered Moscoso to that side and Peñaranda, who actually did not relay the order until after 29 June, reiterated that Moscoso was now on the west bank, and on 25 June he reported the position reinforced. 22

In early July, Osorio asserted that historical, economic, and vital necessities required an outlet on the Rio Paraguay. Retention of Laguna Chuquisaca was of immense strategic importance, since it signified the possibility of

21 Fernández, I, 74-77; Arze Quiroga, I, 45, 281; Moscoso, 53-60; Colonel Aquiles Vergara Vicuña, História de la Guerra del Chaco. 7 vols. (La Paz, 1941-45), I, 7.

22 Arze Quiroga, I, 46, 257-59, 279-281, 311-17; Vergara Vicuña, I, 22.
reaching the river. The lake's waters suggested an agricultural colony to consolidate Bolivian dominion. It was the last link in the chain that would seal off Guarani expansion. To "prepare for an immediate solution to this problem which has consumed the energies of the nation for a half-century," Osorio asked 10,000,000 bolivianos in cash.

Salamanca replied that in the over-all Chaco problem, military considerations were important, but other factors must not be forgotten. Holding the lake could be disastrous for the Bolivian cause abroad. It could interrupt the Non-Aggression Conference and bring on war or disadvantageous international pressure. "For my part, as you know Sr. General," he wrote, "I have inclined to the solution counseled by prudence," avoiding an international complication which could "compromise the fruit of our toil and bring us to a solution imposed by force, with the consequent humiliation of our dignity." Further, Bolivia could not limit her goal to mere acquisition of a port. This restricting of objective, the result of fifty years of impotence, had convinced the world that Bolivia simply needed an anchorage, whereas Paraguay required territory. This belief made extremely difficult posing the question in the form of reincorporating all the Chaco to Altiplano dominion.
Haste could not accomplish the latter; much time would be required.²³

The hour for advising prudence had nearly passed, however. Bolivia had set in motion events which would cost her more of the Chaco than she had ever dreamed, drain her treasure, destroy her political system, and bring her to the most humiliating experience of her entire unhappy life. Pitiantuta, Colonel Díaz Arguedas wrote, was "the Bolivian Sarajevo, initiating the march of the apocalyptic horseman who commenced thereafter to gallop in the far horizons of the Chaco."²⁴

Diplomatic solution had failed for half a century—failed not because of bad faith, but because of an inability to achieve a workable compromise. The reasons for this failure are complex. The influence of domestic politics and the belief on each side that procrastination would lead at some future time to a more favorable settlement; the willingness of important political segments to contemplate military solutions; and the determination of each side to

²³ Arze Quiroga, 321-24; Díaz Arguedas, Los Elegidos, 11, 19. "Tell your friends, the Paraguayans," Salamanca was once quoted as saying, "that the moment would be profitable to arrange the question, that today we ask more than before and that later, we will ask more than today," Rivarola, II, 158.

²⁴ Díaz Arguedas, Los Elegidos, 21; Como fue derrocado el hombre simbolo (La Paz, 1957), ii. (Cited hereafter as El hombre simbolo.)
possess and defend the Chaco—these were principal causes of the bankruptcy of diplomacy.

Far too much has been written ascribing the war to irrational economic causes. Most of these charges first appeared in the cheap paper works of Communists and gained acceptance among many who should have known better. The only significant economic factors were the position of the Chaco in Paraguay's economy, making its loss unbearable, and the desire of Bolivia to complement her economy with a fluvial outlet. There were no other noteworthy economic considerations in the origins of the Chaco War. The coincidence of the war and the world depression was a happenstance. The dispute was near ignition well before late 1929. Backward Paraguay's citizens were too far removed from international trade and finance to notice the depression. Salamanca was following a conservative fiscal policy to cope with the severe loss of revenue occasioned by the collapse of tin prices, and the prospect of war expenses was alien to his financial program.

Succinctly, the Chaco War occurred when failure of

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Typical of these words are: Elio M. A. Colle, El drama del Paraguay (Buenos Aires, 1935); Tristan Marof, La tragedia del Altiplano (Buenos Aires, 1934; but note also Roberto Hinojosa, El Condor Encadenado (Monterey, 1941). The best summary of legitimate economic factors is Ronald Stuart Kain, "Behind the Chaco War," Current History, XII, 468-474.
PITIANTUTA
Escala 1:10,000
diplomacy to achieve proud national objectives led to a willingness of each disputant to entrust the issue to military solution.

The Crisis

When news of Bolivia's seizure of Fortin Carlos Antonio López reached Estigarribia, he issued orders for a reconnaissance in force to Pítiantuta. An initial probing attack on 29 June by 100 Guarani revealed Moscoso in the Paraguayan fortin with superior forces. A prisoner divulged the Andean penetration plan and Pítiantuta's importance to Bolivia. The Paraguayan commander then pulled back 20 kilometers and sent his report to Estigarribia, who directed him to maintain his position, and ordered the Palacios battalion of the 2nd Infantry, equipped with a Stokes-Brandt mortar, to recoup Pítiantuta at whatever sacrifice.26

Moscoso's immediate report of the 29 June Guarani attack reached La Paz on 2 July. The following day he finally received the instructions to go to the west shore but, after burning the Paraguayan fortin, moved instead to the extreme northeast shore, where he constructed Fortin Mariscal Santa Cruz in an island of trees27 which afforded a good field of

26 Fernández, I, 77-82; Natalicio Olmedo, Pítiantuta (Asunción, 1933), 12-25; Estigarribia, 17.
27 A clump of trees surrounded by open terrain was called an "island." The term appears hereafter.
fire. The west bank was far removed from water in the dry season, and Moscoso determined not to take up any position which would leave the east shore beyond the range of Bolivian fire. On 5 July, after Salamanca directed withdrawal unless strong enough to hold the lake, the General Staff ordered Moscoso reinforced. 28

On the sixth, Paraguay informed the Neutrals that on 15 June, without provocation, Fortin Carlos Antonio López had fallen to Andean aggression. Guggiari confided to Wheeler, United States Minister at Asunción, that news of the incident had been suppressed until verified on 29 June. Domestic opinion would tolerate no further talks with the aggressor and, therefore, the Paraguayan delegation was being ordered out of the Non-Aggression Pact Conference. Secretary of State Stimson, who subscribed to the erroneous Bolivian asseveration that Paraguay had created the incident to avoid signing the Non-Aggression Pact, began diligent efforts to keep her in the conference. After a lengthy meeting on 11 July, the Neutrals wired Asunción requesting data for an investigation, and pleading for the delegation's return so that the incident could be settled. 29

Foreign Minister Arbo's reply (15 July) reiterated his Government's intentions to depart the conference. He knew La Paz's report alleged that a party in search of water had found a deserted Guarani post on the east shore of the lake, whereupon they withdrew to the west side, and were there attacked on 29 June by Paraguayan troops. This prevarication suggested that Bolivia was up to new adventures, and made talks with her undignified.  

On 15 July, Captain Abdon Palacios struck Moscoso with 388 men. Getting to the well-prepared enemy defenses, manned by 170 Andeans, required hacking through thick woods, delaying the Paraguayan advance. On 16 July, however, the attack was pressed home. The Bolivians, many of whom were green troops, were demoralized by the mortar, a weapon alien to them, which they mistook for long-range artillery due to the trajectory of the descending shells. They, therefore, assumed that the main Paraguayan army was near and panicked. Moscoso attempted to surrender himself, thought better of it, and abandoned his fortin when flight of the troops made its retention impossible.

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30 Libro Blanco. No Agresión, 175-77; U. S., Foreign Relations, 1933, VII, 29-31; Rívarola, II, 120-21. Actually the Bolivian falsehood was unwitting and based on Peñaranda's falsely informing La Paz that Moscoso was on the west shore. Salamanca held the army fully responsible for misinforming him and provoking war. Arze Quiroga, I, 346.

31 Arze Quiroga, I, 293-309; Fernández, I, 83-86; Olmedo, 28-50; Moscoso, 61-71; Vergara Vicuña, I, 22-29.
The Neutrals reminded Paraguay on 18 July that her withdrawal would prevent investigation of Pitiantuta just when the Bolivian delegation expected new data. The next day, however, La Paz released a circular accusing Paraguay of new aggression and asserting that in the absence of an agreement to the contrary, Andean forces had a perfect right to be at Pitiantuta. Meanwhile, war fever rose in both Asunción and La Paz; but Wheeler reported to Stimson (19 July) that Guggiari assured him the recapture of Pitiantuta satisfied Paraguay, and she would take no further actions unless Bolivia launched fresh aggressions. Her delegates would remain in Washington. The Neutrals promptly solicited suspension of all military activity on both sides.  

On 18 July, the Bolivian 4th Division, which included only 1,457 men, had reported to La Paz the loss of Fortin Mariscal Santa Cruz. To Daniel Salamanca, flight in the face of the enemy compromised Bolivia and required vindication of her honor—reprisals must be taken immediately. General Carlos Quintanilla Quiroga was called from Oruro, and conferred with Osorio and Colonel Francisco Peña, able commander of the 4th Division, who was convalescing in La Paz from an appendectomy. The officers opposed immediate

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reprisals, "as very dangerous for the small army of the SE [sic] given its few effectives," transport, and reinforcements. Salamanca harshly overruled them, for the national dignity demanded capture of Corrales and Toledo. Advance should continue until seriously opposed. The 1st through 5th Divisions were declared "in campaign" 20 July by secret decree: the 4th was ordered to take precautions for possible Paraguayan counterattack, and also to prepare to seize Nanawa; the 3rd with its mere 700 men was placed on the defensive, link-up with the 4th being impossible with Paraguay in possession of Pitiantuta. 33

Paraguay began preparing for any exigency. Her army stood at only 4,100, the planned cadre strength. Estigarribia, who believed that Bolivian mobilization would require three months, called for immediate reinforcement and rapid general mobilization in hopes of gaining an advantage by initiating operations before Bolivian columns could converge. The Government responded realistically, calling up reserves and "putting the people in arms." All medical personnel in Paraguay were mobilized. Exiles were invited to return, and opposition leaders to confer with Guggiari. To acquire urgently-needed supplies, Rivarola was authorized to approach the Argentine Government. The Foreign Minister,

Dr. Saavedra Lamas, strongly opposed this compromise of Argentine neutrality. Rivarola, however, went behind his back to President Justo, who referred him to Captain Cásal and Colonel Rodríguez, the Navy and War Ministers, for the desired equipment.\(^{34}\)

On 22 July, Guggiari appointed General Manuel Rojas Commander in Chief. Rojas was ignorant of the Chaco, in poor health, and dedicated to the school which held that the war should be fought defensively along the west bank of the Rio Paraguay, abandoning the Chaco to the enemy and hoping to defeat him when he had overextended his supply lines. Estigarribia, together with Chief of the General Staff Lieutenant Colonel Juan B. Ayala, familiar of the Chaco, held that "the defense should go to the encounter at the greatest possible distance from the river," and thus thwart the enemy offensive far inland before it could fully develop. Nonetheless, Rojas ordered Palacios out of Pitiantuta 24 July, leaving only an outpost instructed to retire in the face of superior forces.\(^{35}\)

To the Neutrals, La Paz stated on 24 July that she

\(^{34}\) Rivarola, II, 160-67; Fernández, I, 38; Estigarribia, 19; Benítez, Bajo el signo, 70; Lieutenant Colonel Cándido A. Vasconsellos, Guerra Paraguay-Bolivia. Mis memoria de la sanidad en campaña (Asunción, 1942), 18-19; República del Paraguay, Ejército, Guerra del Chaco. Los partes del conductor (Asunción, 1950), 5. Cited hereafter as Partes del conductor. New York Times, 2 August 1932, 1; 3 August, 4; 4 August, 9.

\(^{35}\) Estigarribia, 20-22; González, 39, 42.
could no longer remain in the Non-Aggression Conference "without diminishing the dignity of our country," for Paraguay had withdrawn to wage undeclared war. The Neutrals begged her to reconsider, because Asunción had now made available her data for the investigation. They strongly, but futilely, urged both countries to refrain from new military moves. 36

Meanwhile, on 21 July, Colonel Peña flew into Fortin Muñoz and issued orders three days later for the desired Bolivian reprisals. Detachments were formed under Peñaranda and Lieutenant Colonel Manuel Marzana. The former overran Corrales and Toledo, small Guarani garrisons screening the Mennonite colonies, on 27 and 28 July. After some fighting, Marzana occupied Boquerón on the thirty-first. Quintanilla, since 25 July Commanding General of the First Army Corps (I Corps) organized at Muñoz with the 4th and newly created 7th Divisions, also wished to take Nanawa on 3 August as a complementary maneuver to divert Guarani attention and balance the advance. For political reasons, Salamanca vetoed the proposal, strategically dislocating the small forces which Bolivia had in the Chaco. Having achieved his

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"fortins for a fortin," Salamanca then suspended operations, a grave military error.37

On 1 August, in an especially arrogant note reflecting profound contempt for what Salamanca once called "the most miserable of the small republics of South America," Bolivian Foreign Minister Gutiérrez informed the Neutrals:

We are not interested in investigations that do not define the fundamental question. Bolivia desires the final solution of the controversy. She does not wish to be perennially on guard in the Chaco to contain the advances of Paraguay. It is for this reason that the country has reacted with all her forces, resolved to liquidate, even by arms the plea in which we defend a territory that we consider historically ours. We have a right to the littoral on the Rio Paraguay.

The Neutrals, who saw no connection between the new clashes and the fundamental question, entreated Bolivia to suspend hostilities on the basis of possessions of 1 June 1932 and enter negotiations for an arbitrated settlement.38

All the countries of the hemisphere joined on 3 August in a declaration calling for pacific settlement of disputes in the Americas. Aimed directly at Bolivia, and predicated upon the belief that she would easily pulverize little Paraguay, the key line read:

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37 Vergara Vicuña, I, 59-60, 68, 70-76, 89-90, 96; II, 60-70; Fernández, I, 54, 89-90; Moscoso, 74; Díaz Arguedas, Los Elegidos, 30-32, 38; Ríos, 247-48.

The nations of America also declare that they will not recognize any territorial arrangement of this controversy that is not obtained by pacific means, nor the validity of territorial acquisitions that are obtained through occupation or conquest by force of arms. 39

Gutiérrez replied to the Neutrals on 4 August that suspension of hostilities would be acceptable if based on the situation of the moment. He also explained to the United States Minister that domestic considerations would not permit evacuation of the reprisal forts. Both belligerents adhered to the continental Declaration on 5 August. The Bolivian reply was "exalted and redundant"; the Paraguayan, measured and precise. Asunción accepted the Neutral proposal for a truce based on 1 June positions, and repeated her willingness to have a full investigation of events since 15 June 1932. The Neutrals then vainly redoubled their efforts to get the Salamanca Government to accept. On 8 August (the same day that Huíjay, a Paraguayan outpost northeast of Boquerón, was added to her prizes), Bolivia repeated that only a cessation based on positions of the moment would be acceptable. If a truce were to be made retroactive, why not go back to 1 September 1888 and begin by restoring Puerto

39 U. S., Foreign Relations, 1932, V, 159-160; Libro Blanco. No Agresión, 211-12; Bolivia, Memoria 1934, 93-94; Política Argentina, 1, 366-87. The exact origins of this declaration merit an intensive investigation.
Pacheco to its founder? A suspension of hostilities had, however, already been ordered.40

Bolivia had taken the Paraguayan fortins in reprisal for expulsion of Moscoso from his position at Pitiantuta when the President, acting without adequate contemplation of probable results, found no other means to dominate the situation. After meditation, Salamanca (2 August) ordered a halt to offensive operations and troop movements in the Chaco. This was a supreme military error because the Chaco divisions totaled only 3,655 men. Bolivia had had her revenge and was ready for a truce of positions. Although Salamanca felt the 3 August declaration created a grave international situation, he hoped that diplomatic measures would prevent war and eventually leave Bolivia in permanent possession of her prizes. The Neutrals, however, initially sought a truce based on 1 June and attempted to pressure La Paz into acceptance. 41

40 U. S., Foreign Relations, 1932, V, 57-62; Libro Blanco. No Agresión, 213-225; Bolivia, Memoria 1934, 96, 100-05; Política Argentina, I, 385, 389-391. At the moment, the Americas believed Bolivia to be extraordinarily militant, very powerful, and ready to crush Paraguay. This attitude typified the Neutrals, provoking Bolivia, who considered herself eternally the victim of injustice and thought the Neutrals were trying to intimidate her. Alberto Ostria Gutiérrez, La doctrina del no-reconocimiento de la conquista en América (Rio de Janeiro, 1938), 24-31.

41 Bolivia, Memoria 1934, 99-100; Vergara Viúña, I, 146-47; Arze Quiroga, II, 94, 96; Díaz Arguedas, El hombre simbolo, 15; Los Elegidos, 53; Ovidio Urioste, La Encrucijada, 23; "The President's Message," Bolivia, 1933, No. 6, 9.
The Neutrals next asked if she would propose cessation of hostilities based on existing positions, without prejudice to the juridical status of either disputant as of 1 June, go immediately to arbitration, abandon by 1 June 1933 the reprisal fortins, maintain only minimal garrisons, and permit a neutral investigating commission to enter the Chaco. In reply, Gutiérrez denied that there was a juridical status in the Chaco on 1 June, asserted the right to maintain garrisons as Bolivia chose, and reiterated the refusal to abandon the Paraguayan fortins; La Paz would only consent to a cessation based on the positions of the moment and then arbitrate a predetermined zone. Undismayed, the Neutrals continued working unsuccessfully throughout August to secure Andean acceptance of their original proposal. 42

On 15 August, a new President was inaugurated at Asunción. An eminent diplomat intimately acquainted with the Chaco dispute, former Minister to the United States, widely-traveled and cosmopolitan, financier and economist, Dr. Eusébio Ayala was the most outstanding statesman of the war period, standing above the lesser figures of the hemisphere. On 13 August, in a letter to Rivarola, he confided that Paraguay would soon be militarily ready for action and

possess a momentary advantage which dare not be wasted. It was said that giving up the three fortins would be difficult for Salamanca; if they were not surrendered, there would be greater difficulties in Asunción. If the eager army was unleashed, victories would enhance its appetite, and make peace harder. He wrote that mediation had to be complete in another week because prolonged negotiations always favored Bolivia, the sister State whose "people are not culpable for the absurd obsessions of some exhumed doctors of Charcas." Ayala himself favored an immediate reciprocal security pact, negotiation of an arbitral compromise, and the Neutral formula for ending hostilities.43

Argentina's Saavedra Lamas, who tacitly supported the Neutrals, meanwhile had made confidential explorations on behalf of a proposal which followed the Bolivian line: a truce based on existing positions. This made Salamanca unamenable to the Neutral proposal, and angered Ayala, who had been working with United States Minister Wheeler on a plan for a demilitarized zone to include the reprisal fortins, and Bolivia's Arce-Alihuatuá zone. The Bolivian occupation

43 Rivarola, II, 148-49; Estigarribia, 30-31; Efraím Cardozo, Tres héroes del Paraguay (Buenos Aires, 1952), unnumbered pages. Fear was prevalent that Salamanca would fall and be succeeded by an intransigent military government if Bolivia were required to evacuate the fortins. U. S., Foreign Relations, 1932, V, 164, 170, 227. In fact, the army was far more tractable toward Chaco settlement than the President.
of Carayá (Huijay), an outpost between Boquerón and the Mennonite colonies, ruined this plan, making clear that La Paz intended to hold the captured fortins as a strategic threat to the colonies and the militarily vital Casado railroad. In Bolivian hands, the fortins were an intolerable threat to Paraguayan security and supply lines. Saavedra Lamas and the world, unfortunately, seemed disposed toward a solution sacrificial to Paraguay for her own protection. To avert this and alter the belief that Paraguay was impotent, a supreme military effort could not be long withheld. "If I opposed the army further," Ayala told Wheeler, "I should have no army."

In La Paz, sentiment was violent against diplomatic pressure to evacuate the fortins and accept the Neutral plan; in Paraguay, the demand was equally virulent for their return. The Neutrals floundered like an aircraft in a thunderstorm, unable to maintain a steady course. At the crucial moment, they committed the supreme blunder; they vacillated, and then yielded a position of pure right to the stubbornness of the austere Altiplano. On 29 August, they appealed for a simple 60-day truce, which Paraguay could not accept because it left the Bolivian army pointing

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like a dagger from the three fortins. Gutiérrez replied
that Bolivia would accept a 30-day truce, but Justo P.
Benítez, the new Paraguayan Foreign Minister, vetoed this,
sagaciously observing that it was merely the time Bolivia
deemed necessary to complete her mobilization. The Neu­
trals then requested a halt in mobilization, which La Paz
rejected, and all the neighbors then sorrowfully witnessed
the outbreak of full-scale war.45

45 U. S., Foreign Relations, 1932, V, 77-86, 190-91,
194-97; Rivarola, II, 155; Libro Blanco. No Agresión,
242-253; Bolivia, Memoria 1934, 115-19. The Benítez observa-
tion was well founded. In July, the Altiplano General Staff
considered 60 days necessary for mobilization; thirty had
now passed.
Lieutenant Colonel Estigarribia, Paraguayan commander in the Chaco, had been convinced from the first that a de facto state of war existed with Bolivia. On 30 July, he called for the commitment within twenty days of "all the available population of the country" to vanquish the enemy. Guarani intelligence had magnified the penetration program, a mistake which indisputably accelerated the coming of war by enhancing Paraguayan fears that Bolivia was contemplating immediate full-scale conflict.¹

When Bolivia unwisely failed to continue her advance in August, a period of tacit truce set in which favored Guarani initiative. Estigarribia requested 200 trucks and all available men for an attack 20 August. His objective was Arce, the Bolivian fortin at the headwaters of the Rio Verde. This was the enemy's major stronghold and the only point where water was available in quantity.²

Estigarribia chose to assume Asunción's consent and pressed preparations to accomplish his aims. He arrogated

¹ Estigarribia, 15-16; Fernández, I, 49, 63.
to himself complete authority over all forces in the Chaco, and they obeyed. The First Army Corps (I Corps) was created on 24 August with the 1st and 2nd Divisions and the 1st Cavalry. On 1 September, when strength had reached 7,199, Major Manuel Garay, new Chief of Staff of I Corps, arrived at Isla Poi (Villa Militar) with word for which Estigarribia had waited so impatiently. From Asunción came an unsigned note written by the President ordering the recapture of Boquerón "to demonstrate to the Neutrals and other countries of America that Paraguay possesses military capacity," and "to give satisfaction to public opinion and to the army." For international reasons, hostilities should appear to be the result of patrol clashes, with Paraguay seemingly innocent of aggression. Further, "it is important," Ayala slyly advised, "that the operation should appear as the result of an initiative on the part of the command." Reposing confidence in diplomatic solution and moral force, the President intended operations to terminate at Boquerón without pursuit of the enemy. If the Bolivians resisted, he unrealistically assumed his army would return to Isla Poi.

3 Estigarribia, quotations, 34-36; Fernández, I, 100-01.

The clear-sighted commander was critical of the presidential caution, believing that Ayala failed to recognize (1) that the war had already begun, (2) that if Boquerón were taken as a limited objective, Bolivia would react by

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3 Estigarribia, quotations, 34-36; Fernández, I, 100-01.
taking more reprisals, and (3) that

the world was witnessing the eclipse of those lofty ideals which presumed it possible to conceive that the moral strength of a country was sufficient to protect her. ... The Neutral mediators, in fact, were impotent.

Consequently, on 3 September Estigarribia replied to Ayala, formulating his objections and suggesting that "if from the point of view of our international situation it will entail no disadvantage, it is necessary that we move with a view to the destruction of the enemy." Taking Ayala's note as the authorization he had desired, he immediately issued orders setting motion the Paraguayan offensive. It was destined to humble the haughty adversary and startle the world.4

On the Altiplano, the military had been constrained by the inactivity forced upon it by Salamanca. The General Staff called upon the Government (30 August) either to declare or reject war. The army required genuine objectives, not historical aspirations. Consequently, it had taken the reprisal fortins for future operations which would seek to destroy the enemy and advance to the river above Puerto Casado. This contrasted with the Government's apparent political objective, total reintegration of the Chaco.5


5 Arze Quiroga, I, 333-341; Rodríguez, 68-71, 80-81, 99-100; Vergara Vicuña, II, 2-7, 21-34, 47-50. General David Toro Ruizlova, Mi actuación en la Guerra del Chaco (La Paz, 1941), 19.
reality, Bolivia lacked the transport to attain either goal.

Bolivia's underestimation of her opponent was astonishingly myopic. The General Staff theorized that Paraguay could mobilize and equip only small forces and that she lacked war plans and intelligence. General Gumusio, who had lived in Paraguay incognito and engaged in strategic intelligence, accurately reported on arms purchases and preparations. La Paz, however, refused to believe his reports, dismissing them as exaggerated and pusillanimous. Documented warnings of Paraguayan war preparations from Lieutenant Colonel Bernardino Bilbao Rioja, Military Attaché to Argentina, were ignored. On 7 August, the Associated Press had reported that Paraguay could field 20,000; allegedly, however, Salamanca and others believed that Bolivia could overrun the Chaco with 4,000 men.6

In the field, while Estigarribia chafed for action, the Bolivian command had shared his frustration. On 8 August, Carayá (Huijay) was occupied and its defense ordered. Quintanilla appealed for reinforcements against the anticipated Paraguayan offensive. Salamanca refused, however, and on the tenth ordered that there be no new advances without

6 Moscoso, 101; Rios, 14-16; Major Alberto Taborga T., Bocuerón (La Paz, 1956), 23; Arze Quiroga, II, 235; New York Times, 8 August 1932, 9; Rodríguez, 15, 19-20; Colonel Aquiles Vergara Vicuña, Bernardino Bilbao Rioja (La Paz, 1948), 200-01; Urioste, La Encrucijada, 30; Lieutenant Colonel Julio C. Guerrero, La guerra en el Chaco (Lima, 1934), 71.
his personal authorization as constitutional Captain General. After Paraguayans recaptured Carayá on 17 August, Salamanca ordered preparations for the defense of Boquerón to the death; belatedly he released 5,481 men who had been halted en route to the Chaco. Osorio advised Quintanilla (29 August) that Bolivia had taken the diplomatic position that she would never give up the reprisal fortsins, a position which should further orient I Corps. In answer to query whether he was capable of seizing Rojas Silva (Falcón), Quintanilla expressed confidence and a great desire for operations. This move was finally permitted on 8 September as a "reprisal" for Huijay (Carayá). 7

Boquerón

The response of Paraguay had been slow and deliberate, awaiting mobilization of the "organic, logistic and combative capacity of an army worthy of the name." Diplomatic pressure of the Neutrals tacitly helped her by gaining a halt to the hasty, emotional responses of the Salamanca Government. Had Bolivia conducted general mobilization during August and then struck, she could likely have reached the Río Paraguay and won the war. Instead she remained

7 Arze Quiroga, II, 97-105, 137; Fernández, I, 108-09; Vergara Vicuña, I, 103-05, 115-122, 136, 150-161, 166, 168; II, 71-78; Política Argentina, I, 408; Díaz Arguedas, El hombre símbolo, 15, 24-25; Urioste, La Encrucijada, 24.
passive, mobilizing in dribbles; this enabled Paraguay to bring to bear her decisive advantage in space, and to achieve earlier concentration of numerically superior forces. Their timely employment by Estigarribia was destined to prevent Bolivian concentration and gain a moral triumph. 

By 7 September 1932, Paraguay poised her rapidly mobilized green army at Villa Militar, with lesser nuclei at Bahia Negra and Nanawa. Ready for the offensive were the 1st and 2nd Divisions with 3,831 and 3,668 men respectively. At Nanawa a small detachment was centered on the 4th Cavalry, while at Bahia Negra the 3rd Division in formation totaled about 2,000. These forces were well equipped with relatively new arms; additional stocks had been ordered in July.

Bolivian forces consisted of the small 3rd and 5th Divisions at Roboré and Puerto Suarez, the 4th Division spreading from Camacho down to Alihuata, and the newly created 7th Division stretching along the Pilcomayo below Saavedra, and facing Nanawa. The exact strength is impossible to determine because concentration had not been completed, and after Salamanca permitted troops to move once more, contingents arrived almost daily. Nonetheless, I Corps had approximately 3,900 men in early September. Bolivia's new

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8 Vergara Vicuña, I, 143-45; Guerrero, La guerra, 115-16. 
9Fernández, I, 100, 115; Colonel Enrique Vidaurre, El material de guerra en la campaña del Chaco (La Paz, 1942), 3; González, 17, 36-37, 43-45; Ríos, 127, 163, 246-47.
Vickers arms had not yet arrived in quantity. She had no mortars, but possessed a Tank Group and an excellently equipped Air Force which controlled the skies throughout the war. 10

Logistically, Paraguay, with her shorter lines of supply and communication, was superior to Bolivia, an advantage which largely negated the greater size and wealth of the latter. Paraguay used the American-owned Puerto Pinasco Railroad, but relied mostly on the Casado Railroad, which ran 160 kilometers into the Chaco. Her river vessels complemented this facility at Puerto Casado and formed a cohesive transportation system of relative quality. From kilometer 145 of the railroad, Asunción's municipal buses, 60 trucks, and some oxcarts had to suffice; and here lay the weakest portion of the system.

Bolivia had no Chaco rail lines. A fleet of barges and small craft were organized on the Pilcomayo to transport supplies from Villa Montes to Ballivián. Salamanca, saying that the country could not afford them, had refused to purchase 600 trucks which Osorio requested on 25 April 1932. Consequently, the fleet of trucks, acquired by requisitioning, was not equal to the burden of distance

10 Rios, 159; Benítez, Bajo el signo, 18; Arze Quiroga, II, 9. Bolivia employed three medium and two light tanks in the Chaco, out of a total force of twelve machines. Vidaurre, Material de guerra, 291; Rivarola, II, 282.
relative to desired utilization. Bolivia's troops walked to the Chaco and often deserted en route, crossing the Pilcomayo to Argentina. Bolivia had always relied on local purchase in Argentina to supply the Army of the Southeast and purchases in Corumbá, Brazil, to sustain the Army of the Oriente. Significantly, Paraguayan products were commonly sold by stores at Muñoz, including "Alfonso XIII" cigarettes with the words "contribute to the National Defense" stamped on each. 11

On 7 September, the Paraguayan I Corps began the march from Isla Poi, optimistic from commander to lowest recruit, that the invader would abandon Boquerón with little resistance. The next day Major Carlos Fernández' 1st Division continued from Pozo Valencia to within 3 kilometers of Boquerón. Although Bolivian pilots reported the advance, they saw only the few trucks and assumed that small forces were involved. The Paraguayan Press Office, following President Ayala's desire that an attack appear to be the outgrowth

11 Fernández, I, 93-94; Vergara Vicuña, I, 166; Guerrero, 79-91; Ríos, 236, 266; Moscoso, 99; Taborga, 21; Rodríguez, 28-31, 40; New York Times, 28 July 1932, 9; Ovidio Urioste, La Fragua (n.p., n.d.), 34, 79, 106; General Nicolás Delgado, Historia de la Guerra del Chaco (Asunción, n.d.), I, 12; Manuel María Oliver, La guerra en el Chaco Boreal (Buenos Aires, 1935), 12, 65; Colonel Enrique Vidaurre, El 41 Infantry (La Paz, 1936), 18.
of Bolivian probes, reported the repulse of an enemy col-
umn moving toward Pozo Valencia.12

Unbeknown to the overconfident attackers, Bolivia had carefully prepared the defenses of Boquerón. Since mid-
August, the garrison had diligently constructed field fortifi-
cations. Trenches, protected by quebracho, lay concealed within the edge of woods. Concealed machine gun nests rested on platforms in trees. A vital well of water had been dug. Marzana, one of Bolivia's finest jefes,13 commanded 28 officers and 683 men equipped with 13 machine guns, 27 automatic rifles, 3 pieces of aged artillery, and 2 new antiaircraft guns. The men were veterans of nearly two years in the Chaco, and the officers were mostly pro-
essionals.14

On 9 September, the enthusiastic, inexperienced young Paraguayan army attacked unsuccessfully at 0530 with artil-
 lery support. Its hasty creation quickly revealed itself. Units virtually collapsed after initial repulses—the offi-
cers inexperienced and weak, the men demoralized and devoid

12 Partes del conductor, 13; Estigarribia, 42; Fernández, I, 112-123, 128; Urioste, La Fragua, 145; Lieutenant Colonel Baslliano Caballero Irala, Nuestros zapadores en la Guerra del Chaco (Montevideo, 1939), 18.

13 A field grade officer is called a jefe. The term is used hereafter.

14 Arze Quiroga, II, 10; Vergara Vicuña, I, 103; Rios, 249-250; Moscoso, 84; Fernández, I, 126-28; Taborga, 25, 30.
of discipline in the use of their scarce water rations. By nightfall, the fortín remained solidly defiant, the attackers chastised and beaten. The Bolivians smoked Paraguayan cigars, drank maté, and ate biscuits taken from the Guaraní dead. 15

The lessons of the day were explicit, and foretold the character of the entire war. Water was a vital factor. For the attacker, there was none west of Isla Poi, whence requirements had to be hauled by truck or cart. If the undisciplined troops were thirsty, they abandoned the front lines and went in search of water, attacking the tank trucks to sate their thirst. Lack of water could destroy an army in the Chaco, regardless of other factors. Defense, in field fortifications containing the fire power of numerous automatic weapons, was vastly superior to frontal assault. Small forces well situated could contain attacking armies. Terrain had to be intimately known beforehand. This knowledge could be gained only by heavy patrolling or close aerial reconnaissance. The extent to which transport was available would be the limiting logistic factor on the size of forces which could be maintained in the field, and on the flexibility possible in their employment. 16

15 Estigarribia, 43; Fernández, I, 129-143; Taborga, 31-33; Rios, 251-53.
16 Fernández, I, 170; Rios, 267; González, 53; Delgado, I, 14.
Prisoners interrogated on that first day confirmed the Paraguayan belief (erroneous) that Marzana had 1,200 men, and the Bolivian I Corps had a total of 5,000. Regrouping, Fernández ordered new attacks for 10 September. Later, reports falsely alleged Yucra taken, while other data indicated the enemy was evacuating. Unfortunately, this got onto the telegraph system, which not only connected fortins but also went to Asunción. As a result, the Press Office reported the fall of Boquerón, although by nightfall of the tenth attacks had been called off.

While the attacking Paraguayan 1st Division, with the exception of the 4th Infantry, continued to flounder before the hearty defense of Boquerón, the Bolivian command failed to appreciate the size or strength of the assailants. On 10 September, Peña reported from his 4th Division command post (CP) at Yucra, that the Guarani were disastrously defeated. Quintanilla embellished this report with the allegation that Estigarribia was a suicide, and ordered energetic pursuit to Isla Poi. Largely due to underestimation of Paraguayan strength, the Bolivian command then impatiently employed its forces piecemeal. Although involving 2,700 men and tank support, these scattered efforts failed owing to lack of coordination. Peña advised Quintanilla on

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17 Caballero Irala, 22; Fernández, I, 136, 144-49; Ríos, 123; Estigarribia, 44; Partes del conductor, 14; Captain Edmundo Nogales Ortiz, Nuestra caballería en la Guerra del Chaco (La Paz, 1938), 11.
16 September that the fortin had no food or ammunition and recommended retreat to a defense line at Arce with advance positions on the line from Castillo to Yucra. A diplomatic effort should be made to "save the Marzana detachment and to complete our preparation."18

Having withstood the weak efforts from without, the Guarani command resolved to launch a fresh attack on Boquerón. The 2nd Division had taken over the western portion of the line, and the 6th "Boquerón" Infantry had also come up. Total forces of 7,565 were available with artillery, the decisive Stokes-Brandt mortars, and a squadron of Wibault and Potez "25" aircraft under Lieutenant Colonel Almonacid, an Argentine air veteran of the World War in France.19

Inside the fortin, a message was received by air on 11 September from Salamanca proclaiming "on Boquerón depends the destiny of our Chaco." Unfortunately, Peña had not brought Boquerón's stores up to the 30-day level commonly maintained in Bolivian fortins. The besieged--Indians from all parts of Bolivia--were good, sober soldiers. Long

18 Arze Quiroga, II, 137-147, 220; Estigarribia, 45; Vergara Vicuña, I, 194-98, 216-220, 231-274, and II, 92-93, 95-107; Díaz Arguedas, Los Elegidos, 102; Partes del conductor, 15-16; Moscoso, 81-82, 90-93; Fernández, I, 159-184, 201-04.
19 Fernández, I, 177, 185-198; Delgado, I, 21; Oliver, 22, 52, 90; New York Times, 31 July 1932, 7.
sleepless nights, however, undermined their stamina. Marzana toured the positions daily, encouraging his officers and men. Completely frank with them, he urged compliance with their "destiny" by staying inside the fortin as they had been ordered. 20

While the battle raged, the Neutrals continued efforts to curtail the expanding hostilities. On 10 September, they called for immediate cease fire and definitive arbitration. Both belligerents replied favorably, Paraguay indicating, however, that she would require some security guarantees. Consequently, the Neutrals, motivated by intense desire to halt military action immediately, proposed a 10 kilometer withdrawal from present positions of each, virtually a complete reversal of their original stand for 1 June 1932 positions. Paraguay accepted on 16 September, although pointing out that a 10 kilometer withdrawal was geographically impracticable (due to water, as previously indicated), and suggested instead 60 kilometers on each side of the 60th meridian for a period of two weeks. Thereafter, Bolivia should retire west of the 62d meridian; Paraguay, to her river. This proposal was consistent with Asunción's policy of getting Bolivia back to her 1907 status quo line. 21

20 Taborga, 35-53; Fernández, I, 199-200; Arze Quiroga, II, 107; Moscoso, 130; Vergara Vicuña, II, 94.
21 Libro Blanco, No Agresión, 254-261; Bolivia, Memoria 1934, 120-23; Política Argentina, I, 411-14; U. S., Foreign
On the same day, Quintanilla transmitted Peña's request for a cease fire within 24 hours to enable evacuation of Boquerón. Salamanca had pressed General Quintanilla to sustain the fortin energetically and attack Isla Poi; now he authorized withdrawal if Boquerón were untenable, and informed the Neutrals that La Paz would accept an immediate simple cease fire. When Paraguay refused, authority to abandon the fortin was restricted to a threatened disaster. Unfortunately, General Carlos Quintanilla lacked the courage to make a realistic decision, and instead supplied La Paz with falsely optimistic reports to protect a misconceived "honor" of the army. Fearing that the Government would later hold him culpable, he resolved anew to break into Boquerón, lift the siege, and thus meet both tactical and political demands. 22

On 17 September, the planned Paraguayan attack commenced and progressed slowly through the woods, closing in on Boquerón. Then, late in the day when the troops were

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Relations, 1932, V, 86-89. Upon the inauguration of Ayala, the Intransigent Dr. Gerónimo Zubizarreta became chairman of the National Boundary Commission, which was not merely the center for title study and case preparation, but also the "drive motor of the diplomatic battle." No relaxation in Guarani demands could be expected. Cardozo, Tres heroes. The Chaco question had absorbed the attention of the country's best minds for 30 years; it would continue to do so for a few more; Benítez, Estigarribia, 43.

tired, the attack from without ordered by Quintanilla hit the rear of the 6th Infantry on the Lara road, folded up two battalions, and succeeded in reaching Marzana with eight cases of ammunition, food, and two machine guns. Estigarribia ordered the siege tightened on the following day and loosely sealed Marzana to his destiny; however, the troops who had entered on the 17th fought their way out four days later.  

After the failure of the 17 September attack, the Guarani also settled into a war of positions. Artillery and mortars, responsible for the bulk of Bolivian casualties, pounded the fatigued garrison. The infantry slowly dug its way by night toward the inner Bolivian lines, where the Andean Indians were subsisting on mules and scanty air-dropped food. When the mules were all gone, the bones were scraped and eaten, the hides soaked and chewed.  

Bolivia had replied to the Neutrals on 16 September, willing to grant an immediate cease fire. This might have permitted her to retain Boquerón and to supply and strengthen it, but was intended to evacuate the garrison. Paraguay replied that her own terms were reasonable and the only ones which could avert war. The next day the Neutrals again

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23 Rios, 257-59; Vergara Vicuña, I, 265; Fernández, I, 212-218.

proposed a cease fire, to be policed by them. Bolivia accepted; Paraguay repeated her position and asked security guarantees. The Neutrals agreed that her stand and proposal were meritorious, but did not meet the need for immediate truce, for which they then appealed. Asunción, however, maintained her position. Finally, on 21 September, the Neutrals communicated it to Bolivia and recommended approval.²⁵

Peña informed Quintanilla (19 September) that Paraguay was now waging a war of attrition which Bolivia, with limited troops available, could not afford. With promised reinforcements marching from Villa Montes, I Corps wavered until 22 September when, recognizing the facts, it advised La Paz the fortín could not be held much longer. Salamanca ordered continued defense, air resupply (which had already proven a dismal failure), and preparations for attack on the Paraguayan right by the 3rd Division. Lacking trucks, this was impossible. Quintanilla ordered a fresh attempt to relieve the siege; if it failed, Peña was authorized to evacuate the garrison. On 25 September, a desperate Bolivian attack from the west failed completely. The fate of Mazana's detachment was now sealed, for the men were too exhausted to fight their way out; they also lacked ammunition.

Further, Marzana had 150 wounded, unattended for lack of medical supplies (their wounds being infected with worms by giant moths), and he would not leave them.  

Water was taking control of the battle. Men deprived of adequate liquids for over a week began to dehydrate; their physical appearance changed, and they became mere skeletons; often they were more than a little mad. In Boquerón the main well came under fire and was soon contaminated with bodies. The water level of the Paraguayan wells at Villa Militar was dropping alarmingly from the demands of the large army. If they went dry, transport would not be adequate to make the extra 50 kilometers without a large number of troops leaving the front. This would weaken the army enough for the Bolivians to raise the siege, relieve the garrison, and continue resistance indefinitely. Consequently, Estigarribia issued orders for a new full-scale attack.

On 22 September, La Paz replied to the Neutrals,

26 Arze Quiroga, II, 113-16; Moscoso, 141; Vergara Vicuña, I, 281, 294-306, 308-09, 321, II, 122-29; Díaz Arguedas, Los Elegidos, 90, 108; Fernández, I, 245, 262-64, 315; Taborga, 107; Moscoso, 85; González, 51.

27 Thirst was so desperate "que varios bebian orines," with which machine guns also were cooled.

28 Fernández, I, 219-225, 245, 267-272; Díaz Arguedas, Los Elegidos, 92; Estigarribia, 46; Taborga, 64-66; Cabrero Trala, 25, 27; Urioste, La Fragua, 247.
rejecting Paraguay's last proposal on the usual grounds that her military withdrawal would leave Paraguay with her civilian populations and developments in control of the Chaco. If she gained such an arrangement, Asunción would be content and would avoid the final juridical settlement which Salamanca desired. The Neutrals replied to both countries with a new appeal for immediate, unconditional truce; this constituted a total reversal of their original August position, and acceptance of the initial Andean proposal. Bolivia accepted, naturally, while Paraguay appended the condition of immediate total withdrawal of armies from the Chaco, reduction in forces, and submission to "international justice." Paraguay, Foreign Minister Benítez said, did not desire a mere truce, but unconditional arbitration. La Paz chose to regard this as a subterfuge, because it clearly meant arbitration of the full Paraguayan claim; this she was unwilling to admit since the Buenos Aires Conference because it included territory indisputably Bolivian.

While Paraguayan attacks continued on Boquerón, a Council of Generals convened 27 September at Muñoz and resolved to hold the fortín ten more days. This would gain time for

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a possible diplomatic solution, leaving the place in Bolivian hands. Fresh troops called up on 24 September would be brought to break the siege.  

On the morning of 29 September, however, white flags blossomed all around the perimeter of Boquerón. Soldiers of both sides fraternized in extreme joy that the bloody battle was ended. Lieutenant Colonel Manuel Marzana surrendered only 240 able-bodied men  

Boquerón was the first decisive battle of the Chaco War, giving Paraguay an enormous moral advantage. The vanquishment of approximately 4,000 Bolivians by twice as many Paraguayans demonstrated that the Guarani had gained, through numerical and material superiority, the complete domination of the campaign. Their poorly trained army, but better equipped and with thrice the firepower, had defeated the cream of Bolivia's forces. Their Stokes-Brandt mortars had proved to be the surprise of the battle, the tactically decisive weapon, while the automatic rifle proved decisive for firepower in the brush. Great optimism swept over Paraguay, replacing the previous resignation to a heroic, last-ditch defense. Inversely, Bolivian morale was shattered by

30 Moscoso, 139; Urioste, La Fragua, 223; Vergara Vicuña, I, 323-29; Bilbao, 203; Fernández, I, 293, 314; Toro, 16.  
31 Rios, 260; Partes del conductor, 21; Fernández, I, 315-17; Estigarríbia, 47; Taborga, 81-86.
the realization that "the most miserable of the small Republics of South America" had won the first battle and fielded powerful, dominant forces.32

When news of Boquerón belatedly circulated in La Paz, the populace demonstrated against the Government and command, calling loudly for the return of General Hans Kundt. To the people's just discontent, Salamanca sacrificed Osorio, assigning him as Commanding General of the Second Army Corps (II Corps) created from the 3rd and 5th Divisions. General José Leonardo Lanza was summoned to La Paz as interim Chief of the General Staff, pending the arrival of Kundt, whose recall was voted 30 to 26 in a stormy secret session of Congress. When notified, Quintanilla retorted that neither Kundt nor anyone else could compensate for lack of effectives, arms, munitions, transport, and general organization. Kundt's recall expressed lack of confidence in the National command, he lamented, echoing those who felt reliance on a mercenary leader indicated (correctly) that Bolivia was a people disorganized.33

32 Estigarribia, 48; Fernández, I, 322; Moscoso, 143; González, 61; Urioste, La Fragua, 314; New York Times, 30 September, 1932, 1; Delgado, I, 9; Nogales Ortiz, 95; Major Hugo René Pol, La compaña del Chaca (La Paz, 1945), 27.

33 Arze Quiroga, II, 118, 246-47; Díaz Arguedas, Los Elegidos, 215-16; El hombre simbolo, 38-39. Kundt's recall was favored by Republican Socialist guerristas, especially Bautista Saavedra's followers. The Liberals, led by General Montes, and including Vice-President Tejada Sorzano and Diez de Medina, were pacific; Rivarola, II, 245.
Quintanilla and Lieutenant Colonel David Toro, his Chief of Staff, then circulated an insubordinate petition against La Paz. On 8 October, they charged that the responsibility for the defeat lay squarely with the Government for accepting war without adequate preparation. Salamanca swiftly removed Quintanilla, accusing him of treason, and entrusted I Corps to Colonel Peña.  

Conclusion of the Paraguayan Offensive

On 6 October, Soler informed the Neutrals that Paraguay applied unconditional arbitration to the boundary question, not a fixed zone. She contended that the Chaco Boreal was not at issue, since it was simply a matter of borders. This alone should be submitted to judgment. Thus, she sought to deny Bolivia the right to lay claim to the Chaco. Her own claimed boundary was the natural limits—the Jaurú-Parapeti line. Three days later Bolivia expressed concern over Neutral efforts at arbitration at the very moment Paraguay was launching a new general offensive. She accused Asunción of perennially exaggerating the size of the disputed area in hopes of acquiring all of the truly controversial zone in a settlement. Since the Chiquitos missions had extended south to 21°31', La Paz could admit no

34 Arze Quiroga, II, 222, 248-259; Taborga, 22; Moscoso, 144-45; Vergara Vicuña, I, 425, 443-44, 452-59; Díaz Arguedas, El hombre simbolo, 31-36, 318.
area north of the Rio Apa to contention, and considered the headwaters of the Rio Verde at 59°50' an appropriate western limit of the arbitration zone.\(^35\)

On 8 October, the reorganized 9,200-man Paraguayan army began a slow advance toward Arce. Peñaranda's 4th Division fell back steadily but was confident the enemy could be detained. In the face of fresh Guarani attacks, the demoralization of the Bolivian army began to manifest itself. The men were fatigued, defeated, poorly supplied, and even lacked a mail service. The insubordination which Quintanilla and Toro had set in motion had undermined confidence in the jefes. Threatened by a Paraguayan envelopment, four regiments broke and fled on the afternoon of 21 October. Two days later the Guarani entered Arce while the disorganized enemy fled southward toward Alihuata.\(^36\)

Meanwhile, on 12 October the Neutrals proposed that the belligerents sign an accord providing for separation of troops, demobilization, and reductions in force. United States Minister Feely reported from La Paz that General

\(^35\) U. S., Foreign Relations, 1932, V, 100-02; Libro Blanco. No Agresión, 287. Note that the Bolivian army had located San Ignacio de Zamucos, southernmost Chiquitos mission, at only 20° south.

Montes, upon his return from a visit to Muñoz, had told a secret session of Congress that the country was entirely unprepared for war, and her Chaco army was in appalling condition. From this, the Minister concluded that the Altiplano would welcome a coerced peace to extricate it from difficulties, although official protests would be vehement.  

Saavedra Lamas, probably working to restore Argentina's international prestige in order to further the domestic position of the Justo Government, grew increasingly active in his efforts to assert Buenos Aires' priority of action in the Chaco question. Submitting a sharp blow to the wallowing Neutrals, Argentina advised (18 October) that she would not support any action beyond mere good offices and moral influence. At the same time, Saavedra Lamas was urging Paraguay to sever connections with the Neutrals. Success for any fresh effort by Buenos Aires was dimmed, however, by widely-publicized Bolivian allegations stemming from the equipment "debajo del pancho" which Rivarola had obtained from the Argentine arsenals. La Paz was therefore highly unamenable to fresh mediation from Buenos Aires.

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38 Política Argentina, I, 424-27; U. S., Foreign Relations, 1932, V, 205, 245; Rivarola, II, 207, 210, 216-17; Justo Rodas Equino, La Guerra del Chaco (Buenos Aires, 1938), 108-110. Argentine citizens contributed generously to the Paraguayan Red Cross, while their National Health Department
Along with Paraguay, Bolivia accepted the latest Neutral proposal, and on 27 October new talks began in Washington between Soler and Finot. An immediate snag was encountered when, directly reflecting Paraguay's military success, Soler made any agreement conditional upon an indemnity and compensation for families of the Guarani dead and maimed. To entreaties to remove his demands, Soler replied (1 November) that Paraguay wished a peace, not a truce. While the Bolivian army occupied any part of the Chaco, peace was impossible. Although victorious in the war, she had not provoked, Paraguay still desired to submit the boundary question to an arbitrator's decision.39

The Bolivian General Staff, after Paraguay occupied Alihuatá and Fernández, proposed a retreat by stages as planned by Lieutenant Colonel Felipe Rivera to a firm line from Camacho to Ballivián. An offensive would then be prepared from the northern end of the line. Salamanca, however, ordered a tenacious resistance at Muñoz and Platánillos, strong reinforcement of Ballivián, and preparations to retreat the 7th Division to Saavedra. He endorsed the

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made drugs available to the Guarani army. President Justo assured Rivarola of his personal support, making available supplies he requested whenever possible; Rivarola, II, 234-238, 354-56.

build-up of a new 8th Division for offensive movement, and placed General Arturo Guillén in command of I Corps.⁴⁰

Bolivia informed the Neutrals on 4 November that she was willing to withdraw to Vargas-Madrejón-Camacho-Platanillos-Muñoz-Esteros (the retreat line of the Rivera plan as modified by Salamanca), if Paraguayan troops withdrew a proportionate distance. Bolivia, however, would not reduce her armed forces; to require her to do so, would be sacrificial to the national dignity and sovereignty. The same day Wheeler reported from Asunción that popular demand was strong for breaking with the Neutrals. He stressed that Ayala has been hampering military advances so far as he is able, aware that the more reverses Bolivia suffers, the more difficult it will be for her to recede from her position, but this Government has reached the point where it must either negotiate or go forward.

The Argentine Minister also reported that war fever was high in Paraguay. Victory had so exalted the army that no Government could oppose its bellicose propositions.⁴¹

Estigarribia, meanwhile, had been concerned for some time for his right flank. On 27 September, Toledo had been

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⁴⁰ Vergara Vicuña, I, 508-09; II, 249, 272-73; Arze Quiroga, II, 125-27; Toro, 16-17; Díaz Arguedas, Los Elegidos, 149-150; El hombre simbolo, 37; Rivera was a former student at Columbia University, military attaché, and professor (p. 334); Urioste, La Fragua, 321; La Encrucijada, 104.

⁴¹ U. S., Foreign Relations, 1932, V, 105-110, quotation, 106; Política Argentina, I, 443.
recaptured; but he feared the Bolivian 3rd Division would strike his flank from the north. He, therefore, launched the 1st Division on a rapid campaign which captured Platanillos (6 November), Loa, Corrales, Bolivar, and Jayucubás (8 November). He then turned southward, where the Bolivians had established a defense line across Kilometer 7 of the Saavedra-Alihuatá road. There, on 10 November, troops under Lieutenant Colonel Bernardino Bilbao Rioja halted the advance of the victorious Guarani army.

After concentrating forces, Estigarribia attempted to envelop the enemy left (1 December) by reaching the Muñoz road. Deficient knowledge of terrain thwarted this endeavor, resulting simply in a westward prolongment of the front. After a week of attacks failed, the Paraguayans had no alternative but to settle into defensive positions to await the end of the rainy season. In the north, their highwater mark of 1932 was already receding; the Bolivian 8th Division recaptured Platanillos on 12 December.

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Fernández, II, 97-125, 139-155; 176-193; Delgado, I, 60-67; Partes del conductor, 38; Estigarribia, 54; Díaz Arguedas, Los Elegidos, 213, 218-224; Vergara Vicuña, II, 494-97, 510-535, 549-551, 559-561.
The Neutrals' Defeat

Since the outbreak of hostilities, each side had accused the other of atrocities, maltreatment of prisoners, bombing of hospitals, and similar practices. Bolivia was especially vociferous in alleging Guarani savagery and inhumanity to prisoners; but careful study of all the sources relating to the war indicates that neither side had a monopoly on virtue. Flagrant incidents could probably be charged to individuals acting on their own against the express desires of higher echelons. Bolivia missed an excellent chance to secure written agreement on war practices when Paraguay submitted a draft treaty through the Neutrals on care of prisoners of war. When La Paz rejected it (because it would have required each state to pay the expense of its captured nationals), the usual polemic developed which, predictable enough, deteriorated into a discussion of the uti possidetis of 1810 and the status quo of 1907. The prisoners were left to fate.\footnote{Libro Blanco. No Agresión, 331-367; Bolivia, Memoria 1934, 142-43; Arze Quiroga, II, 134. Note also the pamphlet, República de Bolivia, Foreign Office, Bolivian-Paraguayan Conflict (La Paz, 1932). Paraguay required Bolivian prisoners to mail their letters in envelopes inscribed: "Bolivia no tiene ninguno derecho sobre la posesión del Chaco—Antonio Quijarro." Luis Terán Gómez, Bolivia Frente a Los Pueblos del Plata (La Paz, 1936), 39.}
insisted, as a requisite to a cease fire, on demilitarization to guarantee that Bolivia would not again strike her. Bolivia would not demobilize unless the Chaco question were settled definitively; and she would accept only a very limited territorial arbitration; Paraguay now voiced approval solely for an equally limited boundary arbitration. Consequently, the Neutrals made a maximum effort and brought forth their final compromise proposal to halt hostilities.\textsuperscript{45}

The Neutral plan, presented formally on 15 December, endeavored to meet the desires of both states, ending hostilities and solving the Chaco issue. It called for a convention stipulating cessation of hostilities within 48 hours; ratification "in the form in which it is written" within 30 days; and rapid withdrawal of troops within 48 hours of ratification—Paraguay to the river, Bolivia to a line from Vitriones to Ballivián. Reserve forces would then be demobilized. A neutral commission would supervise execution of the peace. One hundred Paraguayans would police the Chaco east of the Bolivian withdrawal line and 60°15' west; one hundred Bolivians would police west of 60°15' west and beyond the line. Negotiations for arbitration would begin 15 days after ratification and, if unsuccessful within 3 months, experts named by the American Geographic Society,\textsuperscript{45}

\textit{U. S., Foreign Relations, 1932, V, 112-14.}
Royal Geographic Society, and Sociedad Geográfica de Madrid would "define the area of the Chaco," which would then be submitted to arbitration.\textsuperscript{46}

In preliminary soundings, it was palpably evident that Ayala could not accept a proposal which left half the Chaco in Andean control while his own victorious army withdrew to the Rio Paraguay. The success of Estigarribia's concept, defense inland, had forever obviated Paraguayan willingness to arbitrate more than the boundary or to withdraw an inch so long as Bolivians remained in the Chaco. The Neutral plan, Asunción felt, left Bolivia in an advantageous position to reorganize for a fresh drive.\textsuperscript{47} From experience skeptical of Neutral ability to restrain La Paz, whose honesty and good intentions were equally suspect, Paraguay reposed her confidence in a victorious, albeit halted, army. The Neutral line was approximately the retreat line proposed by Colonel Rivera from which Bolivia planned to launch a new offensive. It did not gain what Paraguay had always and consistently desired—Bolivian withdrawal behind the 1907 status quo lines—and left policing of the western

\textsuperscript{46} Libro Blanco. No Agresión, 291-96; Bolivia, Memoria 1934, 114-46; Política Argentina, I, 448-452; U. S., Foreign Relations, 1932, V, 126-29.

\textsuperscript{47} U. S., Foreign Relations, 1932, V, 115-18, 120-23, 125. If there were a Theodore Roosevelt on the scene, Ayala wrote Rivarola, peace would be forced, but men of decision were sadly lacking; Rivarola, II, 252.
end of the Hayes Zone (as Asunción interpreted it) to Bolivia.

The United States Minister reported that Bolivian acceptance of the line was only "a remote possibility," but delimitation of the Chaco by experts would be wholly unacceptable, as it was incompatible with the Bolivian insistence on a previously-defined arbitration zone. La Paz intimated that she might be willing to go back 45 years and resurrect the Aceval-Tamayo treaty. 48

Although the Neutral proposal was wholeheartedly supported by nineteen American republics, Paraguay remained determinedly opposed. Withdrawing from Washington, Soler stated that the Neutrals had been impotent to contain Bolivian aggression. Consequently, Paraguay had been obliged to launch an offensive and expel the invader from her fortins, obviating the threat to her civilian Chaco enterprises. She could not accept any truce which left the enemy capable of again disturbing the peace. A few days later, Foreign Minister Benítez reiterated his country's view that the proposal left Bolivia in a superior strategic position. He demanded guaranteed security for the River Republic.

The Neutrals insisted that their plan had been misinterpreted, and callously pointed out (ignoring military reality) that in August Paraguay would have been satisfied

with restoration of the 1 June status quo. Guarani withdrawal from Washington could only be taken as intent "to continue the war and confide the future of your situation to the chance of arms" (a chance which at the moment had given better results in obtaining Paraguayan desires than had four years of the Neutrals!).

Bolivia informed the Neutrals that she had already accepted most of the plan and considered it a suitable basis for talks. Knowing the Paraguayan attitude, it seemed useless to examine it further.

Faced with only tentative Bolivian acceptance and Paraguayan rejection, the Neutrals were forced to capitulate as the major international group working to solve the Chaco dispute. Their failure signaled the effective end of efforts to "prevent war" as compared to securing a peace. On 30 December 1932, the Neutrals admitted defeat, and wired the ABCP powers to learn what steps they were prepared to take to end armed conflict in the Americas.


CHAPTER X
CAMPO VIA

General Hans Kundt reached La Paz on 6 December 1932 and assumed absolute military power as General in Chief of the Field Army. Kundt was commonly believed capable of changing the course of the war through his mere presence. Salamanca, who assumed that the German could eliminate the need for general mobilization, succeeded in gaining his adherence to an "economic war." Unfortunately, Kundt's ability as a commander and strategist was greatly deficient. Despite his diligent toil, personal demeanor, and brilliance as an organizer, Kundt's conduct in the Chaco proved an abysmal disappointment to his adopted country.¹

From the beginning, General Kundt focused his attention on Nanawa. He determined to destroy its garrison (the small Paraguayan 5th Division) and open a route to the Rio Paraguay opposite Concepción. Kundt promised that, although world opinion recognized Paraguay as the victor, Bolivia's would be the final triumph.²

¹ Moscoso, 154-58; Vergara Vicuña, III, 1-5, 30, 39; Díaz Arguedas, El hombre simbolo, 41, 327; Guerrero, La guerra, 247.
² Fernández, II, 221-23, 227; González, 80; Vergara Vicuña, III, 183-86.
The Bolivian attack against Nanawa, mounted in the classical three "battles," moved out during the rainy, murky night of 19 January. The left advanced along the too-short Picada Ruck from Agua Rica, mired its guns, encountered thickets of thorny cacti, and was detained from participating in the first day's action. Aircraft bombed and strafed with little success. The center charged into the Paraguayan fire three successive times with negative results. The right was repelled in the late afternoon, and as night descended, Kundt ordered his forces to dig in where they were. Greater determination, preponderant strength on the flanks, and the indirect objective of encircling the fortin might have led to victory.3

A fresh blow (24 January) abandoned direct attack and aimed to cut off the rear of Fortin Ayala, which adjoined Nanawa. The 41st Infantry under Kundt's personal command was for a time successful, but was too small and weak for its task. Although fighting continued until 28 January, the defenses proved a firm wall against attack. In ten days' fighting, the Guarani suffered only 248 casualties against 2,000 Bolivian losses. Nanawa could not be subdued and insufficient troops were available to lay siege. Consequently,

3 Fernández, II, 228, 235; Díaz Arguedas, Los Elegidos, 251-53; Guerrero, La guerra, 162-63; Vergara Vicuña, III, 296-98.
Kundt's prestige received a stunning blow; Bolivia suffered a fresh moral defeat. 4

Farther north, where the Bolivian II Corps faced the new Paraguayan II Corps (Lieutenant Colonel Juan B. Ayala), the offensive was more successful. Loa, Bolivar, and Jayucubás were recaptured in December. Corrales fell on New Year's Day. Attacks on Fernández (in support of the Nanawa offensive) proved unsuccessful, however, giving mixed results to the II Corps campaign. 5

The Act of Mendoza

After the failure of the Neutrals in December, 1932, Argentina's Saavedra Lamas increased his efforts, sending Rúiz Moreno, juris-consult to the Foreign Ministry, to Asunción for secret talks with Eusébio Ayala. The acceptable portion of Rúiz Moreno's suggestion was Paraguayan withdrawal to the river, Bolivian retirement to Ballivián and Roboré, followed by arbitration. President Ayala wrote Rivarola (4 January) that with the front stalemated and the Neutrals

4 Fernández, II, 229, 232, 236-37; Estigarribia, 63-65; Delgado, I, 98-99; Partes del conductor, 47-49. Also consult Díaz Argüedas, Los Elegidos, 267-68; Vergara Vicuña, III, 331-346, 351-360; Bilbao, 329.

finished, the time was right for Argentine action. Sentiment in both warring countries, he felt, was for peace. Jealousy between Saavedra Lamas and Chile's Cruchaga Tocornal was an obstacle, however, to a South American solution. Moreover, Feely reported from La Paz that Bolivia resented fresh Argentine and Chilean pressure and was fully aware that Paraguay was considering a declaration of war in order to oblige the adjacent countries to a neutrality which would halt Bolivian arms transit. Bolivia still favored the 15 December 1932 Neutral plan and wished to treat jointly with ABCP and the Neutrals.6

To unify their efforts, Cruchaga proposed to Saavedra Lamas (24 January) that they meet for discussions. The result of their conference of 1-2 February 1933 was the Act of Mendoza, affirming friendship in general terms. Article three embodied the sagacious proposals of Eusébio Ayala for

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6 Rivarola, II, 276; Política Argentina, II, 3-14; Bolivia, Memoria 1934, 185-190; U. S., Foreign Relations, 1933, IV, 243-256. White, reflecting the asinine, but prevalent, world sentiment that since Bolivia and Paraguay were small, they had no right to war even if their national interests so directed, suggested to Argentine ambassador Espil that the ABCP should "tell Bolivia and Paraguay that the time has come to stop fighting; that they will not let any further military supplies reach them; that they must stop fighting and accept the Neutral proposal of December ... as the basis for discussion." (p. 253.) In late February, Espil suggested a joint effort to force peace; Argentina would handle Paraguay if the United States coerced Bolivia. White immediately backed down, saying that the United States had no control, economic or otherwise, over Bolivia (p. 275).
a regional economic conference to consider the mediterranean character of the belligerents, to create a transit authority to stimulate exchange, and to sign railroad and river conventions. In this manner, Ayala had hoped to satisfy what he considered Bolivia's just aspirations without dismembering the Paraguayan Chaco. 7

7 U. S., Foreign Relations, 1933, IV, 288-291; Paraguay, Ministerio de Relaciones Exteriores, Libro Blanco. 1933, Part II, Documentos Relativos a los Acuerdos de Mendoza y a la Declaración del Estado de Guerra con Bolivia (Asunción, 1933), 3-5 (cited hereafter as Libro Blanco, Acuerdos); Rivarola, II, 293; Artaza, 77.

While the Battle of Boquerón was in full fury, Eusébio Ayala outlined with statesmanly perspective his analysis of the Chaco problem; Rivarola was instructed to bring it to the attention of Saavedra Lamas. The Guarani President, contemplating economic problems, observed that Paraguay's mediterranean condition was tempered only by her river and close relations with Argentina. The problem of access to the sea for both her and Bolivia must be solved with broad criteria surpassing the interests and passions of the moment and stimulating continental economic and financial development. For Paraguay, closer relations and an outlet through Brazil for her North were needed to complement the fluvial link with Argentina. "The Republic of Bolivia must obtain equal satisfaction of her legitimate aspirations to communication with the great markets of the world."

Bolivia is a country of many regions; the mineral economy of the Altiplano seeks its exit to the Pacific, the vast Northern plains look to the Amazon, the South to Argentina, and the Oriente to the Rio Paraguay. Her communications aspirations unsatisfied by her larger neighbors, Bolivia sought to take the Paraguayan Chaco, which in reality could only ameliorate a small segment of her geographic dilemma.

These complex problems could best be solved by a regional economic conference to conclude agreements on rail, highway, and water transportation to link comprehensively the belligerents with their greater neighbors. Brazil should build an upriver port for Bolivia, while all the Plata countries should join in river improvement to enable 3,000-ton vessels to reach Corumbá. Bolivia should have the right to build oil pipe lines with free zones and facilities
An accompanying Secret Act of Mendoza launched an attempt to end the war, exercising friendly mediation and taking into account the laudable Neutral efforts. Stipulating withdrawals to the river and Fortins Roboré and Ballivián, and demobilization, it also implicitly provided for double arbitration. A definite proposal to be submitted after further soundings was offered on 25 February.

At Asunción on the previous day, President Ayala had asked an extraordinary session of Congress for authority to declare a state of war with Bolivia. Undoubtedly, this was timed as a threat in support of the 27 February Paraguayan reply to the Act of Mendoza. This note stipulated that

where appropriate in adjacent countries. Only thus could the vast distances separating Bolivia and Paraguay from world markets be solved. War could accomplish nothing, Ayala concluded, costing much blood and ruining both contenders; Rivarola, II, 192-96, 211n-213n, quotation 212n.

Coincidentally, a report prepared by an Argentine engineer revealed similar general thinking, and was accepted by Saavedra Lamas. This document indicated Bolivia's major problems were a free mineral outlet through Chilean territory, adequate communications between the Altiplano and the lowlands, and an external outlet for her nascent oil fields along the Andes. None of these would be solved by a port on the Rio Paraguay. The latter two could better be solved through railroad conventions with Argentina; Política Argentina, I, 356-369. Such suggestions were viewed on the Altiplano as an effort by Buenos Aires to avoid the competition of Bolivian oil by acquiring control of its marketing; U. S., Foreign Relations, 1932, V, 157.

since Ballivián was the main Bolivian supply depot, Andean troops must retire to Villa Montes (the western extremity of the Chaco), in exchange for Guarani withdrawal to the Rio Paraguay. Troops should be reduced to levels consistent with domestic security in both countries for five years. An international investigation should determine the aggressor and fix his responsibility. 9

Bolivia's reply (28 February) also advanced conditions; all prior diplomatic acts would be considered nonexistent and would not influence the arbitral verdict; the pleas would be defined in accordance with the 3 August declaration against conquest; the award would be based on the uti possidetis of 1810, without consideration of occupation as title; equal compensations would not be considered; the Hayes Award, the fifth condition stipulated, would be included in the arbitration zone, which would be bounded by the 21st parallel and meridian of 59°55'. Although the Roboré-Ballivián line was unacceptable, Bolivia withdrew her previous insistence on an absolute cease fire of positions. 10

Unquestionably, each reply was tentative and provided leeway for bargaining. La Paz could not possibly accept withdrawal to Villa Montes because this would have constituted de facto acceptance of Asunción's contentions that the Chaco was a large region possessing natural limits. Likewise, the Bolivian specification of a narrowly-limited, Paraguayan-held, area as the arbitration zone was completely unacceptable to Asunción. Bolivia's willingness to accept a cease fire on positions other than those of the moment reflected the repulse of Kindt's offensives against Nanawa, Toledo, and Fernández. It was actually a conciliatory move. On the other hand, she converted Roboré and Bollivian into a fixed, but unacceptable, line. Prior views in La Paz suggest Platanillos-Munoz as the probable line Salamanca would have granted.

Alihuatá

General Kundt, halted on all sides, had become interested in a center maneuver which I Corps had long favored. He had formed a new 9th Division near Puesta Sosa, which was to advance along the back road to Alihuatá. Unfortunately, he allotted only 1,500 men to the project, too few to capture Arce or the Guarani 1st Division at Kilometer 7. On 11 March, Alihuatá's garrison was expelled, and the road to Arce attained. This severed direct communications with the Paraguayan 1st Division. That night its commander
(Lieutenant Colonel Fernández) radioed Estigarribia that he had food for only six days and ammunition for three, and was contemplating retreat. The following day Bolivian forces pushed south from Alihuatá toward his rear, while Peñaranda's 4th Division kept up frontal attacks at Kilometer 7. The Bolivian 9th Division at Alihuatá withstood all Paraguayan attacks from Arce.11

Colonel Fernández reported on 16 March that he feared he would be surrounded that night. He lacked food. With the enemy attacking, water was difficult to obtain from wells in front of his positions. The artillery and baggage train were already on the Gondra road. After announcing his intentions, Fernández withdrew his 1st Division by night in a perfect retreat, leaving behind only a well-filled cemetery in the shade of a quebracho tree. Not a single weapon was abandoned; the guns were carried by hand, 20 men per piece. Proceeding to Kilometer 22, Fernández continued to Gondra on 18 March. Although Peñaranda's division had been reinforced with the walking wounded, it was still too weak to do more than maintain patrol contact.12

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11 Delgado, I, 119-121; Fernández, II, 247-251; Estigarribia, 68; Toro, 36-38; Moscoso, 178-180; Vergara Vicuña, IV, 76, 101, 107-08, 112.
12 Fernández, II, 252-261, 302-03; Delgado, I, 122-133; Estigarribia, 69-70; Moscoso, 181-86, 195. See also Díaz Arguedas, Los Elegidos, 320-21; González, 97; Vergara Vicuña, IV, 114-18, 133.
As a result of the popular discontent the retreat of the 1st Division caused, President Eusébio Ayala wrote Estigarribia on 18 March 1933. He informed him that the Act of Mendoza was a virtual failure because Bolivia, now confident of military success, opposed agreement. The war would continue, although Paraguayan financial resources were limited. The small gold reserve was already gone, preventing purchase abroad of new supplies. Consequently, it was imperative to maintain an active defense, endeavoring to lure the enemy into destroying himself in attacks. Existing stocks of ammunition would have to last three months. Aircraft could be given only the safest missions because

the loss of a single plane ... would cause a terrible impression on this nervous population, which is already sensitive to panic. ... The people pass from enthusiasm to depression according to the information from the front. ... In any case [he stressed] you can be assured that my personal and official authority will be on your side in good and, above all, in bad conditions. Not for a single moment have I believed in any intrigue to displace you.13

Estigarribia replied that the alarm over the 1st Division retreat was groundless, for Paraguay had lost neither men nor material, only a strip of desert having little value.

13 Estigarribia, quotation, 71-72; Delgado, I, 138; Rivarola (II, 225-230) had sought a bank loan in Argentina, but after the 1932 offensive halted the banks refused. He finally secured, interest free, 8,000,000 Ps Arg. from private citizens and firms doing business in Paraguay. The Guarani army was receiving 6,000 barrels of gasoline and 400 tons of fuel oil per month from the Argentine Naval Ministry (pp. 340-41).
Since January, obedient to the President's wishes, he had adapted operations to the capability of the nation, gaining resounding successes from the defensive. To maintain the rather extensive front with existing resources, sound intelligence and mobility (through trucks, cavalry, and aircraft) were essential. Since more arms were unavailable (the limiting factor on the size of the army), reserves must be carefully trained to replace the fallen.\textsuperscript{14}

\textbf{Paraguay Declares War}

After receiving the very noncommittal replies to the Act of Mendoza, Cruchaga and Saavedra Lamas requested the Neutrals' support in endeavors to get both belligerents to withdraw their conditions. Paraguay finally agreed. Bolivia, freshly victorious at Alihuatá and Saavedra, informed the ABCP-U.S. (11 April) that discussion of troop withdrawals was premature until the basis for final settlement had been reached. Once this was done, the technicalities of an armistice could easily be determined. On 26 April, Bolivia rejected the Act of Mendoza as merely creating a new status quo "inconvenient for the peace of America," and favoring the Paraguayan aim of converting the status quo into a permanent solution. The act failed to fix the arbitration zone in advance, and in fact assumed a transactional formula for

\textsuperscript{14} Estigarribia, 72-73.
arbitration lines which would ignore rights and titles. Further, Bolivia resented diplomatic pressure which had been brought against her, especially to withdraw her definition of the arbitration zone. Asunción replied on 2 May that Bolivia wished only to discuss arbitration, requiring Paraguay to make a sacrificial final settlement as a condition to halting hostilities. Paraguay continued to insist on adequate security guarantees, especially demobilization, to assure that she would not be the victim of fresh attacks. La Paz called for continued joint Neutrals-ABCP efforts looking toward determination of Paraguay's exact pretensions. 15

The December positions were now reversed. Bolivia was willing to confide in a victorious army, while Paraguay was amenable to a truce which varied significantly from that suggested by the Neutrals only in that it afforded greater security by specifying Andean withdrawal to Roboré and Ballivián, rather than behind the Vitriones-Ballivián line.

Having held off a declaration of war in hope the Act of Mendoza might succeed, President Ayala now recognized its

15 Libro Blanco. Acuerdos, 15-21; Bolivia, Memoria 1934, 201-212; Rivarola, II, 305-06; Política Argentina, II, 35-64; U. S., Foreign Relations, 1933, IV, 282, 293-95, 299-311, 314-16, 332. Feely reported 22 March: "Recent military successes and the acquiescence of Chile in the free transit of arms via Arica have greatly strengthened Bolivian confidence in a successful issue of the military campaign" (p. 295). Chile was permitting arms passage because of lack of success in concerting an embargo against Bolivia (p. 286).
failure and on 10 May 1933 exercised the authority Congress had granted him to declare the "Republic in State of War with Bolivia." He hoped in so doing to oblige the ABCP countries to close their borders to passage of Bolivian arms. Prior soundings had indicated that Argentina would "decree neutrality of benevolent application for [Paraguay] ... and strict for Bolivia." Chile was, however, believed to be inclined to permit arms flow to avoid giving La Paz cause to repudiate their 1903 treaty ending the War of the Pacific. He knew that Bolivia was expecting large shipments from Europe and hoped thus to prevent their delivery. Unfortunately, his action was too late. Stokes-Ernddt mortars and other new weapons had already reached the front. Chile and Argentina, meanwhile, showed their displeasure with La Paz by advising that they held her fully responsible for the failure of their effort. 16

After Paraguay declared war, neutrality declarations were issued by the adjoining countries. Brazil declined to

impede free transit with either belligerent as pacted in existing treaties, but she forbade foreign enlistments, use of her territory for military operations, or export of war supplies. Her ports were open to the vessels of both belligerents, and escaped prisoners of war could not necessarily be interned. Peru issued a similar pronouncement. Chile decreed neutrality, but permitted Bolivia unimpaired use of the transit privileges pacted 20 October 1904. The effect of these policies was favorable to Bolivia, since Paraguay had borders only with Brazil and did not, or could not, make use of Brazilian routes. Bolivia, however, supplied her 5th Division at Puerto Suarez from Corumbá, even receiving large amounts of contraband.17

Argentina, however, lived up to Guarani expectations and initiated a neutrality benevolent to Asunción. Her 13 May decree and implementing directive specified vigilance against use of communications for war purposes and internment of troops entering Argentina. Existing river conventions would be respected. She closed the Pilcomayo ports through which Bolivia had always obtained the basic necessities for her forces in the Southeast, explaining there were no civilian populations in the Bolivian Chaco; all goods, under a narrow definition of the term, were, therefore, contraband. This

17 Brazilian decree is found in DeBarros, 128-138, and Bolivia, Memoria 1934, 316-323; Chilean decree, 324-25; Peruvian, 334. Consult Delgado, II, 15; Díez de Medina, De un Siglo, 339.
served to severely handicap Bolivia, who had always required close relations with Argentina to complement her own highly inadequate domestic transport and communications facilities. La Paz, well aware that Paraguay was using the Port of Buenos Aires and even the Argentine railroads, sought clarification of her rights of free transit under an 1868 treaty. This precipitated a lengthy correspondence in which it was made clear that the Justo government would allow Bolivia transit only of purely civilian goods and in the same quantities as before the war.\textsuperscript{18}

As soon as Paraguay declared war, Bolivia appealed to the League of Nations, bringing a third successive international force into the Chaco question. Although she had desired new joint Neutrals-ABCP efforts, the unfavorable attitude of Chile and Argentina made such a course impossible. Saavedra Lamas had long sought to be the bearer of the issue to Geneva, but Paraguay's Eusébio Ayala had opposed League interference. He believed that Geneva would do nothing to offend Washington. Mr. Stimson had feared that the League, unfamiliar with the problem, would act in haste; in four years' experience, the Neutrals had learned the need for

\textsuperscript{18} For neutrality decree and resulting correspondence, see Bolivia, Memoria 1934, 232-316, or República Argentina, Ministerio de Relaciones Exteriores y Culto, La Neutralidad Argentina en el Conflicto Boliviano-Paraguayo (Buenos Aires, 1933), 6-66; Política Argentina, II, 72-73. Also consult Rivarola, II, 349; Guerrero, La guerra, 206; Díez de Medina, Conferencias, 18-21.
patience. But they had failed, and the new administration on the Potomac had little interest in the Chaco War. The dissolution of the Neutrals left the League a clear field. 19

Brazil was profoundly disappointed at Roosevelt's taking the United States out of the matter, and believed (correctly) that a League commission would be a waste of time; it would submit a lengthy report and achieve no result beyond designating an aggressor and recommending sanctions. As a compromise, Brazil suggested to the other ABCP powers that they secure from the League a "mandate" for new efforts, thus keeping Geneva out of America. On 4 August, the desired mandate was offered. The ABCP then unsuccessfully sought agreement for submission of the entire Chaco problem to arbitration, with a simultaneous truce under their moral guarantee. Paraguay accepted on 8 September, but Bolivia made her acceptance contingent upon a maximum arbitration zone of 25 kilometers south of Bahia Negra and 61° west.

19 Rivarola, II, 206, 209; Política Argentina, II, 70; U. S., Foreign Relations, 1932, V, 223-44, 247; 1933, IV, 332-36. On 1 June Finot sought to have White revise the Neutral plan of 15 December with Bolivia now willing to retire to Villa Montes. Although this would have made the plan acceptable to Asunción, White would take no action unless Finot put his proposal in writing with official approval of La Paz. Roosevelt, however, desired to "get out of the matter gracefully and leave it to the League and South Americans." Over strong objections of Uruguay, White then led the Neutrals to an act of dissolution 27 June 1933 (pp. 339-345). Política Argentina, II, 119. Paraguay had desired such action since January (p. 259).
The ABCP, therefore, advised the League (2 October) that they could not accept the proffered mandate. 20

The Second Attack on Nanawa

Kundt, for unknown reasons, failed completely to capitalize the brilliant and audacious Alihuata maneuver. He launched fresh attacks on Fortin Fernandez and against the Paraguayan 1st Division, which had taken up defensive positions at Gondra. In June, Paraguayan intelligence indicated he was preparing a new blow at Nanawa. Estigarribia realized such an attack would admirably serve his aim of destroying the enemy army without the risks inherent in offensive operations. Consequently, a 9,000-man III Corps was created at Nanawa; every assault route was mined, every island fortified. 21

20 U. S., Foreign Relations, 1933, IV, 346-362; DeBarros, 139-140. Brazil had wholeheartedly supported United States interest in the Chaco problem since 1928 as the best hope for a solution. Their cooperation continued throughout the long dispute.

Bolivia's willingness in September, 1933, to accept a larger arbitration zone than during the Mendoza efforts was unquestionably due to deterioration of her military situation.

The role of the League of Nations has been the subject of a monograph: Margaret La Foy, The Chaco Dispute and the League of Nations (Ann Arbor, 1946). The study is completely inadequate in treating the dispute due to noninclusion of the principal sources. We do not propose here to discuss Geneva's activities in other than a summary fashion.

21 Vidaurre, Acciones militares, 125-145; Estigarribia, 75-76; Moscoso, 207, 217-19, 223, 225.
On 4 July 1933, to coincide with the convening of the League Assembly, Kundt mounted against Nanawa the most massive attack of the Chaco War. A tunnel had been dug and explosives implaced under the edge of the "fortified island" which blocked the center. When this mine exploded at 0905, nearly 7,000 charged across no-man's land. While overhead the Bolivian Air Force bombed the Guarani artillery, on the ground the Tank Group advanced belching shells, and flame throwers spewed burning death. The brave Andean Indians charged through the dust from the mine, which had exploded 30 meters in front of the "fortified island," and were met with an undiminished Paraguayan fire. In the center, the dead piled up in heaps. The troops became disoriented when what Kundt thought were outposts proved to be the main line of resistance. On the right, improper coordination brought a frontal attack before the artillery had softened up the defense; then the infantry was victimized when the guns belatedly opened up. By noon, the Andean artillery was out of the battle for lack of shells. The flame thrower operators, unprotected by conventional weapons, were soon killed, rendering their apparatus useless. Bold Guarani dropped grenades into tanks. On the left, the assault progressed initially, but the jefes lacked tenacity at the crucial moment and the positions captured were lost to a potent
Paraguayan counterattack which utilized innumerable land grenades. 22

Although Kundt directed another light effort (6 July) against the "fortified island," the Bolivian offensive had reached its acme on the 14th when the German sacrificed the best of his army. Over 2,000 Altiplano soldiers died futilely in front of the III Corps defenses. Ten days later Estigarribia, inspecting the sector, noticed that where fighting had been heaviest, fragments of human bodies were scattered over the ground and in the trees. Masses of bodies and fragments had been heaped and ignited with kerosene, but had been only partially consumed, leaving a huge, rotting, putrefying mound of human flesh and bones. "For months this atrocious sight remained in my eyes," he wrote. 23

22 Estigarribia, 77; Toro, 42-44; Moscoso, 235, 241; Partes del conductor, 92-95. See also Vergara Vicuña, IV, 283, 374-79, 387, 392-99, 408; Díaz Arguedas, Los Elegidos, 339-342. Paraguay used grenades in large quantities, as they were manufactured in a modern arsenal at Asunción. This facility worked three shifts making, in addition, canteens, truck bodies, water tanks, and even a few mortars. Vehicle repair and operation was included in this management empire of 22,000 people under Navy Captain José Bozzano. Lacking such a plant, Bolivia bought all supplies abroad. Ríos, 99-101.

23 Estigarribia, 78; Vergara Vicuña, IV, 426-27.
Campo Via

Having achieved maximum benefit from defensive operations, the Paraguayan command returned to the offensive on 11 September. Colonel Estigarribia assumed personal command of I Corps to attempt a double envelopment of the Bolivian 9th Division at the Alihuata sector. The road behind two enemy regiments was cut (12 September) at Pampa Grande, the extreme Andean left. A smaller force was encircled on the right at Pozo Favorito. The afternoon of 14 September, when water was exhausted, both pockets surrendered with nearly 1,000 men. The remainder of the Bolivian division pulled back, thwarting Estigarribia's plan of annihilation.24

On the 18th at Villa Militar, to which he had gone to solicit President Ayala's approval for continuation of the offensive, Estigarribia was promoted. After a year of war, Paraguay's 25,000-man field army was for the first time commanded by a Brigadier General. At Munoz, another General, Hans Kundt, contemplated flight to Argentina, or suicide.25

Estigarribia then prepared a grand offensive which contemplated stretching the enemy's flanks at Nanawa and west of Arce. After enveloping the Bolivian left at Pampa

24 Estigarribia, 90; Gonzalez, 110-11; Partes del conductor, 115; Diaz Arguedas, Los Elegidos, 378-381; Vergara Vicuna, IV, 564-598.
25 Estigarribia, 91; Benitez, Estigarribia, 87; Diaz Arguedas, El hombre simbolo, 43; Los Elegidos, 393.
Grande, he determined to conduct a sweeping movement which would cut the Saavedra road. This would close the Muñoz road and complete annihilation of Kundt's army by capturing the 7th Division. Troops were shifted from other sectors, including almost the entire II Corps, and on 22 October the offensive began. 26

Kundt's addiction for holding ground enabled the Guarani to gradually draw all the Andean reserves into action. On 25 November, to the League of Nations' Chaco Commission, Estigarribia asserted that Paraguay would accept no discussion of the littoral and was determined "to continue the war with the certainty of crushing the enemy." To the asseveration of General Freydenberg (France) that war was fickle and could not be absolutely predicted, the Guarani commander replied, "the destruction of the Bolivian army is a mathematical operation." 27

The Bolivian situation was now grave. Salamanca urged retreat, apprehensive for the forces at Gondra and Alihuatá. Kundt vacillated, gave the order, then cancelled it, claiming the situation had improved. On 6 December, the Paraguayan envelopments reached the Alihuatá-Saavedra and Alihuatá-Pozo Negro roads. Kundt placed the 9th Division

26
Estigarribia, 92-94; Caballero Irala, 53-54; Rios, 287; Díaz Arguedas, Los Elegidos, 416.
27
Estigarribia, quotations, 101-02; Artaza, 88.
(Colonel Carlos Banzer) on its own to retreat to Campo 31. The only escape route still open—east to Campo Victoria—was taken by Banzer, who fired Alihuatá 7 December. At dawn the Paraguayan 1st Division (Colonel Rafael Franco) erupted from Gondra and sealed the Campo Via—Puesto Ustares road. Estigarribia ordered continued envelopment from Charata to close the Saavedra road and link up with Franco. At midnight the Paraguayan army occupied burning Alihuatá. 28

In his effort to sustain the 9th Division's lines and avoid retreat, Kundt had weakened the 4th Division (Colonel Emilio González Quint) to 1,355 men. Pleas for more troops were rejected because Kundt did not believe the Paraguayan army strong enough for moves on a broad front. On 8 December, the Paraguayan 1st Division pressed the 4th Division back, especially at Campo Victoria, where it joined lines with Banzer. The 9th Division retreat actually facilitated the Guarani trap by bringing the Andean forces together in a small area. On the south, the 7th Division retreated from in front of Nanawa to avoid being flanked by the Guarani III Corps. Estigarribia, lacking trucks to rush troops

28 Estigarribia, 103-05; Díaz Arguedas, Los Elegidos, 418-19, 423-25; Ríos, 290; Torres Ortiz, 73-77; González, 117; Vidaurre, El 41, 129; Partes del conductor, 137-38; Vergara Vicuña, IV, 690; V, 16-18.
toward Puesto Moreno and Muñoz, ordered his 8th Division to
march on Puesto Sosa. 29

By 9 December, Franco had occupied the woods north of
Campo Via, sealing the road from Campo Victoria, and more
narrowly confining the Andean forces. With the Guarani 7th
Division at Kilometer 31, Banzer had no ready escape route,
and when Kundt advised that a road was being cut toward the
endangered forces from Kilometer 25, he pressed the con­
struction of an artery in that direction. González Quint
joined in the effort, issuing general retreat orders to the
4th Division. The trees were large and thick, slowing the
road cutting, and soon most of the army, along with 100
loaded trucks, was strung out on the unfinished road. Be­
neath the hot sun the Andeans suffered. Thirst, the terror
of the Chaco, began to infiltrate the ranks and men slunk
away into the woods in search of puddles of rain water. 30

Estigarribia (10 December) ordered his 6th Division to
proceed by forced marches from Charata to Puesto Pabon, close
the Saavedra road at Kilometer 7, and trap a relief column
under Peñaranda. At 0930, he broadcast that a "triple
envelopment" imprisoned the Bolivians, intending thus to

29 González, 118; Torres Ortiz, 78; Vergara Vicuña, IV, 694, 702-03, 707-08; V, 14; Díaz Arguedas, Los Elegidos, 426.

30 Torres Ortiz, 93-99; Vergara Vicuña, V, 37-51, 63, 70-74, 102.
lower their morale. Later, 200 men from his 7th Division cut Kilometer 22 and captured retiring 9th Division tanks, endangering Peñaranda. When Banzer and González Quint learned of this, and the similar blocking of Kilometer 16, they ceased work on the escape road because it was leading only to a new enemy trap. They then ordered an attack southward toward Campo Via. Intercepting this message, Estigarribia ordered appropriate precautions.31

By the morning of 11 December, it was clear the attacks had failed. The Paraguayan circle actually was incomplete because the 1st Division had not contacted the forces which had turned the Andean left. Consequently, before dawn, three Andean battalions escaped. Desperation was prevalent, however, and the Altiplano Indians were in no condition to fight their way to freedom. Speaking for the doctors, a chaplain informed the commanders that considering the "absolute dehydration of almost all the jefes, officers, NCOs, and soldiers" and the existing demoralization, capitulation was necessary. Banzer and González Quint bowed to the inevitable and surrendered the 4th and 9th Divisions (8,000 men) the afternoon of 11 December 1933.32

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31 Vidaurre, El 41, 133-36; Partes del conductor, 140; Estigarribia, 105-06; González, 123. See also Guerrero, Peñaranda, 56-58; Díaz Arguedas, Los Elegidos, 426-28, 433; Vergara Vicuña, V, 85, 92-97, 103-05.

32 Estigarribia, 107; Partes del conductor, 141; Torres Ortiz, 105; Ríos, 292; Vergara Vicuña, V, 126-137, quotation 133; Díaz Arguedas, Los Elegidos, 429-431.
In addition to prisoners, Paraguay captured 20 spiked guns, 25 mortars, 536 Vickers machine guns and automatic rifles, and about 8,000 rifles. Along with 306 machine guns and 4,830 rifles previously captured, these arms were a bounty to Asunción which, as has been seen, lacked the funds to make new arms purchases.33

Kundt ordered II Corps to reconcentrate at Platanillos. The 7th Division, its rear gravely threatened by the Guarani 6th and 8th Divisions, was directed to retreat in forced marches. A new 4th Division was resurrected, mainly from the Peñaranda troops, to cover retreat. Contingents at Cuatro Vientos and Tinfunque were instructed to fire the fortins and proceed to Muñoz. Major General Estigarribia ordered Colonel Irrazabal's III Corps to advance through Tinfunque on Muñoz. There, civilians were hastily departing and the Andean command prepared to follow them.34

The Chaco Truce

After the October failure of the Brazilian-led ABCP peace attempt, Presidents Augustin P. Justo and Getúlio Vargas of Argentina and Brazil conferred and signed the Act of Rio, 11 October 1933, proposing that Bolivia and Paraguay

33 Rios, 176-77. Other booty figures vary.
34 Díaz Arguedas, Los Elegidos, 446-47; Vidaurre, El 41, 150; Estigarribia, 109. President Ayala, on hand for the surrender 11 December, promoted Estigarribia and numerous jefes (p. 108).
submit the region between the Rio Verde and 20° south, and bounded by the 62d meridian, to a joint commission at Rio. If the Commission proved unable to define the arbitration zone within thirty days, Justo and Vargas would fix a zone that would exclude the Hayes Award. President Salamanca accepted the plan immediately, but Ayala, committed to exclusion of Bolivia from the littoral, indicated lack of confidence in such a method. On 20 October, La Paz sought Argentine support for a compensatory littoral zone in the northern Chaco. Buenos Aires declined to become unilaterally involved. The Rio endeavor definitely failed 11 November, when Bolivian Foreign Minister Canelas lost a vote of confidence on this point in the Senate.35

The League of Nations had resolved 20 May 1933 to send a commission to solve the question which for many years had troubled the Americas. The ABCP effort to head this off by exercising a mandate delayed the League only six months. On 3 November, the Chaco Commission organized at Montevideo. The members were Generals Henri Freydenberg and Alexander Robertson of France and England, Major Raúl Rivera Flandes of Mexico, Count Luigi Aldrovandi of Italy, and the Chairman Dr. Júlio Álvarez del Vayo of Spain.36

35 Políticas Argentinas, II, 140-156; DeBarros, 141.
At Asunción, the important National Commission of Limits, consisting of Dominguez, Moreno, and Zubizarreta, met at the chancellery to decide Paraguay's position. Demobilization and demilitarization of the Chaco were essential. Paraguay must also police the entire Chaco. For arbitration, she could produce, with slight modifications, her 1928 propositions at Buenos Aires. The *uti possidetis*, whether of 1810 or 1825, should not be admitted as a basis of defining rights; other principles of international law should be favored.37

The League Commission reached Asunción 18 November, and spent the succeeding days visiting the Chaco industries, the Mennonite colonies, and the front. One member flew up river to inspect Puerto Suarez. President Ayala informed the Commission that his country required peace, security, and unrestricted arbitration. Economic questions would be discussed with Bolivia, but she would not be admitted in sovereignty to the Rio Paraguay. Asunción's case was skillfully presented, and the Commissioners were impressed with Guarani military prowess and Chaco developments. They looked with disfavor on Bolivian pretensions to Bahia Negra, United States Minister Nicholson wrote, and were well pleased with

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Paraguay for being "frank, reasonable, cordial and consistent." 38

On 1 December, the Commission departed for La Paz, arriving on the Altiplano 5 December. They were not permitted to proceed to the Chaco for inspection, but were offered a brilliant recital of the Andean case by Dr. Mercado Moreira. The Commission, after Campo Via, wired Asunción (17 December) that Bolivia accepted troop withdrawal, demobilization, international policing, and arbitration by the Hague Court. This amounted to accession to Paraguay's demands, and she could hardly refuse. Ayala, moving rapidly to seize the initiative, consulted Estigarribia, who "sincerely believed that peace then could be achieved and that an armistice possibly would pave the way." Unquestionably thinking that Salamanca had been brought to a flexible position by military realities, and wishing peace, Eusébio Ayala wired the Commissioners (18 December) proposing a general armistice from 19 to 30 December for meetings in some La Plata capital to consider peace and security. Defeated and demoralized, Bolivia at once agreed to the proposal. 39

38 U. S., Foreign Relations, 1933, IV, 368, quotation 369; Report of the Chaco Commission, 8.
39 U. S., Foreign Relations, 1934, IV, 375-78; Libro Blanco, IV, 64-65; Política Argentina, 169; Report of the Chaco Commission, 9; Estigarribia, quotation 110; Ríos, 295; Artaza, 83-86.
In the Chaco, Peñaranda, who had replaced Kundt, demanded and received authority to conduct withdrawal to a line from La China to Magarinos as he saw fit, where he proposed hastily to form a new army. On 18 December, while Ayala was arranging the armistice, Guarani intelligence indicated that the enemy was rushing preparations to abandon Muñoz. Estigarribia, wishing to have it in Paraguayan possession when peace was arranged, ordered occupation of the Bolivian headquarters. At noon 19 December, he disseminated the order for an armistice beginning at 2400 hours. That night the 8th Division subjected Muñoz to an artillery bombardment, disrupting the quiet that had prevailed for nearly a week. With flames from the burning fortín lighting the way, Guarani troops moved in toward dawn. An immediate, critical dispute arose over the exact hour, Peñaranda charging that Muñoz was attacked after midnight in violation of the armistice.

Both armies took advantage of the armistice to prepare for possible return to hostilities. Estigarribia directed the building of a new road from Carayá to Platanillos to

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40 The belief that Paraguay violated the armistice is prevalent among Bolivian sources: Vidaurre, El llal, 159-161; Díaz Arguedas, Los Elegidos, 451; Toro, 61; Urioste, La Enrucijada, 98. See also Política Argentina, II, 175. Colonel Julio Díaz Arguedas, La guerra con el Paraguay (La Paz, 1942), 62. (Cited hereafter as La guerra.) Estigarribia (III) and Rios (303) place the hour of occupation at 2300.
shorten supply lines. He regrouped and rested his disorganized and exhausted forces, and shifted troops to balance his lines. On 25 December, he agreed to send his Chief of Staff, Colonel Manuel Garay, to Montevideo as military adviser to the peace conference. Since shortage of ammunition and trucks was critical, making rapid pursuit impossible, Garay tarried in Buenos Aires where, abetted by Rivarola (who had been fronting in the used car business for this purpose), he ordered vehicles in large numbers. To gain time for their delivery, the army agreed to extension of the truce until 6 January 1934. But Estigarribia thought that the enemy, far from being brought to reason by the defeat, was more determined than ever to fight, seeking vengeance.41

At Montevideo, the League efforts met an inauspicious beginning when the Bolivian delegation polluted the air, charging Paraguay with violating the armistice. They (Alvestegui, Escalier, Casto Rojas, and General Blanco Galindo) sought to have this incident made the main topic of concern, implicitly serving notice that Bolivia was not interested in pacting peace. Colonel Garay did not arrive until 29 December, delaying the start of business. President Ayala had sent Zubizarreta and Rivarola as delegates, Efraín

41 Estigarribia, 112-14; Rios, 246-299; Caballero Irala, 86; Warren, "Political Aspects," 8.
Cardozo as secretary, a sure indication that he was yielding to hard peace advocates. Virulent Paraguayans believed they had been obliged to purchase Bolivian withdrawal from the Hayes Zone with blood and now they themselves would not withdraw to the river. After visiting Asunción at Ayala's invitation, General Freydenberg reported that settlement of the basic issue was presently impossible. His position, Ayala told Nicholson, was very difficult with now a victorious army and later a Congress to face.

The League Commission sought a truce extension to 14 January, and recommended sending neutral observers to each headquarters to assure respect for the armistice. Bolivia accepted, but Estigarribia would grant only six days. Ayala felt that the Commission inclined toward La Paz, encouraging Bolivian pretensions. The unwillingness of Bolivia to reach security guarantees without prior agreement on arbitration, and Paraguay's attempt to impose a victor's peace, caused the time of the truce to expire without constructive result. The short extension was equally useless, and Paraguay, aware that the Bolivian army was rapidly reorganizing and receiving fresh forces, and with her own troop reconcentration completed, declined further prolongment. Ayala, however, wired Estigarribia that although so far La Paz insisted on a port, hope for an acceptable peace was still good. This could be considered in operations, and if pressure was needed the army would be advised. Estigarribia was
pessimistic, feeling that Bolivia had not profited from Campo Via and desired to impose her terms on the victor.\(^{12}\)

Paraguay informed Argentina that she had never admitted the Paraguayan littoral as contentious, and claimed that the nineteenth century treaties were made without title study and could not constitute precedent. Asunción added that Bahía Negra, in view of its isolation below the Otúquis swamps, could not be used economically by Bolivia as a port and would merely afford her a foothold for further military threats to Paraguay. This indicated the abiding fear for her future security which so vitally conditioned Asunción's diplomacy.\(^{43}\)

\(^{42}\) Libro Blanco, IV, 66-72; Política Argentina, II, 170, 176-189; U. S., Foreign Relations, 1933, IV, 379-382; Estigarribia, 115-17; Artaza, 87; Report of the Chaco Commission, 10-11.

\(^{43}\) Política Argentina, II, 194-95. On 16 January 1934 Saavedra Lamas made a fresh effort, proposing troop withdrawal, demobilization, and neutral police, with the whole issue being entrusted to the League if not settled during a six months' armistice. He observed that it was utopian to assume that truce and definitive settlement could be reached simultaneously (as La Paz persistently desired). Transitions in popular opinion in both countries would come only with time. An important factor was the Bolivian belief that the war was inspired by a fatal geographic determinism obliging her to obtain a Rio Paraguay port for her future economic survival as a nation. Ibid., 197-201. This program clearly contained the statesmanly ideas of Eusébio Ayala.
CHAPTER XI

EL CARMEN—IRENDAUGÜE

After failure of the Chaco truce, the League Commission continued its futile effort to effect peace. Victory at Campo Via had fired Paraguayan extremism; thereafter, many Guarani insisted on expulsion of Bolivia from the entire natural limits of the Chaco, making solution difficult. Consequently, a draft treaty offered by the Commission found no favor at Asunción. A year earlier Bolivian consent to arbitration of the respective full claims by the Hague Court (with the Hayes Award and Petropolis cession excluded) might have won Paraguayan favor; now, it was scorned because the proposal included withdrawal of the victorious Guarani army to the Rio Paraguay. Asunción, certain an indemnity could be wrung from La Paz, also objected to omission of procedures for determining war guilt.¹

Paraguay's counterproposal stressed, as always, security. Immediate cessation with the armies separated by

¹ Report of the Chaco Commission, 42-46. Also note U. S., Foreign Relations, 1934, IV, 33-61; Bolivia, Memoria 1934, 606-07. The Commission (p. 47) believed that a Bolivian port was feasible from the engineering standpoint in the Petropolis cession.
equidistant lines (unofficially, Punta Rieles and Ballivián). Paraguayan policing of the evacuated zone, and arbitration to define the boundaries between Chiquitos and the Province of Paraguay included the most important points. A conference sponsored by the ABCP would seek a direct solution, while the League Commission would fix war responsibilities. Significantly, Asunción was willing to permit Bolivia to remain locally in a fairly advanced position. This was an innovation in proposals. Ingeniously, Paraguay advocated an economic conference between armistice and arbitration. Ayala, of course, hoped thus to satisfy La Paz's aspirations by nonterritorial means.²

La Paz also rejected the Commission's plan, objecting to exclusion of the Hayes Zone without a compensatory portion of the littoral. She demanded that the arbitration stipulated be detailed and without possibility of delay; consequently, security measures were unimportant and transitory, and could be quickly settled once arbitration was assured.³

On 8 March 1934, Zubizarreta and Rivarola delivered a memorandum detailing charges against Bolivia. From Altiplano correspondence with Cano in 1905, they deduced

evidence of Andean premeditation for war. After introducing as evidence jingoistic Bolivian schoolbooks and the bellicose 1908 writings of Saavedra against the Pinilla-Soler Protocol, the memorandum concluded by charging that La Paz had used the Non-Aggression Pact Conference to cover final war preparations and Moscoso's aggression at Pintantuta.  

After a vain attempt to reconcile the contending views, the League Commission sailed for Europe, the latest defeated peace agency. Its efforts had been unrealistic in ignoring Paraguay's victory in the field. The latter's ambitions had grown with Campo Vie; talk had become common in Asunción of invading Bolivia, seizing the Andean oil fields, incorporating the entire Chaco, and confining Bolivia forever to the Altiplano by creating an autonomous Republic of Santa Cruz from her oriente. While defeat made La Paz more tractable, she maintained her basic condition of a juris arbitration agreement as a prerequisite to an end of hostilities. In fact, unless she did continue the war until this was obtained, the peace would undoubtedly

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reflect her defeat and end her hope of securing a fluvial outlet.  

The Argentine Proposal

After the defeat at Campo Vía, Peñaranda had gradually retreated his army until it stretched thinly northward from in front of Ballivián. Estigarribia attempted to construct a road around the Andean left to reach the Pilcomayo at Cururendá, hoping to envelop the entire enemy army. By April, it was clear that the Guarani contemplated encirclement of the Bolivian 8th Division at Cañada Cochabamba (called Esperanza by the Paraguayans, the action is misnamed Cañada Strongest) to open the road to Cururendá. The Bolivian command therefore prepared a countermaneuver.

When the Guarani began a road southwestward through the gap between the 8th Division and I Corps, a huge 14,000-man Andean 9th Division moved to cut their rear. Under the

5 Saavedra Lamas confided to U. S. Ambassador Weddell that the real issue now was economic. Oil in the western Chaco might require a pipe line as a part of a settlement. Ergo, some form of outlet for Bolivia was imperative. U. S., Foreign Relations, 1934, IV, 52, 65. It was at this time charges that the war was motivated by international oil began to gain credence. As long as fighting had been confined to the old fortin line, such allegations seemed foolish. Obviously, the war had not begun over oil, but it did become a factor in 1934.

Separatism of Santa Cruz was an old problem for La Paz, but it was fanned by Asunción’s clever psychological warfare campaign. See Enrique de Gandía, História de Santa Cruz de la Sierra (Buenos Aires, 1935).

6 Estigarribia, 140-41; Vergara Vicuña, Bilbao, 371-72.
impression that only small forces were involved, the Paraguayan 7th Division sent back a single battalion on 19 May. This force succeeded in paralyzing the main enemy thrust. When a second Bolivian column closed the road farther to the rear, Estigarribia ordered his troops to retreat. Colonel Bilbao (22 May) ordered his 3rd Division south, however, and belatedly completed a trap in time to encompass the Paraguayan 2nd Division. Although only 1,500 prisoners were taken, the action was Bolivia's greatest triumph, and served to restore Altiplano morale. The long Paraguayan offensive that opened in September, 1933, came to a close. 7

Following Cañada Cochabamba, Bolivia appealed to the League under Article 15 of the Covenant, thus terminating Geneva's general efforts and indefinite negotiations. At British urging, the League then concerted an arms embargo against both belligerents. The United States pursued a similar policy unilaterally. La Paz strongly objected, since Paraguay's arsenals gave her an advantage over Bolivia, which lacked domestic arms-producing facilities. 8

In July, Argentina advanced a very general peace plan which was supported by Brazil and the United States. This provided agreement on platitudes, such as renunciation of

7 Estigarribia, 146-48; González, 145; Caballero Irala, 67; Díaz Arguedas, La guerra, 123-25, 136; Vergara Vicuña, V, 438-464, 471, 478-79; Bilbao, 379-383.
Situación General del Frente de Op. antes del desastre de "El Cármen"

SECTORES CENTRAL Y SUD

Noviembre de 1934
territorial conquest, settlement of differences by legal means, and an end to fighting. It called for a meeting of plenipotentiaries at Buenos Aires to concert the specific peace terms, a definitive cease fire, and adequate security measures. The delegates would contemplate "factors of equity, reciprocal utility and others of pure law." If conciliation were not effected, the issue would be entrusted to the Permanent Court of International Justice at The Hague. 9

Saavedra's plan incorporated two basic ideas: (1) the Ayala concept that an economic conference and transactional discussions could satisfy Bolivian needs without Paraguayan loss of the Chaco; and (2) Saavedra's great contribution, a gradual transition to peace. This opposed the older view that the war must be ended at once, unconditionally.

La Paz was resentful that the proposal had been discussed previously at Asunción, and was suspicious of an Argentine peace. Following Brazilian—United States efforts to allay this fear, Bolivia replied that conciliation should be entrusted to the ABCP—Neutrals under the 3 August 1932 principles. The Continental Declaration, which La Paz resented at its annunciation, grew in favor proportionally to her military reverses. She also specified that Argentina

9 Ibid., 141-46; Bolivia, Memoria 1934, 779-780, quotation, 780; Política Argentina, II, 229-233.
should, in confidential inquiries at Asunció, secure as a sine qua non recognition to Bolivia "of a littoral zone on the Rio Paraguay extending southward from Bahia Negra."

Full arbitration agreement must precede an end to hostilities. 10

The United States supported Bolivia's request for expansion of the mediation group. Saavedra Lamas, however, opposed this and further stated that if La Paz insisted on the coastal zone, "he would end the whole matter." Brazil promised confidentially that she would endorse Bolivia's claim to a river port, once a conference convened. Endeavoring to keep the effort alive, La Paz indicated that her condition was not a sine qua non to convening a conference, and reiterated willingness for full arbitration by the Hague Court. After Paraguay had accepted the original Argentine proposal unconditionally (17 August), Saavedra Lamas attempted to interpret the proposed arbitration clause as embodying acceptance of the Hague Court's statutes, Article 36 of which entrusted to the Court determination of the scope of litigations submitted. Since this was a patent attempt to secure what amounted to the double arbitration which Asunció had favored since 1929, La Paz declined further reply pending the return of President Salamanca from a Chaco visit. 11


Although defeated at Cañada Cochabamba, General Estigarribia had continued to contemplate offensive operations. He was certain that turning Peñaranda's left was the key to the latter's destruction. The Andeans had committed the bulk of their army to a passive defense of Ballivián. This created an unbalanced front and enabled the Guaraní to free troops for a drive toward Algondonal and "27 November," an important road junction north of Picuiba. On 14 August, Colonel Rafael Franco's II Corps opened the operation and quickly overran light Bolivian forces. His fast-moving truck columns reached Irendagüe 17 August, Villazón the eighteenth, "27 November" the next day, Huirapitindí on the twentieth, and captured an enemy battalion at Algondonal two days later. On 27 August, Franco reached a string of foothills 5 kilometers east of Carandaiti. They were the so-called Chiriguanos Mountains, natural limit of the Chaco.12

President Salamanca arrived at Peñaranda's headquarters on 29 August in an effort to improve the tense relations existing between himself and the army. The moment was critical and unified efforts were needed in the Andean camp. Although Colonel Rodriguez (Chief of Operations) urged retreat to Villa Montes-Carandaiti, and asserted that peace

12 Estigarribia, 151-166; Partes del conductor, 175-191; González, 146-159; Delgado, II, 81-151.
must be sought, the President heeded the immoderate counsels of Colonel Toro. He approved Toro's proposal of a countermaneuver from Carandaí, and returned to La Paz certain that the situation would be improved.\(^{13}\)

While Salamanca was in the Chaco, his Guarani counterpart informed the United States Minister that he was willing to arrange for a Bolivian port. "Bolivia owns many millions of acres of oil lands," he said, "which are not involved in the Chaco dispute." Pipe lines to the river would provide Paraguay with cheaper gasoline, and would have greater advantage to both litigants than Argentina's notorious desire to acquire control of marketing the oil.\(^{14}\)

Saavedra Lamas was following a policy so devious that it confounded all other participants in the latest negotiations. He had no desire to permit Paraguay and Bolivia to arrive at agreements to which Argentina was not a party. On 28 August, for the first time, he conveyed to Rivarola Bolivia's sine qua non "in order to assert the impartiality of his attitude."\(^{15}\)

On 7 September, Bolivia made countersuggestions which Saavedra Lamas deemed reconcilable with his formula. These sought to limit titles to those "emanating from the Spanish

\(^{13}\) Toro, 75-77; Diaz Arguedas, El hombre simbolo, 88-95.

\(^{14}\) U. S., Foreign Relations, 1934, IV, 186.

\(^{15}\) Ibid., 188-190, quotation 188.
crown," to make cessation of hostilities dependent on a conciliation agreement, and to expand the mediation group to include the ABCP—Neutrals. Should conciliation fail, La Paz stipulated juridical arbitration in accordance with the *uti possidetis juris* of 1810 and the 3 August 1932 declaration. Bolivia, it may be recalled, interpreted the latter broadly against all occupations, regardless of date. Saavedra Lamas duly transmitted these proposals to Paraguay.16

Rivarola responded to the United States, Argentina, and Brazil that if Bolivia posed conditions to the formula which Paraguay had accepted unconditionally, she would herself offer modifications. The peace effort had reached the usual impasse. At Asunción, Ayala confided to the United States Minister that Bolivia's port needs were a proper subject for discussion after demobilization. He was discouraged with the latest efforts and added "that neither side could obtain a decisive victory in the field."17

Paraguayan finances were in an especially desperate condition. Money was unavailable for needed aircraft, and the arms embargo made their acquisition unlikely. Trucks needed for war on an expanding front could not be purchased for lack of funds. Peace continued elusive. To the command, Ayala asserted that the country was in her worst moment: broke, in disfavor with the League, and under Argentine

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pressure to accept Bolivian modifications to the peace plan. Visiting the Chaco, he heard Estigarribia explain a new offensive. The General asserted that the critical national and military situation demanded energetic action—Paraguay could not remain stationary. Every available man and every last peso (for trucks) must be committed to win the war. An armistice, he said, "does not present any advantage to us."18

Saavedra Lamas had permitted peace efforts to gravitate again to Geneva, despite expressed opposition on the part of Brazil and the United States to further meddling in American affairs by the League of Nations. In September, the belligerents presented their cases to the League, neither embodying new titles. Paraguay, candidly revealing the reason for her insistence on security before peace, said:

There is no reason not to suppose that, the very day after this war is ended, Bolivia will begin to prepare her revenge, with the certainty that time will repair her losses more rapidly than those of Paraguay. Bolivian appearance in sovereignty on the Rio Paraguay would enhance this threat. Nonetheless, once security agreements had liquidated the war, the basic issue might be considered.19

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18 Estigarribia, 172, 174, 176-77, quotation 177; Benitez, Estigarribia, 99.
19 Statement of the Paraguayan Case, 46-49, quotation 46; also note especially U. S., Foreign Relations, 1934, IV, 88, 92, 97, 106, 210-16.
The Bolivian statement tacitly admitted aggression at Pitiantuta, but stressed that La Paz had been willing and ready to settle the incident. Paraguay, however, had complicated matters with counterattacks. Bolivia now sought definitive "final settlement of the dispute and absolutely refuses all dilatory procedure." She modified her previous position, however, in the interest of peace--armistice and "final acceptance of the procedure for the solution of the dispute shall be simultaneous." 20

**El Carmen**

On the front, Paraguay devoted October to preparations; Bolivia, to operational uncertainties occasioned by Colonel Toro's insubordination. In September, Toro's new Cavalry Corps had pushed Franco's light forces back to Algondonal. On 9 November, he encircled the 5,000 Gaurani, only to have them escape toward Picuiba. These actions held Bolivian attention while the Paraguayans, after months of maneuvering and road making in the brush, prepared a blow farther south. 21

At El Carmen, the Bolivian Reserve Division had long been poorly situated with both flanks open. In early

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21 Toro, 93-97; Caballero Irala, 123-29; Estigarribia, 178; Vergara Vicuña, VI, 72-93; Díaz Arguedas, *La guerra*, 238.
Situation General del Frente de Operaciones durante las batallas de IPINAGUE y EL CARMEN y el ataque del II Cuerpo a 27 de Noviembre.
November, the Paraguayans localized its left and discovered the breach on the right. Colonel Carlos Fernández' I Corps, reinforced with the 8th Division, hastily pushed roads for a projected penetration and double envelopment. For six days, a patrol explored the Bolivian rear, carefully noting all roads and trails.22

Fernández' intentions were to infiltrate the 2nd Division around the south in order to fall upon the crossroads at the Andean rear, while in the north the 8th Division distracted the enemy from the main column of envelopment. The other divisions maintained frontal pressure. On 10 November, with regiments augmented by green recruits to an average of 550 men each, the 2nd Division began its march. On the same day, Peñaranda created a 9,000-man Reserve Corps under Moscoso. Consequently, when the Guarani took Fortín El Carmen (13 November), they learned that Colonel Mendez' 2nd Reserve Division was also present.23

Mendez, coming up by truck to attempt an envelopment of the Paraguayan 2nd Division, succeeded in joining the 1st Reserve Division in time to be trapped also. The two Paraguayan columns finally met 15 November. Estigarribia

22 Estigarribia, 178; Vergara Vicuña, VI, 105, 133, 158, 163-68. Vergara (pp. 161-185) quotes an article by the commander of the Guarani 10th Infantry, 2nd Division during this action. There are no other memoirs of El Carmen.

23 Díaz Arguedas, La guerra, 247-48; Vergara Vicuña, VI, 135-141, 168-178.
(assuming that the enemy had already escaped) thought he had failed. It was not known whether Andean troops were still within the circle. That night the truth began to emerge. Important prisoner groups were taken, revealing that at "the cry 'Pilas in the rear!' ... everybody [had] lost his head" within the envelopment. The next morning a feeble effort to break the thin Guarani circle collapsed and prisoner totals mounted to 4,000. Over 2,500 Andeans perished; the rest walked out. 24

On 24 November, the League Assembly approved a report recommending a neutral supervisory commission composed of the ABCP, Uruguay, and the United States to meet at Buenos Aires within a month of an armistice. Hostilities should cease within six days of agreement, troops would withdraw within ten, and military construction would halt for 150 kilometers on each side of military positions at the instant of peace. If the peace conference did not achieve final agreement within two months, the Hague Court would assume jurisdiction. If security measures were not agreed within the same two months, they, too, would be arbitrated

24 Estigarribia, 179-182, quotation 180. "Pilas" was a derogatory Bolivian term for Paraguayans. See also Díaz Arguedas, La guerra, 249; Vergara Vicuña, VI, 113, 179-185. To the south the Guarani circle was held by only three men per 500 meters! Ibid., p. 174.
at The Hague. Economic issues would also be arbitrated, if not settled within six months of border definition.25

The defeat at El Carmen obliged general Andean retreat and the definitive loss of Ballivián. Salamanca decided the time had come to make a clean sweep of the entire inept Peñaranda command. This seemed the last chance to save Bolivia from defeat. At Villa Montes, on 26 November, however, the command overthrew the President, and elevated Vice-President Tejada Sorzano. The latter step was taken to preserve constitutionality and Bolivia’s position abroad, but the jefes placed an implicit lien against Tejada’s term.26

Tejada Sorzano was (since the November, 1933, death of General Montes) the leader of the Liberal party, well known for its pacifistic leanings and policy of cooperation with Chile in the Pacific. He wished peace, but an honorable peace. After the cabinet approved his ascension (28 November), he formed a coalition government of all parties. On 4 December, he (an avid partisan of peace) took the


26 For the fascinating and very important details of this coup, see Díaz Arguedas, El hombre simbolo. This work, thorough and recent, contains documents and vital data.
realistic step which Salamanca (the guerristas) had always refused, and decreed general mobilization.²⁷

Irendagüé

In the southern sector, Bolivian retreat continued toward the foothills of the Andes; nevertheless, Toro persisted in the belief that the advance of his 12,000-man Cavalry Corps could restore the previous situation. He was outflanked on the right by approximately 100 kilometers, but believed he could force the Guarani to retreat at least to Garrapatal. The High Command's absorption with president-making, left Toro free to follow his own designs. Estigarribia, in a demonstration of his mastery as a strategist, had succeeded in luring Toro forward to a point where he could be destroyed by greatly inferior Paraguayan forces.²⁸

The only source of water for the Cavalry Corps east of Carandaití and the Parapetí were wells which the Paraguayans had drilled at Irendagüé. Estigarribia, therefore, ordered his 8th Division to advance through the brush, hacking a trail with machetes, and seize Toro's water supply. On 7 December, at his remote CP at Carandaití (140 kilometers distant) Toro learned that the enemy was noticeably more

²⁷ Ibid., 207-233, 251, 264. Note also Diez de Medina, De un Siglo, 346; Urioste, La Encrucijada, 170.

active at Piciuba. Late in the afternoon—Bolivian positions having been determined earlier—the 8th Division's 1,800 men passed between the Andean 7th and 2nd Cavalry Divisions.

At 0105, 8 December, Toro was informed that Irendagüe was under attack. He ordered countermeasures, thinking there was only a small enemy raiding party bent on destroying the wells. Although only 200 Paraguayan soldiers had reached Irendagüe, they cut telephone lines to the 7th Division and imperiled the 1st and 2nd Cavalry Divisions. These forces desired to retreat because they were threatened by an enemy effort to turn their left. Toro agreed, but planned to concentrate on Irendagüe and capture the Guarani.

At noon, flying over the front, Toro dropped orders reiterating his desires and promising water from "27 November." The Cavalry Corps had received neither food nor a full water ration the previous day; the retreat to El Cruce occurred under a burning sun, exhausting and dehydrating the troops. In view of the physical condition of their men, the divisional commanders resolved to continue the withdrawal to "27 November" unless water arrived. Toro, watching from the

29 Caballero Irala, 135-36; Vergara Vicuña, VI, 287-88.
air as his men moved ant-like, furiously demanded that his air-dropped orders be obeyed; he did not, however, supply the water the troops required. 31

Peñaranda ordered general retreat on the 9th, planning defenses in front of Carandaiti with the 7th Division (which had retired westward in good order). Meanwhile, the Paraguayans faced the most horrible spectacle of the Chaco War as they advanced along roads filled with Andean troops insane with thirst, who sucked blood, drank urine, and "implored on their knees a little water, urine of the soldiers or gasoline from the [Paraguayan] trucks to appease the thirst that devoured them." Many stumbled away into the brush, crawling, staggering, to collapse and die. Toro claimed that only 1,635 were lost; Asunción asserted that over 4,000 died of thirst and 3,000 were captured; a realistic figure would be about 3,000 total Bolivian casualties. Finally, early 11 December, God showed mercy and the skies opened with heavy rains. That evening Paraguayan cavalry occupied "27 November." 32

The scope of the combined maneuvers of El Carmen and Irendagüe was evident for everyone except the League of

32 Toro, 185, 213-220; Caballero Irala, 141-45, quotation 142; Macías, 128, 139-142; Partes del conductor, 217-18; Vergara Vicuña, VI, 407, 429, 438-443.
Nations. Desperately poor and unable to replace her war
equipment, Paraguay re-outfitted her army with the large
booty from these battles. For Bolivia, her army retreat­
ing into the Andes, they meant loss of the Chaco and the
war.

The League report had been a distinct diplomatic
triumph for La Paz. The proposal offered (quite probably
reflecting disgust in Europe with Paraguay for her in­
sistence on retaining the fruits of her hard-won military
success) embodied La Paz's consistent desires. Freshly
defeated and expelled even beyond her western 1907 status
quo line, Bolivia accepted on 10 December 1934. In good
measure, the rise of the Liberal party to power was also
responsible for this step.33

Asunción, riding the crest of victory but still seek­
ing peace, replied 18 December that the plan was merely an
extended truce with the inherent possibility of new hos­
tilities. It left the armies on a war footing, a grave
error. The unlimited arbitration stipulated exposed the
Paraguayan littoral to a contention Asunción did not admit.
His eye on the feverish, bellicose, victory-wild populace,
Ayala pointed out that the plan contained no provision for

33
League of Nations Official Journal, Special Sup­
plement No. 132, Dispute Between Bolivia and Paraguay.
Records of the Special Session of the Assembly, 73-74;
Bolivia, Mensaje 1935, 3.
constitutional ratification by Congress and omitted a plan for fixing responsibilities and war guilt.  

Four days later Bolivia answered, charging that Paraguay's insistence on security and a cooling off period before final settlement was a mere continuation of her historic desire to regularize expropriations through passage of time. In this latest instance, Bolivia would be completely disarmed while Paraguay incorporated the Chaco. For this purpose, Paraguay demanded demobilization and limitation of the Bolivian army to small numbers, prohibition on arms purchases, and a Non Aggression Pact "which would enable Paraguay to evade forevermore the settlement of the actual dispute." (Despite two and one-half years of war and a recent severe defeat, La Paz still looked upon the military as her instrument of policy in seeking reintegration of the Chaco.) The victor's peace which the Guarani desired would reduce her to impotence, Bolivia lamented. The document concluded with the assertion that Asunción's declaration of war had made her ipso facto aggressor.

Foreign Minister Luis A. Riart at once elaborated on Paraguay's objections to the plan: The security system was only provisional; lack of water would actually require a 250 kilometer withdrawal from present positions (a prevarica-

\[34\] Special Supplement #132, 75-77; U. S., Foreign Relations, 1934, IV, 123.

\[35\] Special Supplement #133, 40-43.
cation); total demobilization was not provided; there was no ban on arms purchases; nor a means of enforcing the pact. Since most male Guarani were in the army, demobilization was essential to the restoration of the economy; the army’s financial burden was ruining the nation. Consequently, Asunción insisted, renewal of the war must be made an impossibility. "Unless Paraguay obtains absolute security in reward for her titanic efforts, her destiny as a nation must remain precarious." Paraguay had confidence in the League, Riart concluded, and hoped her observations would receive consideration.36

In response to Paraguay’s views, the League moved to lift the arms embargo against Bolivia. On 23 February 1935, Riart wired Geneva that Paraguay had not rejected the proposal, only sought its modification. Geneva had rejected her frequent requests for determination of the aggressor and now chose to embargo the plaintiff in the quarrel. The League Advisory Committee had recommended that it was Paraguay’s duty to refrain from waging war. How could this be done in the face of a vigorous, belligerent enemy? Having joined the League of Nations in the conviction that her obligations as a member would be confined to those specified in the covenant and that she would be treated on a footing of perfect equity with other nations, Paraguay finds herself compelled to leave the League.

36 Ibid., 44-48, quotation 48.
With this message, Asunción effectively expelled the League of Nations from further participation in the Chaco dispute. This invited yet another American effort. 37

37
CHAPTER XII
THE ISSUE RESOLVED

After Irendagüe, continued slow Paraguayan advance forced broad, general Bolivian retreat into the first ranges of the Andes. Defenses were prepared across strategic passes and in front of Villa Montes to hold back the enemy from the Camiri oil fields and the roads to Tarija and Santa Cruz. In mid-February full-scale attacks at Villa Montes accomplished nothing except Guarani casualties. Drives aimed at halting the flow of gasoline to the Andean war machine by capturing the refinery at Camiri also failed. Ayala then informed the command that invasion of Bolivia was impossible because Paraguay's resources were exhausted.¹

Seeking to reconcile the views of the belligerents, Argentina and Chile initiated confidential inquiries in February. Using the League plan as a basis, they hoped to achieve agreement and thus avert threatened sanctions against Paraguay. Predictably, Paraguay's conditions were an immediate armistice, troop withdrawals, settlement of the basic issue as a boundary and not a territorial dispute, and a commission to fix war responsibilities. Although Bolivia

¹ Estigarribia, 196.
suggested modifications, her Government and command were known to be favorably disposed.  

On 1 April 1935, Argentina and Chile invited the United States to join in the peace moves. After Washington indicated that a definite reply would be withheld pending full details on progress to date, Saavedra Lamas stressed the need for haste, lest Paraguay complicate the situation by seizing Villa Montes and the Camiri oil fields.  

On 5 April, the Guaraní II Corps crossed the historic Parapeti (which it had reached 16 January at Santa Fe) and progressed steadily toward Charagua. Panic in Santa Cruz, where separatism was fanned by Asunción, obliged a premature Bolivian counteroffensive aimed at restoring a former defense line through Ibibobo, Capirendá, and Carandaití. By May, general attacks succeeded in pushing the invader back all along the long front, even regaining the south shore of the Parapeti.  

The war was turning, at least momentarily, in favor of Bolivia. Rugged terrain prevented the brilliant Paraguayan maneuvers of the plains. Asunción was financially exhausted. Levies on export receipts had already been tapped for a year in advance. Manpower was nearly spent. Sixteen-year-olds,  

4 Estigarribia, 198-203.
old men, and reclassified former rejectees made up the last
6,000 recruits. The 3rd Division was shifted from Bahia
Negra and replaced with boys under Naval command. Bolivia,
with her greater population, had been able, even after the
1934 defeats, to muster a new army of 50,000. Paraguay,
whose proud regiments had been 1,600 each at Boquerón, now
fielded small units of 250 to 400, albeit mostly veterans,
and totaling 15,000. Her triumph in expelling Bolivia from
the Chaco had greatly extended communications, absorbing
more and more manpower in support functions. In the next
rainy season, logistics would probably have obliged a
general retreat. The army had been re-equipped with cap-
tured arms, but had no aircraft with which to destroy Camiri
or the single bridge across the Pilcomayo at Villa Montes.
On 8 March, the last artillery shells were fired, and Para-
guay was financially incapable of obtaining fresh stocks.
La Paz, on the other hand, had expended huge sums on her new
army. A vital factor, however, remained command, where
Paraguay was palpably superior.5

In May, President Tejada went to Villa Montes to con-
fer on the peace proposals. Peñaranda wished to continue
operations to secure the Ibibobo-Capirendá-Carandiatí-

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5 Estigarribia, 195-199; Rios, 308-09, 316-19, 330,
333; González, 187-194; Vergara Vicuña, Bilbao, 445-46, 468.
During 1935, evacuation of 11,866 Guaraní took place. Add-
ing probable dead brings losses to about 18,000; Vasconsel-
os, 38.
Huirapitindi line, thus recouping the old, Bolivian-settled portion of the Chaco and saving the oil lands. Tejada spoke of a peace without victor or vanquished and of the hazard to the economy and blood of the nation of further war, and stressed that the settlement would be by juris arbitration.  

After a meeting on 11 May at Buenos Aires, the mediatory group (ABCP, Uruguay, and the United States) wired La Paz and Asunción, inviting the Foreign Ministers for talks.  

Foreign Minister Tomás Elio and Bautista Saavedra, who would head the Bolivian peace delegation, arrived 13 May at Villa Montes for briefing. Colonel Toro (Chief of Staff) admitted that the army desired peace, if it were without victors or vanquished. He asked time to continue the offensive, and asserted that no indemnity could be paid. Saavedra observed that the prisoner issue might necessitate payments, but this should not jeopardize the imperative requirement of a fluvial outlet. Dr. Elio agreed, saying the army's present victorious position would facilitate peace, although a complete military solution seemed impossible. At Buenos Aires, Brazilian protection might open new avenues, 

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6 Toro, 327-330. The counteroffensive cost Bolivia most of her 1935 expenditure, which equalled $22,000,000. Armaments Yearbook, 1939, p. 36. 

although a peace prepared by the pro-Paraguayan Casa Rosada should be avoided.  

To counter the Bolivian offensive, Estigarribia placed Franco in full command of the Parapeti sector (14 May), while he took personal command of forces assembled at Carandaiti. On 16 May, catching Peñaranda completely by surprise, he pushed the 6th Division across the mountains by trails and fell upon Mandeyapehua. The 3rd Division, transported from Bahia Negra, joined along the Rio Cuevo for a northward movement against the flank of the Andean II Corps pursuing Franco. A parallel blow by the latter on the 17th failed to progress, despite lessened Bolivian will to fight and die when peace was in the air. Five days later Estigarribia cut the rear of troops shifted south against him. Peñaranda then placed most of his forces on the defense, releasing nine regiments for a "second phase" offensive.  

When the Andean delegation, mostly Liberals, went to Buenos Aires, Foreign Minister Elio was at its head and the intransigent Saavedra was merely a delegate. The latter thought that Elio simply sought to remove the enemy from

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8 Toro, 331; Bautista Saavedra, El Chaco y la Conferencia de Paz (Santiago, 1939), 43-45.  
9 Estigarribia, 204-06; Díaz Arguedas, La guerra, 354; Caballero Irala, 197-99; Partes del conductor, 246-49; Colonel Julio C. Guerrero, Peñaranda (La Paz, 1940), 110-18; Vergara Vicuña, VII, 546-48, 554, 577, 585-87; Bilbao, 453.
Bolivia proper, a tacit confession of impotence. Elio, however, indicated to his delegation (21 May) that the Government's position was a port above Olimpo, juridical solution, and the 3 August 1932 Continental Declaration against conquest. If an equitable, honorable peace could not be had, they would withdraw, for the country was capable of prolonging the war awhile longer. 10

A week later, Elio brought the delegation together to inform them that talks with the mediators had revealed that to them simple "cessation of hostilities was a primary object." Colonel Rodríguez (Chief of Operations, representing the army) observed that the army did not wish a truce until it had secured both banks of the Parapeti, pushed the enemy back to Huirapitindi, and opened the vital Villa Montes-Boyuibe road. Saavedra agreed that a truce could be dangerous for Bolivia, leading to the end of war without juridical arbitration. Probably a practical solution under pressure would result. This was hardly the moment to abandon insistence on arbitration. Argentina's diligence for peace implied that Paraguay's situation was desperate. The consensus of the meeting favored a maximum truce of 15 days, to be entered upon only with extreme caution. Arbitration remained the rigid Andean position. 11

10 Saavedra, 47-52; Diez de Medina, De un Siglo, 352.
Meeting separately with Elio and the Paraguayan Foreign Minister, Luis A. Riart, the mediators (27 May) sought a truce for the arrangement of an armistice. Riart accepted in principle pending Elio's reply. The Bolivian delegation, however, continued to think in terms of convening the arbitral court and, at the same moment, ending hostilities. They proposed a thirty-day truce under supervision of a neutral military commission. On 31 May, the mediators offered a modified formula which Elio accepted. Paraguay then demanded guaranteed cessation of hostilities prior to considering the basic issue. Bolivia at first refused, insisting on an arbitration agreement before demobilization, but on 3 June, Elio agreed to accept Guarani security demands "provided Paraguay would formally agree to submit [the] Chaco dispute for arbitration to the Hague tribunal, failing success of direct negotiations." The certainty of obligatory arbitration if direct talks failed, was Tejada's sine qua non to peace.12

Elio pointed out, in the critical meeting of the Bolivian delegation which occurred 5 June, that, practically, the Chaco had been lost. The problem was now to prevent dislocation of the Bolivian departments. Mediation must not fail through the kind of inflexibility which had characterized the Salamanca approach. Bolivia fought alone against

12 Saavedra, 63-80; U. S., Foreign Relations, 1935, IV, 64-70, quotation 68.
an enemy of proven capability. To continue the war was to invite definitive disaster. A nation could not base her diplomacy on fantasy.

Saavedra disagreed, maintaining that the pressure of the mediators was inspired by Guarani urgency, and meant delaying arbitration until later, or worse, forever. The Andean situation was not yet so bad as to require this; the army could still be reinforced, whereas Paraguay was exhausted and bankrupt.

Other delegates (Zalles, Diez de Medina, and Calvo) voiced opposition to Saavedra, asserting that the struggle was being prolonged at the cost of the nation's economic future and the sacrifice of a generation. Bolivia had rejected magnificent propositions. Her triumph (in Geneva) was only moral and could not save her. La Paz must assure herself peace, save the departments, and work toward a better future. Lamentably, she could not even secure inclusion of the *uti possidetis* of 1810 in a peace protocol, because Paraguay would block the word "juris," enabling her later to allege a *de facto* case to Bolivia's detriment.

Colonel Rodriguez expressed himself in favor of the last formula of the mediators, stating that Salamanca had begun the war unprepared and had disdained the realistic objectives of the General Staff. To mount an energetic offensive now would require (1) 50,000 men, (2) 500 more trucks, (3) funds and supplies (which the country could
not afford), and (4) a competent command (which she did not have). Colonel Rivera (representing the Auxiliary Staff at La Paz) agreed, reminding the civilian delegates that plans could not always be translated to the field. Money was unavailable, the last reserves were old men and boys; it was not possible to prolong the war.

The consensus was evident. Bolivia must make peace admittedly because she was a defeated country.\(^{13}\)

The Bolivian counteroffensive had demonstrated no real power. In the Parapeti sector, the 10,000-man II Corps was held at bay by 3,500 Guarani, due to indecisive command. This stemmed from the fear, conditioned by years of defeat, that the enemy was leading them into a trap. Failure of offensive operations, aggravated by the incompetence of the Peñaranda command, made it very doubtful that Bolivia, even with huge forces, would ever have been capable of defeating the agile Guarani.\(^{14}\)

Elio then went to the mediators with a new project aimed at arbitration and seeking inclusion of Ecuador, Mexico,

\(^{13}\) Saavedra, 82-91; Vergara Vicuña, VII, 671-72; Bilbao, 448-49. Rodríguez, although technically part of the command, was largely ignored by Peñaranda who relied on the immoderate counsels of Colonel David Toro, his Chief of Staff.

\(^{14}\) Consult Vergara Vicuña, VII, 451, 460, 484, 500, 509, 526, 624-25; Bilbao, 468. When informed that the war had ended, bumbling, bewildered General Peñaranda lamented: "It is very disagreeable. I don't like this peace. We must continue the war." Guerrero, Peñaranda, 121.
and Venezuela in the conference. His proposal provided for prisoner exchange, limited armies of 6,000 each, and specified that the terms of arbitration must be settled before the military commission proceeded to the front to effect security guarantees. Dr. Riart offered a Paraguayan plan which "promoted" settlement of the question of limits, or as an alternative, a "compromiso arbitral"; it sought to fix war responsibilities, and reduce armed forces to 4,000 men each.\footnote{15}

At Ingavi, small Paraguayan forces had been expanded into an 800-man regiment. On 1 June, with peace negotiations deadlocked, they attacked the Bolivian 6th Division; the Andeans commenced an envelopment, but four days later were themselves encircled. Since III Corps had always been weak, no reserves were available at Roboré to help shatter the trap. The 14th Infantry attempted to break out, but the Paraguayans shifted with pressure, permitting the Bolivians to exhaust themselves in the forest. When water came into play, the latter surrendered on 8 June. The Guarani then turned on those who had escaped, as well as the remainder of the 6th Division, forcing retreat. Estigarribia released exaggerated statements of the extent of the Andean defeat, providing close, timely support for the diplomats\footnote{15 Saavedra, 92-102; U. S., \textit{Foreign Relations}, 1935, IV, 71.}
at Buenos Aires. The night of 8 June a draft peace protocol was concerted.16

Elio accepted peace at 0200 of the 9th. It involved, Saavedra lamented, the defeat of Bolivia's interests. Her position was neglected; there was no guarantee the Hague Court would ever receive the question. Even if it did, not arbitration juris but a vague compromiso would be considered. This assured Paraguay's victory and obviated the possibility that Bolivia would have her day in court. She could take no new action against Paraguay's complete de facto occupation of the Chaco without being the provocator of another bloody war. Elio declined to hear the reservations of Saavedra or to place those of President Tejada before the mediators, because he had given his word of acceptance.17 Dr. Tomas Elio had moved a long way from the young minister who in 1929 threatened war if Bolivia did not receive a £1,000,000 indemnity for Franco's attack on Vanguardia.

The protocol of 12 June 1935 contained five articles and a supplement. The first requested the mediators to convene a peace conference to settle issues incident to ending hostilities and to promote solution of the basic issue

16 Estigarribia, 208-09; Partes del conductor, 250-52; Macias, 195-96; Toro, 337; Díaz Arguedas, La guerra, 370-77; Vergara Vicuña, VII, 644-46, 652, 655, 659-665.

by direct agreement or arbitration at The Hague. If direct agreement proved impossible, the "arbitral compromise" would be drawn under auspices of the conference, which would also promote agreement on prisoner exchange, development, and a system of "transit, trade and navigation" to ameliorate the geographic situations of the belligerents. The conference would create an international commission to fix responsibilities of every kind arising from the war.

The second article provided for a cessation of hostilities on the basis of present positions. A twelve-day truce would provide the military commission time to fix intermediate lines between the armies. This truce could be extended by the conference until security measures were effected. The military commission was empowered to modify lines as deemed advisable and maintain separation under guarantee of the conference.

Article three was concerned with security measures and included demobilization of standing armies to 5,000 each within 90 days of fixing lines by the military commission. No new equipment might be purchased, unless indispensable for replacement, until the signing of a peace treaty. The parties were bound to nonaggression, and the war would be terminated by the peace conference upon completion of the work of the military commission.

Article four stated: "The declaration of the third of August 1932, regarding territorial acquisitions, is recognized by the belligerents."

The final article established the instant for the cease fire as 1200 hours 14 June 1935, Córdoba local time.

The supplementary protocol requested the military commission to arrange the cease fire and to fix lines. After ratification within ten days, the provisional cease fire would become a truce.18

Almost exactly three years from Moscoso's attack on Pitiantuta, the Chaco War came to a close. The cost was high for the two lightly-populated nations. Bolivia suffered 52,397 killed. She lost nearly 10,000 deserters. Over 21,000 were captured, of whom 4,264 died in captivity. The net loss to her population was, therefore, over 65,000 youth. From 1932 to 1935, her paper currency increased 25 per cent. By 1935, loans to the Government by the Central Bank reached 370,000,000 bolivianos. Levies on export receipts of the mining companies had gone to finance foreign arms orders. Consequently, doubling of the world price of tin during the war contributed directly to the Bolivian

effort. Large sums were wasted, however, due to corruption in arms and supply contracts, and extortion among military paymasters.\textsuperscript{19}

In effect, Paraguay financed the war by expropriation of export proceeds, issues of paper, loans in Argentina (totaling 14,000,000 Ps), and a 3,000,000 Ps gold surplus built up by Eligio Ayala. The total financial cost of the war to Asunción was 76,218,865 Ps gold. But she was greatly assisted by the huge war booty captured—28,000 rifles, 2,300 automatic weapons, 96 mortars, and large ammunition stocks—which totaled over $10,000,000 in value. In human terms, her dead are commonly placed at 40,000.\textsuperscript{20}

The Peace Conference

After debates in the respective legislatures, the Protocol was ratified by Paraguay on 20 June, and by Bolivia the next day. The military commission visited the front, conferred with commands, and traced withdrawal lines which required each army to retire 25 kilometers. The Bolivian command, which was thus thrust across a range of mountains (a virtually impossible position in case war resumed), thus

\textsuperscript{19} Díaz Arguedas, La guerra, 398-99; Bolivia, Mensaje 1935, 73, 87; Bolivia, 1934, No. 1, 15; 1936, No. 9, 7, 19; Robert M. Morris, "Bolivia." Bulletin of the Pan American Union, 1935, 73, 87; Bolivia, Mensaje 1935, 73, 87; Bolivia, 1934, No. 1, 15; 1936, No. 9, 7, 19; Díaz Arguedas, La guerra, 398-99; Bolivia, Mensaje 1934, No. 1, 15; 1936, No. 9, 7, 19.

\textsuperscript{20} Rios, 11, 176-78, 261; República del Paraguay, Ministerio de Defensa Nacional, Breve resumen de la Guerra del Chaco (Asunción, 1935), 48.
sought to clear the oil zone and the Boyuibe-Villa Montes road. With these steps accomplished, the Chaco Peace Conference convened on 1 July and extended the truce.21

The military commission then proceeded to demobilize the contending armies. Saavedra Lamas, dominating the Conference, procrastinated on other projects until each belligerent's ability to resume fighting was thus destroyed. In four stages, the Bolivian army released 54,105 men by 15 September. Paraguay, although her front-line forces had been small during 1935, demobilized 46,515. Each former belligerent was left with a standing army of about 5,000.

Reductions in force having been accomplished without incident, and truce lines determined, the commission reported (31 October) that the security phases of the Protocol had been accomplished.22

21 Peace Conference, 8, 55-57; Conferencia, 66; Toro, 339-342; U. S., Foreign Relations, 1935, IV, 91; República del Paraguay, La Paz con Bolivia (Asunción, 1938), 11-63.

22 Peace Conference, 14, 61-66; Conferencia, 73-159; U. S., Foreign Relations, IV, 95, 102. Saavedra Lamas, according to United States delegate Hugh S. Gibson, was openly pro-Paraguayan and supported demands that Bolivia pay reparations. He tacitly suggested that Chile reopen the Pacific question for Bolivia's benefit and intended the United States to finance reconstruction of both countries, while Argentina benefited from increased flow of money in the Plata. As he informed Gibson and the Chilean of these views "his voice was shrill and at times hysterical," pp. 98, 100, quotation 106, 112. In 1939, Estigarribia, then Minister to the United States, secured credit to rebuild his nation.
A prisoner committee had been created on 19 July. It quickly developed that Paraguay desired an exchange man for man, the vast overage which she held being retained until peace was signed. Thus, she apparently hoped to hold hostages until Bolivian intentions were clearer or until La Paz yielded on the boundary issue. Since she held about 17,000 (after the release in May of Cruceños to stir up separatism of Santa Cruz) in contrast to only 2,500 Guaraní in Bolivian hands, her bargaining position was good. When Elio delivered rigid demands (originating with Saavedra) for prompt, complete repatriation, the project was for the moment at an impasse. 23

The views of both Bolivia and Paraguay were heard 31 July on the basic question. Paraguay, with Saavedra Lamas' favor, would never allow Bolivia a port and insisted that she had won the war and the entire Chaco. Elio proposed what amounted to the Ichaso-Benitez treaty or, as an alternative, arbitration of the whole region. Two weeks later it became clear that he aimed to force direct negotiations into a deadlock and then demand that the Conference secure arbitration. Since the mediators had no intention of allowing the Conference thus to be ruined, they procrastinated in order to avert discussions until after demobilization was

completed. Saavedra Lamas' old view that time must be allowed for passions to cool was gaining favor. Neither side would yield from its extreme point of view; and Paraguay, already in physical possession, could prevent legal solution simply by "sitting tight." 24

The Conference offered a comprehensive proposal on 15 October. This declared peace restored and drew a border from 20°14' on the Rio Paraguay to the Pilcomayo at 22°. A free zone for Bolivia at Puerto Casado and the use of the Casado Railroad was provided (Zubizarreta, chief of the Paraguayan delegation, had previously accepted this idea). An unfortified zone stretching 30 kilometers on each side of the border, amnesty for war criminals, immediate exchange of prisoners, and renewal of diplomatic relations, were embodied in the plan. 25

Bolivia was given a "psychological port" at Puerto Caballo (just below the mouth of the Otuquis) "without her access to the river being of such a nature as to be dangerous to Paraguay." The site was "of equally [as] little use as Bahia Negra." The free port at Casado was, however, of some real commercial worth and coincided with the thinking

25 Peace Conference, 77-81; Conferencia, 751-57.
of Paraguayan statesmen ever since Moreno offered it to Mujia in 1918.  

The mediators learned on 18 October that Zubizarreta and Rivarola (the other Paraguayan delegate) deemed the proposal too preposterous to consider. They insisted on the entire Chaco and refused to arbitrate any portion under Paraguay's control. Due to the wording of the Protocol, they could not be obliged to go to arbitration without their consent. It began to dawn on the mediators that Paraguay had signed the Protocol only to secure international maintenance of the status quo and demobilization of the Bolivian army. Their diplomatic triumph was at this point manifest. 

The formal Paraguayan reply, according to Gibson, was "a categorical rejection ... couched in sarcastic and insolent terms." It expressed "most formal dissent" to admitting Bolivia to the littoral, giving her part of Paraguay's holdings, or considering her "aspirations" against Asunción's "realities." Zubizarreta asserted his country's rights even to the zone Brazil had ceded to Bolivia at Petropolis, and alleged that "the 12 June protocol created a status quo which is the basis for the cessation of


hostilities" and the conciliatory process. The Conference
proposals offered Paraguay nothing she did not already
possess; thus she would never conclude the war by conces-
sions to the aggressor who provoked it. 28

Bolivia, replying on the same day, alleged that the
Protocol had restored the dispute to its previous status,
without prejudice to either, through inclusion of the prin-
ciple of nonrecognition of territorial conquests. The
Chaco remained litigious in entirety and awaited settlement
by the Hague Court. A direct settlement should be based on
possessions of 3 August 1932. An ample littoral had been
granted to La Paz in all the nineteenth century treaties;
she could not now be limited to only a small zone above
Bahia Negra. She should be given sovereignty "por lo menos"
to Olimpo. 29

The tone of the replies was startling. Bolivia, who
had started the war, sought a settlement which Paraguay had
rejected in the prewar period as harsh. She even endeavored

28 Ibid., quotations, 175-76; Peace Conference, 130-34; Conferencia, 768-773. In debate on the Protocol in June,
the opinion was expressed in the Paraguayan Congress that the
creation of a new status quo by the Protocol was a complete
triumph, resting on the mapped line prepared by the military
commission, and constituting a provisional frontier with
29 Peace Conference, 125-130; Conferencia, 761-67;
restoration of possessions of 3 August 1932, on which date she had held the reprisal fortins and Huijay (Carayá). Paraguay had modified her traditional stand only in endeavoring to sustain a new status quo reflecting extension through the military instrument of her hold in the Chaco. In view of the extreme positions, the Conference postponed the basic issue in the hope that time would alter attitudes. Forthcoming elections in each country and the abject weakness of the Tejada Sorzano regime, made this the best course.

After a period of negotiation, the Conference secured a protocolized act 21 January 1936 confirming obligations of the 12 June 1935 Protocol, continuing security stipulations in force until peace should be signed, and providing for prisoner exchange. This amounted to Asunción's trading the prisoners for a fresh guarantee of the status quo, a diplomatic victory of the first order. Her long contention that each country must pay the cost of maintaining its prisoners was also recognized, netting her £132,232.31

Paraguay had been firm on the prisoner question, determined that these men would never again fight in the Chaco.

31 Peace Conference, 83-86; Saavedra, 246-47; Paraguay, La Paz, 73-77; U. S., Foreign Relations, 1935, IV, 182-198; 1936, V, 36-39. The sum received by Paraguay was very nominal indeed considering that the average prisoner was in her hands about fifteen months.
Reaching agreement on the issue proved fatal for the regime of Eusébio Ayala. Demobilization had been difficult, especially for reserve officers. Controversy raged over Estigarribia's life pension of 1500 Ps gold per month. Jefes who had been in disagreement with the command during the war, and consequently relegated to unimportant posts, were bitter. After what was considered the soft agreement of January, discontent finally merged into a revolution led by Colonel Franco and the conspirators of 1931. The sound rule of the Liberal party came to an end (17 February 1936) and the architects of the victory were imprisoned and later exiled.  

Franco recognized the prisoner agreements, and repatriation consumed the first half of 1936. Bolivia returned 100 officers and 2,478 Paraguayan soldiers; Paraguay returned 349 officers and 16,825 men.  

In Bolivia, a united front of leftist groups was formed in January which had close connections with Colonel Toro. The General Staff had retained all wartime restrictions, control of the oil fields, and all roads into the Chaco and

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Santa Cruz. Rival to Toro's leftists and army clique was the Legion of Ex-combatants, the veterans group, who idolized Colonel Bilbao Rioja, "the only higher officer who came through the Chaco campaign with the respect and admiration of the rank and file ... Bilbao and Toro are born enemies."

Elections were scheduled for 31 May, but Tejada's extreme weakness and inability to cope with postwar problems made Toro's ascension an anticipated event. On 17 May, the army cashed its mortgage on Tejada's political life. It was in absolute power after the dust had settled; Enrique Pinot was in the Foreign Office and Diez de Medina in Buenos Aires. With justice, Bolivians said "that the Command responsible for the loss of the Chaco has received the Government as its reward."³⁴

After correspondence and discussions with the new Governments, an agreement on policing was signed on 9 January 1937 at Buenos Aires. Free transit was provided on the Boyuibe-Villa Montes road (previously a sore point with La Paz), and travel without inspection for parties of five trucks or less, provided they possessed a road permit. Bolivia assumed the expense of highway maintenance. Each was permitted civil policing in her zone, but there was an

³⁴ U. S., Foreign Relations, 1936, V, 220-236, quotation 221; Diez de Medina, De un Siglo, 355; Vergara Vicuña, Bilbao, quotation 458.
absolute prohibition on shooting, even for hunting. Military observers were placed at Camatindi. The regulations for implementing the agreement were accepted by both in May, 1937, and in September the Conference put them into force. 35

Dissatisfaction over the allegedly soft attitude toward Bolivia manifested by the agreement culminated in the ouster of Franco on 15 August 1937. The coup, led by Colonel Ramón L. Paredes, veteran commander and then chief of Chaco forces, brought a restoration of the Liberal party. Dr. Félix Paiva, as President, restored Zubizarreta, well-known advocate of a hard policy toward Bolivia, to the Chaco Peace Conference. On the Altiplano, the 14 July removal of Toro by Busch had no marked effect on the Buenos Aires delegation. On 20 October, however, Zubizarreta rejected the security regulations. Thereafter, they remained in effect by a tenuous modus vivendi. 36


36 Peace Conference, 24, 123-24; Conferencia, 657-664; note especially Paraguay, La Paz, 92, but see also, Diez de Medina, De un Siglo, 357-58; Stefanich, La diplomátıa, 104; U. S., Foreign Relations, 1937, V, 250-56, 263-64, 718-725. A major charge against Franco was his sale on 15 January 1937 to one Theovald G. Ehrich, a Jewish arms merchant, of a large number of weapons and trophies for £22,035. Artaza, 39-41.
Meanwhile, in December, 1936, new exploratory talks on the basic issue were carried out by Cruchaga Tocornal of Chile, Macedo Soares of Brazil, and Spruille Braden of the United States. They determined that Paraguayan opinion would be satisfied if Bolivia were not given a port. Bolivia would require the Boyuibe-Villa Montes road. While she demanded a port, the majority of her people could not distinguish a free port from a sovereign outlet. Pinot, although personally admitting the former would meet Andean needs, stated that the Toro regime viewed a sovereign port as a sine qua non. Soler and Isidro Ramirez, then the Paraguayan delegates, accepted the proposals as a basis of discussion. Thereupon, the committee presented maps, sounding the minimum territorial demands. They discovered that Bolivia would not tolerate a frontier with Paraguay across from her trans-Pilcomayo region, nor across the Parapeti. Pinot suggested that La Paz might purchase the port she required, but Ramirez was immovably opposed. On 24 December, Paraguayan Foreign Minister Juan Stefanich arrived, saying he did not believe opinion in either country was ready for settlement. Stefanich posed a new demand: Paraguayan participation in exploitation of western Chaco oil.37

After a normal change of Government in Argentina removed Saavedra Lamas from the Conference, strong efforts were initiated in March, 1938, to conclude the Chaco issue. Following lengthy, unsuccessful, preliminary explorations, the Foreign Ministers, Diez de Medina and Cecilio Baez, were invited to Buenos Aires on 16 May. Paraguay at last seemed ready to negotiate a final settlement. On the 21st, Braden informed the Ministers that the Conference was making its final proposal; peace must be accepted. Intransigence now would alienate every mediator. With the changed attitude of Argentina, the mediators were at last in harmony, and Rivarola admitted Asunción would have to yield.

The proposal offered on 27 May drew a line from Esmeralda on the Pilcomayo northward to "27 November," passed between Ravelo and Ingavi, thence to the Rio Paraguay at 7,500 meters above Bahia Negra. Bolivia should pay Paraguay an indemnity of £200,000. In explanation, the Conference stated that the desert region between 61° and 63° served as a natural frontier, protecting valuable zones and settlements. The coast above Bahia Negra gave Bolivia her desires, but preserved the town to Paraguay.38

Although deploring the fact that the proposal ignored her rights, Bolivia accepted on the 31st. Paraguay objected to giving her any littoral, viewing Andean appearance on the river as a perpetual menace to peace. In private, Zubizarreta made clear that Paraguay had no interest in either economic or financial compensations, only in territory. She, therefore, rejected the suggested western border which turned Irendagné and its wells over to Bolivia as a base for new aggression. Baez protested that the Paiva regime was unstable, Congress was not in session, and it would, therefore, be difficult to sustain the proposed arrangement. 39

Subsequent meetings revealed the Guarani immovably adverse to a Bolivian port. The mediators were fearful war would reopen. In La Paz, while President Busch desired peace, War Minister General Quintanilla advocated a war of revenge. Neutral military observers in the Chaco reported that Bolivia was concentrating troops for the resumption of hostilities. Finally, on 24 June, Paraguay offered a counterproposal. She was willing to retire from the Boyuibe-Villa Montes road in exchange for compensation in the north. Her proposed line ran from D'Orbigny through Capirendá, Carandaiti, Ravelo, and San Juan to the Otuquis,

thence to its mouth. Two days later the Conference asked if she would accept its original proposal if La Paz renounced "obtention of a sovereign port" in exchange for a free port and no indemnity. Privately, Zubizarreta indicated this would facilitate solution, and further suggested that a peace treaty might be approved in Paraguay by a plebescite. Baez rejected the latest query (1 July), but expressed a desire for continued negotiations. The mediators then suggested arbitration of the difference between their own and the Paraguayan formulae. By 4 July, a secret agreement was reached between the mediators and each litigant on what the arbitral award would be.40

The Conference then offered a draft treaty on 9 July 1938 which stipulated arbitration ex aequo et bono of zones where agreement had not been reached. Asuncion's objections to ratification were met by provision for a plebescite, placing responsibility for the peace on the people. Baez and Diez de Medina accepted and recommended the agreement to their Governments.41


41 Peace Conference, 27; Conferencia, 851-56; Diez de Medina, De un Siglo, 367-68; U. S., Foreign Relations, 1938, V, 154-157. Ex aequo et bono—according to what is right and good. Zubizarreta resigned rather than sign, and was replaced by the Paraguayan ambassador to Washington, General Jose F. Estigarribia.
The Treaty of Peace, Friendship, and Boundaries signed 21 July 1938 established peace and provided for arbitration by the presidents of the six mediator States. The littoral south of the Otuquis was exempted. Paraguay guaranteed Bolivia ample free transit, especially through Puerto Casado, where La Paz might establish a customs zone, depots, and warehouses. War claims were reciprocally renounced.42

Bolivia ratified the treaty in secret session by a vote of 102 to 7. In Paraguay, the plebiscite supported the peace 135,385 to 13,204. The designated arbitrators delegated their responsibility to their ambassadors to the Conference, who then received the respective cases. They constituted an advisory military commission to fix geographic coordinates and render a report on the arbitration zone.43

The cases submitted were merely symbolic, since, as the Bolivian "exposición" pointed out, the conclusion was already determined. Nevertheless, and sadly enough, Finot offered a review of the case which Bolivia had always hoped to lay before a legal arbitration. The Audiencia and the

43 Peace Conference, 154, 164-172; Conferencia, 873-77; Paraguay, La Paz, 71-72; Diez de Medina, De un Siglo, 375. Paraguay's Congress legally approved the treaty on 16 February 1939.
Cédulas were cited, along with Chávez and Manso, the colonial Indian wars, Azara, and the domain of Chiquitos. The protests to the Hayes Award, and the assertion that fortins had been built only to contain Guarani expansionism, were not omitted. Dealing with the present very narrow zone, Finot proved it had always been a de facto Bolivian possession. He pleaded for enough high ground below the Otuquis for a port, citing Bolivia's historic activities, particularly Oliden, in that area. In conclusion, he succinctly summarized the broad case and called for a verdict favorable to Bolivia.

Paraguay's "memorial" also included the full colonial case--Mendoza's capitulación, expeditions, missions, Cédulas, Fuerte Borbon, and the Province of Paraguay. The Hayes Award and subsequent developments were stressed as logical continuations of long possession. The natural-limits doctrine was asserted, and a verdict solicited based on security, military, economic, political, and geographic needs. The document failed to establish title to the arbitration zone for the simple reason that Paraguay had none. It lay beyond her historic zone and fell into her grasp only as a result of Bolivia's failure to end the war at an earlier

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44 Conferencia, 886-925. See also the military commission's report, 976-1019.
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date. Her rights to the region as a consequence of the war were well known and required no enumeration.

The Conference handed down its verdict on 10 October, fulfilling the formality that the Chaco dispute had been solved by arbitration. The ignorant hailed Paraguayan recognition of the swampy Petropolis cession as giving Bolivia a useful corridor to the river. The war left her so exhausted and so poor, however, that it would not have been possible for her to build and defend a sovereign port for many, many years. More important for La Paz, was the barring of Paraguay from the oil zone, a necessity for which Busch would have paid $400,000, had it been required.  

At Villa Montes on 28 December 1938, the military commission declared each side's territory had been delivered in accordance with the arbitral award. When the Peace Conference dissolved 23 January 1939, the Chaco dispute passed into history, almost sixty years from the time of Antonio Quijarro's first journey to Asunción in search of a peaceful diplomatic solution.  

A very probable factor in bringing a peace treaty in 1938 was the transport agreement signed on 25 February between Bolivia and Brazil. A railroad from Santa Cruz to

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46 Ibid., 1033-37; Peace Conference, 173-76; Diez de Medina, De un Siglo, 373-74; U. S., Foreign Relations, 1938, V, 174. See also Time, 24 October 1938, 16.

47 Peace Conference, 179-182; Conferencia, 1054-56.
Corumbá was to be built with the £1,000,000 still owing La Paz under the Petropolis Treaty; Brazil agreed to provide the additional funds at 3 1/2 per cent. Besides giving Bolivia a better link with the Rio Paraguay, this project (completed in November, 1954) provided a Brazilian market for the oil of the Andean anticlines. It thwarted Saavedra Lamas' old desire to acquire exclusive control of Bolivian oil for Argentina.  48

Time has proven the validity of Eusébio Ayala's views in other ways. In July, 1949, Yacuiba and Santa Cruz were linked by an Argentine-financed railroad, providing an additional transportation outlet for the Bolivian oriente. With Puerto Suarez improved, and its channel deepened with United States credits, Bolivia began a maritime shipping venture on the Rio Paraguay in late 1958, connecting her territory with Buenos Aires by vessel. Perhaps most significant was a December, 1956 agreement between the former enemies for a trans-Chaco oil pipe line. Built by a French firm and scheduled for completion in 1959, this 423-mile link between Bolivian oil and the Rio Paraguay across the Paraguayan Chaco best symbolizes the progress of time.

48 Bolivia, 1941, No. 3, 6-8; Diez de Medina, De un Siglo, 360; U. S., Foreign Relations, 1937, V, 40.
Passions by this time had indeed cooled. Only an occasional, belated memoir kept the history of the Chaco dispute alive. The origins of the bloody war, the epic phase of the forgotten quarrel from which it emerged, had faded from memory and lay undisturbed in dusty, rear-shelf tomes.
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