Fascism Over Latin America

by Ellen Ward

(In this issue, we begin a series of articles by Ellen Ward on fascism and fascist influence in Latin America. Subsequent articles will deal with Brazil, Argentina, Mexico and Cuba, to be followed by a final article discussing political conclusions.

—The Editor.)

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THE threat of war is the key to the understanding of all political manouvering in Latin America today. Germany, Italy and Japan have become aggressively active not only for reasons of commerce but in preparation for the next war. It is obvious, of course, that it would be difficult to wage a war on a world scale without the raw materials of Latin America. The western hemisphere fed Europe during the last war and supplied a good part of its munitions. The Allies could not have won the war without that help.

England And The U. S. A. In Latin America

Until very recently, Anglo-America controlled all the exportable wealth of Latin America. Great Britain and the United States have a combined investment of over ten billion dollars there, or more than two-thirds of the total foreign investment. England and the United States also control the machinery with which all our southern neighbors carry on their economic exchange with the rest of the world and their combined sea-power guards their numerous stakes on this continent.

It is, of course, true that, all during the post-war years, England and the United States have been rivals in the rich Latin American market; often very bitter rivals, indeed. But the present aggressive expansion of Germany, Italy and Japan, plus the Anglo-American understanding in preparation for war, has given these two English-speaking countries a common task in Latin America—to preserve the status-quo—at least in economic relationships. For the time being, therefore, we can look for greatly diminished rivalries between the United States and England on the South American continent.

In 1929, all of Latin America imported 65% of its needs from foreign lands. Of that, the Anglo-American share was 83%; the German, Italian and Japanese share only 17%. In 1936, the Anglo-American share had dropped to 72% while the German, Italian and Japanese had climbed to 28%.

This increase in favor of the fascist block was made possible thru government aid, thru direct diplomatic pressure, intensive propaganda and lavish funds in a campaign of unstinted bribery.

As a counter manouver to the expansion of German trade in Brazil, for example, the United States granted a sixty million dollar gold credit to President Getulio Vargas.

Berlin, Rome and Tokyo are sparing no expense in propaganda thruout Latin America. They subsidize the local press, the publishers, the lecturers, the news buros, extend free cable services, arrange "good-will" flights and uniformed visits of all kinds in the mad push for, if not active allies, then friends, at least.

Latin American dailies are flooded with subsidized fascist features, long articles explaining the "superior" philosophy of the totalitarian states and their special adequateness in our troubled times. Photographs of Hitler and Mussolini, almost life-size, appear with great frequency. With the aid of the Catholic Church, Italian paid propaganda has "molded" a large part of South American public opinion into support of Franco in the Spanish civil war.

In Porto Alegre, Brazil only a short while ago, a shipment of one million dollars worth of arms was discovered. It had been sent directly from Germany to Flores da Cunha, governor of the State of Rio Grande do Sul. The arrangement had been made thru Ertzeberg Brothers, a German concern. As no such shipment is possible without the approval of the Nazi government, it is obvious as to who is financing the fascist organizations in Latin America.

Fascist Armament Booms

The fascists are also promoting armament booms on the southern continent itself. They are pressing to supply them with warships, airplanes and munitions. Japan has offered Brazil and Chile, 200,000,000 yen worth of battleships to be paid for half in cash, over a ten-year period, and half in coffee.

A little while ago, the Japanese submitted to the Brazilian Federal Trade Council a $100,000,000 plan for the reorganization of the Brazilian merchant marine. Japan is also bidding for the construction of two modern cruisers for Chile. It is, at the same time, negotiating with Ecuador for fishing rights in the Galapagos Islands—just off the mainland. One has only to examine the map to see how close Ecuador is to the Panama Canal. It is not difficult to draw the proper political conclusions.

In Mexico, Japan has two commissioners on the Federal Fisheries Board. It is also busy negotiating there for the concession to build a modern harbor in Manzanillo—a port on the Pacific, in return for oil and mining concessions in the State of Michoacan.

German capital has just been invested in a cellulose manufacturing plant in Valdivia (southern Chile), where 8,000 acres have been purchased for exploitation by the most modern methods and under the direction of German technical experts. Germany is selling munitions to almost every South American country. In many cases the Krupp and Rhine Metall Barsig wares are being exchanged for South American foodstuffs and raw materials. Germany is also negotiating with Venezuela for the construction of two destroyers. It has established scholarships in Berlin for officers of the South American armies.

In May 1937, Colombia signed a treaty with Germany opening the door to its investments in the oil industry.

Italy has sold warships to Brazil and Argentina and is marketing munitions and aircraft thruout the South American continent.

Mussolini has sent air and military missions to the more important countries and has established military scholarships just as Hitler has done. Italy has also set up an assembly plant for bombing planes on the coast of Peru. Last year, the Peruvian government signed a contract with the Caproni aircraft Company of Milan for the construction of this plant at Las Palmas, ten miles from Lima. Steel for this plant came from Germany and the plant was constructed under the direction of the German engineer, Herr von Stach Galtzheim. The factory is now turning out Caproni planes and selling them on the South American continent.

A few months ago, General Pellegrini, director of Italian civil aviation, concluded negotiations in Argentina, Uruguay and Brazil for an air line linking Rome and South America via Gibraltar.

The Peruvian dictator, Benavides, has turned out to be Mussolini's best agent in South America. Mussolini has sent him fascist instructors to train the Peruvian police in how to meet the danger of a possible mass uprising against the Peruvian dictator.

But it is in Brazil where the largest organized fascist movement exists, and we shall therefore examine Brazil in the next article.

ment took place shortly after the Russian revolution. In Russia, the split liquidated itself thru the successful proletarian revolution. But, in the other countries, the working class remained divided in varying degrees. We may thus distinguish four groups of representative countries: 1. The Soviet Union with the dictatorship of the proletariat;

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