

**ARGENTINA  
EXPOSED!**

UNITED STATES GOVERNMENT  
OFFICIAL INDICTMENT OF THE  
FASCIST REGIME IN ARGENTINA

*Blue Book  
on  
Argentina*

**Sensational case history of the Nazi-Argentine plot against  
the freedom and peace of the world.**

# **BLUE BOOK**

# **ON ARGENTINA**

***Consultation among the American Republics  
with respect to the Argentine Situation***

**Memorandum of the United States Government  
Washington, D. C., February 1946**



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## PART I

# INTRODUCTORY STATEMENT

### I

On October 3, 1945 the Department of State initiated consultation among the American republics with respect to the Argentine situation. All of the other American republics agreed to participate in this consultation.

During the intervening period, this Government has made a careful study and evaluation of all the information in its possession with regard to Argentina. An enormous volume of documents of the defeated enemy, in many cases found only with much difficulty and after prolonged search, have now been studied and verified. German and Italian officials charged with responsibility for activities in and with Argentina have been interrogated. Although this work of investigation continues, the Government of the United States at present has information which establishes that:

1. Members of the military government collaborated with enemy agents for important espionage and other purposes damaging to the war effort of the United Nations.
2. Nazi leaders, groups and organizations have combined with Argentine totalitarian groups to create a Nazi-Fascist state.
3. Members of the military regime who have controlled the government since June 1943 conspired with the enemy to undermine governments in neighboring countries in order to destroy their collaboration with the Allies and in an effort to align them in a pro-Axis bloc.

4. Successive Argentine governments protected the enemy in economic matters in order to preserve Axis industrial and commercial power in Argentina.

5. Successive Argentine governments conspired with the enemy to obtain arms from Germany.

This information warrants the following conclusions:

1. The Castillo Government and still more the present military regime pursued a policy of positive aid to the enemy.
2. Solemn pledges to cooperate with the other American republics were completely breached and are proved to have been designed to protect and maintain Axis interests in Argentina.
3. The policies and actions of the recent regimes in Argentina were aimed at undermining the Inter-American System.
4. The totalitarian individuals and groups, both military and civilian, who control the present government in Argentina, have, with their Nazi collaborators, pursued a common aim: The creation in this Hemisphere of a totalitarian state. This aim has already been partly accomplished.
5. Increasingly since the invasion of Normandy, and most obviously since the failure of the last German counteroffensive in January, 1945, the military regime has had to resort to a

defensive strategy of camouflage. The assumption of the obligations of the Inter-American Conference on Problems of War and Peace to wipe out Nazi influence and the repeated avowals of pro-democratic intentions proceeded from this strategy of deception.

6. By its brutal use of force and terrorist methods to strike down all opposition from the Argentine people the military regime has made a mockery of its pledge to the United Nations "to reaffirm faith in human rights, in the dignity and worth of the human person."

## II

Prior to the Inter-American Conference on Problems of War and Peace, twenty American republics concluded unanimously that the Argentine Government had not collaborated in the war effort and could not therefore properly participate in the Conference. At the conclusion of the meeting, they deplored the fact that "the circumstances existing before the meeting have undergone no change that would have justified the Conference in taking steps to re-establish continental unity." No more clear-cut judgment has ever been rendered by a community of nations with regard to the conduct of the *government* of one of its members. And lest its judgment be misconstrued, the Conference carefully distinguished—as we must distinguish today—between the people of Argentina and the ruling regime: "the unity of the peoples of America is indivisible . . . the Argentine nation is and always has been an integral part of the union of the American republics."

It was in large measure a response to this spirit of unity among the peoples of the American republics and a response to that faith which animates the inter-American system, which prompted the American republics once again to accept the pledged word of the Farrell-Perón Government.

By its adherence to the Final Act of the Mexico Conference, the Farrell regime took a necessary step to qualify for participation in the treaty contemplated by Part II of the Act of Chapultepec. But employment of the benefits of the

Act of Chapultepec, as well as of other rights under the Final Act of the Conference, was conditioned upon good faith by the Farrell Government both in the assumption and in the execution of the agreements and declarations approved by the Conference.

Recognition of the Farrell regime and admission to the United Nations Organization were not based on a finding that the regime had satisfied its obligations. Recognition and admission to the United Nations Organization were based on an undertaking by the Farrell Government to comply with the agreements of the Mexico Conference. As stated on May 28th, 1945 by Secretary of State Stettinius, Chairman of this Government's delegation both at Mexico City and at San Francisco:

"By voting to admit Argentina in these circumstances, the United States, . . . has by no means changed its position that Argentina is expected to carry out effectively all of her commitments under the Mexico City Declarations. On the contrary, we consider that her admission to the San Francisco Conference increases her obligation to do so. We expect the Argentine nation to see that this obligation is fulfilled."

Several months later the Assistant Secretary of State in charge of American Republic Affairs and the alternate delegate of the United States to the Mexico City Conference, Mr. Nelson Rockefeller, declared:

"This record shows that while steps have been taken toward carrying out the commitments there are many important failures which have serious implications. Too often steps have been begun or promised and not carried through to completion. The fact remains that many vital commitments in which Argentina joined with her American Neighbors still remain unfulfilled by her Government."

The acceptance of the pledged word of the Farrell Government repeated a process in which the American republics, in a spirit of genuine

good will towards the Argentine people, had patiently participated during four years of war. From shortly after Pearl Harbor until the unconditional surrender of the enemy, successive Argentine governments had coupled assertions of full compliance with solemn promises of future performance. This record, in itself, demonstrated insincerity and would strongly have supported a charge of deliberate deception. Today we *know* the reasons for the important failures, the apparent reluctance, the unfilled vital commitments, the promises to keep promises. Behind the record of broken promises and repeated pledges of cooperation we have proof positive of complicity with the enemy.

This complicity compels us to doubt the motive, the plan and purpose of every act of the present Argentine regime. Such lack of trust will not be cured by decrees or administrative orders, by signatures to charters or by adherence to final acts of conferences. It can be cured only when our brother people of Argentina are represented by a government which inspires full faith and confidence at home and abroad.

### III

The information in support of these charges is respectfully submitted to the Governments of the American republics for their consideration in relation to the Treaty of Mutual Assistance to be negotiated at the forthcoming conference at Rio de Janeiro.

By its terms the Act of Chapultepec lays the basis for a mutual assistance pact which will obligate the member governments to assist one another to meet an attack or a threat of aggression from any source whatsoever. Further-

more, pursuant to Resolution IV of the Conference on Problems of War and Peace, the pact would be implemented by the creation of a permanent military agency which would be charged with the preparation of proposals for a closer military collaboration among the republics. This implementation would require a close cooperation in the development of security plans of vital importance to every American republic. It would also require cooperation in the maintenance of adequate military establishments for the defense of the continent.

Such a defense structure can be built only on a foundation of absolute trust and confidence. Because the Government of the United States did not have such trust and confidence in the present Argentine regime, it took the position in October, 1945 that it could not properly sign a military assistance treaty with that regime.

It is submitted that the information transmitted to the Governments of the American republics in this memorandum makes abundantly clear a pattern which includes aid to the enemy, deliberate misrepresentation and deception in promises of Hemisphere cooperation, subversive activity against neighboring republics, and a vicious partnership of Nazi and native totalitarian forces. This pattern raises a deeper and more fundamental question than that of the adequacy of decrees and administrative measures allegedly enacted in compliance with Argentina's obligations under Resolution LIX of the Mexico Conference. The question is whether the military regime, or any Argentine government controlled by the same elements, can merit the confidence and trust which is expressed in a treaty of mutual military assistance among the American republics.

## PART II

# ARGENTINE-NAZI COMPLICITY

The announced policies and pledges of those who have held the powers of government in Argentina since December 7, 1941, have in succession been:

(1) A policy of neutrality nevertheless beneficent to her sister republics in their struggle against the Axis;

(2) ruptured relations with Germany and Italy, to rid Argentine soil of foreign "systems that are completely divorced from the national conscience" and to establish with her sister republics "a complete accord, a complete solidarity, in a word: American Unity";

(3) an ultimate declaration of war against the Axis and full acceptance of the aims, purposes and covenants of the American Republics and the United Nations for total victory and total extirpation of Axis power and influence from this earth.

It is now established that those in control of the Government of the Argentine Republic, from the day of Pearl Harbor to the present moment, have engaged in grave complicity with Nazi Germany.

The basic source of this complicity consists of the preference for an Axis victory which those individuals who have held the powers of government in Argentina throughout this whole period have (except for its disclosure to Nazi Germany) secretly entertained.

In May 1942, acting President Castillo frankly conveyed to Germany through authorized channels that he believed in and hoped for "the victory of the Axis Powers"; that he had "based his policy upon that" desired result; and that, rather than sever relations with the Axis, he

had determined, if necessary, "eventually to come out openly on the side of the Axis powers". Those who seized the reins of power in June 1943 shared this attachment even more deeply and implemented it in many ways more fully described below.

The consequence of this basic choice between the forces of fascism and of democracy was an intimate and integrated pattern of mutual understandings, cooperation, and assistance begun in the days of Castillo and carried forward and completed under the present military regime until it embraced every significant sphere of interest in Argentine-German relations.

Simply stated, the basic accord of which all these ramifications were but details was that those governing Argentina sought from Nazi Germany the military and political support for Argentina's policy of isolation not elsewhere obtainable, and the Nazis obtained freedom from any action tending materially to interfere with their operations or prejudice their interests in Argentina, both during and after the war. The growth, perfection, and implementation of this conspiracy is hereinafter described, under topical headings corresponding to these various areas of interest.

### A. *Argentine-Nazi Negotiations for Military Assistance to Argentina*

One of the most striking areas of such collaboration consists of Argentine efforts to procure military assistance from Germany.

Briefly summarized, during Castillo's day, the negotiations of his agents for German arms were designed to give Argentina equipment for use against the other American republics if their remonstrances that Argentina break relations, which Castillo was determined to resist, should in consequence require that his government

\* President Ramirez, Jan. 26, 1944.

formally align itself with the Axis in accordance with its secret choice. They extended most actively over the months of July, August, September, and October, 1942, and involved requests for submarines, airplanes, tanks, anti-tank guns, anti-aircraft guns, machine guns, powder, and other munitions and arms.

These negotiations were quietly delayed by the Nazis from late 1942 to mid-1943 at the instance of the German High Command, because of Germany's own equipment needs.

Nevertheless, after the military *coup d'état* of June 1943, the Ramírez regime immediately resumed these negotiations, assuring the Nazis of their purpose not to break relations and of their need for military equipment to reinforce them in this position. When these requests were advanced, the Ramírez regime referred also to the plan of subversion against neighboring countries which it had determined to set in motion. These negotiations continued throughout the summer of 1943, and culminated in October 1943 in the ill-starred Hellmuth mission. In this affair, the Argentine Government and Himmler's secret intelligence (Sicherheitsdienst) agents in Argentina selected Oscar Hellmuth, an Argentine national, as their common representative to enter into broad negotiations with the German Government in Berlin, not only for arms, but for many other types of mutual assistance. This mission failed, but only because of Hellmuth's arrest *en route* by the Allies.

In considering the grave menace this complicity represented, not only to Argentina's sister republics in the Western Hemisphere but to the fate of the entire world in its struggle for the preservation of civilization, some contrasting dates may prove illuminating. When Argentina made her initial approach to the Nazis in July 1942, Singapore had fallen, the American forces had surrendered at Corregidor, and the Japanese had occupied all strategic points in the Far East and the East Indies near their basic strongholds. In many quarters, only the faintest hope remained that General MacArthur could redeem his promise to the Philippines that he would someday return. In the West, the Nazis had taken Sevastopol, crossed the Don River,

and captured Voroshilovgrad and Rostov. By September, they had begun their frontal attack on Stalingrad and had occupied Southern France.

While the year 1943 saw the Allies regain some ground in Africa and Italy, the European continent remained in Nazi hands; in the Pacific and the Far East, the basic Japanese strongholds had not been attacked. It was throughout a year of gravest crisis, as was most of 1944; the fateful questions whether Europe could be successfully invaded from sea, and Japanese strongholds be reduced, still hung narrowly in the balance. They were not resolved until many months thereafter.

In this setting, there follows a detailed description of the course the Argentine officials followed in their diligent search for Nazi military assistance.

In July 1942, General Domingo J. Martínez, then head of the Buenos Aires Police, and for three days Foreign Minister of the military regime in 1943, conferred as a special representative of President Castillo with Erich Otto Meynen, the German Chargé d'Affaires with the rank of Minister, and reported that Castillo would "offer resistance" to demands that Argentina break relations with the Axis, and had decided, if necessary, "eventually to come out openly on the side of the Axis powers."\* Martínez then announced the objective of his visit: to ascertain to what extent Germany was then prepared to supply Argentina with military equipment. Meynen's report to the German Foreign Office on the Martínez arms proposals states:

In this connection, they are thinking of deliveries of German arms either via German blockade runners in view of improved conditions of German naval forces in the Atlantic, or by picking them up at

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\* A week earlier Meynen had informed the German Foreign Office, upon the basis of his personal conferences with Foreign Minister Ruiz-Guiñazú, that "the President and the Foreign Minister believe in and desire the final victory of the Tripartite Powers."

Spanish ports in Argentine freighters which on their return trip would have to be protected as much as possible by Axis U-boats against Anglo-Saxon attempts at sinking. In the latter case, Spain must thus be brought into the picture; perhaps deliveries via Sweden could be considered. The General indicated that even one full ship-load containing the most necessary material would mean substantial help for Argentina. Money is no problem but not much more time should be lost.

In the same report, Meynen also informed Germany that an identical approach had been made to him by Spanish Ambassador Aunós, head of a Spanish Economic Delegation then negotiating with the Castillo Government in Buenos Aires. After mentioning the isolated position of Argentina, the alleged possibility that she would be attacked by Brazil, and the interest of Spain and of Europe, after the anticipated Axis victory, "to preserve Argentina as a nucleus of order out of which the reconstitution of normal conditions must proceed" in the Americas, Aunós informed Meynen:

(Aunós) is firmly determined to do everything he can so that Argentina could be supported by deliveries of arms from Germany and Spain—the Ambassador also named tanks and anti-tank and anti-aircraft guns. It is his intention to take along an Argentine General on his return to Spain (presumably at the end of August), for the purpose of clarification of needs and possibilities. He had discussed the affair, under strict secrecy, with authoritative Argentine persons, among them also the above-mentioned General Martinez (to whom, moreover, he brought a picture of Franco), and was convinced that something would have to be done. The carrying of deliveries of arms as Spanish shipments on Argentine ships would probably be feasible.

In consequence of these two approaches by Martinez and Aunós, Meynen informed his government:

I have adopted a receptive attitude to the statements of both gentlemen in accordance with your telegram No. 623 of March 28, 1942.

As yet, I have not been spoken to about this matter by the Foreign Ministry, but I should assume that the Foreign Ministry is informed.

The Argentine Minister to Copenhagen, staying here on leave, who from the day he arrived in Buenos Aires, put himself willingly at our disposal and who is especially close to President, has hinted to me along same lines.

Request instructions on discussions since I shall probably be approached soon again about this matter by interested persons.\*

At about the same time, an Argentine Military Commission in Spain requested the German Government to supply technical data for the construction of two types of airplane engines and of airplane machine gun parts; satisfaction of this request, Foreign Minister von Ribbentrop determined, was "very much desired from the point of view of foreign policy."

In August 1942, Spanish Ambassador Aunós informed Meynen that a secret Spanish-Argentine agreement had been made for supplying Argentina with ammunition powder "the execution of which would only be possible with German support," and that he expected that he would be accompanied back to Spain by General Pedro Ramirez, who would "work out the details of the armament deal" then under consideration by the three countries. Meynen went on to report to Germany that he had learned from President Castillo's "most intimate circle" that Argentina needed at first, airplanes and powder; that the "equipping of Argentina must take place quickly in Castillo's opinion and that of his advisors" because the Castillo regime might consider itself forced to retain power by usurpation if it should lose in the 1943 elections, and because "Castillo had personally made up his

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\* The Argentine Minister to Denmark referred to was Oscar Ibarra Garcia.

mind to come over to our side in case events under the pressure of the U.S.A. should compel him to take sides."

The German Foreign Office was advised of these overtures, and of an additional and official inquiry made by Admiral Fincati, the Castillo Minister of Navy, to the German Naval Attaché, Captain Niebuhr; Fincati had asked whether Germany was then ready and able to sell naval material to Argentina, commencing with "six submarines, and secondarily, airplanes, anti-aircraft guns, and munitions of all types." The German Foreign Office, taking prompt notice of the official inquiry made by Admiral Fincati, speedily submitted the matter to von Ribbentrop, and thence to Hitler, for decision. These formal memoranda reviewed the various Argentine overtures for arms and recommended that a "basically positive answer be made to the Argentine inquiry" for "the strengthening of Argentina's neutral attitude", upon the "axiomatic presupposition that Argentina would continue undeviatingly on her present course of neutrality."

Hitler apparently approved the proposal, because in September 1942 the German Foreign Office immediately sought further information from Meynen concerning specific Argentine needs and possible methods of delivery. There then occurred further negotiations between the Castillo Government and the German Embassy.

As these were summarized to the German Foreign Office, Meynen stated that he had been approached a second time by General Martinez, who confirmed that his first approach was made "in agreement with President Castillo", and that Argentina believed all deliveries should be made through Spain, since blockade runners had been thought of only in the event that "the Castillo regime would be compelled to define its foreign policy position conclusively and to enter the war on our side." In the latter event, Martinez added, Argentina would make "bases available for the operations of German U-boats." Meynen went on to report a second visit of his Naval Attaché to the Argentine Ministry of Navy for "concrete estimates about the desired equipment."

Reviewing the situation as it then stood, the

German Foreign Office noted that the developments involving Spanish trade negotiations would permit a

three-cornered deal, with Spain in the middle, so set up that Spain would deliver arms to Argentina which we would replace in Spain, while Spain delivers raw materials to us which Argentina replaces in Spain. Of Spanish raw materials, only wool, caseine, linseed oil, and leather could of course be delivered, whereas meat and tallow would have to be forwarded to us underhandedly by Spain from Argentine imports.

In late October 1942, General Martinez reported that President Castillo was adhering to his decision to undertake arms negotiations in Madrid through General Pedro Ramirez and an Argentine admiral yet to be named. In reporting this development, Meynen advised, in agreement with Spanish Ambassador Aunós, that the German Government should insist on "guarantees that not only the Castillo regime, but that eventually its successor, maintain a friendly attitude toward us."

At this point, the German Foreign Office privately decided, at the suggestion of the German High Command, that the Spanish negotiations should be delayed since Germany could not at that particular time spare large-scale deliveries, but that requests for smaller equipment, made by the Argentine Embassy in Berlin, should be promptly granted. Meynen continued to urge "practical aid for Argentine armament" in December 1942, as one of the necessities in the German campaign "of supporting Castillo's neutrality policy."

While there may thus have been a lull in these negotiations during the waning months of Castillo's power, they were resumed immediately by the military regime which overthrew Castillo. In a conference with Meynen in July 1943, President Ramirez announced his interest in obtaining arms from Germany and his intention to pursue the matter further through the Argentine Military Attaché in Berlin, Colonel Santillana. Meynen expressed Nazi agreement in principle,

and the use of blockade runners or submarines to make delivery was discussed. This close continuity with the past negotiations is easily understood since General Ramirez was the last Minister of War under Castillo.

At this point a digression is necessary to explain the opening by Argentina of a second Nazi channel which, in its haste to obtain military support from Germany, the military regime employed.

There was then, and there still remains, in Argentina, one Hans Harnisch, a key secret agent of the German military intelligence (Abwehr). Harnisch, a German national, was also general manager of the German steel firm Boker & Co. Harnisch, through his business dealings and otherwise, had many important and close contacts in Argentine military circles; in his secret intelligence operations he operated in the closest teamwork with Johannes Siegfried Becker, the Sicherheitsdienst Chief—with the rank of Hauptsturmführer in the Nazi SS—for all South America with headquarters in Buenos Aires.

By reason of these contacts, Harnisch had, as will be more fully developed elsewhere, reached understandings in early 1943 for mutual collaboration and exchange of information with such officials of the Castillo regime as Admiral Finocati, and Captain Eduardo A. Aumann, Naval Aide-de-Camp to President Castillo.

Upon the appearance of the military regime, Harnisch moved promptly to develop intimate contacts with its principal figures. He was assisted to this end by such friends as Aumann and Oscar Hellmuth, one of his intimate associates. The latter, knowing that the Ramirez regime was most desirous of obtaining a German safe-conduct for the Argentine tanker "Buenos Aires" docked at Gothenburg, arranged a meeting in mid-1943 between Harnisch and Col. Enrique P. Gonzalez of the Office of the Presidency. The prompt fruit of this initial meeting was the "Hellmuth Affair", now to be described.

At this first meeting, Gonzalez told Harnisch that Argentina desired to obtain arms from Germany in addition to the release of the tanker, and assured Harnisch that the revolutionary

regime had no intention of severing relations with Germany; Harnisch asserted that immediate release of the tanker was feasible and offered encouragement on the arms matter. With this favorable beginning, it was agreed that Harnisch should immediately confer directly with President Ramirez.

Such a meeting occurred in mid-July 1943; in addition to President Ramirez and Harnisch, it was attended by Col. Gonzalez, Major Filippi, Aide and son-in-law of President Ramirez, and Major Bernard, War Minister Farrell's personal aide. From the reports which Becker and Harnisch promptly made concerning this meeting, the German Government learned that:

. . . the Argentine Government believed war threatened with the other American republics if Argentina did not comply with its commitments of the Rio de Janeiro conference of 1942. Hostilities, so the report further reported, with a much better armed Brazil would not be successful unless Argentina received help from the Axis powers. They therefore wanted to know if Germany and Japan were prepared to protect the Argentine and Chilean coasts with U-boats, as well as to supply coastal artillery, anti-aircraft guns, munitions, gasoline, airplanes, licenses for their manufacture, and the formulas for the manufacture of other war material.

As evidence of his government's sincerity, the Argentine President offered the assurance that repressive measures were being applied only against agents of the United Nations.

Ramirez buttressed these requests by expressing the intention of his government to postpone any possible rupture at least until the fall, while seeking in the meantime to strengthen Argentina's position by drawing neighboring countries into a neutral bloc. He assured full cooperation to Harnisch as an Axis agent, and to this end appointed Major Filippi as a confidential "go-between" for Harnisch.

Further Argentine overtures were made through diplomatic channels in August 1943, at

a secret meeting convened by General Gilbert, then Argentine Minister of Interior, and attended by him, General Farrell, Meynen, and his Military Attaché, General Wolf. Meynen again offered encouragement; as a method of advancing matters, Farrell referred to the possibility of sending an Argentine officer to Europe for the purpose of submitting specific Argentine proposals.

Wolf and Meynen of the German Embassy in Buenos Aires were not then notified by the Argentine officials of their distinct negotiations with Harnisch, which were proceeding through further conferences variously attended by Harnisch, Hellmuth, General Gilbert, Admiral Sueyro (Minister of Navy), Col. Gonzalez, Col. Perón, and Becker.

In late September 1943, General Gilbert informed Hellmuth that the Ramirez regime, after announcing its purpose to Meynen and Wolf, had decided to designate Hellmuth as its representative for negotiating release of the tanker in Germany and to handle other matters of interest to the Argentine Government. In order to preserve the secrecy of the mission, Gilbert announced to Hellmuth that he would pose as an auxiliary consul to Barcelona.

At other conferences had variously with Col. Gonzalez, Harnisch, Admiral Sueyro, and Becker, the objectives of his mission as the common representative of both parties were gradually more explicitly defined to Hellmuth. Gonzalez informed him that, in addition to the tanker matter, he should attempt to obtain Nazi technicians needed for Argentine arms factories, guarantees of protection for Argentine shipping, and arrange the purchase and shipment of arms, and that he would be aided in these negotiations by Captain Ceballos, the Argentine Naval Attaché in Berlin. Admiral Sueyro instructed him to secure German cooperation for acquisition of the fuel oil needed for the desired voyage of the tanker, which Sueyro planned to put under the command of Captain Rumbo of the Argentine Navy.

Harnisch, in turn, introduced Hellmuth to the Nazi master-mind, Johannes Siegfried Becker, who had until this moment remained behind the

scenes. Hellmuth was then informed that Becker was in charge of all arrangements for Hellmuth's trip once he reached Europe and for Hellmuth's introduction to Schellenberg of the RSHA\*, who was to be Hellmuth's immediate contact in Germany.

Through Schellenberg, Hellmuth was told, he might well be introduced to Himmler and Hitler, and would thus be in a position to explain to the supreme Nazi authorities that a breach of Argentine-Nazi relations was improbable, would occur only under pressure, and if that happened the adoption of control measures over German interests should be regarded only as surface concessions to public opinion. Gonzalez acted in close concord with Harnisch and Becker; in Gonzalez's eyes these parallel preparations were incident to a bargain made for use of a common agent by the two governments.

At this final stage in the Harnisch negotiations, the German Embassy was first put on notice of them from two separate sources; General Gilbert, then Acting Minister of Foreign Affairs, and Ludwig Freude, leader of the German community in Buenos Aires, who was an intimate associate and confidential agent of Meynen as well as the father-in-law of Werner Koennecke, a close collaborator of Harnisch. Freude had been actively promoting the nomination of Col. Vélez, newly-appointed Argentine Military Attaché to Spain, to handle the Argentine negotiations with Germany, and strenuously opposed the designation of Hellmuth when he learned of it. Freude asserted that he was an intimate friend of Hitler and that he could promptly procure the release of the tanker through Col. Vélez. Freude's active intervention reached the attention of General Gilbert and Col. Gonzalez; and his preference for Vélez was supported by Meynen, who had already reported to the German Foreign Office that Vélez was being entrusted with a mission for release of the tanker and for the purchase of arms.

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\* Reichssicherheitshauptamt, the German Secret Intelligence and Police organization headed by Heinrich Himmler.

Gonzalez then informed Hellmuth that while Vélez had originally been picked out for the mission to Germany, the Ramirez Government had later decided to designate Hellmuth and that if he succeeded in releasing the tanker, he could also undertake the arms negotiations; in the latter event Col Vélez would, as Captain Ceballos had been, be instructed to aid Hellmuth. Gonzalez informed Hellmuth that Ceballos enjoyed the full confidence of the German authorities, and added that Hellmuth was authorized to offer the recall of Luti, Argentine Chargé in Berlin, and his replacement by Ceballos as a consideration for favorable German action on the tanker proposal. Gonzalez then explained that separate dossiers of Argentina's proposals concerning the tanker and the purchase of arms would be transmitted through the Argentine diplomatic pouch.

Col. Juan D. Perón, Chief of the Secretariat of the Argentine War Ministry, assumed personal responsibility for the special arrangements necessary to secure delivery of the arms dossier to Hellmuth after its and his separate travel to Madrid. At the Ministry of War, Col. Perón exhibited to Hellmuth the torn halves of a piece of cardboard. In furtherance of this device, Col. Perón advised Hellmuth that each piece would be enclosed in a separate envelope to be forwarded to the Madrid Embassy through the diplomatic pouch, one envelope addressed to him and the other to Col. Vélez. The simultaneous production and joinder of these two pieces at the Argentine Embassy in Madrid was to insure that the Embassy was delivering the dossier into the right hands.

Hellmuth then had final separate meetings with Gonzalez, on the one hand, and Harnisch and Becker on the other. Harnisch stated that he desired to obtain from Germany certain precision instruments which would be of the utmost value to Argentine industry, exhibited a corresponding letter he had prepared, addressed to an individual in Germany, and requested Hellmuth to show the letter to Gonzalez and have it included in the Argentine diplomatic pouch. Hellmuth exhibited the letter to Gonzalez, and received his assurances that it would be transmitted within the diplomatic pouch. Finally, Gonz-

alez requested Hellmuth to obtain for him certain German publications on aerial warfare, and confirmed that Hellmuth could expect fresh instructions through the Argentine Embassy in Madrid.

In Hellmuth's final meeting with his other principals, Harnisch and Becker, they exhibited to him a draft communication they were transmitting to Germany ahead of him. It stated, among other things, that Hellmuth enjoyed the full confidence of the Argentine Government and of the Harnisch group; that he would explain to the Nazis Argentina's policy of friendship for Germany; that he would be able to describe and protest Meynen's "reprehensible" conduct in opposing Hellmuth's designation; that he was empowered to bring about the substitution of Ceballos as Argentine Chargé in place of Luti; and that Hellmuth's authority "might well result in an agreement being reached between the two Governments for the eventual exchange of information."

Upon the basis of these various negotiations and conferences, the German Government understood at the time of Hellmuth's departure that his mission was designed to accomplish the following objectives:

One. Assure Germany that Argentina had no intention of breaking relations.

Two. To arrange a safe conduct for the "Buenos Aires".

Three. To negotiate regarding arms and other war material.

Four. To arrange for shipment to Argentina of German armaments technicians.

Five. To arrange for replacement of the Argentine Chargé d'Affaires in Berlin, Herr Luti, who was not pro-Nazi and therefore trusted neither by the Argentines nor by the SD.

Six. To discuss other matters of mutual interest (e.g., exchange of information between the two governments with the help of the SD).

In the meantime, Meynen and Wolf of the German Embassy, concerned about the Hellmuth mission but uncertain about the extent of Harnisch's authority to represent the Nazi Government, reported their doubts, uncertainties, and lack of adequate information concerning the Hellmuth mission to their superiors in Berlin. The German Foreign Office took a very serious view of the matter and decided to attempt delaying Hellmuth's departure, only to discover that he had already sailed.\*

When Hellmuth was arrested at Trinidad in early November 1943, Harnisch and Becker were promptly notified, on behalf of Cols. Gonzalez and Perón, by Col. Brinckmann. The arrest was followed by a firm demand by General Gilbert, transmitted both to the SD representatives and Meynen, for immediate German agreement to release of the tanker. Gilbert promised Meynen to play up German agreement in order to counteract public demands for a breach, since, he said, his Government still desired to remain neutral. Both Meynen and Becker urgently supported the Argentine demand in the hope of forestalling a deterioration in Nazi-Argentine relations. The German Foreign Office agreed with Meynen but met with such serious opposition from the German Naval Command that, only after submission of the matter to Hitler, did the Foreign Office position prevail and the safe-conduct issue.

Thereupon Hitler, very dissatisfied with the German handling of the entire matter, ordered an investigation to ascertain why Nazi authorities had participated at all in such a dubious affair since, if successful, it was of doubtful advantage, and, if compromised, could only accelerate an Argentine breach.

Foreign Minister von Ribbentrop too feared an "international scandal" and a consequent forced severance of relations by Argentina. As an informed German official has put it:

. . . the intimate relations between the SD and the Argentine representatives had for some time been a thorn in the heel of the Foreign Office, since we thought that sooner

or later an international scandal on Argentina would force Argentina to change the rudder of its policy regarding Germany, even though it be only to save face in front of the Allies.

Von Ribbentrop, therefore, urged Himmler to curtail Nazi espionage activities in Argentina. Himmler rejected von Ribbentrop's demarche, continuing to transmit funds, agents, and instructions to Buenos Aires. When the very result von Ribbentrop feared did occur as a result of Hellmuth's arrest, von Ribbentrop formally notified Himmler that responsibility for the breach was due to SD espionage operations, and declared that he would assume no further responsibility for the conduct of foreign affairs unless the Foreign Office were notified in advance of all SD foreign operations. "This sharp letter was not acted upon", a thoroughly informed German official has stated.

The SD in Berlin was equally concerned that Hellmuth's arrest would endanger the Nazi espionage organization in Argentina. The Becker organization soon reported, however, that the Argentine officials had informed them of their decision not to break relations with Germany and to continue direct collaboration with the SD.

While formally absolving itself of any complicity in the Hellmuth affair, the Ramirez regime nevertheless persisted secretly toward its objective. In early January, 1944, Col. Vélez, as the new Argentine Military and Air Attaché at Madrid, submitted to the German Air Attaché there the detailed arms proposals Hellmuth was to advance in Berlin; Vélez made it clear that he was acting upon instructions from his government. That the Ramirez regime did not succeed in its subsequent efforts to obtain arms and equipment from Germany was not due to any decrease of Argentine desire or activity but to the conduct of the war itself. It was the Allies who effectively prevented Germany from furnishing assistance.

#### B. Argentine-Nazi Efforts to Subvert the Governments of Neighboring Countries.

The Argentine purpose to defend its pro-Axis policy by German military support was

\* In departing, Hellmuth entrusted the conduct of his insurance business to his old friend Enrique Neiling, a well-known Nazi spy in the Harnisch group.

coupled with another scheme which it simultaneously disclosed to the Nazi Government. The essence of this scheme was the undermining and subversion of pro-Allied Governments in neighboring countries and to draw them into a pro-Axis "bloc" headed by Argentina. These Argentine objectives, of course, fitted perfectly with Nazi ambitions to disrupt American solidarity against the Axis.

The foundation for the full Argentine-Nazi collaboration in the formulation and execution of these plans, and its relationship to Argentine efforts to obtain German arms, has been described by an authoritative German official as follows:

. . . the great goal of Argentine foreign policy after the revolution of June 4, 1943 was the formation of a bloc of South American states, whose center Argentine should be. This policy was directed principally against the USA and its Good Neighbor policy (that is, against Pan-American solidarity). The bloc was to comprise Argentina, Chile, Bolivia, Paraguay, Uruguay and possibly later Brazil (through the help of the Brazilian Integralists). Germany knew that thereby the USA Good Neighbor policy was to be thwarted, and therefore there existed a complete interest on Germany's part in maintaining close relations with the Argentine regime. Manifestly because of this identity of interest, the SD found good support of its work among members of the Argentine Government.

As part of this plan (i.e., the formation of a bloc of states pointed against the USA), the Argentine regime invited the SD personnel to be of aid to it towards the acquisition of German weapons, which it considered necessary for the strengthening of its position. The Argentine Government explained to the SD representatives that it considered the maintenance of Argentine neutrality to be an important factor in the German interest, and that it feared it could no longer remain neutral if it received no German weapons.

This common plan was activated with respect to Bolivia, Brazil, Chile, Paraguay, and Uruguay. In each case, Argentine-SD collaboration with domestic pro-Axis forces in each of these countries was pressed forward, under guidance and with aid, or promises of it, from the Argentine military government. A principal leader of the Argentine conspirators was Colonel Juan D. Perón.

A successful *coup d'état* springing from these sources did take place in Bolivia, just when one was also believed by its perpetrators on the point of fruition in Chile. Concurrently, Perón spurred on the Brazilian Integralists, while similar efforts were directed toward Paraguay and Uruguay.

That these plans had no greater area of success was once more not the result of voluntary cessation by the plotters. On the contrary, the Argentine pressure with Nazi aid to extend its fascist revolution over South America as a whole was in a most active stage when the American Republics, in January 1944, joined together to withhold recognition from the new Bolivian Government, and announced their decision to consult with each other before extending recognition to any other government established by force during the emergency period. This demonstration of inter-American solidarity compelled the Argentine penetration operations to diminish.

The following is a more detailed description of the formulation and execution of this Argentine-Nazi plan.

This notion of creating a pro-Axis bloc was actively entertained by the Castillo authorities. As to this plan, Meynen reported in July 1942:

The newly named Argentine Ambassador to Lima, Alberto Uriburu, son of the deceased President General Uriburu, and especially intimate with President Castillo, departed today for his new post. Uriburu, with whom since the beginning of the war the most friendly relationships have existed which in the last few months have taken on an especially cordial form, is reliable and at the present a very influential friend

of the Axis here, who is also intimate with the Foreign Minister and considered by the President as the coming Ambassador to Berlin (cf. telegram No. 1657, May 23). A trustworthy confidence man of the Embassy is attempting to remain in touch with Uriburu by a special courier service.

The sending of Uriburu to Peru is interesting in the following connection; the threat to Argentina from Brazil which is being equipped to an increasing extent by the U.S.A., is being felt here more strongly every day. The President would like to extract Argentina from her present isolation while striving for closer contact with a few neighboring states by exploiting the dissatisfaction with the pressure-policy of the U. S. A., a plan which the Foreign Minister cautiously hinted at to me in a brief conversation. The formation of a bloc with Chile, Paraguay, and Bolivia (cf. telegram No. 1565 of May 18) is being considered, perhaps coupled with a secret political agreement. The Argentine efforts to close up the gaps in relationships with Chile are well-known. Also noteworthy in this connection, however, is the planned visit of higher Argentine officers, led by the Minister of War, to Paraguay. Added to the tasks of the new Ambassador in Lima might well be to determine to what extent Peru could possibly be drawn into this combination.

Subsequently, Foreign Minister Ruiz-Guiñazú told Meynen that Argentina "hoped to set up devices in every sphere which will bring about the closest interweaving of Argentine and Paraguayan economic life"; that "closer relations had successfully been established with Bolivia as well"; that he was not concerned about "the coming trip of the President of Chile to Washington" because, among other things, President Ríos "is going to conclude his trip with a visit to Buenos Aires"; and that the invitation Argentina had extended to the Foreign Minister of Venezuela, as "a representative of a Caribbean nation, will have useful psychological effects".

The Nazis conceived of their pro-neutrality "anti-Communist" campaign of 1942, described more fully elsewhere, as affording support to this "bloc" plan, since it was hoped that the propaganda would "find a corresponding echo in other South American countries". The Nazis provided even more tangible support in January 1943 by their subsidizing Manuel Fresco\* "for a trip to Chile in the middle of January, then to Bolivia, Paraguay, and Uruguay."

With these beginnings, this plan was promptly converted into a full-fledged conspiracy of subversion aimed at the pro-Allied governments of neighboring countries. The driving force behind the formulation and execution of this plot was furnished by a pro-Axis clique among the Argentine officer corps known as the G. O. U. This clique was dominated by Colonel Juan D. Perón. Other leaders were such Nazi collaborators as Generals Sanguinetti and Giovannoni, Colonels Brinckmann, Gonzalez, Saavedra, Mittelbach, de la Vega, Arguero Fragueyro, Lt. Col. Lagos, and Major Llosa.

A German official fully informed about these matters has stated that it was known to the German Government:

. . . that the Argentine Colonels' Lodge (GOU) took the viewpoint that Argentina found itself in a similar position to that of Germany: namely, that Argentina had a manifest destiny to bring together the neighboring South American countries under Argentine leadership. In order to fulfill this mission, the GOU leaders sought the help of the SD.

The SD contributions not only included their efforts to comply with Argentine desires for arms, technicians, and like assistance sought through the Hellmuth mission, but likewise comprehended various services necessary to arrange

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\* Manuel Fresco, former Governor of the Province of Buenos Aires, was a confidential propaganda agent of the German Embassy, as well as founder of the pro-Axis nationalist organization called *Unión Nacional Argentina*, and founder, with Axis funds, of the pro-Axis newspaper *Cabildo*.

contact and communications with individuals and groups involved, which, because of its clandestine radio system and wide contacts with interested pro-Axis groups, the SD was excellently situated to provide. As the general SD-Argentine collaboration grew and expanded, the military regime made available to the SD intelligence it received regarding the war effort of the United Nations as well as full and accurate information on the progress of the penetration plan and on internal developments and periodic crises within the regime respecting its domestic and foreign policies. Axiomatic in all this was absolute protection of the SD agents in Argentina by the military regime.

### 1. Bolivia.

Major Elias Belmonte Pabon, known for his frustrated plotting with the Nazis to overthrow the Peñaranda Government of Bolivia in 1941, remained in Berlin, where he had been Bolivian Military Attaché. There he continued his active collaboration with the Nazis.

He provided political intelligence and otherwise was an intimate collaborator of Sicherheitsdienst officials, particularly Robert Gross, head of the Latin American Division to which Becker in Argentina was directly responsible; he performed similar services for and received 20,000 Rm. annually from the German Foreign Office; and he was at all times intimately associated with and shepherded by General and Mrs. von Faupel. The General headed the Nazi-controlled Ibero-Amerikanische Institut.

The goal of establishing a Nazi-type government in Bolivia at an opportune moment underlay this continuous Belmonte-Nazi partnership. Such a moment was thought to have arrived in June 1942, when Belmonte's Argentine representative in all his conspiracies, Dionisio Foianini Banzer, so reported to Belmonte through a diplomatic telegram sent by the German Embassy in Buenos Aires to the German Foreign Office.\*

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\* Foianini, ex-Bolivian Minister of Mines, was in exile from Bolivia because of his collaboration with Belmonte in their 1941 Nazi plot.

Foianini emphasized that the Bolivian nationalist movement had made great headway, comprehending a large civilian following and sixty per cent of the officer corps; that Belmonte's designation of a leader to serve in his absence was necessary to avoid disunity among these groups; that General Angel Rodriguez, a Belmonte follower then serving as Military Attaché in Santiago, was the most suitable candidate to head the revolution; and that, upon executing the *coup d'état*, a pro-Axis international policy patterned after that of Argentina would be pursued. Through further use of German diplomatic messages, arrangements were perfected for additional communications between Foianini and Belmonte by means of agreed cover addresses.

The plans so inaugurated for the pro-Axis putsch were postponed. They were resumed, however, in the spring of 1943 by Belmonte, who arranged with the SD in Berlin for the latter to ascertain, via communications with Becker, whether conditions were suitable for a revolution under Belmonte's personal leadership. Foianini reported wide support for Belmonte's return, which Belmonte unsuccessfully pressed the Nazis to arrange through the SD, either by a Spanish ship or by a German submarine. Apart from the hazards of any such transportation, Belmonte later decided in agreement with the SD that he should not appear upon the scene or play any detectable part in the plot for fear of exposing the intimate Nazi connections with it.

However, Belmonte was thereafter kept fully informed of the progress of the revolutionary plans through Foianini, who kept in direct touch with Becker, or from Becker's own reports to the SD; through the same SD channels, Belmonte transmitted regular advice and guidance to his revolutionary colleagues.

In Belmonte's absence, primary responsibility among Bolivians for arranging the revolution was jointly assumed by Victor Paz Estenssoro\* and General Rodriguez, in association with

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\* Paz Estenssoro was a Bolivian Deputy and head of the MNR. He is currently Bolivian Minister of Finance.

Foianini. The initial stage in the plans was inaugurated by visits made by Paz Estenssoro and Rodriguez to Buenos Aires in July 1942 where conferences were had between:

. . . Ramirez, Farrell, Perón and other GOU leaders and the Bolivians Victor Paz Estenssoro and Gen. Angel Rodriguez. The Argentine Government promised economic aid (lowering of tariff barriers, construction of a railroad between Argentina and Bolivia, etc.) if Bolivia was prepared to enter the projected bloc. Of these negotiations Belmonte in Berlin had knowledge through the SD, and he was in agreement. The Bolivian revolution followed on December 20, 1943.

Later, Paz Estenssoro and Rodriguez had another conference in Buenos Aires where they agreed upon a plan for joint action by the nationalist MNR party, headed by Paz Estenssoro, and the Belmonte clique of Bolivian officers. Belmonte signified his approval of these steps.

The preparations for the revolution reached their ultimate stage in early December 1943, at which time it was decided that neither Foianini nor Rodriguez should immediately enter the new government, for fear of compromising it. It was likewise decided at the last minute that, from a propaganda point of view, the revolutionists would attribute their action to loss of confidence by the United States in the ability of the Peñeranda government to fulfill Bolivia's wartime commitments, and thus indirectly place responsibility for the plot at the door of the United States, while distracting attention from Argentina and Germany. For the same reasons, Becker warned Germany to maintain reserve in its press comment upon the matter.

When the revolution actually took place, Foianini, who had just returned from a trip to Bolivia, reported its progress to the Argentine officials. After its consummation, Belmonte gave further advice to the new regime, emphasizing especially that it should continue the

appearance of cooperation with the United States until such later date as the Belmonte pro-Axis external and internal politics might safely be adopted. Throughout 1944, Belmonte endeavored with his Nazi connections to arrange a return passage to Bolivia; in November 1944 he left Germany and took up residence in Spain, where he still enjoys diplomatic immunity.

## 2. Brazil.

In the summer of 1943, the Nazi SD agents in Argentina established direct contact and cooperation with two Integralist figures then living in exile in Buenos Aires, Sr. Jair Tavares and a Dr. Caruso. There followed several months of efforts to draw Brazilian Integralists into a conspiracy, designed to undermine the Brazilian war effort and to obtain for the SD intelligence from Brazil useful to Germany. When the latter efforts proved unproductive because of communications difficulties, Becker arranged a meeting between Caruso and Tavares, Cols. Perón and Gonzalez, and an SD agent. At this meeting the Argentine officers offered to aid the Integralists in line with the Argentine plan of framing an anti-United States bloc, and to make available the courier service of the Argentine military forces for communications with the Integralists in Brazil. The results of this meeting were conveyed to Dr. Raimundo Padilha, the principal Integralist leader who was in hiding in Brazil, with the result that Padilha despatched to Buenos Aires a Major Jaime Ferreira da Silva, whom he had authorized to negotiate with the Argentine officials and with Becker. Ferreira arrived in late December and promptly conferred with Becker and the local Integralists.

Following his meeting with Becker, Ferreira conferred with Cols. Perón and Gonzalez. In the course of this interview Perón stated that the aims sought by the Argentine military revolution had hemispheric scope, with success already a fact in Bolivia and with satisfactory progress evidenced in other neighboring countries. On the specific matters discussed, Perón and Gonzalez, according to German officials

fully informed by Becker, agreed with Ferreira da Silva as follows:

One. Argentina should broadcast pro-Axis propaganda in the Portuguese language to Brazil.

Two. The Argentine Military Attaché in Rio de Janeiro would be replaced by a more cooperative one.

Three. Establishment of good relations between the new Military Attaché and Padilha.

Four. Coded reports to be forwarded through diplomatic channels.

Five. Install an Argentine civilian secret agent in Rio de Janeiro apparently under the cover of the Argentine Chamber of Commerce.

Six. The German Propaganda Ministry should be advised that an effective means of propaganda to undermine the Vargas regime would be for the German radio to report that Italian submarines had sunk the Brazilian merchant ships and that therefore the Vargas Government was assisting a Badoglio Government which had been responsible for the loss of Brazilian lives, since the Badoglio Government was operating under the same King as the former Mussolini Government.

### 3. Chile.

In late 1943, German officials in Berlin were informed by their agents in Argentina that representatives of the Argentine military regime were fostering wide-spread agitation among Chilean, pro-Axis nationalists, within and without the Chilean armed forces, for a revolutionary overthrow of the Rios Government—with the expectation of achieving thereby a pro-Argentine, pro-Axis policy in Chile.

The chief Argentine plotter was Col. Perón, who, it should be noted, had served as Argentine

Military Attaché in Chile from 1936-1938. Perón was closely supported in Argentina by such GOU Colonels as Saavedra, Mittelbach, and Gonzalez, and his agent for these purposes in Chile was Captain Juan B. Chavarria, an Argentine officer. A German official in Berlin, kept fully informed of the progress of this plot, has stated that, as of about January 1944:

. . . following the return of one of the agents sent to Chile by the Argentine general staff, Colonel Perón decided to give the Chilean revolutionary movement financial support in the amount of one million U. S. dollars, the first payment of which would amount to one million pesos. Following the unfavorable reception of the Bolivian revolution, however, the Argentine interest gradually ceased.

### 4. Paraguay and Uruguay.

German officials have stated that steps were taken in 1943 by representatives of the Argentine military in collaboration with Nazi agents for the penetration of Paraguay and Uruguay, the ramifications of which are not yet fully apparent.

### C. Argentina-Nazi Political and Social Collaboration

#### 1. Aid and protection of Axis espionage

When the war began, there was already established throughout the American republics, under plans theretofore laid and carried out by the German Secret Intelligence agencies—notably the RSHA of Himmler—a complex network of espionage organizations. Infiltrated into every country, expertly trained in intelligence and sabotage operations, and equipped with the most advanced radio equipment for communication with Berlin headquarters and among themselves, this persuasive and highly integrated network constituted a menace to the security of the American republics and the war effort of the United Nations the true proportions of which are yet to be fully discovered and appreciated.

What is known is that these Nazi forces carried on in the Americas an attack against the Allies as dangerous as a Nazi advance on the battlefields. Through them the Nazi war leaders received important information on the war effort of the American republics needed to plan Nazi strategy; through them, the Nazis were enabled to torpedo Allied ships and otherwise destroy Allied resources and manpower; through them, the Nazis carried forward their objectives of fostering disunity, discontent, and division among the peoples and the governments of the American republics, a strategy of first importance and value in the Nazi concept of total war.

As the months passed after Pearl Harbor, this Axis network was more and more uprooted in successive American republics. In defense against these measures, and frequently in anticipation of them, the Nazi leaders fled the borders of these countries to safer territory, until by the spring of 1943 they were centralized in one country—Argentina, under the absolute command of Johannes Siegfried Becker, SD chief for all South America with the rank of Hauptsturmführer in the SS.

Some insight into the warm reception, wide assistance, and close collaboration Becker and his agents received from those holding the reins of government in Argentina has already been provided by the facts of the Argentine-Nazi arms negotiations and their joint programs for undermining South American governments. Further details and some other aspects of this general collaboration should be described to view it with full appreciation of its implications.

Reference has previously been made to Hans Harnisch, a key agent of the German Abwehr operating in the closest teamwork with Becker, and to the arrangements Harnisch made early in 1943 for collaboration with Captain Eduardo A. Aumann, then Naval Aide-de-Camp to President Castillo, and with Admiral Fincati, Castillo's Minister of Navy. These Argentine officials aided Harnisch to perfect Argentine-SD collaboration with pro-Nazi officials in Para-

guay; and established measures necessary to disguise and protect intelligence agents of Harnisch and Becker, who were using Argentina as a base for their operations in neighboring countries. In this same connection, Harnisch undertook to obtain German favors for the Castillo Government; at its request, he intervened with the German Government for the release of Swedish newsprint for Argentina and took under consideration a request of Admiral Fincati, which Berlin rejected, that certain Argentine officers receive military training in Germany after secret travel there.

With the emergence of the military regime in June 1943, there occurred the intimate working relationship and coordinated action reflected in the Hellmuth affair and the various conspiracies directed at the governments of neighboring countries already described. These joint operations, however, were mere reflections of a basic understanding between the Argentine officials and the SD. Some features of understanding as approved in Berlin were:

. . . Argentina was to give the SD authentic reports on such intelligence as it got concerning the enemy powers, as well as on the Argentine internal and foreign policy in connection with other South American countries. As a quid pro quo, the SD declared itself willing to support to the best of its ability the Argentine regime for deliveries of weapons, machines, etc. . . .

Implicit in the agreement, of course, was the understanding that Nazi agents would receive full protection. Another result of the arrangement was that:

. . . the SD received thereafter information about all important measures and plans of the Argentine governmental policy, including the Cabinet crisis brought about by the colonels' lodge.

These benefits the SD received.

The SD agents in Argentina were regularly provided with intelligence by Colonel Gonzalez,

Colonel Brinckmann, Major Filippi, Major Bernard, and military figures in Argentina. Frequently, Colonels Gonzalez and Brinckmann, on behalf of Colonel Perón, gave reports to the SD and from the period of the breach of relations on, Colonel Brinckmann became a more and more important and frequent direct source of information.

In this fashion, the SD was kept fully *au courant* on the cabinet crisis of October 1943, when Ramirez, with the support of the G. O. U., fought off domestic pressure for a breach, by ridding the government of the pro-rupture members of his cabinet, and by extensive arrests of other public and private leaders favoring a breach. From the same sources, Germany knew also that, at the same time, General Rawson had only taken up his post as Ambassador to Brazil at the command of the G. O. U.-controlled Argentine General Staff.

Similarly, Brinckmann, acting in behalf of Perón, gave to the SD the following account of the circumstances immediately surrounding and following the breach of relations by President Ramirez and his prompt eviction from the Presidency:

From this trustworthy source (Brinckmann), the SD also learned the further course of events in Argentine internal policy. Brinckmann acted thereby in representation of Perón, who desired that the SD be informed that President Ramirez, General Gilbert, Colonel Gonzalez and Major Filippi had been secretly sabotaging the Argentine bloc idea for some time and were trying to bring about good relations with the U. S. and to break relations with the Axis, against the wishes of the G. O. U.

Following the overthrow of Ramirez in the period thereafter, Brinckmann reported that the Perón-Farrell regime condemned the declaration of the breach in relations with the Axis. They maintained the declaration had been made illegally, since Ramirez did not have the assent of the whole Cabinet; Ramirez, it appeared, had taken advantage of the absence of several

Ministers to give out the declaration and to confront the Cabinet with a fait accompli. Perón had the intention specially to investigate the case.

Shortly after the breach in relations the Ramirez regime was overthrown by Perón and Farrell. The new regime (that is, Perón and Farrell) caused the SD to be informed that the breach in relations was to have little significance; that it had been caused by U. S. pressure; that the true orientation of the regime was, after as before, pro-German.

Evidence from known facts as well as documents and first-hand witnesses combine to complete this picture. Shortly after the assumption of power by Farrell and Perón, various SD agents arrested by Ramirez coincident with the rupture of Argentine relations with Germany were released; those remaining in detention received the most hospitable attentions and generous privileges possible under the direction of Colonel Filomeno Velazco (whose name was frequently and favorably mentioned in SD reports received in Berlin). Hence Becker had no great difficulty in maintaining contact with those arrested, and was able to rebuild his organization for further operations.

An informed official of the German Foreign Office has this to say concerning this period:

Colonel Filomeno Velazco and General Armando Verdaguer, the first in his position as Chief of Police of the City of Buenos Aires, were often mentioned in official reports of the German Foreign Office. Colonel Velazco's indulgent attitude with regard to agents of the SD who had attracted the attention of the police to themselves, and especially towards those who were arrested from time to time, won particularly favorable mention. Several of these agents were released through his efforts. The jail in Buenos Aires was jokingly called "Hotel Velazco" in the Foreign Office.

The Farrell-Perón regime endeavored to make amends for the breaking of relations with Ger-

many by Ramirez and to this end accorded German interests the friendliest treatment. In an official report on the treatment of German interests after the rupture, General Friedrich Wolf informed the German High Command in the fall of 1944 that the Farrell-Perón regime:

is also making an effort to avoid further consequences of the breaking of relations which is now an accomplished fact, as these consequences have inevitably occurred in other South American States.

Of the points of this effort which affect us directly it may be mentioned that the present Argentine government has prevented any propagandistic polemic in the press regarding the break. It has (since the removal of General RAMIREZ, etc.) carried on the "espionage investigations" substantially more impartially, has treated those arrested better (has sometimes released them or permitted their removal to a hospital) and has likewise prevented a propagandistic exploitation of these cases in the press. It has, to be sure, vigorously pressed for the departure of German diplomats, but it has striven to show obligingness in the manner of treatment and in executing the departure (contact through specially commissioned mediators—officers or former officers). It has—in spite of the U. S. pressure which doubtless exists—not as yet touched German societies, schools, churches, hospitals and welfare institutions at all and has not only not cancelled government orders placed with German firms before the break, but has to some extent placed still others. Also, in carrying out the interning of all the crew members of the battleship **ADMIRAL GRAF SPEE** in camps, ordered also under U. S. pressure at the end of 1943, the competent Argentine military authorities continually tried in general to comply with our desires as far as possible.

At the European end, the same close collaboration prevailed as in Argentina. In Berlin, Captain Ceballos and Colonel Santillana, the Argentine Naval and Military Attachés, pro-

vided intelligence and advice to the SD and the German Foreign Office, collaboration which Captain Ceballos resumed with the SD chief in Madrid, Karl Arnold, after Ceballos' transfer to Spain following the Argentine-Nazi breach.

Berlin was likewise supplied over a considerable period with valuable reports by Juan Carlos Goyeneche. Goyeneche, an Argentine national and ardent pro-Nazi, travelled throughout Europe on an Argentine diplomatic passport and as a quasi-official representative of the Argentine Government. In this fashion, he obtained interviews with Mussolini, Ciano, Franco, and Laval, and then went to Berlin. There he was entertained at a luncheon tendered by Schellenberg of the SD, who arranged for him a meeting with Himmler. Goyeneche likewise had an interview with von Ribbentrop and informed Ribbentrop that it was very important to Goyeneche:

. . . in order to obtain influence with the nationalist youth in Argentina, to be able to bring these young people an authentic declaration from Ribbentrop to the effect that National Socialist Germany considered Argentina's claim to political leadership in South America to be justified, and that Germany after the successful conclusion of the war would appear as a large buyer of Argentine agricultural products, which would automatically bring about a very great increase in Argentine exports and at the same time strengthen the domestic situation of the present Argentine Government.

Von Ribbentrop gave ample assurances along these lines, on Hitler's behalf as well as his own, and, at Goyeneche's request, agreed that Goyeneche's report on the Nazi policy should reach the Argentine Government through a Nazi diplomatic message to the Germany Embassy in Buenos Aires. Goyeneche urged this course because he did not trust the Argentine Chargé d'Affaires in Berlin.

Thereafter Goyeneche performed various services for the SD, including the furnishing of

political reports which Goyeneche received at the Argentine Embassy in Madrid, by pre-arrangement for this purpose with Mario Amadeo of the Argentine Foreign Office, himself a trusted collaborator of the SD. In this connection, it will be recalled that Amadeo resigned from the Argentine diplomatic service when relations with Germany and Japan were severed, but was promptly reinstated after the assumption of power by Farrell and Perón.

## *2. Argentine confidential agents and intermediaries for the Nazis.*

In December 1942, Meynen outlined to the German Foreign Office the major lines of Nazi strategy "for the purpose of supporting Castillo's neutrality policy":

1. Supplying of arms;
2. Protection of Argentine shipping;
3. Financial subsidies for Castillo candidates in elections;
4. Negotiations for German purchases of Argentine products "in order to give the Government the argument that very valuable economic relations with Germany continue to exist" despite "the present impossibility of making any shipments";
5. Propagandistic exaggeration of German military successes;
6. Promotion of an anti-Communist campaign in Argentina and other South American countries;
7. Intensified pro-Axis propaganda through *Cabildo*, *El Pampero* and other organs to attack "the power of the big local pro-enemy press".

For the effective execution of certain of these programs, and for the attainment of all Nazi aims within Argentine official circles, the Buenos Aires scene was congested with figures,

within and without the Government, whose services were at the disposition of the Nazis.

In January 1942, Meynen expounded the "reasons for our interest in the widest possible support of the Castillo" policy, and pointed out that among the prospective nominees for the Chamber of Deputies were such "reliable friends of Germany" as Alberto Uriburu, Urbano de Iriondo, long "a confidence man of the Embassy", and Luis Polledo "who on occasion has rendered valuable services to the Embassy". Meynen then proposed a special grant of 150,000 pesos for the following purposes:

Working through absolutely reliable confidence people, we have the opportunity of influencing the result of the elections, in which, this time also, the customary methods, made easier by the present state of siege, may be applied, an action by which possibly a majority for Castillo in the Chamber may be reached—although it does not exist at present. It is to be taken for granted that the Embassy will not appear in any way involved.

This request was immediately granted by the Foreign Office and some 102,000 pesos were "distributed" as planned.

The same tactics, on a greatly expanded basis, were resorted to in anticipation of the 1943 presidential elections. While hoping Castillo "himself will become a candidate" which his "closest friends are urging him to do" despite the contrary constitutional provisions, or that Castillo "would postpone the presidential elections, which would be even better for us", Meynen reported to the German Foreign Office in October 1942 that it was necessary to prepare for "influencing the elections". He pointed out that "any compromising of the Embassy here, as over there, could be avoided if the greatest caution" were taken to limit knowledge of the Embassy's activities to "the very smallest circle of persons."

In this report Meynen listed as possible Castillo candidates for the Presidency: Ambassador Adrian C. Escobar, "a great friend of Spain and

also of the Axis"; "the former Minister of the Navy Admiral Scasso, a very special and trusted friend of ours and of Castillo" who "believes in and wishes for the victory of the Axis"; Foreign Minister Ruiz-Guiñazú, "a friend of the Axis in whose victory he believes"; former Minister of Justice Carlos Ibarguren, "a very close friend of Castillo whom he authoritatively advises in everything having to do with affairs of constitutional law," who "is very pro-German", and who "maintains closest relations with the Embassy"; Ambassador Alberto Uriburu, "a close friend of the Italians and us" and "a special confidence man of Castillo"; and Manuel Fresco, "the leader of the Nationalist Movement which approximates the goals of National Socialism" and who "keeps up good relations with us."

In another report of the same period, Meynen informed the German Foreign Office that Oscar Ibarra Garcia, on furlough from his post as Argentine Minister to Denmark, "has successfully established himself as confidence man and intermediary for us" and that, since he "belongs to the small circle of friends around the President, he will presumably also be able to lend us highly valuable support in the future."

In December 1942, Meynen informed Berlin that he would need a four-fold increase in funds for "political payments" and the "distribution of bribes"; after German Foreign Office consideration of the general proposal, he estimated that 1,000,000 pesos should "be transferred gradually via the well-known channels for the planned propaganda purposes and for bribes."

In other reports to the German Foreign Office, Meynen described: (1) his use of "friendly deputies and politicians to break up the majority which was originally in favor of" a break of relations in the Chamber of Deputies; (2) reports "from the closest adviser to Castillo" that the latter might do away with constitutional government to maintain neutrality; (3) the use of confidential agents to oppose the proposed Argentine limitation on coded communications; (4) the use of "confidence people" on many occasions to receive huge amounts of smuggled pesos despite Argentine financial con-

trols; (5) the use of "confidence people" to bring about a disposition of Nazi-owned goods so that 1,200,000 pesos would secretly "flow into the hands of" the Castillo regime for use "in influencing the elections"; and (6) the widespread employment of confidence people for propaganda and other "stay-behind" activities.

The full devotion of such persons to the Axis cause is established by later reports from Meynen in 1943 stating that "effective execution of our political tasks is contingent upon ever-heightened effort among our political friends." Hence, he recommended that the Embassy be allowed at private ceremonies to confer German decorations of high distinction upon General Basilio Pertiné, Admiral Leon Scasso, Manuel Fresco, Carlos Ibarguren, General Juan Bautista Molina, Dr. Justo Dergada Mújica, Dr. Araoz Alfaro, and lesser awards to such persons as Ramón Godofredo Loyarte, Guillermo Zorraquín, Horacio Pueyrredon, Dr. Floro Lavalle, José Mella Alfageme, and Alejandro von der Becke. As to all these individuals, Meynen described them as friends actively engaged in hazardous tasks. Pertinent information concerning various of these "confidence" people, many of whom have occupied significant positions under the military regime, is as follows:

#### 1. *Oscar Ibarra Garcia*

Minister to Denmark, 1937-1943; Under Secretary of Foreign Affairs, circa September 1943-January 1945; Ambassador to the United States, appointed April 1945, recalled September 1945; delegate to the United Nations Conference on International Organization, 1945;

#### 2. *Alberto Uriburu*

Ambassador to Peru 1942-January 1945; Ambassador to Uruguay April-September 1945;

#### 3. *Admiral Leon Scasso*

Minister of Navy, 1938-1940; Interventor, Province of Córdoba, November 1943-January 1944;

4. *Dr. Carlos Ibarguren*  
President, National Cultural Commission, and of Commission on Intellectual Co-operation, 1941-1945;
5. *General Juan Bautista Molina*  
Chief of *Alianza de la Juventud Nacionalista*, 1941, and of *Alianza Libertadora Nacionalista*, 1943; Member of the Board, *Defensa Social Argentina*, 1944;
6. *General Basilio B. Pertiné*  
Minister of War, 1936-1938; President, *Círculo Militar*, 1941-1943; Mayor of Buenos Aires, June 1943-March 1944;
7. *Manuel Fresco*  
Founder of the *Unión Nacional Argentina*, 1941; Founder of *Cabildo*;
8. *Dr. Justo Dergada Mújica*  
Legal Adviser, German Embassy and of Nazi organizations in Argentina, 1941-1944;
9. *Dr. Homero M. Guglielmini*  
Secretary, National Cultural Commission, 1935-date; Contributor to *Choque* in 1942 and to *Cabildo* 1943-1944;
10. *Dr. Gregorio Araoz Alfaro*  
President, Argentine German Cultural Institute;
11. *Ramón Godofredo Loyarte*  
National Deputy, Province of Buenos Aires 1932-1934 and 1942-1943; Interventor, National Board of Education, 1943-1944;
12. *Georg Schmidt*  
Director, *Banco Aleman Transatlántico*; Director, *Federación de Círculos Alemenes de Beneficencia*;
13. *Jose Mella Alfageme*  
Spanish Nazi spy in the employ of Siemens-Schuckert.
3. *Argentine failure to repatriate Nazi agents*
- It is appropriate, in connection with the foregoing account of Argentine Nazi complicity, to refer to the entire lack of success which has attended Allied efforts to obtain the repatriation to Germany of Axis agents held in Argentina.
- On July 21, 1945, the United States Government was informed through the Chief of the Office of Federal Coordination, Major Oscar César Contal, that the Argentine Government was prepared to deliver most of the 71 Axis agents then being held under arrest. The co-operation of the United States Government was informally solicited.
- Two weeks later the Federal Coordination Office specifically suggested to the American Embassy that 34 agents—33 of whom were included among the 71 held under arrest on July 21—be deported immediately to the United States en route to Germany. It further informed the Embassy that the Argentine Government would turn the agents over to American Government officials at Buenos Aires for deportation, a proposal which was accepted by the United States Government.
- On August 4, however, Major Contal informed the American Embassy that eight of the 34 agents could not be deported. According to Major Contal, three agents were already sentenced to prison terms and one was on trial; one was under extradition to Chile; one was gravely ill; one was Argentine; and one was not considered sufficiently important to warrant deportation. At the same time expulsion proceedings against the other 22 agents remained in a state of abeyance.
- In his statement of September 11, 1945, Foreign Minister Cooke declared that the 22 agents would be deported in the near future. But, as on previous occasions, the deportation was further delayed.

In the meantime Federal Judge Horacio Fox in Buenos Aires made an important decision on October 25 granting provisional liberty to 45 of 61 Axis espionage agents then held in custody. This decision was based on the ground that the government had failed to provide sufficient cause to warrant their continued detention. The other 16 agents were ordered held in custody.

In the statement of November 12 Foreign Minister Cooke stated that decrees had been issued for the deportation of 11 Axis agents, including ten mentioned in his September 11 statement. On November 16 the Argentine Ministry of Foreign Affairs informed the United States Embassy that the Argentine government wished to deport only seven of the 11 aforementioned agents and requested that the United States arrange for their transportation. The seven agents concerned were all German nationals. The United States Government expressed its desire and readiness to transport the seven agents on the United States vessel *Red Jacket* scheduled to leave Buenos Aires on December 1. Despite representations, the Foreign Ministry delayed issuing documents necessary for deportation until the last hour at which the ship's sailing papers could be arranged.

At 8 p. m. on November 30 the Embassy was advised that three of the seven agents facing deportation would be unable to sail. (One of them, Federico von Schulz-Hausmann, who is known to have been wealthy, deliberately involved himself in a petty theft of 90 pesos—\$22.50 U. S. currency—in order to place himself under the jurisdiction of the courts. Deportation, as a result, could not be carried out against him until after his case had been disposed of in court.)\*

Three hours before the *Red Jacket* was to sail, a police officer appeared at the ship, requested the return of the documents of the four Germans slated to leave, and announced that they would not be permitted to sail. No explanation was advanced for this action, although it was later

explained that the Interior Ministry had halted the deportation on the basis of a court order.

As a result of these maneuvers, no Germans were deported on this vessel.\*

Since that time, arrangements have been tentatively made for the deportation of some dangerous German nationals on the *Highland Monarch*, along with the crew of the *Graf Spee*. On January 14, 1946, the United States Government and the British Government requested the deportation on the *Highland Monarch* of 100 named Nazi agents, such as Freude, Becker, Harnisch, and Doerge. In reply the Argentine Foreign Minister indicated various legal obstacles, but said that he "hoped" to repatriate "30 or 40."

#### 4. Protection and assistance to pro-Axis press and manipulation of public opinion

Axis agents, particularly of the German Government, early in the war entered into a partnership with native pro-Fascist elements in the Argentine armed forces, government, politics, and press.

A major bond which united the Axis and Argentine members of this Axis partnership was their common hostility against the pro-democratic and pro-Allied sentiments of the majority of the people. Axis diplomats were frank in informing their governments of the anti-Axis views of the Argentine people. German Ambassador von Thermann reported in a secret telegram to the German Foreign Office on September 28, 1939, "There is nowhere an understanding of German policy which in most cases is pictured as a disturbance of the peace. Anti-British sentiment which exists especially in the younger generation must not be interpreted as pro-German. The great sympathy for France expressed almost unanimously is an outcome of able cultural propaganda for many years. Ger-

\* A few days later, Foreign Minister Cooke informed the Embassy that the Argentine courts were open to non-nationals as well as Argentine citizens and admitted the possibility of members of the crew of the *Graf Spee* escaping deportation procedures by securing writs of *habeas corpus* even though they were prisoners of war.

\* Von Schulz-Hausmann committed suicide on December 9, 1945 in Buenos Aires.

man civilization (*Kultur*) is not identified with the new Germany which because of its alleged threat to the Catholic Church is regarded as hostile against civilization; it must be taken into account that the intellectually leading group here is strictly Catholic. . . . At present the general sentiment in Argentina is anti-German . . .”

Half a year later matters had not improved. Thermann complained on May 11, 1940 that Argentines seemed to feel “strongly sentimental considerations in favor of Belgium”. The whole press “unanimously condemned the German attack”. Only “the Germanophile military circles,” von Thermann found, “admire the German advance in technical respects.” As late as September 1942 the German Embassy in Buenos Aires complained of the difficulty of finding reputable Argentines willing to write what is considered “suitable articles” on the occasion of the third anniversary of the war.

The unmistakable preference of the Argentine public for freedom and democracy was equally irksome to pro-totalitarians in Argentine domestic politics. Argentine pro-Fascist elements, with no chance of achieving office or power through democratic processes, were interested in preventing any resurgence of democracy in Argentina. A number of high officers of the Army and certain pro-totalitarian groups such as the GOU, had long formed the backbone of the pro-German and pro-dictatorial element in native Argentine circles.

All these elements stood to gain from entering into a partnership with the Axis against the Argentine people. Once formed the partnership proved highly successful.

In 1939 at the time of the outbreak of the war, the members of this coalition of Axis agents and civilians and military pro-Fascists in Argentina neither controlled Argentine public opinion nor were they able to control the foreign policy of the Government then headed by President Roberto Ortiz. By 1942 the position of these groups was greatly strengthened by the aid which they obtained from a powerful pro-Axis press, generously subsidized and greatly controlled by the Axis Embassies. They had

formed a firm political alliance with the new Acting President Castillo and a number of his cabinet, and placed “long standing and tested friends of the Axis” in high federal positions. In 1942 *Afirmación Argentina*, described by the German Embassy as “our long standing propaganda organization”, collected what were said to be one million signatures for a pro-Axis peace plebiscite publicly presented to President Castillo as proof of Argentine public opinion but actually—as stated in the German Embassy report—“secretly initiated by us”. Meynen reported:

The action, which was secretly initiated and carried out by the Embassy, particularly by the cultural-political officer, and financed from press and information resources, represents, just at this moment, a welcome manifestation of the Argentine desire for peace and strengthens Castillo’s position. In connection with Brazil’s entry into the war and North American war-mongering throughout all of South America, as in the Argentine Parliament itself, Castillo’s speech means a firm avowal to hew to the line of his foreign policy and is a counter-influence to the recent declarations here of pro-Brazilian sympathy.

The campaign of many months for the collection of signatures, which was prosecuted with all the means available, contributed to the enlightenment of wide circles of the Argentine people—even those in the interior of the country—on the significance of Argentine neutrality. Now it has concluded with an impressive demonstration which was reproduced by all the press, partly in pictures, and broadcast by the state transmitter here, and is the most far-reaching propaganda action yet executed by the Embassy.

Meynen also reported that Dr. Guglielmini, Director of the Honorary Commission for the “Peace Plebiscite” who also occupied the position of Secretary of the National Cultural Commission within the Argentine Government, was

one of several "Nationalist politicians as well as director of our long-standing propaganda organization, Afirmación Argentina" who were "carrying out numerous actions ordered by us," and, for the most part, "in agreement with the President." The other directors named by Meynen in this report were "Zia, the author and Director of the Cultura Viva Center, and Astrada, a University Professor of Philosophy." Weighty support was also given to the plebiscite by General Juan Bautista Molina and *El Pampero*.

A major instrument of this Axis-Argentine alliance was a continuing body of pro-Axis newspapers and periodicals in Argentina, Argentine in appearance but created by the joint efforts of Axis and Argentine partners, Axis-subsidized, and dedicated to the furtherance of Axis aims. Ignoring such foreign language periodicals as *Il Mattino d'Italia*, *Deutsche La Plata-Zeitung* (later *Die Zeitung*), and two Japanese papers which for a few months changed to Spanish after Argentina's declaration of war in the spring of 1945, these publications included at one time or another, *Cabildo*, *Choque*, *Clarinada*, *Crisol*, *Cruz del Sud*, *La Epoca*, *La Fronda*, *Hechos*, *Mediodia*, *Momento Argentino*, *Nuevo Orden*, *El Pampero*, *El Restaurador*, *El Pueblo*, and *Tribuna*. A series of top secret telegrams from the German Embassy in Buenos Aires, recently released in Buenos Aires, gives in detail the amounts of German subsidies to these publications. In one of these dated March 9, 1942, the German Chargé d'Affaires requests telegraphic authorization for the disbursement monthly of 73,450 Reichsmarks for the subsidization of various Argentine newspapers which he lists: "On and after the first of April 1942, the monthly requirements for press purposes will be—*Pampero* Reichmarks 42,000, *Ahora* Reichmarks 7,200, *Pueblo* Reichmarks 3,000, Spanish page of *Deutsche La Plata-Zeitung* Reichsmarks 7,000," etc.

One of the more successful newspapers in this group, *El Pampero*, was favored with subsidies by all the Axis powers. In addition to government subsidies by Germany, Italy and Japan, the Germans supplied funds to *El Pampero* as well

as to other papers through the Nazi organization, Oficina de Fomento del Comercio, and through Nazi firms like G. Brant & Co., Guillermo Schreckenbach, Hugo Stinnes, Ltd., Georg Bein, Carl Zeiss, and Heinrich (Enrique) Volberg, all as revealed by the Argentine Congressional Commission to Investigate Anti-Argentine Activities. Interrogation, in late 1945, of Edmund von Thermann, former German Ambassador to Argentina, elicited an admission that *El Pampero* (and *Clarinada* as well) were supported by the German Embassy. So blatantly pro-Nazi was *El Pampero* that it had to be closed following the Argentine break with the Axis in January 1944. Within a week it was replaced by *El Federal*, with the same editor, the same format, the same office, and the same mailing permit as had *El Pampero*. On February 9, 1945 the name was changed back to *El Pampero*.

Axis aims in Argentine domestic politics included the suppression of such potentially pro-democratic institutions as Argentina's Congress, elections, free political parties, and free press, and their replacement by a pro-Axis dictatorship under the then Vice President Castillo or a more dynamic pro-totalitarian successor.

Most domestic aims of the pro-Axis press were achieved by the installation of the present military dictatorship in June 1943.

In international relations the pro-Axis press, under the guise of neutrality, has carried out political actions devised and ordered by Axis embassies. After Argentina's legal break of relations with the Axis, the pro-Nazi press continued to disseminate the propaganda topics laid down by the German press and radio. *Clarinada*, a monthly magazine directly subsidized by the German Embassy, extolled Japanese victories after Pearl Harbor with a two-page headline "Banzai Nippon!" *Clarinada*'s anti-semitic propaganda closely resembles that of the Nazi *Der Stürmer*. Even those propaganda lines laid down by official German spokesmen in April and May 1945 for the post-war period have been faithfully carried out in this section of the Argentine press. Hitler's assertion in his "Political Testament" of April 30, 1945 that "the seed has been sown that shall grow one day . . . to

the glorious rebirth of the National Socialist Movement", was echoed in Argentina with such predictions as *La Fronda*'s editorial comment on the war crime trials of Axis leaders: "the criminals of yesterday could well be the prophets of today and the martyrs of tomorrow". Likewise, the contention that Germany had stood as the last bulwark against a rising tide of Communism, echoed repeatedly over Berlin radio broadcasts, found a response in the editorials of *La Fronda* repeatedly throughout the summer and autumn of 1945.

Activity of the pro-Axis press has centered not so much in any *bona fide* defense of Argentine neutrality, as in consistently hostile attacks upon the United Nations and in affirmative praise for Axis leaders and the Axis cause. During 1945 *La Fronda* bemoaned the death of Mussolini, praised Petain in the highest terms, and defended Quisling at the time of his trial for treason.

Techniques of disguise utilized by the pro-Axis press have included frequent changes of titles of its papers, interruptions in their appearance, and replacement of some periodicals by ostensibly new successors. Thus, *Cabildo* becomes *Tribuna* on July 17, 1945; *La Epoca*, which appeared sporadically in July 1945 and then daily from September 22, 1945, is remarkably like the defunct *El Pampero*, which was preceded by *El Federal*, which was in turn preceded by *El Pampero*.

Substantially, all these papers have been based upon one common pool of editors, writers, cartoonists, administrators, printers, and financial backers. Manuel A. Fresco, founder of *Cabildo*, furnished financial backing, or at least was the paying agent, for *La Fronda*, and also supported such pro-Axis papers as *Mediodia*, *El Censor*, and *Bandera Argentina*; Armando Cascella, founder of *Nuevo Orden*, was a contributor to *El Federal* and *Choque*; Fausto E. de Tezanos was at various times editor of *El Federal*, *El Pampero*, *La Fronda*, and *Cabildo*; and José Luis Torres served as editor of *Cabildo* and *Ahora*, associate of *La Epoca*, writer on the staff of *Tribuna*, and as a contributor to *El Federal* and *El Pampero*. *Editorial Argentina*, a pro-

claimed list concern controlled by the Nazis, used its presses for *El Pampero*, *El Federal*, *Crisol*, *Choque*, *Nuevo Orden*, *El Restaurador*, and other pro-Axis sheets. *Cabildo*, *El Federal*, *La Fronda*, and *Il Mattino d'Italia* shared the presses of *Talleres Gráficos Bodoni, S. A.*, printing establishment of Victor Valdani. The latter was believed to be the unofficial representative of Mussolini in Argentina, and was subsequently a major agent of Mussolini's Republican Fascist Government in Argentina.

Proof of the continuity, unneutrality and Axis inspiration of the Argentine pro-Axis press is furnished by German and Italian secret telegrams.

German telegrams also reveal the editors, administrators and backers receiving funds from the German Embassy in Buenos Aires. Manuel Fresco, former Governor of Buenos Aires, is shown to have gone directly to that Embassy for financial support to start his pro-Axis daily *Cabildo*. The Chargé d' Affaires telegraphed a request to Berlin for the disbursement of 60,000 Reichsmarks for this purpose. Against the event of a breach of diplomatic relations he sent the Foreign Office the name of Antonio Delfino to receive payments for continued subsidies and a list of names of persons to receive propaganda material for *El Pampero*, *El Pueblo*, *Deutsche La Plata Zeitung* and *Ahora*.

No Argentine pro-Axis periodical has been self-supporting. This is immediately apparent in the lack of advertising, except for that supplied by the various Government agencies and black-listed firms. That their continued existence, individually and as a group, was heavily dependent upon direct subsidies from the Axis powers is amply proven. Italian subsidies, for instance, were increased in 1942 "to compensate for rising costs", the monthly grant being lifted to 125,000 Lire in October of that year, and to 137,500 Lire in December. This level was maintained until their termination at the end of June 1943.

The continuing affirmative assistance of the Argentine Government has also been an essential factor in the operation of these propaganda outlets. Such government aid continues today

in the form of official advertising and allocations of necessary newsprint. Three leading importers of newsprint recently received an ultimatum from the Ministry of Industry and Commerce to the effect that they must make available for *La Epoca*, *Democracia* (a new pro-Perón paper), and *La Tribuna*, a total of 600 tons of newsprint for the two-month period ending February 28, 1946.

On February 4, 1946 the Foreign Minister of Argentina acknowledged to the American Chargé d'Affaires that his Government is supporting *La Epoca* with newsprint and substantial official advertising.

##### *5. Protection of Nazi schools and organizations*

Nazi control of German nationals and persons of German origin in Argentina was achieved through two primary organizations, the National Socialist German Workers' Party (NSDAP) and the German Labor Front (DAF). No German dared refuse the "invitation" to join. These organizations constituted the spearheads of Nazi penetration. They were recruited and disciplined as exact counterparts of the system by which every German in Germany became a creature of the Nazi Party there. They were controlled directly from Berlin through a chain of command made up of key Party leaders attached to the German Embassy and to the great business and industrial chains with South American headquarters in Buenos Aires. There is no question about this command nor about the two organizations by which they controlled the individual German in Argentina. They were exposed, among other places, in the series of reports made to the Argentine Chamber of Deputies in 1941 and 1942 by its special committee detailed to study anti-Argentine activities.

As a result of this discipline, the individual German in Argentina found his job, his bank account, his social and legal standing and the safety of his relatives in Germany dependent on his "good works" within these extensions of the Nazi Party into Argentina.

In addition to these primary organizations, there were scores of others with various mislead-

ing titles, the remnants of German societies formed for a variety of purposes in the pre-Nazi days and appropriated by the Nazi command. This maze of music clubs, recreation circles, charitable societies and the like, built up by old-resident Germans with a passion for organization and a desire to recreate the atmosphere of the Fatherland, furnished Germany the very framework of its penetration into Argentina.

The Castillo regime employed its "neutrality" policy as a shield for this Nazi political activity. This protection was afforded (1) in the face of Argentina's unqualified adherence to Resolution XVII at Rio de Janeiro, which condemned Axis political warfare and enumerated extensive measures for the prohibition and elimination of Nazi organizations and their subversive activities throughout the Hemisphere; and (2) in the face of full exposure of the network of Nazi political organizations in Argentina, made by the Committee on Anti-Argentine Activities of the Argentine Chamber of Deputies. Indeed, it now appears that, while the Castillo regime was willing to make certain "paper" concessions in this as well as the economic field for strategic purposes, President Castillo was prepared to assume dictatorial powers rather than to put into effect the rigorous controls contemplated by Resolution XVII at Rio and demanded by the democratic body of opinion in Argentina. In the formulation and application of this pro-Axis policy, intimate understanding and collaboration prevailed between Castillo and his closest advisers, and the Nazis.

This is patent in Castillo's position regarding genuine elimination of the German Federation, into which the Argentine branch of the Nazi Party had been transformed, through a mere change in name, within a few hours after the Argentine decree of May 15, 1939 directing its dissolution.

In mid-September, Meynen reported to the German Foreign Office that "In the absence of President Castillo and the Foreign Minister who are at present on a trip through the provinces, the Minister of the Interior who is well-known as an enemy of ours, has hastened to order the

dissolution of the Federation and the related organizations (Circulos) connected with it." Meynen debated whether he should protest to the Foreign Minister, pointing out "that an announced official interest in the continuation of the Federation and its related organizations (Circulos) could easily startle the Argentines" and could be contrary to Nazi "foreign policy interests", whereas methods were available for continuation of their "admissible activities" through successor organizations.

Contrary to Meynen's suggestion that the German Government not openly implicate itself by intervening, Meynen was directed by the German Foreign Office to express the German Government's "amazement over the measures taken to dissolve the Federation and the Circulos". After lodging this official demarche, Meynen decided not to press the matter further through official channels, since "President Castillo is at present occupied with an investigation of the case based upon a detailed representation of all the circumstances, sent to him by the legal adviser of the Embassy and the Federation", Dr. Mújica.

In the latter part of October 1942, an understanding was reached for the protection of "Germandom" in Argentina which goes far to explain the continuing organizational power of the Germans today. Meynen reported that the necessary protection of German organizations had been promised by President Castillo to a trusted emissary of the Embassy, Ludwig Freude:

The Chairman of the working Committee of the German Community (the top committee of the German colony), Ludwig Freude, was received today by President Castillo, to whom he expounded the concerns of local Germandom, after having been cursorily primed by the Embassy. The President listened with visible good-will and emphasized that the efficiency and the discipline of the Germans in Argentina, and their respect for law, were well known. For this reason, they could count on his protection in the future as well. In connection with two matters at present particularly important for us

(the dissolution of the Federation and the Circulos, and the extradition of the fugitives from Brazil—cf. telegrams No. 3869 of October 13 and No. 3960 of October 18) the President stated that he hoped to be able to solve them in a fashion which would satisfy us. With respect to the four fugitives from Brazil, the situation was difficult in that Brazil has demanded their extradition.

On this occasion, too, the President stated that he was making super-human efforts to continue his neutrality policy, on the continuation of which he was firmly determined. To be sure, his position would be easier if the Army and Navy were somewhat stronger.

When the court proceedings against the Arbeitsfront were dismissed in the fall of 1942 on the ground that it had already been dissolved, Meynen reported that the verdict was "a gratifying step on the road to a successful defense against the many attacks on local German organizations". He admitted to the Foreign Office, however, that the court's finding was inaccurate since, in fact, "the Arbeitsfront at that time had rather adapted itself to the stipulations of the new decree", was continuing to function, and even planned to submit "a memorandum to the Minister of the Interior in order eventually to get around the intended dissolution".

There was—and there is—no end to the number of organizations of various titles into which the Nazis can retreat so long as a German meeting can be held anywhere in Argentina. The files, letterheads, slogans, methods, officers and activities have passed from group to group with remarkably little disturbance.

The reasons for the easy "transmigration" of these German organizations are made clear by facts which go to the core of our entire problem. Ludwig Freude obtained protection for Germandom through his negotiations with President Castillo in 1942. Ludwig Freude was appointed "stay-behind" leader of the German organization upon the departure of the German diplomats. Since, as is set forth in full elsewhere in this memorandum, Foreign Minister Cooke informed the United States Ambassador, after the latter's

repeated pleas for action against Freude, that Freude could not be touched because of his power with the highest quarters of the Farrell Government, it becomes entirely clear why there is and can be little hope for decisive action against German organizations.

On August 30, 1944, long after the break in diplomatic relations, General Wolf could report to his superiors that the Argentine Government

has in spite of the U. S. pressure which doubtless exists—not as yet touched German societies, schools, churches, hospitals and welfare institutions at all and has not only not cancelled government orders placed with German firms before the break, but has to some extent placed still others,

and that

Argentina even now, after breaking off relations with us, still regards itself in practice as a neutral, and furthermore, that German cultural institutions in Argentina and German commerce there, like the civilian life of Germans generally, have remained almost untouched thus far *in complete contrast* to other American countries.

The American republics were informed early in September 1945 by the Argentine Government that *all* German schools in Argentina (nine were named) had been intervened and incorporated into the official educational system of the state. When this action was announced the United States Ambassador immediately protested that it was patently incorrect to state that all the schools had been closed, and declared that it was well known that there were almost 200 German schools in the country. We now know from testimony of former German Ambassador von Thermann and from records of the *Auslands Institut* that the Nazis controlled or strongly influenced 200 schools in Argentina. Late in 1945 at least 57 schools continued to function, including at least 20 important institutions. In many cases, intervention constituted merely token action, German schools in Belgrano, Buenos Aires and in Mendoza continuing more or less without change in spite of it. Further-

more, the Burmeister School, the most important German school in Buenos Aires, was allowed to continue as an "Argentine school" because of a change of directors.

In addition to the Japanese school intervened by the government as the "only" such institution, fifteen others were known to be operating in Argentina. The United States Embassy has called the attention of the Argentine Government to the fact that these schools have two sets of textbooks, an innocuous one which is used when Argentine inspectors visit the school and another, regularly used, which contains highly nationalistic Japanese propaganda. These texts were printed in Japanese by the former newspaper *El Nichia Djidji*.

When the Argentine Government claimed early in September 1945 that there no longer existed in the country any associations or centers of subversive character, the United States Ambassador protested that many German and Japanese organizations were continuing operations without interference and that the few organizations against which action had been taken were only a small part of the total number. The fact is that *Auslands Institut* archives indicated the presence of approximately 1,000 German organizations in Argentina, not less than 50 per cent of which were still operating late in 1945. Moreover, most of those which had closed, had done so because of the defeat of Germany and not as the result of any official action against them. Among important German organizations still operating are the *Volksbund Fur Argentinien*, the Winter Relief Fund, *Deutsche Frauenverein*, and the *Unión Germánica*.

In the light of this record extending through the entire period of the war and up to the present time, the American republics will, to say the least, be justified in a policy of continued watchfulness toward Germandom in Argentina under the undisputed and effective leadership of Ludwig Freude.

#### D. Argentine Preservation of Nazi Economic Power

Throughout the war the Argentine Government deliberately countenanced subversive ac-

tivities conducted by the Axis and permitted economic support for those activities to continue substantially unchecked. The German Foreign Office expert on Argentine affairs has confirmed this in the following words:

"In the period immediately preceding and during the war, the espionage and Fascist propaganda activities of the Nazi representatives of the Hitler Government were known exactly to the successive Argentine governments . . . With the early successes of the Nazi armies, this indifference was transformed into benevolence . . . The period of closest collaboration . . . was the period from 1943 to the beginning of 1944. . . . The Foreign Office likewise discovered that leading Nazi business men in Argentina, who had supported German war aims actively during the whole war, were permitted to exercise their activity as hitherto, even up to the time of the surrender of the German army."

The facts fully support this declaration.

The Kilgore Subcommittee of the Military Affairs Committee of the United States Senate has recently made public evidence found in the files of I. G. Farben in Germany. The Committee's report reveals that this ostensibly commercial organization constituted an instrument of the German Government. I. G. Farben provided the German Government with a supplementary intelligence service, as a part of which I. G. Farben's representatives throughout the world submitted reports on political and military as well as economic developments. These agents were known as *Verbindungsmänner*. Literally meaning "liaison men", this word was used to describe key regional men in the I. G. Farben world organization who were highly informed on conditions in their particular countries. The institution known as *Verbindungsmänner* was a vital factor in the I. G. Farben scheme. Their reports went through I. G. Farben's Bureau of the Commercial Committee to the interested departments of the German Government. The reports covered internal political movements and problems, composition of new governmental administra-

tions, effects of the black lists, inter-American security, pro-Axis and anti-Axis propaganda, and matters of military interest such as merchant fleets, ship movements including convoys and tonnage in ports, port facilities, new highways and bridges, and shipment of war materials. In relation to such reporting it is necessary to consider (1) the influential position enjoyed by these agents—who invariably held high positions in I. G. Farben subsidiaries—in the political, social, and economic life of the local countries; and (2) the inestimable value of such information in warfare conducted on a total scale.

All men sent out to these subsidiaries from Germany had to belong to the German Labor Front and to evince a "positive attitude toward the new order". Almost all of these agents were members of the local Nazi parties. All firms joined the German Chambers of Commerce and thus participated in the pro-Nazi activities of these organizations. Farben subsidiaries regularly contributed financial support to local party organizations, furnished sizeable amounts of cash from proceeds of local sales to various German embassies, regularly contributed to "Press Committees" formed by the German embassies for the purpose of influencing the press, as well as cooperated with the German embassies in planting numerous anti-United Nations or pro-German articles in local newspapers. The same pattern was followed in Argentina.

#### *Failure to Control Axis Firms*

The German Foreign Office expert, quoted above, has also declared:

"I recall that it was evident from the records of the Foreign Office that German businessmen and their firms owed their freedom to personal friendship with leading officials of the Farrell government. The firms had contracts with the various divisions of the Government and through such connections they had the opportunity to carry on effective propaganda in the sense of Nazism with respect to these officials.

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"Among German firms that occupied an established and prominent position in Argentina, the following were well known to the Foreign Office: Staudt & Co. (through the efforts of Richard Staudt), Thilo Martens (agent and representative of the North German Lloyd), Siemens-Schuckert, Anilinas Alemanas (branch of I. G. Farben), Mannesmann Tube Works, Quimica Bayer [Bayer Chemical Works] (I. G. Farben), Thyssen-Lametal [Thyssen Metal Works], Cía. de Seguros La Germano-Argentina [Germano-Argentina Insurance Company] (Agents of the Muenchner Rueckversicherung) [Munich Reinsurance Company], Quimica Schering and Quimica Merck."

The underlying reasons for the "freedom" enjoyed by German businessmen in Argentina are now known.

After having attended the Rio Conference and having sent representatives to the Washington Conference in 1942, Foreign Minister Ruiz-Guiñazú and his Director of Economic Affairs in the Foreign Ministry, Carlos L. Torriani, gave the German Chargé d'Affaires Meynen assurances, in which President Castillo joined, that the limited measures adopted by Argentina in 1942 in consequence of the Rio Resolutions for the "inspection" of German business enterprises were mere "theoretical" concessions of an "opportunistic" character to "Pan-Americanism", and that they would see to it that these measures would not be permitted to have any significant "practical effect", or to operate so as to disturb German interests.

Foreign Minister von Ribbentrop nevertheless directed Meynen to protest application of the inspection decrees to German firms, which he regarded as "incomprehensible" in the light of recent German promises to help Argentina with "her shortage of pharmaceutical products". Meynen replied that the inspections represented no hindrance to the normal operations of the German firms, and that he had received assurances from the Economic Division of the Argentine Foreign Ministry:

"that the intent of the Argentine Government in the present inspections was to protect the firms from further accusations on the part of the enemy and that in this way, the Government itself would have available the best arguments to contradict energetically any reproaches of alleged anti-Argentine activity of German enterprises. Only in this way will the problematical situation of Argentina in its efforts to maintain its neutrality be eased with respect to the other American Governments."

Meynen nevertheless made a démarche to Foreign Minister Ruiz-Guiñazú, who expressed his desire to bring about "the recall of the inspectors as soon as possible" despite the fact that they represented "a hardly detectable burden" to the German firms. The Ruiz-Guiñazú promises were fulfilled, for on September 28, 1942, Meynen reported that the inspectors had not visited the Mannesmann firm for six weeks; the inspectors had explained that "their presence was currently no longer required". The "silent withdrawal" of the inspectors in all other firms who were now "noticeably cautious" could be soon expected. A month later, Meynen stated that the inspectors had been withdrawn from all but one firm, and that he had induced "two intimate and influential persons to take the matter up with the President and to interest him in a speedy recall of the inspectors". Meynen added that he would "hint at the withdrawing of the German offer to send medicines", an offer made because it "would doubtless be evaluated by the Argentines as a valuable political gesture".

During the days before the invasion of North Africa by the Allies, the Argentine regime had, as reported by the German Embassy, thus withdrawn even the observers in the few firms with respect to which any measure of governmental supervision had been undertaken—only 13 out of more than 100 major German firms in Argentina.

It was not until November 7, 1944, that the Argentine regime undertook an apparently active program of supervision; by that time Italy

had surrendered unconditionally, Rome had fallen, most of France and Belgium had been liberated, and the Allies had both invaded Germany and landed in the Philippines.

This Argentine supervision, before January 1945, never comprehended more than 17 of the more than 100 leading and most dangerous Nazi concerns—two German banks and two subsidiaries of one of the firms having been added to the 13 which had been placed under supervision for a few months in 1942.

Enterprises which were subjected to no control whatsoever included such powerful German firms as A.E.G. Cía., Argentina de Electricidad, S.A., Anilinas Alemanas, S.A., "Deutz Otto" Legítimo, S.A., Wayss y Freytag, S.A., Cía. General de Construcciones, and Staudt y Cía. Thus the Argentine Government had taken no steps looking toward the control and final elimination of enemy interests, even while these interests were busily engaged in activities in behalf of the enemy.

The following is a list of a few of the more notorious spies and subversive agents in Argentina and the German firms with which they have been associated:

<i>German Agent</i>	<i>Argentine Concern</i>	<i>Capacity</i>
Bein, Georg	Leipzig Fair Association	Representative
Baumeister, Ludwig	Quimica Merck	Adv. Mgr.
Delfino, Antonio	A. M. Delfino y Cía. et al.	President
Dornier, Claudio	Banco Alemán	
Freude, Ludwig	General de Construcciones	President
Frohwein, Frederich	Deutsche Gold und Silber Scheideanstalt (I. G. Farben)	
Grotewold, Hans	Condor (Lufthansa)	
Harmeyer, Hans	Quimica Bayer	Adv. Dept.
Harnisch, Hans	Boker y Cía.	Apoderado

Homann, Heinrich	Quimica Bayer	Manager
Imhoff Felipe	Siemens	Representative
Koennecke, Werner	Boker y Cía.	
Martens, Thilo	Martens y Cía., "Lloyd Arg."	President
Mella Alfageme, Jose	Siemens	Branch Mgr.
Richter, Jorge E.	Siemens	
Schmidt, Fritzof	Lloyd Aereos Boliviano (Lufthansa)	Manager
Seidlitz, Wilhelm	Delfino y Cía.	Employee
Ulbrich, Fernando	Siemens	Technician
Von Schulz-Hausmann, Friedrich	Bromberg y Cía., Gen. Mgr. (Staudt)	

The importance of a number of these agents is confirmed by recently discovered documents and by interrogations of German government officials; the essential facts, however, have long been known to the Argentine police and Foreign Office as a result of information submitted in connection with Allied demands for the arrest, prosecution, or repatriation of the individuals.

Antonio M. Delfino, for example, provided employment for Nazi Party members as well as for out-and-out spies. He was consulted when German Embassy funds were to be spent for political purposes. Delfino handled for the German Embassy the removal from the German battleship *Graf Spee*, on his company vessels, of its more than 1000 officers and sailors, bringing them from Uruguayan to Argentine waters. He was a member of the Steering Committee of the German Chamber of Commerce. The German Railways Bureau, with which he was connected, was used as a rendezvous for German agents and collaborators and as a receiving office and storage place for propaganda material. No less an authority than Ernst Bohle, the head of the Nazi

Party's *Auslands Organisation*, characterized Delfino as "very chummy with the Party", and stated that he had met Delfino in Hamburg about 1935.

Thilo Martens was active in arranging the return of German merchant ships to Germany at the beginning of the war, acted as an intermediary in the sale of German ships to the Argentine Government, passed information to the German Embassy regarding the movement of shipping during the war, and was especially active in the *Graf Spee* affair. He was a Party member and had been in the German Navy in the first World War.

The services rendered in the Nazi cause by the other persons mentioned are described elsewhere in this memorandum.

Former Ambassador von Thermann has stated that the real German leaders in Argentina were usually the leaders of the German Chamber of Commerce which numbered about 500, and that these men were his "best collaborators". A memorandum found in the I. G. Farben files in Germany demonstrates conclusively that the German Chamber of Commerce represented a principal link between the Nazi Party and German economic enterprises abroad. The Nazi Party took an active part in the direction of the Chambers' activities through membership on their Boards of Directors.

Not until after the Argentine declaration of war against Japan and Germany was any step taken by Argentina toward substantial control of German firms: a decree of March 31, 1945 authorized the control and possible liquidation of German enterprises. It was not until May 5, 1945, when German military forces were surrendering unconditionally, that Argentina issued its first decree establishing a "strict control" over one German enterprise—Thyssen-Lametal and two of its subsidiaries.

#### *Argentine Failure to Control Axis Funds*

The history of the Argentine regime's controls over Axis firms in Argentina is paralleled by its treatment of Axis funds—their movement between Argentina and Europe and their distribu-

tion within Argentina. It was not until January 27, 1944 that a decree was issued prohibiting the transfer of funds and credits directly to and from Germany and Japan and not until March 28, 1945 that the Argentine Central Bank attempted to regulate the cash and security accounts of some of the persons whose activities were in the enemy interest.

It appears that the German Government's need for cash in Argentina could usually have been raised from German firms and the German community in Argentina. Where, however, the German Government preferred to transfer funds from Europe, it found no serious obstacle in any Argentine exchange control regulations. The availability of these funds made possible the subversive activities in which the German organizations, official and otherwise, are known to have engaged.

Members of the German Embassy staff in Argentina have stated to interrogators that a primary function of the German Commercial Attaché, Richard Burmeister, was the assessment and collection from German firms in Argentina of funds needed for the German Government's operations in that country, and that a similar assessment and collection was conducted by Heinrich Volberg, a principal Nazi leader, for the Nazi activities not conducted by the Embassy.

General Friedrich Wolf under interrogation has stated that as Military Attaché and Abwehr Chief he drew from German Embassy funds. For example he stated that he received 1,000 Reichsmarks monthly to cover military propaganda expenditures. His money for espionage purposes was divided into two funds: (1) special fund to finance all current expenditures and (2) a reserve fund for emergencies. For the special fund Wolf received in 1943 alone from his predecessor 10-12,000 pesos and from Burmeister 240,000 pesos. According to Wolf, Burmeister obtained these funds from the German firms Roechling, A.E.G., and Siemens. It is Wolf's understanding that these transfers were effected against equivalent credits in Germany. As indicated below, when Wolf was repatriated, he left the reserve fund with three trusted per-

sons, one of whom was the German agent Ludwig Freude.

Direct financial transactions between Argentina and Axis and Axis-dominated territory were permitted with the consent of the Argentine Central Bank until January 27, 1944. That such consent was given is indicated by figures published by the Argentine Central Bank. During the first five months of 1942, remittances from Germany to Argentina amounted to 1,500,000 Reichsmarks, and from Argentina to Germany to 3,483,000 Reichsmarks. From August 1942 to July 1943, inclusive, a total of 7,307,000 Argentine pesos were remitted directly to Axis and Axis-occupied countries for purposes other than the settling of trade balances.

The German Embassy was permitted to withdraw 200,000 pesos a month from its accounts in the German banks for the usual representational expenses of diplomatic missions. The Argentine Government did not prevent the German Embassy from raising or spending additional large sums for other purposes. On April 9, 1942, for example, the German Embassy submitted to Germany a budget calling for one million dollars in cash. The purposes set forth were the maintenance of (1) a cash balance in the Embassy of around two million pesos, (2) a fund in the press division for current expenses, as well as the assurance of a cash fund to be left behind in the event of a break in diplomatic relations amounting to about 1,500,000 pesos, and (3) lastly for the purchase of a radio station approximately 500,000 pesos.

#### *Transmission of Funds for the Nazi Embassy*

Using "confidence men" in Argentina and various banks and confidence men in neutral European countries, the German Embassy was provided with a clear channel for the transfer of funds between Germany and Argentina. Among others Benvenuto y Cía. was used in Buenos Aires for this purpose, and Banco Fonsecas Santos y Vianna, of Lisbon, was availed of in Portugal; and an intermediary called Finkler, was the German agent for the same purpose in Switzerland. On December 19, 1942

Meynen stated "as a rough approximation the equivalent of 1,000,000 Reichsmarks must be transferred gradually by means of well-known channels for the planned propaganda purposes and for bribes".

The Embassy was also able through a confidence organization to dispose of dollar notes already in its possession or brought in from Germany.

Evidence is abundant that Germans in Argentina contributed to Nazi Party funds, Nazi-controlled schools, the Nazi Winter Help campaigns, as well as to funds obviously destined for subversive purposes. That all of these funds were subject to the control of the Nazi Party and used for its subversive purposes was notorious.

Charity collections especially constituted a ready source of funds for the German Embassy. Though these collections were established in Argentina ostensibly for the purpose of supplying relief to needy Germans, the "most needy" proved frequently to be the German Government in Berlin and the German Embassy in Buenos Aires. A copy of a telegram found in the files of the German Foreign Office addressed to Ribbentrop and signed Weizsäcker, who was in charge of South American affairs under Ribbentrop, indicates that charity money was used for purposes other than charity:

"The reproach against Thermann coming from Taborda—that the Embassy has used charity money for other purposes—could become somewhat uncomfortable. Whether such a thing on the part of the Embassy could really be proved cannot, in any case be determined."

Von Thermann has confirmed that the Winter Relief Fund was used to finance the subversive activities of the German Embassy. Yet year after year the Argentine Government authorized its collection and sanctioned its distribution. On the other hand, the Argentine Government frequently interfered with the activities of pro-Allied organizations, such as the *Junta de la Victoria* and the *Comite por Ayuda a las Democracias*.

With the funds so obtained the German Government was enabled to finance within Argentina its activities in aid of its war effort and of its program in this Hemisphere. These activities included intervention in Argentine elections, press and propaganda subsidization, campaigns to maintain Argentine neutrality, as well as such economic activities as the purchase of commodities for post-war shipment to create a fictitious export trade to Germany, and the purchase for immediate shipment of strategic and critical materials badly needed by the German war machine, such as diamonds, quinine, iodine, oils, mica, platinum, insulin, and vitamins.

That German firms, in Argentina, also made large expenditures for purposes which they preferred to conceal from investigators has been demonstrated in case after case.

The books of Tubos Mannesmann show the payment of 170,000 Argentine pesos whose recipients the firm has been unable or unwilling to identify.

An audit of the books of Thyssen-Lametal, S. A., the Argentine branch of the German steel trust Vereinigte Stahlwerke, A. G., revealed again the payment of substantial sums of money with no other indication of their purpose than "unidentified commissions". Between 1937 and 1943 these "commissions" amounted to 1,046,099.10 Argentine pesos. The firm's manager, Leo Schaeffer, when pressed for an explanation admitted that all identifying vouchers had been destroyed after the consummation of each operation.

#### *Nazi Economic Power Under the Present Regime*

The assistance of the Argentine Government to Axis firms was brought to the attention of the other American republics by Secretary Hull in his note of July 26, 1944 in the following terms:

"At the very time that the Farrell regime was protesting its intention to collaborate with the United Nations, this Government was receiving reports of actions conclusively establishing that a contrary policy was

being pursued. The Department is in possession of irrefutable evidence that as late as the middle of June of this year the Argentine authorities required firms friendly to the United Nations to receive bids as subcontractors from Nazi firms on contracts calling for materials imported from the United Nations. It is definitely established that during the past three months large government contracts for public works were given to firms that were either of enemy origin or actively cooperating with the enemy. . . . During the past three years representative Axis firms in Argentina have been able to double, and in some cases treble, their normal peacetime profits. The prosperity of these powerful commercial firms, which have been geared according to the well known pattern into the espionage and propaganda machine of the Nazi Party, is the result not merely of a passive failure of the Argentine Government to implement the Rio agreements, but of positive aid from that Government."

Since the transmission of Secretary Hull's note, the Argentine regime has continued to let large contracts to enemy firms, these firms have continued to maintain large profits, and enemy interests continue to exist today in Argentina in essentially the same strength and form as they did five years ago. Indeed, it can be said that essentially the same Government that refused to attack enemy interests when the enemy was strong is now, when the enemy is defeated, offering him the refuge which may represent his only means of resurgence.

#### *Record of Control*

Although the Argentine regime professes under a decree of March 31, 1945 to have completely and strictly fulfilled its obligations under the Mexico City Resolutions, the record is as follows:

1. As of December 31, 1945 sixty-six firms had been placed under government "control and possession", and had had their bank accounts

blocked. The title, however, to these firms remains in the enemy. Until this title is transferred, or the concerns are completely liquidated, Government control constitutes protection and perpetuation rather than elimination of enemy interests. Six branches or subsidiaries of German insurance companies, two branches of German banks, and two manufacturers' agents are in process of liquidation.

2. Not a firm has been sold.
3. Only three insignificant enemy firms have been completely liquidated.
4. Two German banks have been "in the process of liquidation" for more than six months; yet only five officials have been dismissed, some 500 employees continue to be employed by the banks, and German employees remain in key positions.
5. German firms which are notorious for having acted in behalf of the enemy, are under a form of supervision which represents neither effective control nor elimination. Among these firms are Anilinas Alemanas, a subsidiary of I. G. Farben; the interests of Thilo Martens, a German agent; Establecimientos Klockner, branch of a German firm of the same name, whose vice president, Carlos Schmits, is president of the German Chamber of Commerce; and the Staudt interests concealing a considerable amount of enemy ownership and constituting an integral element of enemy penetration and potential revival.
6. Over the concerns Cía. General de Construcciones, which constitutes the economic foundation for the power and much of the influence of Ludwig Freude, and A. M. Delfino y Cía.—a German shipping and transportation interest—the Argentine Government has established no control whatsoever.
7. In case after case, it has been found that while the Argentine Government delayed action, the managers of the firms now under "control and possession" had ample time to do away with vouchers and other documents which would explain large payments to undisclosed persons. When confronted with this fact, the firms' officers asserted that they had destroyed the documents because they might be embarrassing to the German firms and refused to give information as to the purposes to which the funds had been applied. The Argentine regime has made no attempt to recover these missing documents.
8. The Argentine regime so delayed the establishment of its control over German firms that they had ample opportunity to distribute or dissipate their assets. GEOPE, for example, paid out large sums to its managing directors in the form of bonuses, while Maximo Pahlke of Tubos Mannesmann disposed of funds not even entered on the firm's books, cannot satisfactorily explain the alleged "theft" of certain additional funds, and has utilized the facilities of the firm to his own personal advantage and perhaps to that of Tubos Mannesmann.
9. The Government is not presently preventing, indeed in a glaring case actually authorized, the dissipation of assets in enterprises which it controls as enemy property. In Química Schering, Alejandro von der Becke, to whom reference is made elsewhere in this memorandum, is being permitted to copy, for his future personal use, 15,000 medical records which represent an invaluable asset belonging to the firm. He enjoys a close personal friendship with Dr. Luis Prado, who was appointed by the Junta president of the firm's Liquidating Committee. Von der Becke has even been permitted to purchase a pharmaceutical plant where, in the event that he is eventually separated from Química Schering, he can help to perpetuate German dominance in the drug and chemical field.
10. There have been serious failures to eliminate Nazi employees, even when specifically identified to the Argentine Government, in firms under "control and possession." Química Bayer, GEOPE, and the German banks are glaring examples. In instances where officials and employees have been discharged, sufficient key personnel has been retained to perpetuate the Ger-

man dominance. In at least one instance the directing head and most objectionable officer of a major firm has been retained: In fact, although the Government had announced his discharge, Alejandro von der Becke signed payroll vouchers in Química Schering as late as December 1945.

Von der Becke has been an important shareholder of the firm since its inception in the year 1926 and must be held responsible not only for the activities of this firm in behalf of the enemy, which are known by German documents to have included the purchase of critical materials for Germany during the war, but also for having attempted to conceal the German ownership in this spearhead firm. Another example is Dr. Franz Doerfel, vice president of Química Bayer, who until a month ago had even retained personal files apart from the files of the firm and not available to the firm's Liquidating Commission. In this firm, except for the general manager, all of the various department heads still remain at their posts.

11. Members of the Liquidating Commissions, such as Dr. Manlio A. Imbert in Química Bayer, are known to be opposed to the Commission's work and adopt obstructionist attitudes.

12. The Junta has authorized the concerns under its control to continue to make purchases and sales through the cloaks developed by the former Nazi managements. Thus economic warfare sanctions of the United Nations are circumvented, the firms accumulate additional profits, and the cloaks which during the war served the Nazi cause so well are further rewarded.

#### *Argentina Positive Aid to Nazi Firms*

The statement of Secretary Hull, in his note of July 26, 1944, quoted above, that the Argentine Government had positively aided the Nazi firms in attaining prosperity during the war, is demonstrated by the following summary of the contracts received from the Argentine Government by five of the more important Nazi firms for construction alone during the year 1943 and approximately the first half of 1944:

#### *Year 1943*

<i>Argentine Pesos</i>	
Wayss & Freytag	6,205,206.86
Gruen & Bilfinger, S.R.L.	759,790.69
Siemens Bauunion	13,466,040.70
General de Construcciones	535,536.18
GEOPE	6,044,215.03
	<hr/>
	27,010,789.46

#### *January-July 1944*

<i>Argentine Pesos</i>	
Siemens Bauunion	2,178,966.72
General de Construcciones	8,498,967.91
GEOPE	3,237,087.13
Wayss & Freytag	500,000.00
Siemens Bauunion	98,820.60
GEOPE	1,038,584.10
	<hr/>
	15,552,426.46

That the letting of such contracts and the making of purchases from or for enemy firms did not cease with the declaration of war against Germany or with the signing of the Mexico City Resolutions has been confirmed by recent investigations. These contracts have covered projects which can in no sense be regarded as essential to the war effort of the United Nations or to the economy of Argentina and have been let to German firms while other lower or equal bids had been submitted. They are contributing to the building of a war economy within Argentina. When contracts required the purchase of materials not obtainable by these firms because of the inclusion of their names in the Proclaimed List, the Argentine Government made such purchases in behalf of the firms and delivered the materials to them. Thus, the Argentine regime has not only failed to eliminate enemy spearheads, but has deliberately enabled them to circumvent the economic sanctions applied by the United Nations. Some of the enemy firms, in fact, have been operating almost solely for the Argentine Government as shown by the schedule for the firms of Wayss & Freytag and GEOPE, which appears on the following page.

*The Future Danger from German Economic Resurgence in Argentina*

Since the commitments of Mexico City call upon Argentina to intensify its "efforts to eradicate the remaining centers of Axis subversive influence in the Hemisphere", and since it recognized that "the Axis powers, although they

realized that they had lost the war, nevertheless hoped that they would win the peace by reconstructing their centers of influence throughout the world", it is important to note that the measures of control by the Argentina Government have not interfered with the essential predominance of Nazi-minded Germans in the Argentine economy.

Wayss & Freytag Volume of Government & Private Contracts 1938-1945

Date	m\$n Government	m\$n Private	m\$n Total	% Government to Total Contracts
1939	2,992,500	1,640,995	4,633,495	65
1940	4,405,000	1,084,500	5,489,500	80
1941	2,541,000	896,000	3,437,000	74
1942—1st	1,124,000	873,000	1,997,000	56
1942—2nd	1,733,000	347,000	2,080,000	83
1943—1st	2,600,000	181,000	2,781,000	93
1943—2nd	4,064,000	16,000	4,080,000	99.6
1944—1st	4,635,000	61,000	4,696,000	98.7
1944—2nd	4,814,000	206,000	5,010,000	96.1
1945—1st	1,779,000	—	1,779,000	100

GEOPE Cía. General de Obras Publicas, S. A.

Year	Total Value of Contracts Renewed	Value of Private Contracts	Public Value	Contracts Per Cent
1937	36,177,500	6,872,000	29,305,500	81
1938	25,876,000	8,091,000	17,785,000	69
1939	5,739,000	924,000	4,815,000	84
1940	7,794,000	4,185,000	3,609,000	46
1941	5,285,600	2,910,100	2,375,500	45
1942	2,819,061	1,318,154	1,500,907	53
1943	8,123,669	1,159,145	6,964,524	86
1944 thru April	3,685,304	65,800	3,629,504	98.5

In Argentina the Germans have constructed a complete duplicate of the economic structure for war which they had in Germany. They possess today in Argentina the economic organization—industrial, commercial and agricultural—which they need to provide a base for the reconstitution of German aggressive power during the period when the homeland is still occupied. The industries essential to warfare in which experimentation in the weapons of future wars may take place and in which prototypes may be developed exist in Argentina and are controlled by Germans.

Businesses which may be relied upon to produce foreign exchange needed for research, for payment of agents and salaries, for propaganda and so-called cultural activities, and to provide reserves for future aggression in countries destined for conquest, continue to exist.

Although the Argentine Government has interposed certain controls over many of the principal German-owned firms now doing business in Argentina, these controls, as this memorandum shows, do not effectively or permanently eliminate the power of these firms in the Argentine economy; nor has any effective action been taken

for the thorough Argentinization of these firms.

*Chemicals and Pharmaceuticals:* The principal German interests in this field is I. G. Farben which furnishes almost every type of pharmaceutical and heavy chemical supplies. The Argentine part of the Farben empire functioned through direct subsidiaries in Argentina as well as through cloaked enterprises. The principal subsidiaries engaged in production are:

Anilinas Alemanas—manufacturing dyes,  
acids and paints

Tosca—cosmetics and toilet articles

Bayer—manufacturing pharmaceuticals

A considerable amount of Farben products is, however, handled by cloaked Farben enterprises such as "Monopol" and INDUNIDAS. Germany's influence in the field is further strengthened through I. G. Farben's cartel arrangements with Química Merck and Química Schering. Farben officials in Argentina have also been connected through interlocking directorates with German firms operating in the electrical, iron and steel, and construction industries.

*Construction:* German controlled enterprises dominate the field of construction in Argentina, embracing public works and military construction as well as residential and industrial building. The outstanding firms in this field are General de Construcciones, Siemens-Bauunion, GEOPE, Wayss y Freytag, and Gruen y Biffinger, S. de R. L. These firms enjoy virtual monopoly of heavy construction in Argentina. These firms work intimately with German firms in the electrical and steel industries and thereby provide convenient outlets for the products of other basic German industrial enterprises engaged in the manufacture of producers' goods.

*Electrical Equipment:* The manufacture of electrical machinery and equipment in Argentina is controlled by the vast German trust Siemens-Schuckert-AEG. The principal German firms participating in this field are:

Siemens-Schuckert—  
telephone equipment, radio turbines,  
electrical goods

Bromberg—

motors, electrical appliances, refrigerators

Osram—

electrical bulbs

Inag—

electrical therapy equipment, X-ray machines

A. E. G.—

electrical machines and equipment

The principal German marketing company for electrical goods is the Cía Platense de Electricidad Siemens-Schuckert, S. A.

*Metallurgy:* The following German firms dominate the metallurgical industry in Argentina: Ferrostaal S. A.; Establecimientos Klöckner and its subsidiary, Manuello y Cía; Tubos Mannesmann and its subsidiary Morseletto S. A.; Orenstein and Koppel; Rheinmetall-Borsig and its subsidiary CADEMA; Aceros Roechling-Buderus S. A.; Casa Denk-Aceros "Boehler" S. A.; Thyssen-Lametal and its subsidiaries.

*Agriculture:* The foremost concern in the field of Agriculture is Staudt y Cía. Through this firm and its many subsidiaries Germany participates in the production of sugar, cattle, sheep, synthetic fibers, wheat, hides, and other phases of agricultural enterprise. Staudt y Cía. also constitutes one of the largest importing-exporting houses in the Hemisphere.

The activities of the Germans during the war are in fact the best index to their use of Argentina in this post-war period for the purpose of providing a base for the development of future German aggressive plans.

#### *Two Illustrative Cases: Freude and Staudt*

Two cases of glaring failure on the part of the Argentine Government to control effectively powerful German economic enterprises remaining in Argentina are illustrative. They are the case of Ludwig Freude and his Compañía General de Construcciones, and that of Ricardo

Staudt and the various enterprises controlled by him.

### *Ludwig Freude*

Ludwig Freude is the leader of the German community of Argentina. He was officially described by the German Ambassador in June 1941 as one of the three outstanding German personalities in Argentina. He was received in that capacity by President Castillo on October 28, 1942. Meynen noted that Freude made this call to expound the concern of local Germans "after having been cursorily primed by the Embassy".

That he was close to the German Embassy is generally attested by Germans who have been interrogated.

The financial power of Freude derives in large part from his ownership of the construction firm Compañía General de Construcciones. The Argentine Government has instituted absolutely no control over this firm and has consistently favored it with contracts and purchases.

Facts which have developed since the opening up of sources of information in Germany point to the conclusion that Freude is properly described as the leader of the "stay-behind" organization which was set up when German official diplomats were compelled to leave Argentina. When the Counsellor of the Nazi Embassy Wilhelm von Pochhammer was repatriated on July 6, 1944, he conferred on Freude a power of attorney to act in his behalf, and left with him 45,280 pesos. This fact was made known to the Argentine Government when papers in the German Embassy were examined by representatives of the Allied governments following the surrender of Germany.

At the same time the Chief of the Abwehr in the German Embassy, General Wolf, left with Freude and two others the Abwehr reserve fund of 200,000 pesos to be used following the breach of diplomatic relations for intelligence purposes. Freude had also been entrusted with such a fund by Wolf's predecessor, Dietrich Niebuhr. German Foreign Office personnel interrogated in Germany have stated that Freude played an

important part in handling a secret reserve of the German Embassy known as "M" funds which were employed for financing intelligence activities, assisting the families of arrested agents, and other concealed Nazi activities.

As president of the German Winter Relief, the German Club of Buenos Aires, the German School Association, and other German-Nazi groups, Freude's significance to Germany in Argentina is clearly indicated. It is confirmed by the role which he played in the negotiations between the Argentine regime and the German Government, of which the high point was the Hellmuth affair. This subject is discussed in detail elsewhere in this memorandum.

Through his predominant position in the construction industry, he has been able during the entire war to obtain valuable contracts from the Argentine Government; the known contracts held by him between November 1941 and December 1944 were valued at more than 17,000,000 pesos.

Freude's repatriation to Germany has been repeatedly demanded by the Allies. It now appears that Freude is being made an Argentine national in clear violation of the Argentine Government's commitment to naturalize no German nationals during the period of war and in obvious frustration of the Allied Governments' demand upon Argentina to repatriate Freude to Germany in accordance with the Argentine Government's commitments in such cases under the resolutions of the various inter-American conferences whose benefits Argentina has claimed.

Freude's power over the present Argentine regime is conclusively established by the fact that on September 19, 1945, the Argentine Foreign Minister Cooke informed Ambassador Braden that despite the gravity of the charges against Freude, the Foreign Minister was powerless to do anything against him since he "has so many powerful friends and influences".

### *The Staudt Case*

In November 1945 the Junta de Vigilancia y Disposición Final de Propiedad Enemiga, in charge of enemy property in Argentina and func-

tioning under the Ministry of Foreign Affairs, was shattered and its work paralyzed as a consequence of the position taken by the Foreign Minister in opposition to the Junta concerning the Staudt case. The result was the resignation of the Secretary General of the Junta and the publication of a series of conflicting recriminations.

Ricardo Staudt is an Argentine citizen of German birth. His activities in the last war resulted in his being designated a war criminal by the French Government. His activities in the present war, both through his connections with the Siemens Trust and with the partially German-owned Staudt y Cía. and its subsidiaries, and through German political and economic and cultural organizations have caused him to be regarded as a major element of enemy economic penetration not only in Argentina but in all southern South America. The former German Ambassador, von Thermann, remarked in an interrogation that Staudt "always said he was the man who wished to do the most in Argentina for Germany". Although Staudt is said to have publicly avoided German Embassy officials, von Thermann confirms that his companies contributed to German funds and, thereby, directly to the subversive activities of the German Embassy and other German organizations in Argentina. In fact, current investigation in the files of the Banco Alemán Transatlántico have disclosed that Staudt y Cía. was actually the first contributor to the German Relief Fund in all Argentina—on December 15, 1933—and thereafter made regular payments to that organization and its successors, the last known payment being one made on July 30, 1945.

Von Thermann has stated that the Sociedad Cultural Argentino-Germana, of which Ricardo Staudt was president, was a center for German activities in Argentina in the cultural field, and that his influence in the German colony and in the Nazi Party was enhanced by the fact of his social prestige among Argentines. Staudt y Cía. is a member of the German Chamber of Commerce whose pro-Nazi activities are outlined elsewhere in this memorandum.

A director of Staudt y Cía., Carlos Tanke, is a

dangerous Nazi. Friedrich von Schulz-Hausmann, a notorious German espionage agent, was president of the Staudt affiliate called Bromberg y Cía. This firm also employed the ardent Nazi Wilhelm Krankenhagen.

Documents recently found in Argentina disclose that von Schulz-Hausmann became president of Bromberg y Cía. about December 1941, as a result of the insistence of the Nazi Government that the incumbent, President Otto Wetzler, a Jew, be replaced by a person favorable to the Nazis; in the negotiations on this subject with Staudt, Ludwig Freude and Volberg figured prominently.

These documents also disclose that on May 9, 1941 Staudt wrote in a memorandum regarding Bromberg financial negotiations with Germany:

"It seems to us incredible that in this way an agreement cannot be reached between two German firms, which are subject to German law, with respect to their future action, for the well-being of the German economy, when it is expected of our Argentine firm that we modify our organization during the war in the spirit of a National Socialist conception of the world and of economies, to which we are entirely disposed understanding exactly the German transendency. In any case, we ask that they do everything possible, in accordance with our telegram of April 29, to arrive as rapidly as possible at a basic agreement, seeing that the present state prejudices German interests."

They also disclose that he wrote in connection with the future of Bromberg y Cía.:

". . . In the Third Reich the point of view would be defended and carried forward that transatlantic commercial firms like Bromberg not only ought to be maintained for economic reasons but also for political reasons and that their functions should be enlarged. . . ."

Although appointed Honorary Consul General for Austria at Buenos Aires by the Dollfuss

Government, Ricardo Staudt made a speech, when Hitler marched into Austria, to the Austrian residents of Buenos Aires in Luna Park in April 1938, calling upon the Austrians to cast their lot with Germany. The former Austrian Vice Consul and an active member of the Free Austria Group, Guido Forsthüber, has stated that Ricardo Staudt forced him to accompany Staudt to the German Embassy to congratulate the German Chargé d'Affaires on the *Anschluss*.

Staudt y Cía. helped to load the German ship *S. S. Erlangen*, which sailed from Argentina on July 23, 1941 in an attempt to run the blockade to Germany.

Ricardo Staudt was among the German magnates and industrialists who protested to the Argentine Government as late as January 1945 that certain persons in the Argentine Government having charge of enemy properties were "too pro-United States".

On October 23, 1945 the Junta resolved that certain of Staudt's companies should be liquidated in compliance with Resolution XIX of the Mexico City Final Act. Evidently forewarned of the contemplated action, Staudt had obtained on October 8 an order from the Federal Court of Buenos Aires restraining the Junta from taking possession of the assets of Staudt y Cía., Bromberg y Cía., and the Staudt holding companies Unitas and La Querencia pending final decision in their suit attacking the constitutionality of the March 31, 1945 decree authorizing the Junta to take possession of enemy-owned firms. Although the Junta had reached its decision in full cognizance of the Court's order, Foreign Minister Cooke, instead of issuing a decree authorizing the Junta to take possession of the four Staudt interests, ordered the Junta to desist from its contemplated action and included within the terms of this order not only the four Staudt concerns mentioned by the Court but three additional Staudt firms as well. On November 21, 1945 the Solicitor of the Treasury, the governmental official responsible for the defense of the constitutionality of the enemy property control decree before the Argentine courts, pointed out that the order of the Foreign Minister had two dire consequences:

(1) By including firms not mentioned in the Court's order, the Foreign Minister had set a precedent which all other firms could readily invoke to paralyze the Junta's action to the prejudice of the effective enforcement of the decree. The delay alone could defeat the program irrespective of the ultimate decision with respect to constitutionality.

(2) The Foreign Minister's instructions that the Junta abstain from taking possession in all seven cases left the Junta without legal grounds for seeking judicially to have the restraining order vacated since the Junta's right to take possession depends on the issuance of a decree by the Ministry.

When the Junta supported the Solicitor and after additional information concerning the enemy ownership of Staudt was found in Germany to substantiate further the Junta's decision, the Ministry of War threatened to transfer from the Junta to an Army post the Army officer, Col. Olano, who is the Junta's president. The new president of the Junta was to be Colonel Job, the former Secretary in the Vice-Presidency during the incumbency of Colonel Perón. Simultaneously the Government issued a decree providing that the Junta vacate its quarters in the ex-German Club to the Secretary of Aeronautics for use as a recreational center by the officers in the Argentine Air Force.

On November 30 the Secretary General of the Junta, Carlos Adrogué, who was a member of its judiciary commission, resigned in protest that he "could no longer tolerate a policy on the part of the Foreign Minister of meddling capable of preventing Argentina's compliance with national and international commitments". On January 8 four men "pretending to be police agents" seized Adrogué. They drove him to the suburbs of Buenos Aires and there thoroughly beat him up and left him beside the road with a caution to abstain from "international politics" or his family would suffer next time.

Ultimately Olano was permitted to retain his position and the man who had been designated to succeed him became the Junta's vice-president.

Foreign Minister Cooke's public answer to the

Junta was to propose the very step which Staudt himself had been advocating in public statements, i. e., the formation of a special commission to undertake a new study of Staudt and have the authority to modify the conclusions of the Junta. Thus, a fact-finding board was to be created to find facts for a fact-finding board.

With respect to the public charges of the former Secretary General of the Junta, the Minister of Foreign Affairs reacted swiftly and violently. His resignation was refused, and he was instead dismissed from office. It was announced, moreover, that he would be prosecuted for contempt in consequence of his assertion that the Government had interfered in the disposition of Axis properties.

The former Secretary General, not intimidated by the Government's charges of disrespect, abuse, and slander, made another statement on December 15. He urged the removal of Foreign Minister Cooke and his replacement by an official who would be more inclined to work for the eradication of Nazism in Argentina. He further claimed that Cooke's contention that he had sought to cooperate fully with the Junta was contradicted by (1) the resignation of other

members of the Junta as a result of Cooke's position; (2) Cooke's acquiescence in the proposal that the Junta offices be turned over to the Department of Aeronautics; (3) Cooke's trifling amendments to almost all plans and resolutions submitted by the Junta, thereby causing unwarranted delays; (4) his attempts to appoint government personnel to control commissions in Axis firms, disregarding the Junta's proposed designees; (5) his refusal to accept the Junta's findings in the Staudt case; and (6) his proposed designation of a special commission to make a new study of the Staudt case.

These two illustrative cases bear witness to the enduring power of notorious Nazis with the present Argentine regime. They show again that in critical cases Argentine controls prove ineffective to eradicate Nazi power. Nor can any improvement be expected in this regard under the present regime. For, while it is true that members of the Junta personnel have to a considerable extent demonstrated their sincerity, the fact remains that the Junta is subject to the control of persons whose interest in protecting Nazi economic power in Argentina has been definitely established.

## PART III

# NAZI-FASCIST CHARACTER OF THE ARGENTINE REGIME

On September 30, 1944, the late President Roosevelt declared:

I have been following closely and with increasing concern the development of the Argentine situation in recent months. This situation presents the extraordinary paradox of the growth of Nazi-Fascist influence and the increasing application of Nazi-Fascist methods in a country of this hemisphere, at the very time that those forces of oppression and aggression are drawing ever closer to the hour of final defeat and judgment in Europe and elsewhere in the world. The paradox is accentuated by the fact, of which we are all quite aware, that the vast majority of the people of Argentina have remained steadfast in their faith in their own, free democratic traditions and in their support of the nations and peoples who have been making such great sacrifices in the fight against the Nazis and Fascists. This was made clear beyond all doubt by the great spontaneous demonstration of public feeling in Argentina after word was received of the liberation of Paris.

One month earlier, on August 30, 1944, General Friedrich Wolf, who was German military adviser to the Argentine army from 1937 to 1940 and German Military Attaché in Buenos Aires from 1942 to 1944, upon his arrival in Lisbon after the break of relations, included the following statement in the summary of his confidential report to his Nazi superiors:

Summarizing, it may be said that at present in Argentina they are making an attempt to build up the state internally on

the nationalist viewpoints of the fascist trend whereas at the same time in foreign policy, in view of the complete isolation of Argentina and the failure thus far to form a bloc against the U. S. A., they are forced to protest constantly adherence to the democratic principle and the intention of co-operating within the framework of American solidarity.

The evidence to justify President Roosevelt's fears concerning the growth of Nazi-Fascist influence in Argentina in September 1944 was substantial. Today it is overwhelming. And today it is clear that "the attempt" to build up a type of National Socialist state, to which General Wolf referred in his report to the German High Command, has been successful beyond anything which his Nazi masters could have expected after their unconditional surrender to the armies of the United Nations.

The position may be taken that the brutal violation of individual rights by the Farrell Government is not prohibited by any binding international obligation. But when such violation is coupled with other characteristics of the Fascist state, the experience of the past fifteen years demands that the international community be on guard. Surely there is no principle of international law which contravenes the right of a family of nations to take precautions against international conduct which, with tragic consistency, has historically been the outward manifestation of the type of internal program to which the government of General Farrell has been committed.

Whether or not the Farrell regime sincerely adheres to the principles of the United Nations Charter, it has in fact accepted membership in

an organization which is pledged "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person." Furthermore, as demonstrated below, the totalitarian program of the Farrell regime, in practically all of its phases, runs directly counter to resolutions or agreements of the Inter-American Conference on Problems of War and Peace. It is not the position of the Government of the United States that violation of these resolutions justifies collective action. But since those resolutions incorporate principles for which the United Nations fought the war against Nazism, this Government does contend that their flagrant violation cannot properly be ignored in this consultation. That violation is directly germane to the issue of confidence and trust among freedom loving peoples which is fundamental to our present position.

### *General Analysis*

The internal administration of the military regime has passed through two phases. In the first phase, which continued from the accession to power until roughly the end of 1944, the military rulers of Argentina clearly revealed a Fascist-totalitarian mentality both in their public statements and in their public acts. Their efforts to organize and consolidate their revolutionary regime paralleled those made earlier by the rising dictators of Italy, Germany, and Spain. They set out to create a Fascist state in the Western Hemisphere, openly anti-democratic and authoritarian both in its basic ideology and in its operation. Following Nazi-Fascist-Falange methods they suppressed individual liberties, liquidated democratic institutions, persecuted their opponents by terroristic methods, created a state propaganda machine for the dissemination of Nazi-Fascist ideals, established a "corporate" labor organization subservient to the government, and adopted a program of military and naval expansion obviously out of all proportion with the requirements of the country's security. They dissolved the national Congress, outlawed all political parties, and successfully resisted all pressure to hold national elec-

tions. During this period the Argentine authorities arbitrarily interfered with the independence of the courts and through the appointment of special Federal officials, thwarted the normal development of the judicial and educational systems, and of labor. Federal appointees replaced the normally elected provincial authorities, and were also used to control universities and labor organizations.

Certain policies and acts of an outstandingly totalitarian character have continued to form an integral part of the program of the Argentine Government from June 1943 to the present. These include the suppression of individual liberties, police repression and terrorism, and the corporate organization of labor. On the other hand, from roughly the eve of the Mexico City Conference on Problems of War and Peace (February 21-March 8, 1945) to the present, while the Argentine authorities were trying first to win recognition from the other American republics, then to gain a seat at the United Nations Conference in San Francisco, and finally to establish their claim to the full confidence of the other American republics, they have ostensibly followed a less ardently Fascist policy.

The fact is that this opportunistic "change" of policy to the second phase came only after the failure of the last German counteroffensive in early January 1945, when the inevitability of the Nazi defeat became obvious to all. It having become apparent that the program and ideals, which the military rulers were trying to impose upon the nation, were suffering defeat in Europe and in the Pacific at the hands of the United Nations, the Farrell Government began to modify its policy to one of defensive camouflage whose principal characteristic was avowal of pro-democratic intentions. Officials of the Government became less outspokenly pro-Axis and Fascist-totalitarian in their public statements. The purpose has been obvious: to conceal and preserve a nucleus of Fascist-totalitarian economic and political positions with sufficient strength to serve as a basis for reversion to the earlier program at some better future opportunity. Acting always and only under pressure either from democratic elements within Argen-

tina or from abroad, the leaders of the military government qualified those policies which were most conspicuously Fascist-totalitarian and which had aroused the most virulent domestic opposition.

The conclusion is irresistible, however, that if the present Argentine Government were relieved of these pro-democratic pressures it would quickly expand the area, and intensify the nature, of its Fascist activities. Individual rights guaranteed in the Argentine constitution and endorsed by Argentina in the resolutions of the Mexico City Conference and the United Nations charter are being violated by the Argentine authorities today; police terrorism directed particularly against pro-democratic groups continues; and the only labor organizations legally recognized by the Government are those established by the Ministry of Labor and Social Security after the Nazi-Fascist cooperative system. The elected representatives of the Argentine people have not been allowed to assemble for more than two and a half years. The state of siege has been continued with an interruption of only a few weeks in August-September 1945. The Fascist-totalitarian and pro-Axis character of the policy-making personnel of the Government remains essentially unchanged. Many known Axis sympathizers, who have long worked for the establishment of a Fascist-totalitarian state in Argentina, have either been appointed to or have continued in public office. The forced installation of a predominantly civilian cabinet in October did not change the character of the Government.

#### *The Partnership with Nazi Interests in Argentina in Support of Totalitarian Government*

As the earlier sections of this memorandum have conclusively demonstrated, the totalitarian machine in Argentina is a partnership of German Nazi interests with a powerful coalition of active Argentine totalitarian elements, both military and civilian.

German capital, German or German-linked management, German militarism and German Fascism have long exerted a major influence in

Argentina. While Argentine nationalists and totalitarians have professed impatience to hasten what they described as the emancipation of their country's economy from the investments of foreign capital remaining there from earlier periods, they increasingly tended to view German imperialism and Fascism as their ally and their model.

Argentine Fascism is by no means a mere echo or puppet of the other Axis powers. But at the same time the homegrown totalitarianism of Argentina became the close ally of the Axis powers, accepting by choice and development the ideologies and practices of Fascism as its way of life. It is this alliance and, indeed, merging of powerful forces of German Fascism, already on its way to international defeat since the end of 1941, with the growing Fascist conspiracy inside Argentina, which has impressed its unique characteristic upon the structure and policies of the present Argentine dictatorship.

German Fascism has contributed to this alliance, directly and indirectly, the funds, resources and accumulated experiences of the large German-controlled firms, particularly in the construction industry, electric industry, heavy industry, armaments, and certain chemicals. In the military field, it has contributed the German training and indoctrination of a large number of high-ranking officers of the Argentine army, as well as much of the equipment of the Argentine armed forces and police. In the field of politics and propaganda, funds of German-owned firms, and secret funds of the German Nazi Government, have been expended for a number of years for the creation and support of an ostensibly native nationalistic press in Argentina, which served to prepare the seizure of power by the Argentine military government before June 4, 1943, and which then under a variety of changing titles and disguises has continued to be its main and often its only journalistic support.

German diplomats have consistently intervened in Argentine domestic politics with the purpose of postponing democratic elections and weakening and destroying the investigating and

legislative powers of the Argentine congress. They have frankly described their interests in, and activities for, the overthrow of the Argentine constitution and the establishment of an ostensibly "neutral" pro-German dictatorship.

As a result of all of these developments, the Argentine dictatorship which emerged after June 1943 represents a closely-woven unit of both Argentine and German or German-inspired totalitarian elements. Its armed forces, police and administration have constantly remained under the control of persons sympathetic to, or connected with, Axis interests. However much individuals have been shifted around from one position to another, the hold of these pro-Axis elements over nearly all the key positions in the government has remained constant. A similar consistent trend toward totalitarian repression, despite all surface changes made for reasons of tactical expedience, has remained clearly discernible in the continuing oppressive and cruel police regime imposed upon the country, as well as in many other totalitarian domestic policies of the government.

Among the resolutions and agreements of the Mexico Conference to which the Farrell Government subscribed were those relating to the rights of the individual, the realization of the objectives of the labor organizations of the American republics, educational freedom, and the freedom of the press.

#### *Police Repression and Terrorism*

"The American community maintains the following essential principles as governing the relations among the States composing it:

"11. The American States reiterate their fervent adherence to democratic principles, which they consider essential for the peace of America.

"12. The purpose of the State is the happiness of man in society. The interests of the community should be harmonized with the rights of the individual. The American

man cannot conceive of living without justice, just as he cannot conceive of living without liberty." (Resolution XI, Declaration of Mexico.)

The Argentine police have given invaluable aid to the cause of totalitarian government in Argentina. Penetrated by pro-Axis influences even before June 4, 1943, they have been greatly strengthened both in numbers and in equipment by the military regime. Pro-Fascist elements have consistently been confirmed in their control of strategic posts within the police. With control over the police increasingly centralized in the hands of the federal government, the Argentine police have become one of the chief pillars of the present Argentine regime and have not hesitated to use brutal and violent methods—including torture of political prisoners—in upholding it.

Within one year after seizing power the military regime had increased the openly admitted expenditures of the Capital Police by one-third the number of "police troops"—uniformed non-commissioned police agents—from 9,673 to 12,502, and the total number of employees from 13,912 to 18,394. This and later increases gave Buenos Aires a police force approximately as large as that of New York, a city three times as large, and necessitated the inauguration of special accelerated classes to train unprecedented numbers of new police officers at the Buenos Aires police academy. The size of the police has continued to grow in recent months, and the combined force of the Federal Capital Police and the newly-created Federal Police has been estimated at from 25,000 to over 30,000 as of late 1945.

Even before the June 4 coup the Federal Capital Police was headed by a well-known Axis sympathizer, General Domingo Martinez, who, as noted above, carried on secret negotiations with the Axis for the acquisition of armaments against the United States and other American republics. Although these negotiations were carried out on behalf of the Castillo Government, Martinez' membership in the military plot which led to the establishment of the June 4, 1943

dictatorship was expressly stated in a declaration of ex-President Castillo early in 1944. Martinez became the new regime's first Foreign Minister.

The position of pro-Axis elements within the police has grown stronger under the Farrell-Perón Government. Both Colonel Emilio Ramírez, the first Federal Police Chief, and Colonel Juan Filomeno Velazco, his successor and present head of the Argentine police, are known to be totalitarian sympathizers.

Colonel Velazco once stated that "the authorities . . . and particularly the police assign no importance to the so-called Nazi and Fascist tendencies." Instead the police have devoted strenuous efforts to suppressing pro-Allied organizations and democratic liberties within the country.

During the first year of the military government thousands of individuals, including most of the outstanding democratic leaders of Argentina, were arrested and arbitrarily imprisoned without trial or hearing. Many of them were held for months incommunicado without being informed of the reason for their detention.

After Argentina's declaration of war against the Axis on March 27, 1945 suppression of individual liberties was drastically extended. Under the authority of this declaration of war, as well as the state of siege, the Farrell Government choked off all criticism.

Among the most flagrant examples of violation of individual liberties which occurred after the Mexico Conference was the arrest of a large number of alleged "extremists" on April 21, 1945, two weeks after official recognition of the regime by the other American republics. The United States Embassy reported that "nearly all of those included in the list are known to the Embassy to be pro-democratic and pro-United Nations." The official communique of the government charged these individuals with plotting the "establishment of a Popular Assembly as the government." By May 26 the arrests made in connection with this alleged plot against the government numbered several hundreds.

At the time of the fall of Berlin the Farrell Government ruthlessly denied individual rights

in an effort to prevent demonstrations in favor of the United Nations. All kinds of public gatherings were banned including several scheduled acts of homage to the late President Roosevelt and to the United Nations, and throughout Argentina strict measures were taken to prevent unauthorized manifestations over the Allied victory. Armed police effectively carried out the orders of the government at the cost of considerable bloodshed.

On March 9, 1945 the Secretariat of Information issued a communique stating that "the only persons imprisoned are those who have committed crime." Yet considerable evidence was subsequently adduced in Buenos Aires and several provinces showing that prisoners were still being held for no reason except their political activities. On June 1, 1945 Colonel Perón admitted to the United States Ambassador that there were a great number of persons still being held as political prisoners. On June 9 the Chief of Police of Buenos Aires also belied the communique of the Secretariat of Information of March 9 by promising that all political prisoners at Villa Devoto, Martín García, and Neuquén would be set free. Again on June 29 the Minister of Interior issued a statement that Argentine prisons contained no political or social prisoners, but on the same day the Chief of the Buenos Aires police told the press that there were less than 200 political prisoners throughout the nation and that they would be released.

In September a new wave of arbitrary arrests began. The United States Embassy reported on October 6 that at least 1,000 political arrests had been made since September 25 and that several hundred were still imprisoned on September 30. The police proceeded with equal arbitrariness against universities and arrested, as is related later in more detail, over 2,000 persons connected with three major institutions.

Persons "provisionally" detained under the State of Siege have been subjected to prolonged imprisonment often exceeding one year, have been lodged as common criminals, and have repeatedly been denied even the constitutional right of having a defense attorney. The Argentine courts have revealed frequent cases in which

persons detained under the State of Siege were prevented by the police from choosing the constitutional alternative of going into exile. An official report of Argentine judges who visited Villa Devoto prison in Buenos Aires, furthermore, has revealed that students detained there for political reasons were kept in rooms measuring 25 by 12 meters and containing from 420 to 450 persons, with sanitary and other facilities absent or entirely inadequate.

More than one hundred former political prisoners have recently made torture charges against the Federal and Buenos Aires Provincial Police in affidavits presented to court in connection with a demand for prosecution of police agents named as responsible for these practices. These charges, covering a period from the start of the military regime through the first quarter of 1945, show a general agreement among all former prisoners on the identity of the worst offenders within the Argentine police, such as Cipriano Lombilla of the well-known Special Section and Carlos Melero of the Buenos Aires Provincial Police. They emphasize the fact that the preferred torture methods are repeated beatings and use of the "electric spur" which gives prolonged electrical shock treatment to sensitive parts of the body. They indicate that many other methods are used, ranging from lighted matches and cigarettes thrown on a prisoner's naked body to mental torture through the carrying out of mock executions—a method well known from the practice of the German SS and Gestapo.

In addition to the mistreatment of political prisoners, the Argentine police has been guilty of countless acts of brutality against civilians, while habitually tolerating armed violence against democratic elements on the part of pro-Axis and Nationalist groups. Thus it was that Argentines celebrating the liberation of Paris were charged by mounted police and police trucks, with many casualties—including those of women and children—resulting. Celebrations of the fall of Berlin were simply prohibited by the police, but police were sufficiently nervous to mistake innocent bystanders for "extremist agitators," to fire on them, and to kill one man while

wounding others. Police responsibility for this aggression was fully established in the courts, although it was declared impossible to determine the responsibility of individual agents.

At the same time the police have done little or nothing to prevent acts of violence by government supporters acting more or less openly at the instigation of the Farrell-Perón regime. They have permitted hoodlums to make a habit of attacking democratic newspapers, anti-government meetings, and Jewish and other quarters. Perhaps the most notable episode of this sort occurred on the occasion of Japanese surrender in August 1945, when several hundred uniformed soldiers led by their non-commissioned officers and heading a crowd of *Peronistas* laid armed siege to the office of *Critica*, assaulted passers-by who would not proclaim their loyalty to Perón, broke shop windows, and engaged in street battles with pro-democratic Argentines celebrating the fall of Japan. Police did nothing whatever to prevent this violence. More recently on December 8, 1945 police stood by while four persons were killed and many wounded in a battle between *Peronistas* and adherents of the anti-Perón Democratic Union. This battle began when the *Peronistas* fired on an open meeting of the Democratic Union from surrounding buildings, and the protected position of the *Peronistas* apparently induced the police to let events take their course with little interference.

With such well developed methods of repression and intimidation, with increased manpower and equipment, and with a staff including many strategically placed pro-totalitarian officers, the Argentine police under Filomeno Velazco have become one of the main pillars of the military regime. Both in protecting pro-Nazis, and in attacking pro-Allied and pro-democratic Argentines the police have helped to install totalitarian government in Argentina.

It is significant in this connection that Colonel Velazco of the Federal Police was removed from office at the same time as Colonel Perón in mid-October and immediately restored to power when Perón again openly assumed control of the regime.

### *Totalitarian Control of Labor*

"To take appropriate steps to assure to the workers of the American Republics, under conditions of progressive economic development, the realization of the objectives set forth in the Declaration of Philadelphia, adopted by the International Labor Conference." (Resolution LI, Inter-American Conference on Problems of War and Peace.)

Before the military authorities seized control of the Argentine Government, Argentine labor was entirely autonomous, and was a principal force within the country working for internal democratization and for aid to the United Nations. Organized by crafts, it numbered 540,000 out of a labor force of five and a half millions. Sixty per cent of all union members (330,000) belonged to the *Confederación General del Trabajo* (CGT), twenty per cent (120,000) to independent unions, twelve per cent to Catholic welfare organizations, and the remaining eight per cent to the *Unión Sindical Argentina* (USA).

In late 1942 and early 1943, just before the revolution, the majority labor federation, the CGT, was divided by a serious factional dispute. The right wing, retaining its name, followed Secretary-General José Domenech, a Socialist who wished to expel Communist leaders from the CGT. The left wing, known as List No. 2, followed Francisco Pérez Leiros, another Socialist, who accepted Communists within the Confederation. It was this split in the CGT which was to be the basis of the military government's campaign to end union autonomy in Argentina.

The destruction of organized labor was projected from the beginning of the military government and the latter proceeded to carry out its program with ruthlessness and thoroughness. Following the pattern of Mussolini's Fascist state and of Nazi Germany, it employed the methods of propaganda, demagoguery, suppression, provocation, infiltration and terrorism.

The basic intention of the new military regime to break the back of the autonomous labor

movement in Argentina was shown on June 9, 1943, only six days after the revolution. Dr. Emilio Pellet Lastra, President of the National Labor Department, stated that his Department would listen to labor petitions provided that they were presented "with the greatest respect" and that they fulfilled the following conditions: "The unions should not act with political ends nor, on fictitious pretexts, provoke strikes nor originate movements which could alarm public opinion, but rather place their trust in the constant and patriotic preoccupation of the State to attend and find the adequate solution to the social problem."

On July 12 the government dissolved the entire List No. 2 of the *Confederación General del Trabajo*, seized their funds, closed their headquarters, and imprisoned numbers of their leaders. Unions belonging to the Domenech or more conservative wing of the CGT were intervened by army and navy officers. On August 25 the two powerful railway brotherhoods, the *Unión Ferroviaria* (90,000 members) and *La Fraternidad* (15,000 members) were intervened by the government, their elected officers ousted, and their funds and headquarters seized.

The ideology underlying the government's labor program was based upon that of the corporate state of Mussolini, Hitler and Franco. All industry and labor were to be organized under government control into one giant "syndicate" or state union. On May 2, 1944, Colonel Perón described this single syndicate as a strict and disciplined hierarchy modelled on the army.

As special adviser, Colonel Perón brought into the Labor Secretariat Dr. José Figuerola, formerly advisor on labor matters to the Spanish military dictator Miguel Primo de Rivera (1923-1930). Figuerola is the exponent of the Fascist corporative type of labor organization. In 1942, in his work on labor problems of Hispanoamerica he advocated an "organism which may at once represent both employers and workers," in keeping with "the corporative spirit of labor."

It is clear, from the statements of the Secretariat's controlling theoreticians, as well as from its actions, that the government labor program is deliberate, well-planned, and totali-

tarian in its aims. Those aims include: (1) state control of labor unions; (2) expulsion of the former leaders from their unions; (3) creation of a single labor syndicate along the lines of that in Fascist Italy; (4) imposition of army discipline and hierarchy on workers' organizations; (5) elimination of all political activities within unions; (6) and final control of workers so that their demands do not go beyond what the State deems "just" and "reasonable."

The Labor Secretariat was the instrument through which the government after November 1943 controlled labor unions in Argentina. With branches established throughout the provinces, and with a huge budget for propaganda purposes, the Secretariat embarked on a program that included: (1) an intensive publicity campaign aimed at winning over workers to the government; (2) the use of agents to supplant legally elected labor leaders in control of unions; and (3) the organizing of "spontaneous" demonstrations in favor of Colonel Perón. In addition, the labor program included the use of hired thugs and police agents for intimidation where these tactics failed.

By November 1943 when Colonel Perón reorganized the National Labor and Social Welfare, half of the *Confederación General del Trabajo* was already suppressed, its leaders imprisoned and exiled, its headquarters closed, its funds impounded, and its members forbidden by police edict to hold meetings. In this way the most militant and best organized sector of opposition labor was denied the right of legal existence. No contract signed by a member union of the former List No. 2 was allowed legal validity.

Since 1943 no Argentine union has had a free election. The government appointed Alcides E. Montiel as Secretary-General of the CGT, succeeding José Domenech, and Montiel and his executive committee served until September 1945, when they were succeeded by a slate headed by Silverio Pontieri. At no time were elections held; officers were merely appointed by the Secretariat of Labor and Welfare.

When it proved impossible to control unions

through collaborationist leaders or appointive officers, the Secretariat of Labor resorted to strong-arm methods, often with the active or passive support of police. The Labor Secretariat has used organizational and terroristic tactics to create pro-government demonstrations, bringing workers on chartered trains to Buenos Aires when impressive labor meetings were desired. The most spectacular example of strong-arm methods occurred on October 16, 1945 when the *Confederación General del Trabajo* with police aid staged a nationwide general strike in support of Colonel Perón. Workers were terrorized and businesses closed at the point of a gun. Factories were assaulted while police protected the demonstrators. The testimony on this score is overwhelming.

It is well known that during the latter half of 1945 the Labor Secretariat's propaganda facilities have been used to organize the political campaign of Colonel Perón for the Argentine presidency, that political demonstrations of labor in favor of Perón have been arranged by the government, that buses and trains have been chartered by the government to bring workers to swell the labor ranks for these demonstrations, and that government workers and employees are obliged to attend them.

Colonel Perón has not only thus used the controlled labor unions in support of his future presidential candidacy, but he has even threatened to arm them in a civil war against the rest of the population.

To sum up, the Argentine Government, through the agency of the Secretariat of Labor and Social Welfare, has ended the autonomy of the labor movement by imprisoning its leaders, by closing all independent unions and by maintaining them under an illegal status; it has created its own corporative labor organizations, ended free collective bargaining, outlawed strikes, abolished union elections and made of labor thus organized a weapon for terrorizing other sectors of the population in support of its totalitarian program.

It was for these reasons that Argentine labor delegates were unanimously excluded from the Paris conference of the International Labor

Office. The Argentine Labor delegates were not acceptable, the ILO voted, because the Argentine Government was a "de facto war government that had established a state of siege in the country, suppressed essential civic liberties and rights that are incorporated in the ILO's constitution . . . and deprived trade unions of freedom of action and even of their leaders." Argentine workers under the military dictatorship, the statement said, did not enjoy freedom of association, freedom of action, or freedom of speech.

### *Perversion of Educational System*

"To recommend to the Governments of the American Republics that they exercise the greatest care in order that teaching in their schools may be in harmony with the democratic principles of peace and justice upon which the inter-American system is based." (Resolution XXIX, Inter-American Conference on Problems of War and Peace.)

Soon after seizing control in 1943 the military government set out to dominate the educational system of the country and to convert it into an instrument of authoritarian and nationalist propaganda. During the first two years of their power they widely extended their control and drastically subverted the great Argentine tradition of liberalism and academic freedom. Their educational program took the form of intervention by the federal government in educational agencies, repression of student organizations, attacks upon progressive education, and an instructional emphasis upon authoritarianism.

The pattern of repressive action in the field of education has been repeated time and again since June 1943. All professors and other educators who petitioned the government in October 1943 for the observance of constitutional guarantees including freedom of assembly and of the press and for the fulfillment of Argentina's international obligations were dismissed from office and many of them were forced into exile. Student organizations which sympathized with the dismissed educators were dissolved by the

government, and interventors of ultra-nationalistic, ultra-conservative, and in some cases pro-Axis stripe were put in charge of all the Argentine universities as well as of the National Council of Education. In this way the military rulers of Argentina succeeded in purging the educational system of so-called "disruptive" elements. Under this program neither teachers nor students were deemed to have any rights as such and free intellectual inquiry was stifled.

In February 1945 on the eve of the Mexico City Conference, when the Argentine authorities, unrecognized by most of the governments of the world, were anxiously seeking to arouse sympathy abroad, they arranged by decree to call elections in four of the national universities —elections which resulted in the choice of pro-democratic officials. They also issued other decrees declaring that the professors and secondary school teachers who had been dismissed for signing the so-called October [1943] manifesto were restored to their chairs and teaching functions. Six months later, however, in August 1945, the government once more persecuted educators who dared to protest against the government's Fascist-totalitarian actions. After government troops staged a bloody demonstration in Buenos Aires shouting, under their commanders' orders, in favor of Hitler, Mussolini, and Perón and "Down with Democracy", the universities and secondary schools launched a protest strike. For this act they were severely disciplined by the military government, and twenty-four secondary school teachers who had favored the strike were immediately dismissed from their positions.

During the wave of terrorism and reprisals with which the government answered the pro-democratic demonstration called the March of the Constitution on September 19, 1945, the military authorities imprisoned all six of the rectors and many of the deans of the universities. At the same time the police arrested between 1500 and 2000 students and professors in Buenos Aires including nearly 200 girls and wives of professors. On October 4 they arrested about 250 students including many girls, at La Plata University, and on October 7 they arrested

some 350 students and other persons connected with the University of the Litoral in Santa Fé. The disgust and the resultant increase in unpopularity which these arbitrary arrests provoked for the regime throughout Argentina were a major factor in the resignation of Perón from all his governmental posts on October 9. In the light of these recent repressive actions against the Argentine educational system it is clear that the government's vaunted abandonment of repressive action against education before and after the Mexico City Conference was a mere facade. Its long record of interference with education shows that no genuine reform in the interests of academic freedom and democratic educational controls can be expected as long as Farrell, Perón, and their military associates govern Argentina.

In their efforts to bring Argentine education effectively under their control, the military rulers also undertook to use the public educational system as a means of nationalist and authoritarian indoctrination. Perón made clear in his address inaugurating the new chair of National Defense at the University of La Plata on June 10, 1944 that the government aimed at nothing less than the creation of a thoroughly regimented totalitarian state dedicated to the pursuit of a warlike life and a war economy. All the best minds of the nation, he declared, must know, must study, and must understand war as the only way of preparing for the day when "God should decide that the clarion call of war must resound on the banks of the Rio de la Plata." It would, therefore, he explained, be necessary to orient the professional education of Argentine youth" toward the ideal of "the nation in arms".

From the very beginning of the military regime the Ministry of Justice and Public Instruction has been headed by men who sympathized with this ideal and who sought to realize it. Their primary purpose was to instill in Argentine youth an intense nationalist feeling, respect for hierarchical organization, willingness to subordinate the individual to the state, and emphasis upon things Argentine. In line with

these purposes, for instance, the primary teachers in the Province of Santa Fé were instructed in August 1943 to "take advantage of every opportunity to exalt the sentiment of the fatherland . . . [and] to give to military glory and deeds of arms the preferred place which they deserve." As another example of nationalist propaganda, this time in higher education, Dr. Rómulo Etcheverry Boneo, then interventor of the University of Litoral and later Minister of Education and Justice, stated during the celebration of the first anniversary of the military government that the University's program aimed among other things at "the restoration of nationalist feeling" and of the concept of "hierarchy". If this purpose has been less blatantly avowed or less fanatically pursued during the past year there is no assurance that the military rulers of Argentina and Perón in particular have permanently abandoned it or that if democratic pressure is removed they will not impose even more drastic restraints upon the Argentine educational system.

#### *Control of the Press*

"(1) That the American Republics recognize their essential obligation to guarantee to their people, free and impartial access to sources of information.

"(2) That having this guarantee in view, they undertake, upon the conclusion of the war the earliest possible abandonment of those measures of censorship . . . which have been necessary in wartime. . . ." (Resolution XXVII, Inter-American Conference on Problems of War and Peace.)

From the very beginning the military authorities undertook to make certain that the activities of journalists and newspapers remained in harmony with the government's objectives. In October 1943 a special Subsecretariat of Information and Press was created, "to assure the dignity of the right of free expression of ideas and to contribute to the defense and glorification of the historic character, the

culture, moral and spiritual values of the Argentine people." Later, on January 5, 1944, there was promulgated a basic press decree under the ambiguous provisions of which unlimited press censorship could be accomplished.

Under this decree virtually all the democratic newspapers in Buenos Aires, including the great *La Nación* and *La Prensa*, and other opposition organs in the provinces, were intimidated, suspended, "intervened", or fined. Leading journalists and editors were personally threatened, arrested, forced into voluntary exile, or coerced into printing retractions of articles considered offensive to the government.

The military authorities also extended the area of their control to foreign press associations and cable companies, forcing them to submit to the establishment of censors representing the National Post Office who edited and revised messages before they were allowed to be transmitted. As early as March 1944 the United Press and its Argentine subsidiary *Prensa Unida* were suspended ostensibly for sending out news regarding a revolt organized by a Colonel Ducó. In reality, this move was directed not only against UP's practice of sending out news from points outside Argentina, thus avoiding Argentine censorship, but also against the editorial policy of *La Prensa*. United Press was allowed to resume operation only after making a complete and public admission of alleged irregularities in the Ducó case. The Argentine authorities moved also against the Associated Press alleging similar irregularities in the transmission of news. Many similarly repressive actions were also directed against American correspondents in Argentina.

Although the Argentine Government has recently made a considerable show of relaxing its repressive policies, every major abuse which occurred during the first two years of the military dictatorship has been repeated at some time during the last six months.

Despite the fact that on June 13, 1945 Dr. Oscar Lomuto, Under Secretary of Information, informed the United States Ambassador that the censorship of incoming and outgoing des-

patches was totally abolished, and although the assurances were finally publicly implemented by a decree of October 10, 1945, the authorities continued to interfere with the transmission of news despatches. On September 27, 1945, two press despatches filed with the Post Office by a correspondent of the Chicago *Sun* were returned without being sent. On the following day the Associated Press, the United Press and the British-owned Reuter News Agency were warned by telephone not to transmit messages which might "incite treason against the duly constituted national and provincial authorities." The government also prohibited the transmission of despatches of the United Press on September 28 and 29. On October 3, 1945 the West Telegraph Company [British] was ordered verbally by a representative of the Post Office not to send out any material regarding the current political situation.

The military authorities also have subjected many newspapers and journalists to suspension or arrests in recent months for printing articles critical of their policies. On September 26 and 27 persons, editors, and directors, affiliated with the Buenos Aires dailies *La Prensa*, *La Nación*, *La Razón*, *Critica* and *Noticias Gráficas* were arrested and held for varying lengths of time in the Villa Devoto Prison. Their newspapers were ordered by telephone on September 26 and on succeeding days to publish no article of local news excepting official releases, nor any editorial comment or foreign cable regarding the internal situation which would be unfavorable to the government. Specific injunctions were given against publishing the names of political prisoners arrested on September 26 and 27, and against publishing any report of the University situation and of the student strike which commenced on October 3. On October 8-9, the police confiscated copies of *La Vanguardia* without a written order because it had published the full account of a Supreme Court decision. On October 10, the police entered and suspended *El Mundo*, *La Razón*, the Buenos Aires *Herald* and certain newspapers in the provinces. *Critica* was compelled to reorganize its staff, to drop

its criticism of the government and to eliminate certain persons designated by the authorities before it was permitted to resume publication. *La Vanguardia* was refused for distribution by the Post Office on October 23 despite repeated promises that it would be allowed to circulate freely. On December 12, 1945 the police raided the offices of the magazine *Hoy* and the student publication *El Ciudadano*, confiscating current issues.

The authorities have permitted many newspapers critical of the regime to resume publication in recent months, but it is evident that they are still attempting to deprive journalists of full liberty of expression in connection with the present electoral campaign. When on November 21, 1945 the Ministry of Interior issued orders to the Director of Posts and Telegraphs to assure the prompt distribution of political propaganda from all parties, such stringent regulations were attached that the effectiveness of the directive was largely nullified. The Ministry of Interior sought to secure the collaboration of the influential Press Association [Círculo de Prensa] in implementing this order by making its members "judges" to whom would be shown material which the Post Office authorities refused to circulate. The Press Association did not cooperate. On January 8, 1946 the Secretariat of Press and Information broadcast a communique alleging that the press, availing itself of the recently permitted liberty of action despite the existence of a state of siege, was publishing tendentious information, that the press had lost sight of its informative functions and that it was distorting or magnifying facts to inflame the collective sentiment. The communique tersely warned that unless this type of reporting was halted, "the government will adopt appropriate measures for safeguarding the rights of the citizenry."

It must be noted that democratic papers have feared, among other actions to implement the threat, discrimination in the supply of newsprint, government controlled by the Secretary of Industry and Commerce under a decree of December 27, 1945.

In addition to these restrictive and arbitrary measures carried out against Argentine journalists and newspapers, events indicate that the military authorities have in recent months tolerated or in some instances even provoked the sacking of certain pro-democratic newspaper offices in Buenos Aires and in the provinces. The police have remained apathetically in the background or have taken an active part in favor of those promoting the disturbances. As examples of these attacks there may be cited the raids which were carried out against the Buenos Aires dailies *Critica* and *El Día* on October 18, and against *El Mundo* on October 26, when crowds emerged from the Ministry of Industry to participate in the assault. During the month of October many provincial newspapers were also subjected to this sort of mob violence, *La Tribuna* of Rosario being attacked upon four different occasions within seven days.

As for the radio, although in recent months the government appears to have relaxed many of the restrictions which place drastic limitations on the types of subjects which might be discussed on the air, incidents have occurred as for instance in connection with the current presidential electoral campaign which prove conclusively that the authorities are still attempting to retain control over broadcasting. For instance, a decree issued by the Minister of Interior in November 1945, providing for the broadcast of propaganda of political parties, imposed numerous restrictions, including the provision that the texts of such speeches should be previously cleared by the legal authorities of the political party, by the radio station over which the broadcast was to be made, and by the Subsecretariat of Press and Information. This last requirement was apparently modified by December 1, but the alteration meant little since on January 8, 1946, following an address by Enrique Mosca, vice-presidential candidate of the *Unión Democrática*, the Subsecretariat of Press and Information broadcast a communique of the Ministry of Interior which pointedly reminded political parties that exemption from prior clearance of radio scripts

carried a certain moral obligation. The communique asserted that Mosca's address had been calculated to inflame passions, deepen antagonisms and sow public discontent, and ominously warned that unless radio speeches in the future were contained within permissible limits, the Ministry of Interior would be forced to withdraw these privileges.

### *The Military Program*

The Farrell Government has justified the largest military program in the history of the nation on grounds of essential national defense. Although such grounds could be legitimate, the disclosures of intrigues with Axis agents and of conspiracies against the governments of neighboring countries, involving figures who are or have been prominent in the Farrell Government, can reasonably cause the American republics to question the sincerity of this justification. Furthermore, there will clearly be grounds for doubt and mistrust so long as power in Argentina remains in the hands of men like Colonel Perón, who on June 10, 1944, justified continued adherence to the *von der Goltz* concept of the "nation in arms" and to the *von Bernhardi* concept of "might" by declaring

The Statesmen of the principal countries engaged in the war—whether under the sign of a "New Order" or under the banner of the "United Nations"—are showing the people of their countries that there must be a future happiness based upon an uninterrupted peace and cordiality among nations and the promise of a true social justice between the nations. This mirage can be no more than a hope for those people who, worn out by the long and cruel struggle, see in the hope of future happiness the necessary inducement for obtaining the last effort in the procuring of a triumph which will assure a proper existence for their respective nations . . .

But we humans, made of earth and being

the constituent cells of nations, we will never be able to find the ideal solution of the complex problems of every social, political, economic, financial, etc. order which will assure an uninterrupted universal peace.

In keeping with this extraordinary estimate of the world situation, which found no reason for moral differentiation between the United Nations and the "New Order", and which viewed with complete skepticism humanity's hope of establishing a world organization based on the repudiation of force, on November 17, 1944 the Argentine Government issued a decree concerning army reorganization, the very broad terms of which laid a basis for the training of all male citizens from 12 to 50 years of age before, during, and after military conscription, and for creation of a women's auxiliary. The concept of "pre-" and "post-conscription" was typical of the old world totalitarian regimes, and the announcement of this decree raised fears and a storm of disapproval within the Hemisphere. The Montevideo newspaper *La Mañana*, on November 21, 1944 made an editorial comment which is typical:

This proposal to reorganize or modernize the armed forces is not what is saddening, but the pointed bellicosity of preparing "the nation for war".

The editorial pointed out the disturbing similarity between the proposed scheme and the military organizations of the totalitarian nations.

In an attempt to rectify the bad impression made by the decree, the Argentine authorities stated that they did not intend to establish military training for young people, and they have in fact so far introduced only physical training, for boys in their teens. This, however, does not modify the underlying concepts nor weaken the potential use which can be made of the decree.

The authors of some of the most blatant mili-

taristic statements\*, made in June and July 1944 when a Nazi victory over the Allied armies still seemed conceivable, were dismissed from public office or relegated to the background at a time when the signs of Axis defeat became unmistakable. However, the more important and powerful individuals who appointed these militaristic spokesmen remained in power.

### *Military Expenditures*

The expenditures for military purposes of the present regime during the fiscal year which ended December 31, 1945 amounted to slightly more than one half of its total expenditures, according to official budget estimates made public early in December. The total foreseen expenditure was 2,850,000,000 pesos, of which 1,428,000,000 pesos were direct military expenditures not counting an undetermined sum for possible indirect military expenditures classified under non-military headings. Chief among the latter were probably

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\* e.g. Dr. Alberto Baldrich, Minister of Justice and Public Instruction, 2 May 44—26 Aug. 44: "When the sword of the military is unsheathed it is not merely a piece of shining metal but a materialization of the spirit in which is present nothing less than the Fatherland itself . . . For this reason, to have a Fatherland and to be its soldier is one and the same thing." ("El Ejército Argentino Como Orden de Caballería," *Gaceta Oficial, Club Municipalidad de la Ciudad de Buenos Aires*, May 1944, pp. 9-10.); and Dr. Ignacio B. Anzoátegui, Undersecretary of Culture, 11 July 44—May 45: "The State is an order that is at once warlike and cultural. If the frontiers won by arms gave us a way of dying, existence within those frontiers gave us a way of life. For the Fatherland demands of us a way of death and of life that forms part of our very being; it is a society that is by definition an army whose arms are prepared for battle and whose souls are prepared for flight." [Boletín del Ministerio de Justicia e Instrucción Pública de la Nación Argentina, año VII, no. 53, July 1944, p. 1062.]

military projects included in public works appropriations.

The rise in military expenditures based upon figures for both ordinary and extraordinary expenditures has been as follows: (millions of pesos)

1941—298; 1942— 424; 1943—535;  
1944—973; 1945—1428.

The division of the expenditures among the various military forces was as follows: (millions of pesos)

Army	785
Navy	238
Aviation	211
Military factories	194
	1,428

Military expenditures in 1945 were over four times those authorized in 1941, and represented 50.1% of total expenditures as compared with 22% in the former year. Ordinary revenues estimated in the budget for 1945 amounted to 1,355,000,000 pesos, leaving a balance of 1,495,000,000 pesos presumably to be covered from the proceeds of bond issues. Military expenditures during the year thus comprised approximately 105% of total ordinary revenue.

The present total expenditure of more than 2,800,000,000 pesos is the largest in Argentina's history. As compared with the 1942 expenditures, which amounted to 1,526,100,000 pesos, the increase is almost 87 per cent.

Until the final year of this period Argentina maintained technical neutrality. Its participation in the war during 1945 was merely symbolical.

## PART IV

### CONCLUDING STATEMENT

In October 1945, when consultation concerning the Argentine situation was requested by the United States, it had substantial reason to believe from the evidence then at its disposal that the present Argentine Government and many of its high officials were so seriously compromised in their relations with the enemy that trust and confidence could not be reposed in that government.

Now the Government of the United States possesses a wealth of incontrovertible evidence. This document, based on that evidence, speaks for itself.

The Government of the United States looks forward to receiving from the governments of the other American republics the benefit of their views in the premises.





**T**HOSE who think that we have crushed fascism once and for all, that the danger is past, should read this shocking Report. More damning evidence has seldom been assembled against a so-called "friendly" nation—evidence based on letters, captured documents never before released, secret agreements, interviews with Nazi officials and on the whole public record of brutal terrorism which characterizes the present Argentine Government, and which threatens increasingly the peace of this hemisphere and the world.

*Time Magazine*

"Written in a language no nation advisably uses unless it is prepared to go to war."

*N. Y. Herald Tribune*

"Exposees Colonel Juan Peron and other leading public figures as secret members of a far-flung nest of Axis agents."

*N. Y. Post*

"Records in shocking detail how the Argentine dictatorship actively worked for an Axis victory."

*N. Y. Times*

"Proves beyond any reasonable doubt that the Costello, Ramirez and Farrell-Peron governments of Argentina were active partners in the Axis during the war. Captured German documents give places, dates and names."

*Dr. Juan Isaac Cooke, Argentina's Foreign Minister*

"Totally false."

*Sumner Welles*

"It will arouse suspicion and hostility toward the United States throughout Latin America for a long time to come."

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