Preparing for the Pan-American Conference

By ELLA G. WOLFE

THE presidential elections are approaching and the administration has begun to put its house in order. The most battered section of the house—the section that passed through the most disastrous storms and needs most patching is the one dealing with United States foreign policy, and the administration's "best efforts" are now focused on the restoration of the lost prestige of the State Department.

Throughout the present administration Latin-American resentment towards American imperialism has been growing steadily. The constant bullying of Mexico, the virtual annexation of the Carribean and more recently the murder of Sacco and Vanzetti and the invasion of Nicaragua have greatly intensified this resentment.

The European market for investment and goods is more precarious than that of Latin America. The signs pointing to an economic depression in the United States, the renewed challenge of European capitalism even in South America itself, make especially imperative the attempt to re-establish American "prestige" and "satisfactory relations" with the republics to the south of us.

On January 16, the Pan-American Union Conference will convene in Havana, the first conference in five years. The United States government is making every effort (short of the "trifling" matter of giving up its imperialist policy) to make that a love-feast and not a scene of protest and recrimination. Protest must be stilled. The "alarming" tendency recently manifested to appeal to the League of Nations must be stopped. The Pan-American Union must be made the American League of Nations, under the hegemony of the United States, in the best Monroe Doctrine tradition. The State Department's policy in Latin America must for the present be one of "conciliation."

IMPORTANCE OF LATIN AMERICA

As a factor in our economic life Latin America has risen rapidly in importance. At the turn of the century American interests had $290,000,000 invested. By 1925 the U. S. Department of Com-

merce reports $4,240,000,000. By June, 1927, the figure rises to $4,800,000. Since then there have been huge loans to Argentina, Brazil, Bolivia, Costa Rica, Columbia and Peru. The new year tops the five billion dollar mark in Latin-American investments —this out of a total of thirteen billions in foreign investments. The old slogan of trade follows the flag has long given way to a newer one—trade follows loans and investments.

R. H. Patchin, vice-president of the Grace National Bank, one of the heaviest investors in Latin-American enterprises, said recently:

> "The total quantity of merchandise exported to Latin America as compared with domestic consumption is not large, but it is the final 10 or 15 per cent of production in relation to profitable distribution that makes the difference between prosperity and hard times. This being the case, Latin America is a substantial weight in the economic balance and determines our domestic welfare."

The untempered greed of American capital as reflected in the bungling policy of the U. S. Department during the past two years came near losing this "substantial" market. America's intervention in Nicaragua; her bullying threats towards Mexico; her forcing of a treaty on Panama—aroused universal distrust and hostility throughout Latin America. The articulate anti-imperialist leadership was shaken from its lethargy. Manuel Ugarte, for years the outstanding symbol among intellectuals of protest against the encroachments of United States interests, issued a manifesto calling upon all of Latin America to unite in resisting the "utilitarian absorptions" by the "Colossus of the North." In his impassioned appeal he says:

> "Three names have echoed through the heart of Latin America during the last few months—Mexico, Nicaragua and Panama.
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> "In Mexico imperialism is endeavoring to break the resistance of an indomitable people defending its future.
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> "In Nicaragua the same imperialism is landing conquering legions.
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> "In Panama it is imposing a treaty compromising the independence of that little nation.
>
> "And as a logical corollary, a thrill of solidarity is rising among the people from the Rio Grande to the Straits of Magellan, translated into the slogan we launched in 1912—

LATIN AMERICA FOR THE LATIN-AMERICANS. The manifesto continues:

> "At the opening of this century, Latin America was able to find support in the powerful bulk of a Europe intact, anxious to win markets and financially omnipotent. The most elemental logic counseled an attitude of partiality toward her. Many of our governing men lacked the moral courage necessary to such a policy. And it cannot be argued that at that time Imperialism had not yet thrown off its mask."

Ugarte urges as a first step in the direction of Latin-American solidarity an arrangement for the reciprocal granting of the rights and duties of citizenship to the natives of the sister republics. This proposal was eagerly picked up by the Mexican government, a resolution passed in the legislature to that effect and submitted by Mexico to the other Latin-American legislatures. A few days ago the government of Panama, under pressure of the U. S. State Department, replied that such a plan was not feasible at this particular time. Ugarte continues to urge the establishment of a Superior Commission of Latin America charged with formulating a common international course, a homogenous financial policy and a coordinated education system. "Remember," he says,

> "Imperialism is carrying on its hostile work. To protest against the offenses is logical as a means of relieving our feelings—but above all it is necessary to prevent these offenses. We must establish a close coordination of our republics. Our slogan must be RESIST OR GO UNDER."

This stirring appeal was followed by organizational steps throughout Latin America. The Associated Press reported two weeks later the formation of the CONTINENTAL ALLIANCE by delegates from Honduras, Guatemala, Peru, Uruguay and Argentina. The object of the alliance—to promote the constitution of a Latin-American League of Nations, contrary to both Pan-Americanism and the League of Nations at Geneva; the principal aim of the organization —"to fight for republics now under North American protectorate, to regain their full sovereignty in order that a League may be formed by independent Latin-American nations."

The Latin-American Union formed in 1924 by students and professional intellectuals reaffirmed their program to struggle for:

1. Political solidarity of all Latin-American peoples and joint action in all questions of mutual interest;
2. Repudiation of official Pan-Americanism;

3. Solution by arbitration of disputes arising among Latin-American countries by exclusively Latin-American jurisdiction;

4. To oppose financial policy compromising national sovereignty or justifying intervention of foreign capitalist states.

ALL-AMERICA ANTI-IMPERIALIST LEAGUE

The All-America Anti-Imperialist League, also formed in 1924, has intensified its activity; arranged huge demonstrations of workers and peasants in all the large cities protesting American intervention in Nicaragua and the meddling in the affairs of Mexico. It more than doubled its affiliated member sections. It is the most influential of the various anti-imperialist organizations because it has the greatest mass support and the most conscious and far-reaching program. Its continental center is in Mexico City and it has branches throughout Latin America and in the United States.

"The Union of Central and South America and the Antilles," composed of Latin Americans, other than Mexicans, residing in the City of Mexico, organized large protest demonstrations at one of which Isidro Fabela, noted Mexican writer and speaker on imperialism, urged Latin America and especially Mexico to cultivate British and European investments rather than American, alluding to the first as "an evil somewhat further removed," and urged a united front against "Northern aggression."

THE PROTEST OF THE PRESS

The entire press of Central and South America raged with indignation. Even such well-known conservative newspapers as *El Universal* of Mexico (which usually favors the interests of foreign capital as against the Mexican worker and peasant) declared that "this policy of ruthless imperialism backed by brute strength, befogged by hypocrisy and falsehoods with which the U. S. attempts to conceal its purposes, is destroying one of the illusions that remained to the world after the great war. . . .

"The landing of armed forces in Nicaragua is causing disquietude and indignation, wounding at the same time the independence of one Latin-American republic and the sensibilities of all Spanish-America."

El Excelsior of Mexico City—a reactionary newspaper expressing the interests of the landowners and the Catholic Church, stated

that "It is again clear that the policy of the U. S. is dictated by American brokers, and that the recognition of the Diaz usurpation is only an insurance policy taken by Washington in favor of American concession hunters."

The conservative *La Nacion* of Buenos Aires describes U. S. intervention in Nicaragua as "an assault upon international law and a hard blow at the Monroe Doctrine which had established the definite right of American nations to liberty against all colonizing encroachments. . . .

"According to the precedent established by the Nicaraguan affair, the sovereignty and rights of American countries are to be subordinated to the number of dollars which the U. S. has invested in their territory."

La Critica, the largest afternoon paper of Buenos Aires, stated that "the Nicaraguan problem in spite of its geographical distance has begun to assume importance because of its moral influence upon American relations."

La Nacion of Santiago, Chile, referring to U. S. imperialist designs, said, "This situation is bound to throw the shadow of disquietude over the horizon of the Americas, and has the effect of recalling precedents in the policy of the U. S. which Latin-American countries wished to forget."

O Jornal of Brazil described U. S. policy in Nicaragua as audacious and imprudent and said that the United States shows a spirit capable of causing consequences certain to disturb continental tranquility.

Nuestro Diario of Guatemala declared: "Years of patient diplomatic labor, thousands of speeches, gatherings, congresses bent on eradicating from the Latin American mind the remembrance of the Big Stick Policy have come to nought at a single stroke. . . . We wish to protest energetically against the pressure being exercised by the U. S. upon other Central American governments to recognize Diaz" of the Conservative clique in Nicaragua. "This is an unwarranted meddling in affairs which do not concern her."

El Diario of Costa Rica not only protested in its columns but organized large protest demonstrations which the government suppressed because it had recently received a loan from American bankers.

The press of Peru, Salvador, Honduras, and every other country

of Central and South America protested and issued warnings against the aggressive policy of the State Department. Protests were voiced in every legislative body of Latin America.

The correspondent of the *Chicago Daily News* reported that the anti-American demonstration in Buenos Aires grew so menacing that they had to be suppressed by the government and that many speakers were arrested.

The Secretary of the Bolivian Legation in Brazil made such a fiery attack upon the United States that he "had to be recalled."

Senator Justo, leader of the Socialist group in the Argentine Legislature, made a motion for the elimination from the national budget of the provision of 20,000 gold pesos voted towards the support of the Pan-American Union in Washington, stating that "by helping to support the Pan-American Union we appear before the world as morally tied to the United States and this tie can, in the eyes of many, be nothing else than a tie of vassalage."

THE BOYCOTT MOVEMENT

Pretty soon all of these speeches and articles and demonstrations began to crystalize into a movement of boycott on American goods. In Argentina the movement was started with the slogan of "Buy from Those Who Buy from Us," which assumed threatening proportions. This move was praised by the Cuban press which has its own particular grudge against the high tariff barriers of the U. S. on Cuba's sugar and tobacco crops. *La Nacion* of Chile urged a similar movement. The Federation of Port Workers in Vera Cruz declared a boycott against purchase of goods manufactured in the United States; and started an organization campaign to get all other port workers' locals to do likewise.

In Mexico City the All-American Anti-Imperialist League in a united front campaign with other groups called for a boycott of American manufactures.

Although the movement of Latin-American protest has not reached any great proportions due to the fact that most of the subservient Latin-American governments were forced to suppress the movement by force, nevertheless the U. S. Department of Commerce reports that exports to Latin America for 1927 were about the same as those for 1926 only because Argentina showed a considerable gain; that exports to Chile, Peru, and other countries actually decreased. This loss in South American markets is

attributed to the energetic competition from England and Germany who have known how to capitalize in their own favor Latin-American resentment against the U. S.

TRYING TO PATCH THINGS UP

With the Pan-American conference so close, and the presidential elections only a little beyond, the administration could not afford to let this situation continue. Neglect here would mean a severe blow to American economic and political relations with her neighbors. Such neglect would result in endless difficulties and embarrassment to the Republican administration. The State Department set about trying to improve the situation by a series of conciliatory gestures without altering in any fundamental way its policy of brutal aggression.

As a first step Dwight W. Morrow, a partner in the house of Morgan, was appointed ambassador to Mexico in place of Sheffield. Though he represented more "direct action," yet his soft smile and silken manners contrasted favorably with the boorishness of Mr. Sheffield and the stupidity of Kellogg. His smooth language and "friendly" trips with the Mexican president "won the confidence of Calles," who was strangely willing to be wooed, as well as of the unprincipled Mexican bourgeois press, and of the leaders of the Mexican Federation of Labor (C. R. O. M.).

To entertain his new friends, Morrow brought down Will Rogers who kept the executive howling over ham and eggs. He brought down Lindbergh and the "whole Mexican nation went mad with excitement and enthusiasm" and the C. R. O. M. forced all of its members (at the threat of a fine of a day's wages if they did not go) to demonstrate in greeting the young American flyer. Only the Communist Party denounced the Lindbergh trip as imperialist propaganda.

In addition to all this Morrow promised the Mexican government a 70 per cent reduction in the payments of the 1928 installment of the foreign debt. Since Mexico can count upon a total income of 290,000,000 pesos for the year, and since the installments on the debt are almost 120,000,000 million pesos, Morrow's "generous concession" was "much appreciated" and yielded more than its weight in gold.

THE OIL DECISION

In was only a short time afterwards that the Mexican Supreme

Court rendered a decision in favor of the Mexican Petroleum Company of California—the Doheny Company which passed into the hands of the Standard Oil of Indiana a few years ago. This is the first decision rendered by the Supreme Court since the oil and land laws went into effect in January, 1926—the law which aroused the protest of the oil companies and an interchange of notes between the U. S. and Mexican governments.

This decision has been followed by an amendment to the oil law, formulated by President Calles and just passed by the legislature. The amendment provides in place of a 50 year concession, a concession to run the same length as the title; that is, if the title is in fee simple then the concession runs without limit of time; if a leasehold, the concession runs the length of the lease.

The Calles government thus makes another step to the right. It is, to be sure, not as far to the right as American capital would like to see it go—but it is as far as they dare to push at the present moment. Morrow "is letting Calles off easy" in return for good behavior at the Pan-American Union Conference. When that is over there will be two years until the new amendment goes into force, plenty of time for bickering and trading, and Morrow will know how to continue his good efforts on behalf of the class he so ably represents.

Under the slogan of "friendship at any price" with Latin America before the Pan-American Union Conference, the flights of Lindbergh were organized. They have produced a most startling effect in Mexico and countries of Central America. With Morrow's "extreme tact," Will Rogers' comic wit and Lindy's hops the air seems properly charged for a "peaceful" session at Havana.

A DELEGATION OF NOTABLES

The sixth conference of the Pan-American Union will open its sessions in Havana on the 16th of January. The congress will be greeted by Lindbergh in the air. The United States is sending its "leading political figures." No less a personage than President Coolidge himself will make the opening address. Never in the history of the United States has any president gone as a delegate to an international conference except for the trip of President Wilson to Versailles. This shows how much importance American finance capital is attaching to the forthcoming Pan-American Union conference.

Kellogg will be there. Charles Evans Hughes, who spurned a representation to Geneva, is going as the chairman of the American delegation. Morrow will be there—a silent, shining testimony of what polish and finance can accomplish in an economically backward country. Henry P. Fletcher, an expert on Latin-American affairs and at present ambassador to Italy; Oscar Underwood, former Democratic Senator; Ray Lyman Wilbur, President of Leland Stanford University and brother of the Secretary of War; Morgan J. O'Brien, James Brown Scott and Dr. Leo S. Rowe, director of the Pan-American Union, make up the rest of the delegation to this most spectacular conference in the history of Pan-Americanism. The United States government is obviously mobilizing for something it considers important.

EFFECT OF SANDINO'S HEROISM

Yet all the effect of Lindy's flights and Will Rogers' wise cracks, of Morrow's soft soap and Coolidge's sweet physiognomy are destroyed in a moment on the eve of the conference by the heroic challenge of Sandino and the decision to send more marines to Nicaragua. Diplomatic gestures are meaningless for in imperialist agression as in other matters "actions speak louder than words."

In order to prevent the discussion of matters vital to the interests of Latin America the agenda of each conference is fixed at the one before: There the only potentially important point which will be discussed at Havana is the first point on the agenda which deals with:

"Organization of the Pan-American Union on the basis of agreement which would make the Union a kind of an American League of Nations under the hegemony of the United States."

It should be stated here that at the present time the Board of the Pan-American Union is made up of the diplomatic representatives to the United States from the different Latin-American countries. As diplomats they haven't very much freedom of criticism. If their criticism becomes too sharp the United States can request their recall. Several attempts have been made to change this form of representation but each time it was blocked by the U. S. delegation. Some of the Central American republics will attempt to effect a change in the method of representation under point number one of this agenda. The other matters on the agenda are of

relative unimportance as compared to this important first point. They deal with such unimportant matters as postal regulations, "intellectual co-operation," consular fees, etc.

The Latin-American countries, if they dare to make a serious affair of the Pan-American conference, will try to make it turn about the only question that really matters, the question of U. S. intervention.

It is reported that HAITI wants to present a resolution at this conference stating "That any action carried out by a state, whether by means of diplomatic pressure or armed force, in order to force its will upon another state, constitutes intervention."

ARGENTINA has prepared a resolution to the effect that "A state may not intervene in the internal affairs nor in the external affairs of another state."

MEXICO and the DOMINICAN REPUBLIC have agreed to present the following: "No state may, in the future, directly or indirectly, nor by reason of any motive, occupy even temporarily any portion of the territory of another state. The consent given to the occupying state by the state occupied will not legitimatize the occupation, and the occupant will be responsible for all occurrences resulting from the occupation not only with respect to the state occupied but to third parties as well."

PARAGUAY: "Intervention or any act of a state within the territory of another state without previous declaration of war, with the intent to decide by force, material pressure or moral coercion, internal or external questions of the other state, will be considered as violation of international law.

It is of course a foregone conclusion that none of the above resolutions will be permitted to pass should they ever reach the discussion stage. Lindy, Coolidge and the other notables are being sent to prevent this ever reaching even that stage.

PROBABLE GROUPINGS AT THE CONFERENCE

The conference will probably divide itself into the following three groups:

1. The United States with its satellites—the governments she has set up in Nicaragua, Cuba, Panama, Chile and Peru. These will try to suppress all attempts at discussion of U. S. policy in the Carribbean during the past two years.

2. Mexico and those countries which hope to start political discussion. It is likely, however, that the diplomacy of Morrow and Lindbergh will have been sufficiently successful to move Mexico into the first, subservient group.)

3. The third group, under the leadership of Argentina, will try to play the League of Nations and British imperialism against America.

Before venturing to forecast the results of the sixth conference it would be well to run over the events of the fifth conference of the Pan-American Union. It was called to meet at Santiago, Chile, in 1914, but the war intervened and the conference was postponed until 1923.

PROTEST AT LAST CONFERENCE

When the conference finally took place in 1923—eleven countries formed an opposition bloc to the United States and attacked its activity in the Caribbean and Central America. An unofficial delegate from Santo Domingo accused the army of the United States of murder, arson, pillage and many other brutal crimes which it had committed during its invasion of his country. A proposal for the limitation of armaments led to a most bitter discussion. Nothing, however, except discussions, were permitted, and the conference ended, as other conferences in the past, without definite action.

La Prensa of Buenos Aires, commenting on the results of the congress, said: "The absence of Mexico, Peru, Bolivia, protests from Haiti, Santo Domingo, the discontent of the delegates from Cuba, Ecuador, Colombia and Venezuela, and the reforms supported by the 6 Central-American republics and Panama, disclose a spirit of discontent more than latent on the part of those republics over which the United States exercises constant influence, political, military and commercial, sometimes quite disturbing."

"El Mundo" of Havana, said that the conference "was entirely under the control of the United States; the same old patents, trade marks and santiation."

Numerous editorials in the press at that time pointed out that the hope for Latin America lay in Latin-American conferences from which the United States should be excluded.

THE SIXTH CONFERENCE OF THE PAN-AMERICAN UNION

The sixth conference of the Pan American Union will open in

an even more hostile atmosphere than the fifth. But the United States delegation will use all known devices—president's arrival, Lindbergh's air tricks, the puppet governments, every parliamentary obstacle and every form of cajolery and coercion, to neutralize and divert this resentment. From present indications in the press of Latin America it is obvious that they expect as little from this conference as they got from the fifth. But if they should succeed in turning it into a protest forum, it will likely have more organizational results than the previous one in the building of an anti-imperialist movement.

In Cuba the problem of hostile press comments was settled simply by an order to the press issued in the name of the Dictator Machado, that no notes, news or information should be printed during the conference which might injure national susceptibilities, expressly pointing out as examples the problems of the United States in Nicaragua and Mexico.

President Coolidge will make his speech along the lines of the agenda above indicated and will pledge undying love and friendship for his neighbors to the south. Kellogg will ape the president.

In the ante-chambers of the conference hall many shady deals will be contracted. The "Liberal" General Moncada of Nicaragua, recently purchased by President Coolidge's personal representative Stimson, if not in person, then through his representative, will join with conservative Diaz of Nicaragua in songs of praise of the U. S. for its "saving" intervention. He will testify that General Sandino, who is carrying on a heroic struggle to free tiny Nicaragua from the mighty colossus of the North is only a common bandit leading other bandits against the "civilizing" marines of the United States. In return for all of which the U. S. State Department will make him the next president of Nicaragua.

Mexico, hailed by the rest of Latin America as the leading liberalizing and militant force against the aggression of American imperialism, will in all likelihood betray its trust, and take a silent and unrebellious seat at the conference or perhaps make a few feeble gestures. If she behaves "well" her debt payments will be lowered for the year, (a postponement, not a reduction in the totals to be paid), and the arms embargo will be lifted to permit her to purchase airplanes and other military accessories at an enormous profit to the American manufacturers.

Little protest will be permitted at this congress. The present

diplomatic representation on the directing board makes it difficult. The United States and its puppets will fight any attempt at radical change in the system of representation. Changes there will be, but only in matters of international money orders and trade marks and patents. Nothing vital will be accomplished. The Republican administration hopes to be able to flaunt a diplomatic victory in its foreign policy. Latin America must be made to realize that the Pan-American Union, as it is now constituted, is an unconquerable obstacle to their national development and growth; and an effective instrument of United States imperialism for the absorption of Latin America. We must utilize the conference to that end.