While the South of Brazil was to know something of the same, the North, backward, rural and poor; made sure the national image did not take the same steps forward as did that of Argentina.

As the 20th century wore on, however, Brazil's great advantages became more manifest in power terms. The huge land spaces of the interior dwarfed those of Argentina, in themselves very impressive. Domestic disorders related to the Great Depression sapped much political energy in the more southern country and while there was some reflection of this in Brazil, it was on a smaller scale. Immigration, one of the keys to Argentine urbanity and progress, began to slip with the First World War and never recovered.

The impact of all this was not immediately clear. Brazil and Argentina had no occasion in the 20th century to test their relative mettle as they had had in the 19th. Despite poor relations in many senses, they restrained themselves and never actually went to war again. Instead, their disputes became more and more about prestige and leadership in Latin America rather than about terre à terre matters. Arms races were commonplace but despite temptations on several occasions, cooler heads prevailed and war was avoided.¹

Prior to the First World War, Brazil's foreign policy was handled by the exceptional Baron de Rio Branco. His policy was revolutionary in that it accepted the United States as a positive factor in inter-American life rather than a threat to Latin American independence and sovereignty. This policy was to last most of the 20th century but in the early days it allowed Brazil to lean on a powerful ally in its struggles with the viscerally anti-US Argentines.² When war came, Brazil alone in South America declared war on the Central Powers.

In World War II, Brazil did much more. It sent an infantry division to the Italian front, conducted joint anti-submarine warfare with the United States Navy in the South Atlantic, and allowed US forces to maintain the vital air bridge to North Africa from Brazilian shores. In return, the US made Brazil eligible for Lend-Lease provision of ships, aircraft, armoured vehicles, and much more. Meanwhile, Argentina remained anti-US (though pro-British), refused to declare war on the Axis until the very last days of the war (even then only in order to be allowed into the United Nations in the post-war period), and opposed hemispheric cooperation in support of the war effort.

The war was crucial in setting the scene for the changes in the bilateral balance of power one was to see in the post-war era. While Argentina began a steady slide from its impressive showing in the previous century, Brazil slowly moved forward to greater economic and military power, as well as greater social cohesion. The crisis of Peronism in Argentina had no equivalent in the neighbouring country and while Buenos Aires linked itself with a Britain in decline, Rio became

¹ See Helio Jaguaribe, Novo cenário internacional (Rio de Janeiro, Editora Guanabara, 1986), pp. 167-79.

² The story of Rio Branco's original policy vis-à-vis the United States and Argentina is given in Alvaro Lins, Rio Branco (São Paulo, Alfa-Omega, 1995).