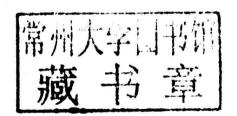
The Role of the Royal Navy in South America, 1920–1970

Jon Wise

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Preface

In the eyes of the general public, the British Royal Navy has long been associated principally with the exploits of certain enterprising Elizabethan sailors, with some of its finer moments during what is sometimes referred to as the 'Long Eighteenth Century', and as a flag-waving and occasionally threatening symbol of British imperialism in the late nineteenth century. Efforts have been made by naval historians over the past 50 years to offer a broader interpretation: to explore the role of navies in the formation of the state, to arrive at a more informed understanding of the infrastructure and organization supporting these incredibly expensive entities and, more broadly, to examine how a navy interrelates with the state machinery on a day-to-day basis.

Although *The Royal Navy in South America*, 1920–1970 does chronicle the Navy's physical involvement with that continent during these years, its primary aim is to illustrate the contribution the service has made to the country's foreign policy and particularly its work in support of British shipbuilding. Although traditionally a major player in the economy, by the start of the period under question shipbuilding was also demonstrating its own innate fragility in the face of market forces as well as the symptoms which would lead to its ultimate demise.

The time-span involved also coincides with the terminal phase of British imperialism and the rise of the United States of America as the leading world power. To that end the book traces the fortunes of these nations as they both sought to achieve commercial domination across South America, a continent traditionally regarded as ever-ripe for exploitation. The use of a navy and of naval personnel in this kind of role is frequently disregarded or misunderstood through association with the over-used epithet, 'showing the flag'.

Although the Royal Navy during the middle years of the twentieth century might have been expected to adopt an entrenched and stubbornly conservative attitude towards expectations about its role in situations other than war-fighting or preparing for war, the opposite was true. Despite battles of its own to preserve status and independence in the face of intense financial pressures for reduction in both number and capability, the service learned to adapt to a new world order. This meant accepting that its responsibilities included playing an active part in

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advertising the best of British shipbuilding as well as continuing to represent the country's commercial and political interests overseas. What should be correctly regarded as a renascent emphasis on a traditional undertaking, described by Richard Woodman as 'the flag following trade', was brought into prominence after the decision was taken to withdraw British forces from their naval bases east of Suez. The origins of this newly fashioned peacetime role for the service can be traced directly to the activities of the Royal Navy in South American waters during the 1960s.





Abbreviations

ARA Armada de la República Argentina

ASW Anti-Submarine Warfare

A&WI America and West Indies (Squadron)

C-in-C Commander Commander-in in-Chief

CNS Chief of Naval Staff

DCNS Deputy Chief of Naval Staff

DE Destroyer Escort

DNI Director of Naval Intelligence

ECGD Export Credit Guarantee Department

EEZ Economic Exclusion Zone
FID Falkland Islands Dependencies

FCO Foreign and Commonwealth Relations Office

FO (British) Foreign Office

FY Federal Year

GDP Gross Domestic Product

GNP Gross National Product
HMS His (Her) Majesty's Ship

HMY His (Her) Majesty's Yacht

MDAA Mutual Defense Assistance Act

MDAP Mutual Defense Assistance Program

MoD (British) Ministry of Defence

NATO North Atlantic Treaty Organization

NID Naval Intelligence Division

OAS Organization of American States

RAF (British) Royal Air Force

RFA Royal Fleet Auxiliary

RN (British) Royal Navy

TND Tripartite Naval Declaration

USN United States Navy

VCNS Vice-Chief of Naval Staff

VSTOL Vertical/Short Take-Off and Landing

The Role of the Royal Navy in South America, 1920–1970

For Kate, Anna, Lou and Tom with love

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Introduction

The Royal Navy in South America

On the 14 March 1929 the Caledon Class cruiser HMS *Caradoc* arrived at the Chilean port of Arica. A contemporary photograph taken three days later shows the ship lying offshore, riding at anchor on a bright and breezy day which is causing the Union Jack and the White Ensign to stand out stiffly fore and aft. *Caradoc's* awnings are spread to afford the accommodation spaces some protection from the heat of the tropical sun. There is little obvious activity on the upper deck save for a small clutch of ratings busying themselves around the ship's workboat which is attached to the port boom. The off-duty men were ashore at the time enjoying a banyan, a beach party, complete with a roasted broadside of beef courtesy of their hosts.

The cruiser departed Arica early on 18 March southbound for Iquique. At this town every effort was made by the small British 'colony' under the untiring leadership of the local padre, Reverend L. G. Reid, to make the ship's visit to the nitrate centre of Northern Chile a 'home from home'. There were dances or 'Open House' for the ratings at the Masonic Hall in the early evenings, a horse racing afternoon with the principal race on the card featuring 'The Caradoc Cup', and football and rugby fixtures. On the last evening, *Caradoc's* quarterdeck was used by the ship's company to afford reciprocal hospitality in order to thank the small expatriate population for its generous hospitality:

Various coloured electric lights, flags and paper decorations transformed this usual patch of 'holy ground' into a resplendent miniature ballroom, and all was 'happy as a marriage bell'. Ardent sheiks, who were sworn to leave their hearts in Iquique, hugged their lady-loves in a last fond embrace and glided round to the strains of 'I can't give you anything but love, baby'.

A similarly enthusiastic and hectic welcome greeted the cruiser at five other destinations before HMS *Caradoc* reached the largest Chilean port, Valparaiso,

on 2 May for the first of two lengthy visits. In addition to the customary round of sports fixtures arranged by the British community at the Badminton Sports Club, there were excursions to the capital, Santiago, and the formal commemoration of important calendar events. The anniversary of the accession of King George V to the throne was celebrated on 6 May, an occasion for the ship to be 'dressed overall' and for an exchange of gun salutes with the Chilean battleship Almirante Latorre. The Battle of Iquique, a seminal interlude in Chilean history, was marked on 20 May, with a march-past of the Arturo Prat Monument in the Plaza Sotomayor by a combined draft of Chilean, British and French Navy sailors, the latter from the French cruiser FS Tourville, which was also in port. This was followed by a reception for Caradoc's officers with the President at his palace in the capital.

Later, visits were made to the Chilean naval base at Talcahuano, to Coronel and to Juan Fernandez Island before the ship returned to Valparaiso for a further round of official engagements together with more entertainment and relaxation for the ship's company. The cruiser left Valparaiso for the last time on 26 June to the refrain of *Auld Lang Syne* performed by the ship's band on the poop. There were calls at various southern ports and a chance to view the geological wonders of Patagonia, before *Caradoc* rounded Cape Horn and finally departed Chilean waters.

The cruiser had left the Ireland Island naval dockyard of the America and West Indies (A&WI) Squadron in Bermuda in February 1929, visiting Costa Rica before transiting the Panama Canal. A large squadron of United States warships was encountered at Balboa at the Pacific end of the canal. The port of Santa Elena in Ecuador, despite having 'a mere handful of Britishers in a comparatively lonely outpost', was considered important enough to visit in view of British interests in the Anglo-Ecuadorian oilfields some 12 miles inland. Likewise, the ship anchored in Talara Bay, where contact was made with workers at the International Petroleum Company based nearby. At one port further south there were found to be only two British expatriates.²

Shortly before commencing her long journey northward up the east coast of the continent, following the extended interlude in Chilean waters, HMS Caradoc rendezvoused with another member of the A&WI squadron, HMS Durban, which was travelling in the opposite direction and undertaking a similar itinerary. The two ships shared four days of exercises before Caradoc set course for Port Stanley in the Falkland Islands. There followed visits to La Plata, some 30 miles from Buenos Aires, before the cruiser crossed the River Plate to celebrate Uruguayan Independence Day in Montevideo in the

company of the very recently completed Italian cruiser *Trento* and two rather more venerable South American counterparts, the Brazilian *Rio Grande do Sul* and the Argentine *Garibaldi*. The Brazilian ports of Rio Grande do Sol, with its 'British colony', Rio de Janeiro, Pernambuco and Para were also visited before *Caradoc* returned to Bermuda in November after a nine-month, 15,634-mile deployment.

A specific role

What was the purpose of this Royal Navy ship's lengthy and rather leisurely deployment to the Western Pacific and South Atlantic Oceans, an area remote from customary ports of call in the Mediterranean or on the Atlantic littoral? Was it an exercise in 'Gunboat Diplomacy', in order to impress local politicians or to induce uncertainty in return for some form of political leverage? Were the coastal populations witnessing the lingering death-throes of *Pax Britannica*? Or should this voyage by HMS *Caradoc* be described more simply as 'Showing the Flag', a euphemism frequently applied to the appearance of the White Ensign in seaports around the world?

Although Britain in the late 1920s was continuing to employ various forms of naval coercion in support of its vested foreign interests, for example on mainland China, this was not the case with South America. Despite the colonial possession of British Guiana in the north and the strategically important Falkland Islands to the south, there were no treaties to uphold and no military opposition to counter. Any threat that did exist came from the expanding commercial influence of the United States on that continent. *Caradoc's* voyage might have been construed by some as the Royal Navy undertaking its traditional task as 'the world's policeman'. But this too would be misleading. Since 1921 the Royal Navy had been forced to accept that the 'one-power standard' was the reality for the foreseeable future; no longer was it so superior in terms of numbers to remain unchallenged in the peacekeeping role. The problem with the expression 'Showing the Flag' lies in its generic nature. It is frequently applied too loosely to cover a range of activities from assertive to benign naval visits to foreign countries or ports.

Thus, none of the above descriptions adequately explains the true purpose of HMS *Caradoc's* nine-month circumnavigation of South America. Nor, in a more general sense, do they convey what is a unique aspect of a naval vessel's role in peacetime when its warlike attributes are of necessity almost completely

suppressed and yet, conversely, still serve to fulfil an oblique, symbolic function which cannot be replicated satisfactorily by any other military or non-military mode of representation. Indeed, it is all too easy generally to overlook or to misinterpret the exact nature of a warship's presence in a foreign port as being merely an adjunct to foreign relations.

Of course, the cruiser's visits during 1929 were not isolated events randomly selected on a whim. Rather, they formed part of a carefully managed and accounted programme. In 1929, the type of centralized organization emanating from the Admiralty in London which had enabled such precise scheduling of warships' foreign station programmes was still a comparatively recent innovation, at least in the minds of more senior naval officers who had undergone their training in the Victorian Navy. These men had been schooled in an age when commanding officers still enjoyed a good measure of autonomy. Importantly, the technological developments that provided the means for instant communication across the world were already in place, which would allow the ship to remain in contact with its foreign station commander and with the Admiralty on a daily basis if necessary.⁶ In this respect it is easy to empathize with Admiral James's wistful evocation of a bygone era:

... service on foreign stations was the common lot of officers and men; the political horizon was usually clear of cloud, and, as we know from letters and autobiographies, life could be very pleasant. A ship's every movement was not reported by wireless, and if the captain thought he had found a good place for his officers and men he stayed there until its attractions began to wane, and then he moved further up the coast.⁷

But this was the age of accountability. The means by which the Royal Navy was able to maintain an almost uninterrupted presence on both coasts of the South American continent had been the result of a hard-won battle over six years at a time when, even if spending on defence was not actually reduced in real terms, governments could cite instances where important savings had been made. The cost of providing two naval vessels on the South American littoral in 1927 amounted to an additional £3,000 per annum to the Navy Vote, a decision that naturally required approval at Board of Admiralty level.⁸ Even so, the use of two ageing light cruisers for the task essentially constituted a compromise for the Royal Navy, as these vessels fell some way short of being ideal representatives of its modern-day fleet.

The rationale behind the decision to reinstate the South America Division of the America and West Indies Squadron lay with the theory that the presence of Royal Navy vessels in ports around the continent, provided they were arranged as part of a regular programme of visits, would reap financial benefits in terms of future warship export orders. This particular line of thinking is a core theme in this book. The premise was emphasized particularly by naval planners in the interwar period and again in the 1960s. There were significant gains for British shipbuilders in terms of naval contracts at the end of both the aforementioned decades, apparently as a direct outcome of what amounted to a concerted policy.

At the time, the securing of a shipbuilding contract seemed to be the only tangible evidence that could be presented to justify the considerable expense of despatching warships on lengthy but essentially speculative deployments of this kind. If such a decision failed to realize the expected gains, then it became harder to present a valid case for its continuance. It was far more difficult to demonstrate, in any quantifiable sense, what was generally perceived of as an even more significant outcome, namely the wider advancement of the country's prestige in the eyes of a foreign government and its people. And yet the presence, or conversely the absence, of Royal Navy warships on the South American littoral throughout the 50-year period under question was repeatedly raised in British Foreign Office documents as a key factor in any wider discussion about Britain's standing and influence on that continent.

This had not been the case in the nineteenth century, when the presence of the Royal Navy in a distant quarter of the world such as South America was not challenged in terms of 'value for money'. In answering the question of whether or not the RN of the time acted as 'a leading agent of the gentlemanly capitalists of the City of London and in Whitehall', Barry Gough suggests that the warships on station were employed to respond to situations as they occurred rather than to adhere to a centralized scheme or set of objectives. The general aim was to maintain peace and order so that commerce could prosper and the British expatriate community could feel comforted by the sight of the White Ensign in local ports.⁹

However, such a loose arrangement could not last. C. I. Hamilton, in tracing the development of financial control over the undertakings of the Royal Navy, argues that the word 'policy' as used in naval papers began to emerge after about 1860, while the linked notion of a degree of financial control over the Navy's activities had its origins in an enquiry into overspending during a war scare with Russia and operations in the Sudan in the mid-1880s. This resulted in the formation of a Standing Finance Committee in 1886. 10

Control of Admiralty expenditure tightened over the years to the extent that, by the early 1920s, it was being overseen by the Finance Committee, which now included a permanent secretary and secretariat. Both Hamilton and John Ferris state that Treasury powers to dictate terms over expenditure developed gradually through the course of the 1920s rather than immediately, as some historians have inferred.¹¹ Nevertheless, one of the financial curbs imposed on the Royal Navy's global presence resulted in the abolition of the South American Light Cruiser Squadron in 1921. The decision was immediately opposed. The squadron was considered to be of 'diplomatic and commercial' value and its withdrawal a blow to British prestige. In assessing its work, the Foreign Secretary's remarks seemed to echo many of the same values placed on the Royal Navy's presence in the region in the previous century, as Barry Gough described above.

The visits of His Majesty's Ships to South American ports are invariably productive of satisfactory results and international courtesies of this nature are highly valued by the Latin American countries. If the Squadron were withdrawn, attentions of this kind would continue to be paid by the United States Government, while His Majesty's Government would no longer be in a position to arrange for periodical visits at suitable moments. It is in fact not too much to state that the withdrawal of the Squadron would probably be resented in South America as an affront, and as implying that His Majesty's Government did not consider those countries as being of any great importance, notwithstanding the fact that more than half the British investment abroad, say nearly One thousand million pounds, is invested in Latin America. 12

It is interesting and pertinent to ask what has been the Royal Navy officer's own perception of this role which is at a remove from the Navy's primary, war-related function? Recalling his period as a young officer in the Mediterranean Fleet in the 1890s. Admiral Harold Smith wrote:

I don't think we thought very much about war with a big W. We looked upon the Navy more as a World Police Force than as a warlike institution. We considered that our job was to safeguard law and order throughout the world – safeguard civilization, put out fires on shore and act as guide, philosopher and friend to the merchant ships of all nations.¹³

As far as 'The Scribes' who compiled *With HMS 'Caradoc'*, *Round South America* were concerned, there is nothing to be found in the text to suggest that they gave any consideration at all to the wider implications of their ship taking part in this lengthy circumnavigation. Even the Commanding Officer, Captain H. R. Moore, somewhat coyly summed up the 1929 voyage as merely 'a small Cruiser's wanderings in South Pacific and Atlantic waters', although his