After the Lima Conference

Dictatorship Rife in South America

By ELLEN WARD

(Concluded from last issue)

FROM Panama to Tierra del Fuego, Germany is conducting a well-organized offensive by which the political ideology of the Nazi state is urged on Latin Americans in return for commercial advantages. It is always on the alert to make use of every bit of material in its own favor and against the United States. It exploits each campaign cleverly and did this especially effectively with an editorial appearing in the New York Times on December 24, 1938, on the eve of the termination of the Lima conference. The editorial, quoted in part, said:

"The main question at Lima is how to stimulate investment of idle American capital in the South American nations which so badly need it and how to assure this capital that its rights will be respected when it is used constructively. Perhaps some progress is being made behind the scenes in dealing with these questions. There is every reason to hope so."

The fascist press was also quick to point out and stress the fact that the efforts of Chile, Mexico and Argentina to have the Pan-American conference agree that no diplomatic action follow seizure of property of foreigners was defeated at Lima. The resolutions were tabled and referred to a small committee of "experts" to report at the next conference five years hence.

And all of this propaganda is having serious effects everywhere, so that in a city as cosmopolitan as Buenos Aires, for example, every statement about "democracy" is met with a cynical sneer. Here Jew-baiting is even on the increase. Several synogogues have been sacked and burned recently; Jews on the streets are accosted, mocked and often beaten.

All this news is played down in our press, which is under the control of the A. P. and U. P., in cooperation with our State Department. For, if the United States is embarking on a giant armaments program for the "defense of democracy" in the southern hemisphere, does it not behoove us to play down the "unpleasant" features of Latin American life?

"DEMOCRACY" IN LATIN AMERICA

Early in January, a group of Salvadorean and Guatemalan journalists decided to hold a meeting to discuss the campaign for the defense of democracy in Central America. They had decided to meet on the border between the two countries. When the dictator governments of both countries learned of this scheduled conference, they forbade the meeting and prevented the respective journalists from reaching their destination.

In Brazil, Peru and thruout Central America, a new political term has been created, "constitutional dictatorship," under which the peoples of Salvador, Nicaragua, Guatemala and Honduras are now suffering. In Salvador, President Martinez's term has been "extended by Congress" for six years from March 1, 1939 when it was due to expire.

In Nicaragua, the same is true of President Somoza; in Guatemala, of President Ubico; and of President Carias Andino in Honduras. And, of course we have all heard the famous story of how "Congress had to persuade the unwilling dictator Benavides of Peru to extend his term for an additional six years," after the president elected by the opposition had been counted out.

In all of these countries, these policies have been invoked as a result of active aid and propaganda by the fascists and the Nazis. In Salvador, for example, the German consul, Baron von Huendelhausen, is manager of the government-owned Farm Loan Bank. Another German consul, General Bonstedt, is the director of the military school and instructor of the army. The press in all these lands is perfectly free to attack democracy but not totalitarianism. An editor of a leading newspaper in Salvador published an editorial complimenting the French on Bastille Day and as a result was exiled, and now he has to live in New York.

At the Lima conference, the Brazilian delegation, backed by the Peruvians, refused to support the Hull formula on continental solidarity until the word "democracy" had been deleted from it. And, despite all this, the curious American formula perists: "Defense of democracy." One is tempted to ask: "What democracy?" Stumbling thru those endless proceedings, one begins to feel something of the helplessness of the two Spanish shoemaker-philosophers, Apolonio and Belarmino who could find no comfort in the world of crazy words about them and who decided that, before a new and better world could be built, truer and better language would have to be created!

DEFLATION AT LIMA—AND AFTER

With each day, it becomes increasingly clearer that, despite the great promises, Hull returned from Lima with a deflated pouch. But it is naive to presume that the battle ended there. Lima was only the beginning of the struggle for the control of Latin America and for the maintenance and widening of its markets. The basic plans will be more discrete and quieter now. Both the United States and Great Britain have a long-range program worked out in considerable detail. On December 26, close to the last session, the New York Times carried a significant dispatch from London, summarizing part of the British plan:

"Some months ago, all British diplomatic missions in South America were ordered to work in the closest harmony with their American colleagues, because her interests as well as those of the United States are equally affected by the attempt of the dictators to establish their own brand of political ideology. Britain is also equally concerned over her foreign trade. British officials believe that South America is one of their strategic necessities. If war comes they believe Latin America must feed Britain and, even more important, the largest source of oil for the British fleet is Venezuela and the surrounding nations.

"Britain, after the rift with Mexico, is now urging British companies all over Latin America to come to terms with their South American employees and forestall action similar to that of Mexico in other states.

"It is believed here (Britain) that more and more South American countries will insist on exploiting their own resources for their own benefit and, as far as they can, the British Foreign Office officials are trying to make sure that Britain will meet that threat in a way that will insure South American trade for Britain in her hour of need."

As for the United States, it has embarked upon a series of conferences with individual Latin American countries. On January 15 of this year, Roosevelt announced the invitation to Dictator Vargas of Brazil to send his foreign minister to Washington to confer with the American State Department. Minister Aranha has already arrived to "discuss events that have arisen during recent months of great importance to our two governments." There will also take place discussions with the Secretary of the Treasury on "questions of exchange and ways for implementing trade agreements in order to promote greater American trade in Brazil where the United States and Germany are now running neck and neck." The United States has also offered to lend Brazil American agricultural experts. Also, "the broad national-defense picture is to be considered from the standpoint of hemisphere needs." And the press continues: "It is quite possible that this visit may be followed by others from a number of Latin-American governments in order that Pan-American understanding and good feeling may be cemented." And then, as an apparent non-sequitur, the story ends with the following:

"Recently, Warren Lee Pierson, president of the Export-Import Bank, went to Brazil to study business conditions there. . . . Presumably means for facilitating trade thru credits from this bank, may enter into the discussions here. . . . Also the five-year plan for financing shipments of U. S. railway material and road-making machinery and for building waterways and ports in Brazil, and several small warships and river ships are to be taken up." The program doesn't end there. It is only the beginning of the wrapping of America's golden chain around Brazil's five-year plan and ultimately her entire economy.

These discussions not only with Brazil but with other Latin-American countries will help complete the extensive survey of the aircraft and transportation business in South America. All this is, of course, nothing more than an adjunct to America's giant "defense program." This plan advertised as a survey foreshadows government assistance in improving the Latin-American markets now endangered by Germany and Italy. United States officials have suggested that this European competition might be met by granting long-term credits of the Export-Import Bank to American manufacturers. The War and Navy Departments at Washington are helping promote airplane purchases by South America thru their ready "lending" of air missions.

All of these numerous conferences are determined not so much by what Germany has been able to take from the United States in Latin America—for the losses have been borne much more heavily by Great Britain, the United States has more or less held its own—as by the fantastic rate of increase in Germany's exports in the last three years. In absolute quantity, the percentage is small compared to America's share but the rate of increase has more than doubled and the United States fears that in the next few years Germany's gains will be at its expense. Therefore the American campaign is being intensified on two fronts: first, to recapture some of the trade now going to Germany thru heavy credits to Latin American countries and second, thru the same means to tie Latin-American countries to the American war chariot.

It should be perfectly clear now that the purpose at Lima was not only to give more practical application to the Monroe Doctrine but also to lay plans for the "national-defense" program of the American government itself, a basis which had to be determined before Congress could proceed to legislate on President Roosevelt's program. The credit moves to China, as well as plans for similar activity in Latin America, are, of course, only the beginning of a long-range plan to keep American trade channels open thruout the world and to strengthen America's position in the next war.

Why the ... Not "One ...

Law Devised to ...

By WM. M. LEISERSON

(William M. Leiserson is a member of the National Railway Mediation Board. These paragraphs are from his recent radio address at America's Town Meeting of the Air.—Editor.)

THE case for revising the Wagner Act is based primarily on the charge that it is one-sided. It prohibits unfair labor practises by employers and says nothing about unfair practises by employees or unions. Employers are not permitted to initiate cases requesting election of employee representatives for collective bargaining. The Labor Relations Board is both prosecutor and judge at the same time.

But, if these things make the Wagner Act one-sided, then the Railway Labor Act and other laws with the same or similar provisions must be equally one-sided. Yet there is no opposition to the railway act and the other laws, and no agitation for their revision. On the contrary, the Railway Labor Act is frequently held up as an example of fair and impartial legislation by the very people who denounce the Wagner Act.

The same unfair labor practises are prohibited by both laws. The railway act makes them mis-

No Separ... Soviet Uk...

Ukrainian Masses ...

By P. GUILLAUME

Paris, France

IF you take seriously the information in the Stalinist press, you would be tempted to conclude that German imperialism can count, for its "Great Ukraine" policy, on the

Hopkins Speech Marks End of Reforms

(*Continued from Page* 1)

determined to promote that recovery with all the vigor and power at its command." Lack of "business confidence," he added, was a "hard, stubborn fact," which he did "not propose to ignore."

Specifically, Mr. Hopkins recommended the following things:

1. No "general rise" in federal taxes this year and the revision of tax measures that "tend to freeze the necessary flow of capital," that is, of those levies that are offensive to big business.

2. Breaking the "log-jam of private investment in the field of utilities, railroads and housing." Restriction of government activities in these fields so as not to interfere with private enterprise.

3. Pressure on labor to make it display "tolerance and fairness" in dealings with employers. "Labor on its side faces responsibilities and obligations," Mr. Hopkins emphasized. In general, his remarks indicated that the Administration's "friendship" for labor was becoming somewhat strained.

4. Increased national income.

5. "Assistance" to small business.

6. Larger share of national income to the farmers.

The Hopkins address found a warm response among big-business leaders thruout the country. The most enthusiastic endorsement came from W. Averell Harriman, chairman of the Union Pacific Railroad. In New York, Floyd B. Carlisle, chairman of the Consolidated Edison Company, and Wendell L. Willkie, president of the Commonwealth and Southern Corporation, commented very favorably on the speech.

A.L.P. Protect...

IN a recent bulletin of the A... peared the following notice in t... Alex Rose, state secretary:

"It has come to my attention ... our party are receiving numerous ... individuals urging them to suppor... various local organizations have a... their decisions without checking o... whole. You are hereby instructed ... tion on matters which the State Ex... In such cases, you are to forward ... State offices and wait for further i...

We urge our readers who are ... these instructions carefully and s... letter. In this way, it will be po... prevent the Stalinists and other i... promising it with their underha... behalf of their "party line."