

● PSF

Peru

1936-37 and 1944



DEPARTMENT OF STATE
WASHINGTON

January 9, 1936

PSF
G. J. Hill
Peru - 1936

My dear Mr. President:

Referring to your memorandum of December 16, 1935, sending for my perusal a letter of November 3, 1935, from the Honorable Fred Morris Dearing, American Ambassador to Peru, I am returning the Ambassador's letter herewith, together with a memorandum touching upon the various subjects discussed by him, as of possible assistance to you in drafting a reply.

Faithfully yours,

Enclosures:

- (1) Letter of November 3, 1935, from Mr. Dearing.
- (2) Memorandum.

The President,
The White House.

MEMORANDUM

1. Provision for widows of Foreign Service Officers.

The position has been taken that until Congress shall by legislation have put the existing retirement fund for Foreign Service officers in a solvent condition it would be idle to present to that body a request for the pensioning of widows of Foreign Service officers although it is believed that eventually some provision should be made for widows.

2. Retirement allowances. The maximum retirement pay of Foreign Service officers having reached the age of 65 or having had thirty years service is 60 per cent of their average salary for the ten years preceding retirement. It is believed that Congress would not entertain a request for a more liberal retirement allowance at this time.

3. Buildings for Foreign Service establishments.

In addition to appropriations for acquisition of buildings at specific places, Congress appropriated ten millions of dollars for the acquisition of diplomatic and consular buildings, almost all of which amount has been expended. A program for further appropriations was presented last winter and is being presented again this winter. If money should be made available the existing Foreign Ser-

vice

vice Buildings Office is quite capable of expending it under the direction of the Buildings Commission both wisely and economically. The need is for money with which to acquire buildings abroad and not for an elaborate organization such as suggested.

4. Motor cars for Foreign Service establishments.

Our Ministers and Ambassadors should obviously be provided with motor cars at public expense. President Hoover considered requesting an appropriation for that purpose and abandoned the matter when he found how much it would cost. A request for funds for motor cars has not been presented to Congress because it has not been possible to obtain enough money for other more necessary purposes.

5. Representation allowances. The President has this year recommended the restoration of a modest amount for representation and an appropriation for that purpose is included in the estimates for 1937. It should be granted and the amount increased from year to year until reasonable expenses of representation are provided for.

6. Income tax on Foreign Service salaries. Americans carrying on business in foreign countries are exempted from payment of income tax in the United

States

States on the theory that they pay income tax to foreign governments on incomes earned in the place of their foreign residence. All employees of the United States Government are required to pay income tax, and it is felt that Congress would not look with favor upon a recommendation to exempt from the payment of income tax those Government employees who happen to reside abroad none of whom pay an income tax to any foreign government on their governmental salaries.

7. The devalorization of the dollar as it affects the Foreign Service. With regard to the view expressed that the existing provision for reimbursement of losses arising from appreciation of foreign currencies in relation to the dollar is not equitable and that the only proper remedy is to increase all Foreign Service salaries 40 per cent, it should be said that the existing system for the reimbursement of losses arising from the devaluation of the dollar is the most generous arrangement that it was possible to obtain from Congress at the time. It is not believed that the Congress would undertake to increase salaries of employees of the United States residing abroad by 40 per cent.

8. Length of tenure of office. The views expressed with regard to not permitting Foreign Service officers

to

to preempt desirable or important posts or to be kept too long at dreary and unhealthful ones agree entirely with those of the Foreign Service Personnel Board, which is endeavoring to carry those principles into practice.

9. Accounts. The recommendation that a disbursing and accounting officer be assigned to every mission and large consular office is contrary to the present tendency. There is a central Disbursing Office in Paris which handles the major disbursements for the Foreign Service for the most of Europe; another office in Ottawa disburses for the whole of Canada; another in Mexico City for Mexico and certain parts of Central America. This system is gradually being extended and will eventually relieve all offices abroad of most of their disbursing troubles.

10. Private secretaries. Steps to seek appropriations for private secretaries for ambassadors have been avoided purposely, it being deemed wiser that Foreign Service officers and regularly employed clerks should perform the duties of private secretaries, rather than to provide for private secretaries to be selected and appointed by the ambassadors themselves and who would not be regular members of the Service. Experience so far has fully justified this course.

THE WHITE HOUSE
WASHINGTON

*"file
Personal"
-Peru-*

February 6, 1936.

MEMORANDUM FOR
THE UNDER SECRETARY OF STATE

Will you speak to me
about this?

F. D. R.

PSF: Peru

Huacachina, Peru, January 17, 1936.

PERSONAL

Dear Mr. President:

I cannot deny that I am disappointed that you could not send me to Turkey but I am glad to declare that you could not possibly have picked a better man for the place than Jackey MacMurray. He is one of the very best, his wife is delightful, his abilities and experience are unique, and I am certain you and the country will be well served as long as he remains at Istambul.

But this leaves me still on your shoulders and now you will have to send me to Russia when Bill Bullitt leaves, (I have served in Russia and I know Russian) or ask John Cudahy if he doesn't want to change with me, (tell him there are lots of nice Englishmen and Peruvians to play polo with and more in Chile and Argentina just to the south of us) or perhaps Bowers having made the acquaintance of the mother country

The President,

would

The White House,

Washington, D.C.

would now like to see how one of the daughters has developed, or may be Breck Long will decide to go home some day. But in any case I shall have to leave the matter to you. Please don't forget us and please give us a move when you can.

Dorothy and I are down here an hour and a half from Lima by plane at Huacachina hoping we shall find it a pool of Siloam or Ponce de Leon's fountain. The air is dry as an old gourd, the laguna is as green as spinach, the dunes are as tawny as lions and the sky is a matchless blue. I have been rather more than usually ill in Lima and simply had to rest for awhile and run things by telephone for a day or two as we can do. The water of the lake has radium in it, which is fine if you don't stay in too long, the drinking water chases most of the toxins out of one's system, and the air is divine to breathe. But the drawbacks in this Paradise are a very primitive hotel, carelessly prepared food, and rats, flies and mosquitos. But it could be made a marvelous place.

Some day when you have laid down the cares of

office

office you must come here. If swimming at Warm Springs does you good, paddling about in this strange lagoon might do you even more. Under the blazing sun the water becomes very warm on top. Underneath the cold springs which replenish it and offset the evaporation make it cold. It is literally as green and as thick as spinach soup and having the chemicals composing eggs in it, it sometimes smells pretty sulphurous. It is undoubtedly potent and sensitive flowers like myself cannot stay in it for more than two or three minutes. It makes your skin like satin and your hair like silk and sends your nerves on a joy ride. You then eat like an ogre and sleep like an angel. Pizarro should have put the capital here and not in Lima.

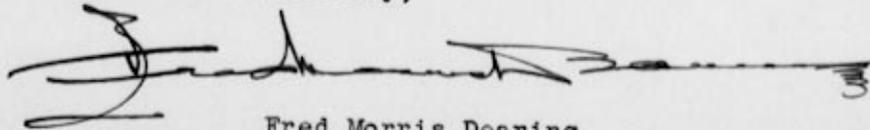
I saw some more fascinating war documents before I left Lima, but unfortunately was so done up and our clerks were so overworked and ill (Wilbur Carr, God Bless Him, has cut off one of them because he has no money - which has not stopped the narcotic control
from

from asking us for a lot of extra translations) that it was impossible to make a record for you. They were a fifty page resumé of the whole history of the war thus far, the Eden proposals to Mussolini, and the latter's version of events and rejection of the Eden suggestions.

There have been no exceptional developments in Peruvian affairs. Oreamuno is here representing the American Bondholders General Advisory Committee and we hope to induce the Government to resume service and drop the idea of trying to buy up bonds depreciated by their own action. They do not seem to understand that credit and good faith simply cannot be reestablished on such a basis.

Dorothy is working hard on the Ethiopian verses, but joins me in good wishes to you and Mrs. Roosevelt. See if you can answer this one. An Hellenic farmer ploughing in the fields of Greece turns up the arms of the Venus de Milo. Do they belong to Venus, to the farmer or to the Government at Athens?

Yours most sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing', with a long horizontal flourish extending to the right.

Fred Morris Dearing.

PSF Peru

March 3, 1936.

Dear Fred:-

Many thanks for that most interesting catalogue of Peruvian stamp issues. My Spanish is rather crude but I can understand most of it.

Thank you so much for making the Ourslers' visit so pleasant. We have heard that they were thrilled by all you did for them. I am glad you were in an armored automobile when the bull charged you. Lima sounds like a somewhat exciting spot!

Always sincerely,

Honorable Fred Morris Dearing,
American Embassy,
Lima,
Peru.

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Lima, February 8, 1936.

Personal

My dear Mr. President:

You will observe from the enclosed photograph that I met the boat. The Ourslers are perfectly charming and you could not have sent us more welcome visitors.

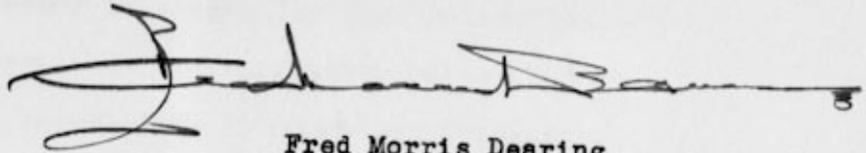
They are off this morning to see a special exhibition of Inca textiles which we were able to arrange for them; tonight we are taking them to a cock-fight - which they were very anxious to see - and tomorrow night we shall have a harpist from the hills, clad in ancient costume, come and play Inca music for them. We are bringing them into touch with a number of charming Peruvians, and the President has promised us an audience early next week. We hope so much, therefore, that when your friends

The President
The White House,
Washington, D.C.

get back home they will be able to report that they had a pleasant time while they were in Lima.

With warmest good wishes to Mrs. Roosevelt and yourself from Dorothy and me,

Yours as ever,



Fred Morris Dearing

Enclosure:

Photograph as stated.

Later. 2-10-36.

P3. They were enchanted by the textiles. Excited but a little horrified at the Cook fight. We were able to take them to a "Morillada" (amateur Bull Fight) Sunday. The first bull escaped twice, the second once and the first one on the second escape charged into our car. Excitement but no heart failure. The harpist brought two little children to dance and they were the success of last night's dinner. This afternoon we see the President, tomorrow the Foreign Minister.

P3. They promise to send us "The President's Mystery Story" *Fred*

Lima, January 30, 1936.

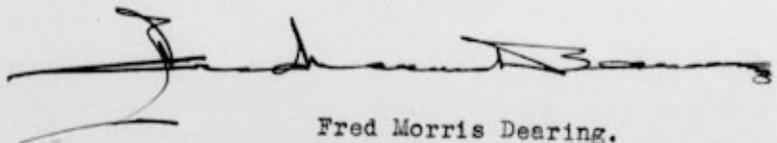
Personal

My dear Mr. President:

Some time ago I had the pleasure of sending you a few Peruvian stamps for your collection. On the occasion of your birthday, please let me send you a descriptive catalogus of Peruvian stamp issues prepared by a Señor Valdez, who is supposed to be the foremost philatelist of the country. I hope it will give you information regarding any of the stamps about which you may have any doubt, and I wish you many happy returns of January 30th.

My wife joins me in good wishes,

Yours most sincerely,



Fred Morris Dearing.

The President,
The White House,
Washington, D.C.
U.S.A.

PSF: Peru

file
personal

Peru
Bureau 2 -

Lima, March 10, 1936.

Personal

My dear Mr. President:

It is about time, I expect, to give you another brief resumé of what is happening in this part of the world:

Secretary Morgenthau's decision to buy the Peruvian silver output has just been announced and may have more effects than one. An immediate result, however, may be that of taking some of the tension out of the situation at the Cerro de Pasco Copper Corporation mines where we hear that, on account of the drop in price to around forty-two cents, the management has cut wages by ten per cent. The cut represents an increase of ten per cent which was voluntarily accorded some months ago when the price of silver got above seventy cents. However, the intelligence of most of the miners will not take this price fluctuation into account, and

up

The President,
The White House,
Washington,
D.C.

up to a few days ago some trouble was expected and troops, I understand, were sent up the Hill to be in readiness for it. I don't know what price Mr. Morgenthau is going to pay or whether it will prevent the salary cut from being carried out, but I hope it will somewhat soften the resentment of the miners as we have a great many Americans up in the central part of the country where the mines are situated and I do not want them to be placed in danger as they have been in previous years. Moreover, the "good-neighbor" policy is making so much good will for us that I do not like to see our companies associated with wage cuts which must necessarily cause resentment.

I fancy that by now it is only the situation in Paraguay that prevents you from going rapidly forward with the Inter-American Peace Conference. I do not, of course, wish to appear too wise, but it seems to me it was a mistake to enter into any sort of an agreement, even though it was tacit, to take action similar to that of all the nations participating in the Buenos Aires Conference in the matter of the recognition of the new Paraguayan government. It seems to me that states of actuality ought to be recognized immediately and as rapidly as they pop up. In that way a new government is placed

placed in responsible relationship to the recognizing government, and such advantages and engagements as can be obtained are obtained in the best of circumstances. Not to recognize immediately implies that recognition is to be traded for something; this sort of pressure is always resented and this attitude always misses the main and important fact which is that it is the de facto situation with which we have to deal and that every step possible ought to be taken to deal with it in a regular and efficient manner. Non-recognition merely blockades all efforts, whereas recognition makes it possible to obtain everything that could be obtained in any other way and in the best possible atmosphere to boot.

We have just had another incident in the Zarumilla region on the Ecuadoran frontier and tension between the two governments is rapidly increasing. Peru has sent two warships to the north and one of them has soldiers on board. The two foreign offices are issuing comunicués and the language of these comunicués is not helping

matters

matters much, although I am convinced that the foreign ministers themselves are sincerely endeavoring to prevent the situation from becoming aggravated. We cannot say just now what will happen and today the situation is easier. But I am afraid these incidents are going to continue to occur until one bright day the two countries will be at each others' throats and there will be more war and loss of life and treasure, all of which is, of course, another reason for speeding the proposed Peace Conference.

I suppose you have noticed that our communist friends have been active again in South America. The newspapers carried the news of the outbreak in Brazil and they also have reported the recent flurry in Chile. But unless you have seen our recent despatches, you have heard nothing of the fact that a similar movement was scotched opportunely and vigorously here in Peru. The government received word a few weeks ago through one of its secret agencies (we hear incidentally that the government is paying a pretty penny for as many as four secret organizations) that some ten or more Russian agents had worked their way into the country through the south. With this information seven of them were nabbed
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at once and the rest seem to have slipped away. For four or five days a large number of arrests were made here in Lima, and then finally the excitement died down and the danger, for the moment, seems to have passed. The Foreign Minister told me that the government had no particular fear of what the malcontents might do as the army is quite loyal. The objective, he said, was to prevent reports from going abroad and appearing in the press which would be detrimental to the recovery and progress now going on in Peru.

Our last reports are to the effect that Peru is continuing conversations, begun some time ago, with Argentina, Chile, Bolivia, Uruguay and possibly with Brazil, for a common understanding so that any further plans of communist revolutionaries can be frustrated.

The question of the treaty with Panama used to draw from Peruvian commentators condemnation of the severest kind, in which would peep forth the old prejudices and animosities against us. Since that time, under the good-neighbor policy, an enormous amount has been done to remove the old rancor, but traces of it still exist,

indicating

indicating that we must persevere in the good work you, the Secretary and Sumner have initiated.

I have an article in front of me now stating that the treaty is only a first step towards the removal of many objectionable circumstances and that only "a sincere spirit of cordiality and collaboration and equality can dispel the justified distrust which is felt towards Yankee policy whose absorbing imperialism has left so deep a mark upon the Panamanian Republic." Of course we shall never be entirely free from ill-willed and suspicious critics, but I have mentioned this expression so we shall both be reminded of the actualities, be made conscious of what has been gained, and realize that we have to go straight ahead along the present lines in order to bring about an even more complete realization of the good-neighbor policy.

The present Peruvian congress is also a Constituent Assembly and the one which established the present Peruvian constitution. The members of this body, therefore, feel that they can alter the aspects of this creature of theirs in any way they wish. When they were setting up the constitution several years ago, the fact that they might wish to continue in office was somewhat remote

and

accordingly provision was made for elections and the creation of a bi-cameral congress composed of senate and chamber. The date for presidential and congressional elections is not now far away; they are to take place at about the same time that ours take place in the States. The deputies have now discovered, however, that it may be more conducive to their personal interests merely to continue as a Constituent Assembly than to go to the trouble of being elected either deputies or senators; and, accordingly, tampering with various provisions of the constitution has begun.

It is impossible to say just what will occur, and if anything too raw is attempted there may be a somewhat violent reaction. At times it looks as if elections might be deferred indefinitely through the expedient of altering the electoral law. At other times it seems more likely that the elections will be held and that everything will take place as the constitution provides. The general situation, however, is confused and the outlook is uncertain. A number of candidates are coming into the field, the right and center parties continue to pull in all directions, and the left parties are virtually smothered under.

One of the wisest of the local observers tells me that this sort of thing will go on until just a week or two before the elections, when the the most powerful of the right and center parties will coalesce and virtually impose a new government. He thinks it certain that President Benavides will go out of office and almost equally certain that someone equally able and conservative will be put in his place - but so far this someone has been difficult to identify.

Our Japanese friends continue to work steadily to improve their position all through South America, and of course in Peru. They push their trade all they can, they recede when they must and then they come back to the attack; they are quiet but they are industrious. Labor circles here have become alarmed and a continual attack in the lesser newspapers goes on. This is composed of violent diatribes and a good deal of misinformation; but sometimes the actual aspects of the situation are, to a certain extent, revealed. Our Naval Attaché is following it closely.

You have doubtless heard already of the visit of a Japanese mother ship and some submarines to the Galapagos Islands, and you know of our own Navy's recently announced
visit

visit to the West Coast. It will be a good thing for our men to become acquainted with its geographical features. Meanwhile, I understand that Vincent Astor is going back to the Galapagos Islands again with a few visitors, but I expect he might pick up some scraps of information for you while he is there.

Bill Phillips made a good speech in Chicago, and he has had a very good press on it here. His, of course, was one of the first confirmations of the calling of the Inter-American Conference, and I am glad to see in today's papers that Sumner has announced that all the nations have now accepted except Paraguay.

I am even happier to note that recognition of the Franco regime will be forthcoming almost at once. I have written Sumner it seems to me it is always a fundamental error to trade recognition for anything one desires from the new government. Recognition should be accorded, as I see it, to any government - no matter how weak or wicked - the minute it becomes actual, and if another government succeeds it the following day, I would recognize that one. The great

need

need is to put the new and shaky organization into a definite relationship to the recognizing government as soon as possible. That creates the most advantageous situation in which to get anything out of the new people. And, as I see it, it was also a mistake for us to make our own action in the matter of recognition contingent in any way upon what the other countries might do. I believe we should have kept a complete independence and have recognized the Franco regime at once. However, if recognition now comes along immediately, we shall have nothing to regret and I believe the Paraguayans will perform as desired and the Conference can go forward.

There has been an immense amount of speculation as to the significance and the importance of the Conference and it has fired men's imaginations. The last developments in Europe and in Japan throw the meaning of the meeting into even higher and sharper relief. It seems to be regarded here now not only as a most excellent thing from the Inter-American point of view, but a positive protection of the most vital character against any rampant imperialist in Europe and against any ultimate design on the part of the Asiatics. In between, possibilities of enormous economic development and

strength

strength are perceived; and finally, the possibility of performing like a great balance-wheel in case the European, Asiatic and African world should further disintegrate under the pressure of on-rushing populations and of war. The beneficent possibilities, however, have only been glimpsed and I fancy the practical difficulty will be to confine the Conference to accomplishments which can be made real while not dimming the greater possibilities so many people in this part of the world perceive.

I hope you have noticed that at last the Peruvian government has squarely taken the position that its obligations to our American holders of Peruvian bonds are sacred and honorable and the Government must make every effort to discharge them. The recent budget carried an item of four million soles as a practical expression of the new attitude which was written into the record by speeches made by the Ministers of Foreign Affairs and of Finance and Deputy Badani of Loreto, all of whom made excellent presentations in the Constituent Assembly of the case for the bondholders and the duty
of

of the Peruvian Government. Our hope is that next year Peru will - as we believe it can - do even better, and if it does, Peruvian credit and American trade will be benefited no less than those holders of bonds who will receive larger interest payments.

The case of the Condor planes remains just about where it was. We do not yet know exactly to whom the planes belong; they have not yet a license to do anything more than a little freight work in a private capacity for some of the mining companies who are backing the Condor Company. Occasionally, as the developments slowly take place, we hear in the newspapers of Mr. Conboy's successive steps in the prosecution. I fancy that some day we shall have the whole story, but that Mr. Conboy will not be hurried since the developments in Ethiopia and now in Germany make it peculiarly important not to make a mistake and to do thoroughly and well what Mr. Conboy has set out to do in this prosecution.

I believe we have moved the famous Lee-Yurimaguas case forward towards a solution. This involves great potential oil reserves in the northern part of Peru which may be of some interest to our navy. On February

28th

28th the Foreign Minister formally notified me that the Peruvian Government was willing to arbitrate the matter in the way requested by the State Department, and at present we are awaiting a written confirmation of this notification.

In other respects the Government has been showing a certain stiffening all through the administration. I see nothing particularly inimical in it, but chiefly a desire to bring about a more efficient administration of public affairs. However, it has affected our business in a number of ways and under the impulse of standing up straight, the Government has leaned over a little backward in some cases.

One of our mining men, Clarence Woods, who bought and has been developing a property here in a way which seemed to me must be beneficial to the country, is now called upon, under a rather dubious technical set-up, to pay an inheritance tax on the estate of the former owner of the mines. It looks as if it were going to be a long drawn out question into which we shall have to go.

Gold mining is increasing enormously throughout the
country.

country. The effects have not yet been seen to any great extent in the output because the preliminary work and first installation is slow and costly, but within the next few months some of the newly developed properties should be going into production and Peru's gold output should then steadily increase.

I wonder if you are still enthusiastically interested in the development of the Pan-American Highway. I feel sure you are. In that case I enclose a copy of a personal letter I recently wrote to Secretary Ickes which will disclose to you an initiation I took recently in the conviction that it was worth while to do so and that our Government would be really interested in having the Peruvian section of the Highway completed. Should you feel that you can give me any direct expression of your interest, I should be very glad indeed to have it as I could then probably use it as a leverage on appropriate occasions to get the officials here to do something definite.

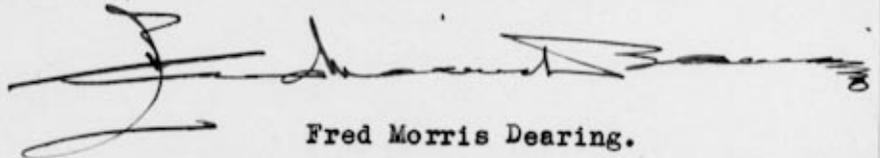
I notice that your soil conservation measure has passed. Should you wish any warrant for it you might find it in the following: The pastor of his flock

walked

walked up to the fence where one of the members of his congregation was working in the field. "Well, my good man", he said benignly, "I see that God has helped you and that you have prospered." "Yes", the farmer replied, "but you just ought to have seen this place when God was doing it by himself."

With my warmest good wishes, and Dorothy's too, and our remembrances to Mrs. Roosevelt,

Yours most sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing'. The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Fred Morris Dearing.

Lima, March 3, 1936.

Personal

My dear Mr. Secretary:

Peru is recovering from the depression and is signaling the fact by increasing activity in road building. An enormous amount of work remains to be done, but it is a fact that the Central Highway has now been pushed into the great table lands in the middle of the country, and that routes are crossing the mountains all the way to the heads of navigation on the various rivers in eastern Peru. Up and down the coast, strangely enough, the work is not so far advanced, but something is being done, and I have just been told by the Minister of Fomento - the officer in this Government corresponding to yourself in our own - that he hopes to secure increased appropriations for road building in the years just ahead.

The President of the Touring Club, Mr. Eduardo Dibos, is actively interested in the matter of the

The Honorable
Harold L. Ickes,
Secretary of the Interior,
Department of the Interior,
Interior Department Building,
Washington, D.C.

completion of the Pan-American Highway, insofar as the route lies in Peru, and he has been in touch with Mr. Pyke Johnson who, I believe, belongs to your Department. I understand Mr. Johnson has expressed a willingness to come to Peru and give his cooperation and advice to the Peruvian authorities in working out plans for the completion of the great highway.

On the basis of what Mr. Dibos told me about his talk with Mr. Johnson, I have talked to the Minister of Foreign Affairs and the Minister of Fomento, and Mr. Dibos is shortly to take up the matter directly with the President, General Benavides. I, also, intend speaking to the President at the first favorable opportunity, and I hope very much something practical can be done to complete the remaining unconstructed portions of the highway in Peru.

I do not need to tell you how important such an enterprise is for Peru and for the United States; not only will it complete the route in this country, go far towards completing it all along, but it means a direct increase in the sale of American cars, tires, gasoline, etc.; it means greatly increased revenues

from

from the money tourists will spend here, and most important of all, it means increased relationships and friendships between our two countries and the promotion of development.

Should you, therefore, some time soon, hear from the Peruvian Ambassador, or directly from Mr. Dibos, or in any other way, of a stir of interest in completing the Pan-American Highway in Peru, I shall greatly appreciate it if you will assist the initiative in any way you may feel you can. The President and Secretary Hull, with their good-neighbor policy, have had so conspicuous a success in Latin America, and the completion of the great Highway will do so much to consolidate and preserve what has been gained, that I have the feeling we should all do everything we can to see the project through.

I hardly dare touch on the subject as to whether our Government would be willing to aid the project here by building one or two of the more difficult bridges at its own expense, as it has done in Central America,

but

- 4 -

but perhaps you will be good enough to give me a word or two of caution at least on this subject.

Peru is just beginning to make a real effort to discharge her obligations to American bondholders, and the Administration has declared it to be a debt of honor which must be met; the Constituent Assembly has made a small but actual appropriation to begin service, and while we should not, perhaps, undertake to regard anyone for doing something they ought to do anyway, nevertheless I do not believe it would be out of place for us to give the Peruvians all the encouragement possible so they will vigorously take up the Highway work and get ahead with it. Increased revenues will always enable the country to do much better in servicing its foreign debt.

With my warm regards,

Yours most sincerely,

FMD/ald

Fred Morris Dearing.

MOSAIICOS

EL TRATADO PANAMENO-ESTADOUNIDENSE

No han satisfecho todas las aspiraciones nacionalistas del pueblo de Panamá—como lo afirma, sinceramente, su primer mandatario—los diversos convenios que este país acaba de firmar con los Estados Unidos de Norte América, tras larga y dificultosa gestión y que serán sometidos, dentro de breves días más, el 10 del mes en curso, a la deliberación de la Asamblea Nacional panameña.

La convención de 1903 era humillante para Panamá. En ese documento los EE. UU. cobraron, con intereses usurarios, su decisiva aunque interesada participación en la gesta emancipadora panameña. Ya por el Tratado Hay-Bunag Varillas, firmado el 18 de noviembre de 1903, quince días más tarde de la declaratoria de la Independencia de Panamá, obtuvieron la soberanía de la zona, destinada al Canal, de un océano a otro y en una extensión de ocho kilómetros de ancho. Además, los EE. UU. se constituían garantizadores de la libertad panameña. La democracia yankee se convirtió así en tutora de la nascente república y muchas veces ejerció su tutoría con severidad. Esa constante humillación a la dignidad panameña ha terminado con el nuevo tratado que deroga el art. 10. de la convención de 1903 y establece que "los dos países asumen la responsabilidad de cooperar en la protección de sus intereses comunes". De esa manera queda rescindido el derecho de intervención norteamericana y abolida esa especie de Enmienda Platt panameña. El derecho, empero, subsiste disimulado. No otra cosa significa, en buenas cuentas, la autorización hecha a los EE. UU. para "el movimiento y entrenamiento de las fuerzas navales y militares de Estados Unidos, dentro de los límites territoriales de Panamá".

Panamá era una república original, sin continuidad geográfica. Para subsanar esta anomalía, el art. 80. del Tratado le concede un corredor que permita comunicar directamente la ciudad de Colón con el territorio que está bajo la jurisdicción panameña. A cambio de ello, Panamá le hace a los EE. UU. una nueva concesión: un corredor que une la zona del Canal con la represa de Madden.

Queda también finiquitada la justa reclamación de Panamá sobre el pago anual de \$ 250.000 que efectúan los EE. UU. por concepto del Canal. Cuando los EE. UU. depreciaron el dólar pretendieron pagar en moneda depreciada. Opúsose a ello Panamá exigiendo que los pagos se realizaran en oro, en las mismas condiciones en que fueron pactados. Las "legítimas quejas de Panamá", reconocidas así por el Departamento de Estado, entorchocaron con los intereses yankees para operar y mantener el Canal en forma eficiente y protegerlo sanitariamente. Estos intereses han podido más que aquellas "legítimas quejas". Y por eso se ha estipulado, dando efecto retroactivo a la estipulación que, desde 1934, los pagos anuales se harían a razón de \$30.000 balboas, moneda nacional panameña.

Muchos puntos de capital interés para Panamá quedan al margen de los convenios que constituyen, tan solo, el primer paso en ese camino árido y erizado de obstáculos de la rehabilitación nacionalista. Solo con un sincero espíritu de cordialidad, colaboración e igualdad podrá desaparecer la justificada animadversión que importantes sectores de la ciudadanía panameña sienten hacia la política yankee cuyo imperialismo absorbente ha dejado sus huellas en la república centroamericana.

VIEACUCHA.

ENTENDIMIENTO DE 5 PAISES SUDAMERICANOS CONTRA EL COMUNISMO

La Paz, 6 A. P. —El Presidente de la República, Tejada Sorzano, ha hecho la siguiente declaración al periodista argentino Ricardo M. Setaro: "Actualmente se gestiona un entendimiento entre Argentina, Perú, Chile, Bolivia y Uruguay para combatir eficazmente el comunismo, en vista de la amenaza de propaganda subversiva roja y de algunos contactos de revolucionarios de esta clase del Brasil y Uruguay con los de otros países.

Summit
FDR

LA CRÓNICA

Liga de Naciones Latino - Americanas

Altas mentalidades de este continente—el ex-presidente del Uruguay, doctor Baltasar Brum, el actual Presidente de Colombia, doctor Alfonso López y el eminente internacionalista peruano doctor Victor M. Marquina, por no citar sino las más decollantes en nuestros días—han puesto de relieve, enjuiciando las perspectivas internacionales, el papel subordinado y secundario que las potencias latino-americanas han desempeñado y siguen desempeñando en los organismos, conferencias o certámenes de trascendencia mundial.

El doctor Baltasar Brum, con una clara visión de estadista, afirmó los valores de ese inmenso reservorio de posibilidades que es este continente y proyectó, para expresarlo, una Liga de Naciones Americanas. América—no debemos olvidarlo—no tiene unidad étnica. Sajones, latinos e indios forman el patrimonio racial del continente. Desde los días remotos del coloniaje latinos e indios se fusionaron, originando ese mestizaje que ha dejado huellas tan fecundas en la historia. Los sajones, en cambio, siguieron una política de exterminio con los aborígenes y en infundado sentimiento de superioridad sobre los latinos los indujo a perseguir la hegemonía económica, política y social del nuevo mundo. Los latinos y los aborígenes pueden, pues, entenderse y se han entendido muchas veces. El cordial entendimiento es casi imposible entre los sajones y los indios. El orgullo de los primeros no se resigna a convivir con los segundos. Tales antecedentes impidieron que se cristalizara, en una realidad optativa, los proyectos de Baltasar Brum.

Hace pocos días, en un documento que es ya histórico, el Presidente Alfonso López, en brillantes conceptos, al responder a la invitación del Presidente Roosevelt para una conferencia de paz, hizo resaltar la situación de inferioridad en que las potencias americanas estaban con relación a Europa y el poco interés de los organismos que allí funcionaban para estudiar y resolver los problemas extra-euro-peos. Y abundando en las mismas razones, el doctor Marquina, con alguna anterioridad, había declarado en Nueva York, que "por el momento, más que en la Liga de Ginebra, las naciones de América deben esperar la salud de su propio concierto" y que "el continente debe ser estructurado con sus órganos preventivos y conservadores de la paz".

Esterradas voces se han realizado, en este continente, conferencias internacionales de distinta índole: económicas, comerciales, jurídicas, ferrocarrileras, diplomáticas, sociales, pacifistas, etc. ¿Por qué no coordinamos todo el esfuerzo incoherente, aislado y por lo mismo ineficaz de esas conferencias en un organismo internacional permanente y estable? ¿Existen aún—una no lo creemos—los recelos que impidieron la realización del proyecto Brum ¿por qué no intentamos siquiera organizar una Liga de Naciones Americanas? El Latino-Americanismo no es ya una expresión del himno declamatorio ni una categoría sentimental. Es una realidad viva y profunda. Se arraiga cada vez más en el espíritu de nuestros pueblos. Oritahelmosia, pues, en un organismo que, como la Liga de las Naciones Latino-Americanas sea la expresión de la vitalidad creadora de nuestra raza.

file
Personal

Peru

Lima, April 17, 1936.

Personal and
Confidential

My dear Mr. President:

Madame Benavides, the President's wife, whom we all call "Paquita" - her first name is Francisca - was calling upon Dorothy day before yesterday and spoke with sighs of relief of the fact that her husband will be out of office on the 8th of next December.

The all-absorbing question here at present is that of the elections and to that extent the situation is like the one at home, but in almost all other respects it is totally different. In a small country like this, where traditions are such as they are and political interests are quite different from ours, the campaign gets under way in a very different manner. The most outstanding candidate, Jorge Prado, the present Ambassador to Brazil, may be said to represent liberal and even left tendencies. On the right there is still an enormous amount of bickering, and while there are

The President
The White House,
Washington, D. C.

signs that the various right groups are getting together, we have not yet a definite candidate. There are indications that a small center group will try to hold aloof in order to control the balance of power, but I am not sure they will be able to do so.

Meanwhile, on account of the constitutional provision that citizens who wish to run for office - that is for the Senate and Chamber of Deputies in the new Congress - must not have held administrative positions within the six months previous to the elections, the cabinet has resigned, as three or four of its members wish to become Senators.

This has resulted, to our intense regret, in the loss of Dr. Carlos Concha from the Foreign Office where, as Foreign Minister, he proved to be the best incumbent in that position for many years. He is honest, vigorous, fairminded and just, has a delightful personality and great sympathy and kindness.

The new Cabinet, under the presidency of Colonel Montagne - a military man - is primarily a stop-gap affair and indicates the enormous dependence of the present regime upon the army and the armed forces in general. It has paid them promptly and well and has,

therefore, been able to preserve law and order and very likely it has been worth the price. It seems regrettable, however, that a small country like this should have to pay so dearly for its tranquility by maintaining a totally disproportionate armed establishment. I do not know what the proportions are, but I have the idea that large as some of the European armies have become, they represent a smaller percentage of the population than the armies down here in Latin America. The fact is the whole complex of life in all these countries is virtually military; terrifically costly and wasteful, and I am hoping most ardently that the Inter-American Conference you, the Secretary and Sumner are advancing with such conspicuous success, will have as an inevitable result a broad, general movement to cut down these top-heavy, unnecessarily costly and provocative military establishments. A lot of drones will have a hell of a time making a living in any other way, but the parturition, no matter how difficult, should be made so the civilian population will begin to learn how to handle the responsibility of taking care of itself.

But this is only one of the good effects I see in the Inter-American Peace Conference, to which I shall return directly. I linger over the internal political situation a moment to say that the Constituent Assembly is now in continuous session for the purpose of passing the electoral law. It may complete its labors soon, but I am inclined to think that it will prolong them as its members never seem to know quite what to do with themselves when they are not in session. There is not quite the same urge as with us to go back to their districts and build political fences; indeed, some of them have better chances of reelection if their constituents do not see them!

Meanwhile the country continues gradually to recover from the depression and its business and finances are improving.

I hope you will be interested to know that after negotiations extending over five and a half years, we have succeeded finally in inducing the Peruvian Government to arbitrate the case of the famous Yurimaguas Concession under Clause 30 of the Concession contract. This Concession belongs to Mr. Bertram T. Lee, an American citizen, whose lawyer is Mr. Miles Poindexter, formerly American Ambassador here.

Mr. Lee believes his concession will tap one of the largest unexploited oil fields in the world and he has talked to me often about the significance of it for our Navy. I have had to tell him it is all very well but that the only thing the Embassy can look at is the problem of obtaining justice for him and of protecting his legitimate interests as an American citizen.

Another American by the name of Davis, ardently supported by my immediate predecessor here, Ambassador Alex Moore, was also given a concession covering the same district, but the Peruvian Government erred in granting it because at the time it had not completely discharged its obligations to Mr. Lee, the first concessionaire, one of which was for the arbitration of any differences. It simply and abruptly cancelled his contract. The Peruvian Government is, therefore, in the uncomfortable position of having given the same concession to two different American interests. It has now decided, very sensibly it seems to me, to

clear up the matter of the prior concession and Mr. Lee's claims before undertaking to deal with the second. But I have been informed, on good authority, that the President has expressed some concern lest the second group will come to the State Department and ask protection, and that the Embassy will then be after the Government to make some settlement with this group also.

Dr. Concha, to whom I referred above, declined to be alarmed by this state of affairs and I have contented myself with telling the more fearful of my Peruvian friends that they need not expect our Government or the State Department to do anything unreasonable or unjust. Of course the situation has had its embarrassments for us too as we have had to be particularly careful to hold the scales even as between the Americans concerned. I believe we have done that. The State Department, it seems to me, has handled the whole question particularly well, and thanks to Dr. Concha, it would seem that we now are in sight of a settlement of this tedious, long-standing and rather important case. The matter is one of particular interest to Peru which is anxious to develop the natural resources of the country, particularly in the north, where progress and development have

been rather at a standstill during the last ten or twelve troubled years.

I notice in the paper that you are to have as a guest some time soon Miguel Mariano Gomez, the new President-elect of Cuba. My first service in my diplomatic career was at Havana. At that time, José Miguel Gomez was out in the "manigua" as a very much hunted and harassed revolutionary. Fearing that he would be captured and shot, his children, headed by his little daughter, wrote to the Legation in Havana a note of a particularly human and winning character, asking us to do whatever we could to keep their father from coming to any harm. After a year or two I was transferred to Peking, and in the meantime the fortunes of politics brought José Miguel Gomez to the Presidency.

After my Chinese service I was moved back to Havana, and finding General José Miguel then in the Palace, I remembered the letter his children had written years before and fished it out of the files. The next time I went down to the Palace I found the children all playing gaily about, Miguel Mariano

being with some boy friends in the billiard room; and I had the pleasure of giving the letter to the President who expressed his delight at receiving it. You might wish to recall this to Miguel Mariano, who has probably forgotten all about it in the meantime, when he comes to stay with you at the White House.

Now to get back to the Inter-American Conference. I enclose a clipping commenting upon your initiation from the pen of Dr. Cornejo, one of the legal lights of Peru, which you may find interesting.

On the 16th, at a special "Dia de las Americas" lunch given by the Rotary Club, another prominent Peruvian, Dr. Victor Maurtua, spoke in the warmest possible terms of the approaching conference. You may remember that at the Sixth Conference in Havana, Dr. Maurtua was of the utmost helpfulness to the American delegation at a time when the Argentines were kicking over the traces as hard as ever they could. Chief Justice Hughes will undoubtedly recall the whole situation.

Dr. Maurtua has never faltered in his friendliness to our country. He is so bold and outspoken, however, that Peru has not made as much use of his great abilities as it should. I think, however, that there is a

possibility that he may be one of Peru's representatives at the Inter-American Conference in Buenos Aires when it convenes. He has, all his life, been a special student of these American problems and he is one of the very few who really knows what he is talking about and has the ability to talk to the point. During the Leticia trouble he had a poor case to defend and was not particularly happy in his mission to Washington at the time. Earlier, when he was the Peruvian representative in Rio de Janeiro, he worked vigorously against Leguía's policy and the Solamon-Lozano Treaty, giving the Leticia district to Colombia. Nevertheless, at the Rio Conference, he worked assiduously for a peaceful solution of the differences between the two countries and showed himself a real statesman in bringing about a reasonable solution.

At the luncheon on the 16th, Dr. Maurtua confronted the head of the Colombian delegation to Rio de Janeiro at the time of the Leticia conference, Dr. Urdaneta Arbelaez, formerly also the Foreign Minister in Colombia and now the Colombian Minister in Lima.

Dr. Maurtua paid him a high tribute. It really is due to these two men, very largely, as well as to President Lopez and President Benavides, that we have a happy solution of the Leticia struggle; an achievement referred to pointedly by Secretary Hull in his speech at the Pan American Union on the "Dia de las Americas".

Dr. Maurtua somewhat startled his hearers by saying that the future of Peru was not on the Pacific Coast but in the "oriente"; that is, the eastern part of Peru, and one can see that he may be right. It is a region of enormous fertility with a large number of great navigable rivers; it ascends from almost sea-level jungles to mountain peaks of over 20,000 feet and has, at the various altitudes, all sorts of climatic and agricultural conditions. The region is vast and virgin and if it ever is properly opened up and developed, its mineral and agricultural resources will be astounding.

The practical problem of doing so, however, is immense and unmeasurable and only comparable to the vast projects you have had to deal with in the States.

You can understand, therefore, what Dr. Maurtua means. He must know, however, that the realization of his dream will be a long and slow process for a country of only about six million inhabitants of whom probably only about 500,000 are what we call economically efficient. But you can perceive, also, that upon the basis of good and friendly relations throughout Latin America as the result of the Inter-American Conference, there will be many appeals for the energy and ability, the money and general cooperation of our citizens in opening up and developing these tremendous resources.

It seems to me that the extension being given to your "good neighbor" policy and the way it has been put forward by yourself, the Secretary and Sumner, constitutes almost the greatest achievement of your administration. Like the soul of John Brown's body, it goes marching on.

I enclose a copy of the remarks made by the Nuncio - whose brother is the Apostolic Delegate in Washington - on the 19th at the farewell dinner

given by the Diplomatic Corps to the retiring Paraguayan Minister, who is to go to Rio, and who, in all likelihood, will be the Paraguayan representative at the Buenos Aires Conference. The prospect has fired every alert mind in this part of the world.

Sumner's speech at Baltimore was excellent and I can tell you once more, in confirmation of all that all three of you have said, that we have evidence every day that the attitude toward our country in this part of the world is better than it has been at any time in our history. The feeling among the various Latin American nations themselves is also growing better and a spirit making for regionalism is dying down. We can attribute this, in a large degree, to your policies and our steady and persistent efforts to persuade our friends here to see their common interests and to settle their differences peacefully.

There is the most intense interest in the conference and particularly in the agenda now being arranged at the Pan American Union. Indeed, the feeling almost amounts to the idea that the real conference is taking

place now and in the midst of the agenda making; that the agenda will show the crystalized thought of the nations and that the conference, when it meets, will chiefly confirm the results.

One consequence has been the Chilean suggestion, now followed up by the Mexicans, of retirement from the Geneva organization and the way that suggestion has caught on through the Continent. Colombia, of course, in Lopez' letter accepting your invitation, paid its respects to the error the Geneva people have made of practically ignoring Latin American countries, but now Chile proposes to do something about it and the Peruvian reaction is almost startlingly in accord. One of the chief papers here, LA CRONICA, states that the movement on the part of certain Chilean deputies to withdraw from the League is worthy of all applause. It adds that if Colombia and Peru had had to wait upon the action of the League, they would be at war today over the Leticia question. It points to the action of Ecuador in going counter to the League on the matter

of the Italian sanctions, and then holds forth vigorously for the formation of an American League of Nations.

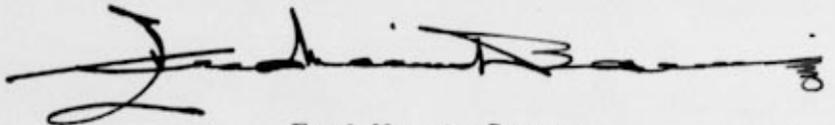
The longer the possibilities of the Inter-American Peace Conference are considered, the more significant they become and our Latin friends - who lack nothing in mental agility - are absorbed by their speculations. They will, of course, speculate too much, but the fact that they are giving these possibilities such vivid attention is certainly a tribute to the foresight and the purpose causing you to call the conference. It seems to me to be a major event in foreign affairs. Even my European colleagues praise it.

We have kept in most friendly touch with the Ourslers and I am trying to get President Benavides to give me his autograph on an article entitled "Let us be Good Neighbors" which Mr. Oursler prepared after we had our talk with the President here several weeks ago. As soon as I can do so and let him know, Mr. Oursler will be publishing the article in LIBERTY.

I hope you had a wonderful fishing trip in the South.

Dorothy and I send you and Mrs. Roosevelt, as always, our very warmest good wishes and regards.

Yours sincerely,



Fred Morris Dearing.

P.S.

I enclose a sheet from EL COMERCIO of April 17, 1936, describing a new issue of stamps of various denominations. And when the stamps are put on sale, which I understand will be some time in June, you shall have a set.

F.M.D.

P.P.S. Dorothy & I have both had to go to bed with colds.

F.M.D.

(TRANSLATION)

Mr. Minister:

The members of the Diplomatic Corps meeting here through a spontaneous, unanimous impulse, have wished to celebrate this agape and to offer it in your honor as a testimony of appreciation and of the feeling which we have toward you.

The sad moment of leave taking which all diplomats must perforce include in the program of their existence has arrived; the moment which we must all await, as we well know, but despite this when the hour actually comes it cannot help but be painful, especially when one's stay has been for many years, with cordial mutual relations and passing through difficult times and witnessing important events such as those which in these years have agitated and agitate the whole world.

To the colleague who in all the problems which have arisen has lent the ample weight of his culture; to the friend always courteous and deferential, we dedicate this sincere manifestation, feeling keenly his departure from our midst, even though we are compensated by the idea that from afar his spirit will continue at our side working as always for the great ideals which preoccupy all of us.

In effect, the agreeable recollections of your stay among us always will be engraved upon our hearts, and through these bonds of friendship we know that effective collaboration

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tion will continue wherever we may be. The moment could not be more propitious for this common work; a powerful current of human confraternity today envelopes the American continent. The letter which the First Magistrate of the Republic of the North, grasping laudably the vehement vibrations and just desires of these peoples, has addressed with high vision and noble spirit to the Chiefs of State of the other Republics of America, has been accepted, as was to be hoped, with general applause. Perhaps this will be the moment, as another illustrious statesman said, to give form to a new and generous policy of American solidarity which will assure among these nations the harmony and concord which are so greatly desired; and realizing the dream of the Great Liberator (Bolivar), this American continent "can bind - these are the words of the seer of Angostura - the whole (world), serving as an emporium to the human family, sending to all parts of the earth the treasures enfolded within her mountains of silver and gold . . . and with this America seated on the throne of liberty, holding the scepter of justice, crowned with glory, show the whole world the majesty of the new world."

The field where you are going to carry on your activities will present to you, Mr. Minister, a magnificent occasion to cooperate effectively in bringing about the grandeur

of

of such an agreeable future; for the success of that beautiful mission, the sincere wishes of your colleagues and friends accompany you, and they desire for you at the same time a happy voyage and all prosperity.

We extend these same wishes to the lovely lady and distinguished wife who shares the events of your life, those of prosperity as well as those of adversity, and who leaves here in the City of Lima an unforgettable recollection of friendliness and of virtue.

To the Civil Attaché of the Legation, whom we knew even as a child, and who has grown to be a man among us, collaborating in his important post with his beloved father, we extend our affectionate greeting. The special conditions under which he has initiated his career and the outstanding characteristics which he possesses are the sure proof of a brilliant future which we desire for him and for the engrandizement of his fatherland and the satisfaction and consolation of his beloved progenitors.

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La iniciativa del Presidente Roosevelt sobre reunión de un Congreso Internacional Americano

Por el Dr. Angel Gustavo Cornejo

Con el deseo de conocer la autorizada opinión del doctor don Angel Gustavo Cornejo sobre la reunión anunciada de un Congreso Internacional Americano, le vamos al eminente jurista consulto un cuestionario que ha sido abusado en la brevedad del siguiente escrito:

La idea del presidente de Estados Unidos, Mr. Roosevelt, que tan entusiasta acogida ha tenido en las repúblicas Sur Americanas, en mi concepto, una de las más felices iniciativas del eminente hombre de Estado que gobierna la gran democracia del Norte. Débesele considerar como un eco, a través de los tiempos, del pensamiento del Libertador, Simón Bolívar, acerca de la solidaridad de las naciones del Nuevo continente. Ideal de amplísimo contenido que inspirara el primer congreso panamericano reunido en Panamá.

Bolívar pensó en una confederación en previsión de una venecación europea de reconquista de las antiguas colonias. Este peligro que no carecía de cierta inminencia en ese entonces, llegó a desvanecerse totalmente. Las nuevas nacionalidades, entregadas a los afanes de su organización y presas, en casi su totalidad, de las guerras civiles y de las facciones, no volvieron a pensar en el ideal de su Libertador. Las lecciones que significaron el derrocamiento fulminante de Maximiliano en México, el descalabro de la invasión inglesa a Buenos Aires y la derrota de la escuadra Española en el Callao fueron lo suficientemente elocuentes para que no se temiera la intromisión armada de Europa en los asuntos americanos. De otro lado, la doctrina de Monroe fué un dique a toda ingerencia directa de la diplomacia y de la política del viejo continente en asuntos de interés netamente americanista.

Las relaciones de América y Europa han permanecido así durante más de un siglo, dentro del marco puramente comercial, aparte, naturalmente, la hegemonía espiritual que correspondía a una viela y sólida cultura sobre pueblos en formación.

El tratado de Versalles, al crear la Liga de las Naciones, incorporó a los países americanos— más aparente que realmente— en la dirección política del Mundo. Pero ese organismo de paz y de cooperación mundial para los fines de la cultura humana, no puede, por razones naturales, dejar de estar bajo la influencia y aun de la presión de las grandes potencias, de las que aún somos tributarios en calidad de colonias económicas y espirituales. La Liga de las Naciones ha demostrado su ineficacia para resolver los asuntos que interesan a este continente. Los casos de Leticia y del Chaco con muy reciente, y harto conocidos.

La destrucción del Tratado de Versalles y el desahucio de los pactos de seguridad y no agresión entre las grandes potencias, crea un estado de tensión extrema en Europa y la Liga—hecha un instrumento de la política no muy clara

de la Gran Bretaña— deja de ser un resorte de la paz mundial y un resorte moral para la cooperación o solidaridad de las naciones del orbe.

Es, pues, de oportunidad indiscutida, la iniciativa de Mr. Roosevelt. Los pueblos de América tienen necesidades propias; han nacer no solo de un organismo internacional que evite los conflictos— hoy muy rretos — entre las naciones de este continente, sino que labore por la coordinación de los intereses económicos, que en esta hora priman sobre todo; que provea a la ordenación jurídica de las relaciones interamericanas, y, en fin que unifique, consolide y da eficacia a las ideas y votos de los siglos han venido señalando los derroteros y poniendo las bases azules de una verdadera cooperación americanista, de una acertada coordinación de los intereses de todos, y, tal vez, que con larga visión hacia el futuro, provea a la posible necesaria defensa del continente, contra agresiones y absorciones de las grandes nacionalidades que en su afán de predominio, hallan estrechos sus límites actuales, y buscan expansiones fuera de la Europa ya exhausta de recursos.

El Congreso Bolivariano de 1926 reconoció la conveniencia de constituir una Sociedad de Naciones de América, que dentro del concepto moderno del derecho internacional, y sobre la base de la igualdad jurídica de los Estados, correspondiera a los ideales de unión y de justicia que dieron vida al Congreso Panamericano de 1926.

La realización de esta idea parece ser el objeto de la próxima asamblea continental. La Liga Americana, según dice el Presidente de Santo Domingo: "sería más beneficiosa para nosotros que la de las Naciones que actúa en Ginebra, ya que según el concepto del señor Presidente de Colombia, las Potencias europeas aceptan la adhesión de los países americanos a los pactos antibélicos y aún solicitan su cooperación efectiva para hacer peso a la balanza internacional; pero no los consultan cuando estiman que pueden proceder prescindiendo de su opinión, agregando atinadamente, "que acabamos de ver, con sorpresa, cómo se ha intentado apelar a la Liga, invocando el artículo 16 de sus estatutos, no ha faltado quien haya tratado de coartar esa institución, creada para evitar restringir y castigar las agresiones armadas, en un instrumento de imperalismo".

En suma, creo como, con honrada de miras, lo ha expresado nuestra Cancillería que "si queremos proteger con cordombre el futuro de nuestros pueblos, debemos preocuparnos para que alcancen su destino histórico, que constituye una de las más caras esperanzas de la humanidad". El programa de la futura conferencia, que parece ya una realidad marcará el rumbo de los destinos de la América, abriendo horizontes a su nativo elemento cultural.

file

PSF: Paur

Lima, June 6, 1936.

Personal

My dear Mr. President:

You may place a feather in your cap. Our naval units have come and gone and your suggestion that they should make the visit to Callao and Lima has proven to be the happiest one possible as the visit was a success in every way.

The vessels arrived early on the 28th, and that afternoon an introductory reception was held here at the Embassy where we made provision for some four-hundred or more guests. All the prominent Peruvians in the Government were invited as well as all of the principal Peruvians prominent in the social and business life of the country. We invited the entire diplomatic corps and included all of the local Americans we possibly could. Apparently our reception was a success as I have heard nothing but complimentary things about it.

The President,
The White House,
Washington, D.C.

The introduction having been performed, we then withdrew somewhat from the public gaze so the Peruvians and our naval officers could "do their stuff". Both performed in an absolutely satisfactory manner; the President and his wife and family, the Cabinet - particularly the Minister of Marine - and all subordinate officers such as the Mayors of Lima and Callao, the Prefects of both cities, the Captain of the Port, etc., did everything they possibly could to make the visit a success. There was no friction at any time but splendid cooperation all along in which we owe an especial debt to General Rodríguez, the Minister of Gobierno, to Colonel Ordoñez, the Chief of Police, to Colonel Lembecke, the Prefect of Callao and to all the officers of our own shore police. The boys and the local people were a little difficult to manage the first day, I hear, but that was soon straightened out and now that the fleet has gone we have not heard of anyone improperly left behind and have only two slight incidents to record, one of which has already been settled and the other of which promises to be wound up tomorrow: a girl who drew her knife on one of the boys in the red light district got hit on the head with a bottle for her pains. The boy was turned over to the shore police, returned to his

vessel and apparently dealt with there, and the girl has signed a quit-claim for fifty dollars, thus ending the case. The other incident was that of a boy who has been left behind in the British-American hospital, after having performed the old trick of trying to grab the steering wheel of an automobile and being rather badly injured. It is hoped to have him well within a short time and to restore him to his vessel. The damages to the machine that was destroyed can be taken care of for a reasonable amount and this will very likely be done tomorrow.

I learn at the hospital he was merely one of the innocent occupants of the car and that it was another boy who grabbed the wheel.

Prior to the reception at the Embassy we, of course, made the usual official calls on the President, the Minister of Foreign Affairs and the Minister of Marine. I enclose a photograph showing us at the Palace; Admirals Snyder, Gannon and Fairfield with their Aides, I with my staff officers, the President, Aides and officials of the Protocol.

The afternoon of the 29th the Minister of Marine gave a tremendous ball at the Country Club at which there was more animation than at any party I have ever seen in Lima. By some miracle our officers seemed to be instantly

acquainted with everybody in the place and the function was delightful from start to finish.

Saturday morning, the 30th, was probably the high point of the visit. Troops from the ship drew up in formation at the cemetery while Admiral Snyder placed a wreath on the tomb of Grau, the Peruvian naval hero, the act being all the more significant because the date was our own Decoration Day. After the ceremony at the cemetery, the Admiral and I, with the officers accompanying us, went to the National Palace where we were welcomed by the President and his Cabinet and invited to join them on the official balcony of the Palace to witness the parade of our men as they passed through the streets of Lima and around the Plaza de Armas. I enclose a picture of the parade as it passed the reviewing stand where you can see the President at salute - in a military uniform on the French model - with Admiral Snyder on his left, followed by the Minister of Marine, Admirals Gannon and Fairfield, while on the President's right I stand having on my right Dr. Revilla, the head of the Constituent Assembly.

Saturday afternoon the President and Señora de Benavides gave a charming reception for about fifteen hundred people in the Palace. Sunday afternoon there

was a tea-dance at the Country Club given by the American Society at which the members of the Embassy assisted in receiving.

Monday, at noon, the President lunched on board the LOUISVILLE and witnessed an aerial parade which he very greatly admired; and on Tuesday afternoon, June 2nd, Admiral Snyder and his officers held a reception on board the LOUISVILLE which had been brought into the docks to make the vessel more accessible than it would have been way out in the bay. The last reception gave the final stamp of success to the visit and was enjoyed by every one.

I cannot speak too highly of Admiral Snyder's conception of his mission during this visit and the way he was assisted by Admirals Gannon and Fairfield. I must also pay a very special tribute to Commander George A. Weyler, my naval attaché here, who worked tirelessly for days before the vessels arrived and during their stay in Lima, to make all the arrangements run smoothly. He succeeded most admirably in doing so and the smooth functioning of the program is due largely to him.

I must make acknowledgements, also, to Mr. Dreyfus and Mr. de Lambert and the members of my own staff for their constant and efficient assistance.

In addition to these official functions, a great deal of unofficial entertainment went on. There were luncheons, dinners and teas at the houses of many Peruvians and Americans, an excellent program of games, visits and amusements, etc. had been arranged, and so for the seamen and midshipmen, as well as for the officers and Admirals, everyone was taken care of. The conduct of the men in the streets and all over the place was complimented by everyone from the President down, and from more people than I can possibly undertake to tell you I heard nothing but kindly and considerate things, coupled in every instance with the recognition of the fact that the visit was due to an impulse of your own and was a concrete expression of your now well known and greatly appreciated "good neighbor" policy.

The attitude of the children and street urchins and the fun the sailors had with them was noteworthy, and I enclose a clipping for you from THE WEST COAST LEADER of June 2nd, bearing especially upon what the sailors did while the vessels were in port.

The attitude of the Peruvian public was perhaps best demonstrated on the 30th, the day of the parade, when they lined the entire course of the procession and repeatedly applauded and clapped for our flag.

I have forgotten whether you read Spanish, but I must send you an article by the Argentine publicist now visiting here, Joaquin Blaya Allende, published in EL COMERCIO - a paper formerly so much our enemy - in which he speaks in the most friendly manner of our sailor men.

This reminds me that I must stress the particularly cordial press we had throughout the visit. The COMERCIO gave pages and pages of photographs and articles, both in Spanish and in English, for the five days the vessels were here, and LA CRONICA, LA PRENSA, EL UNIVERSAL and the remaining papers did their best to play the part of a sympathetic host.

One curious result of the visit which was not expected was the approval of the Constituent Assembly, the day after the fleet left, for the discussion of a one hundred million soles loan, either internal or abroad,

for the purchase of new naval units for the Peruvian navy. I wonder what our American holders of Peruvian bonds will think about that! Fortunately the Constituent Assembly brought its sessions to a close about an hour after midnight last night and it will be some six or eight months, at least, before the matter has to be considered. Possibly some modern units should be bought from time to time, but Peru has very little need for much of a navy and heavy expenditures for one, in view of the country's other obligations, would be regrettable. The President, however, is a very military minded man and distinctly likes the appearance of a strong and up-to-date military equipment. During the luncheon on board, on June 1st, he repeatedly said to Admiral Snyder and to me that he hoped so much the American and Peruvian vessels would get mixed up before they got out of the harbor so he could keep three or four of our units for Peru!

I enclose for you, also from the WEST COAST LEADER, a sheet of pictures of various moments during the visit, all of which you will find explained by the legends underneath each one.

I expect this is almost enough for one letter, but I hope you will let me mention, also, the rather curious

initiation taken by Peru and Chile in rushing into print with official communiqués before even consulting us regarding a supposed invitation by Nicaragua for our Government to interfere in Nicaraguan affairs. Had our naval visit not taken place, one would have been warranted in suspecting the degree to which Peruvians have been won with good will to us as not being very great, but the naval visit should dispel all doubts on the subject.

My own opinion is that the whole thing originated with one individual and that it is very likely already sincerely regretted. I refer to the Minister for Foreign Affairs, Ulloa, who is not quite the steady and experienced hand he should be, although so far, in my dealings with him, I have found him to be more touchy than unfriendly and fairly well disposed, although a little apt to shoot off at unexpected angles. I have written Sumner very fully about the matter and so I shall say no more about it here. I shall be seeing the President and the Minister for Foreign Affairs soon and if they do not say something to me about the incident, I shall be all the more convinced by their silence that they are somewhat embarrassed at having rushed ahead so precipitately on the

Further investigation seems to show that done here somewhat of an injustice, and that the invitation came from Chile but on what basis we do not know. It is still being presented here that Mr. Merris asked to withdraw and Secretary Hull's statement of the afternoon has been published.

✓

assumption that we were going to do something which only a very slight consideration would show we would not do, namely, intervene in the internal affairs of a Latin American country. Our record is too clear on that point and in the "obfuscation" of the moment - as they like to say here - zeal got the better of judgement.

During one of my recent conversations with the President, I had an opportunity to talk to him about the desirability of exploratory conversations leading up to a trade agreement. I explained to him that we could do nothing about sugar on account of the supervision of the matter by the Agricultural Department, the Jones-Costigan Act and the desperate situation of some of our own sugar producers, but pointed out to him that there were a number of things besides sugar in which mutual concessions might be mutually advantageous, and that every Sol Peru spends for imports will eventually have to return to Peru to purchase more Peruvian products and services.

The President pulled my leg a little at his reception on the 30th about Peru having to pay for so many motor cars, but I told him that every one of them had increased the wealth and efficiency of his country,

that transportation was the very keynote of the increasing improvement in Peruvian conditions, and that all the Peruvian money spent abroad for these cars would have to come back to Peru to be used again, since in the last analysis, goods and services would have to pay for goods and services.

The President finally agreed with me that the exploratory conversations should be carried on, and I hope therefore to do something about the matter when I see the Foreign Minister again tomorrow afternoon.. I say "again" for the reason that he has been out of office for a short time on account of the tragic death of his little daughter who was operated upon by his colleague in the Cabinet, the Minister of Public Health, and unfortunately not successfully. In consequence a deplorable re- crimination took place for days which is only now dying down.

As I have told you in other letters, the political campaign here occupies the public attention as ours does at home. The President invariably speaks to me as if he had made all his plans for leaving office in December,

but he has taken a five year lease on a house he has been occupying and there is a multitude of stories to the effect that he is courting popularity, not so much for the purpose of leaving office with a good record or because he disinterestedly wishes to benefit the country, as because he wishes, by some manoeuver to continue in office. It is claimed that by allowing various candidacies to develop, he is testing out the atmosphere and the nature of public opinion, that by making large military expenditures he is binding the armed forces to himself, and that towards the end of the year he will impose his own rule once more, either by taking charge directly as the result of some artificial military coup d'etat, or that he will impose a compromise candidate who, humorously enough, is called here a "transaction" candidate.

The President's chief bid for popular claim has been the lifting of tolls and the abolishment of toll-houses on all the roads and bridges of the country. Some of the roads have not been completely paid for and were built by American contractors. The matter of settling with these claimants was left to the Minister of Fomento and he, unfortunately, has shown a disposition not to play quite fair. In seeking to protect the American interests

concerned, I reserved their rights in the premises, whereupon the Foreign Minister undertook to read me a lecture as to what our Government and the Embassy could or could not do in the circumstances, and so I shall have to tell him that whatever may be the provisions of a foreign constitution or foreign laws, our Government can hardly give up the right to protect its citizens in cases where it sincerely feels that it should do so, and cannot accept any limitation on that right because of what is done by others.

In other letters to you I have told you of the military expenditures that have been going on. My information is to the effect that they continue, the last effort being to secure some twelve or fourteen bombers, for which I understand the Government has some \$600,000 in cash on hand. This, again, is going to hurt the feelings of our holders of Peruvian bonds.

To close let me say that Peruvians are still awaiting with considerable puzzlement the often deferred visit of the President of Colombia, and we begin to doubt whether he will come. It is said that the difficulty is because

the internal political situation makes it somewhat dangerous for him to leave Colombia. But Peruvian enthusiasm has dropped on account of the appeal of Ecuador to the Colombian President that he should undertake to mediate in the matter. The Peruvians have issued a communiqué stating that they begged to be excused. Moreover we hear that Lopez is disinclined to carry out the visit unless Benavides can return it before his term of office expires. I agree with the Peruvians that it would be extremely difficult, in view of the present political developments here, for Benavides to do that. So there we are.

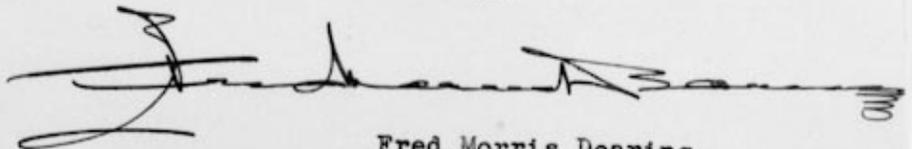
Meanwhile we are all watching the slow development of the program for the Inter-American Peace Conference. Sumner has written me why a date in November is best from our point of view, but unluckily for the Peruvians, a date as late as that means that the present administration here may not be able to take any responsible part in it. The President's term comes to an end on December 8th, and the present Foreign Minister, we hear, is only to stay in office three months longer and then go on leave.

*I saw the Foreign Minister
yesterday and (plausibly) he
suggested on what it would
be fine for Gu. Benavides if so
longer President at the time
to hold the Peruvian delegation
to the Conference. The Foreign
Minister heartily
agreed. ✓*

Dorothy has gone ahead of me to New York; Donny will have finished his year at Williams College day after tomorrow and then will join her and both will go to Red Hook, up in Dutchess County - not so far from Hyde Park. Towards the end of the month they will go to Baden-Baden to await me and I am going there as straight as possible from here as I am in real need of a cure after another long pull in this taxing and depleting climate. We all hope to be back in September and I am looking forward with most eager pleasure to seeing you, either in Hyde Park or in Washington.

With my warm good wishes as always,

Yours very sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing', with a long horizontal flourish extending to the right.

Fred Morris Dearing.

PROPOSICIONES

De los señores TIRADO y MEDELIUS, que dice así

Los Representantes que suscriben proponen el siguiente proyecto de ley: El Congreso Constituyente.

Ha dado la ley siguiente:

Artículo 1o.— Autorízase al Poder Ejecutivo para contratar un empréstito, ya sea nacional o en el extranjero, por cien millones de soles oro (100.000.000) para que, previos los estudios y presupuestos correspondientes, los dedique al exclusivo objeto del desarrollo y construcción de un programa naval para la República.

Artículo 2o.— El íntegro de este empréstito se dedicará pura y exclusivamente a la adquisición de una moderna flota, no debiendo invertirse ninguna cantidad de esta cuenta en reparaciones del actual material ni en compra de repuestos, armamentos y municiones para los mismos, que deben estar incluidos en los presupuestos anuales del Pliego de Marina. Tampoco podrá pagarse con este dinero ninguna deuda por concepto de crédito por armamentos anteriormente adquiridos.

Artículo 3o.— El programa naval debe quedar totalmente construido en un período máximo de diez años, debiendo en el mismo plazo quedar totalmente cancelado el empréstito que con este fin se autoriza.

Artículo 4o.— El Poder Ejecutivo determinará todas las medidas de orden técnico tanto hacendario como navales que sea necesario efectuar para el exacto y el fiel cumplimiento de esta ley.

Artículo 5o.— Anualmente se colocará la partida correspondiente en el pliego de Hacienda que comprende los intereses y amortización de este empréstito hasta su total cancelación.

Dada, etc.

Lima, 2 de junio de 1936.

Los señores GONZALES HONDERMAN, ZARATE, COSIO y SANTIVANEZ, se adhieren a la proposición.

El señor TIRADO, fundamenta su iniciativa.

El PRESIDENTE, consulta la admisión a debate de la proposición precedente, siendo acordada. Pasó a las Comisiones de Marina y Principal de Presupuesto.

*El Com.
Junio 3
(Adiciones
of Congress)*

U. S. FLEET

The American Fleet in Callao Bay

Six days of entertainment and of being entertained, six days of shore leave for the lower decks, and six days devoted to sporting competitions of various natures, marked the stay of the American squadron in Callao bay. The main purpose of the visit, the fostering of goodwill, was fully accomplished. It was proclaimed in speeches and in the columns of the press; in the parade to the National Cemetery where Rear-Admiral Snyder laid a wreath on the tomb of Admiral Grau; and most effectively of all in the personal touch. Wherever the American tars wandered in quest of diversion, of souvenirs, of refreshment, they were followed by hordes of little children bent on making friends and also, in the majority of cases, bent on reaping gain. The proverbial generosity of the American sailor was tested to the full and in not a few cases unduly tested. If many of them were "bled," they allowed themselves to be bled with open eyes and in a spirit of comprehending good humour.

This spirit of friendly good nature was especially notable in the streets of Callao during the fleet's stay. All the underworld of the port, reinforced by a strong leaven from Lima, feasted fat on the crumbs which fell from the rich man's table. Bars, restaurants, dancing halls, were filled to repletion. Beer flowed like water. Money was of no account as long as the spender had a good time. And without doubt sailors and marines had, in their own argot, "one hell of a good time," in Callao especially.

According to the estimate of a Chief Petty Officer, every man of the lower decks spent not less than twenty dollars ashore. Putting the strength of the fleet at 6,000 men, approximately \$120,000, equivalent to \$/ 480,000, changed hands during those six days. To this must be added the large sums spent on entertainments by guests and hosts alike. It would probably be no exaggeration to assume that the trade of Lima and Callao benefitted to the tune of nearly a million soles by the American fleet's visit.

Rarely have the streets of Callao seen such a congestion of traffic and pedestrians as during the week-end. The crowning day was Sunday when Lima flocked in shoals to the port and lined the waterfront five or six deep or fought for places on the launches which reaped a golden harvest by conveying passengers on a tour around the fleet. The trams were unable to meet the demand. Both coming and going they were packed fuller than the fullest sardine tins. The Tramway Company put into service every available car; but had they had three times the number, they could not have provided seating capacity for all. The congestion reached its summit in the late hours of Sunday and Monday night when dozens of visitors walked all the way from Callao to La Punta in the hope of being able to secure sitting room on the Lima-bound cars. And they did not succeed!

In spite of the crowds, comparatively few incidents of an untoward nature were chronicled. The Callao police was strongly reinforced by detachments from Lima, and order was maintained in a goodhumoured manner. The S. P. was also effective in looking after its own preserves and in rounding up any unduly obstreperous seamen. Shore leave for sailors and marines ended each

soundly fleeced into the bargain. Finally, corralled behind the wooden barriers of the old French customs house, they were sorted out according to their ships and despatched in swift-scudding launches to their rightful destinations. "We're lucky if we can get them all aboard by 7.45," said a Petty Officer of the Shore Police.

It was at 7 o'clock on Thursday morning that the squadron (flying according to 'El Comercio' the "legendary Union Jack" of the American navy) put into the bay and came to anchor in a line which extended from the south breakwater to a point facing the Naval School at La Punta. After the exchange of the usual official visits, shore leave was extended to all men not on watch duty; and this was the rule during the remaining days of the visit. Lima was the first objective of most of the visiting seamen, though on subsequent days after the novelty had worn off, Callao seemed to offer a more homelike atmosphere.

Friday saw the first of two excursions which were made by special train to Rio Blanco where the men were privileged to see some of the scenic wonders of the highest standard-gauge railway in the world and made their acquaintance with the fabled llama, hitherto only known in zoological gardens. In the evening the Minister of Marine, Captain Héctor Mercado, gave a reception in the Country Club in honour of Admiral Snyder and the principal officers of the squadron.

The main event of Saturday was the parade of 1,400 sailors and marines through the streets of Lima to the Pantheon where Rear Admiral Snyder laid a floral anchor on the grave of Admiral Miguel Grau in the Crypt of the National Heroes. On the conclusion of this ceremony, the column headed for the Plaza de Armas where it was reviewed from the balcony of the Palace by President Benavides, accompanied by his Cabinet.

A luncheon given on board the flagship "Grau" in honour of Admiral Snyder by Captain Diaz Dulanto, Commander-in-Chief of the Peruvian squadron, was the principal official event of Sunday. But the interest of rank and file alike was mainly centred in the special bull fight which had been organized for the entertainment of the visitors in the Acho bull ring. Unfortunately the bulls did not come up to expectation and for the most part were the tamest of dumb animals in whom not even the spur of darts could arouse any fighting instincts. This gave rise to a somewhat humorous incident in which, partly in protest against the dulness of the show and partly due to excitement, several sailors jumped into the ring and proceeded to pull the bull's tail, extract darts from its shoulders as souvenirs and to feign fights with the swords of the toradors. The united efforts of the S. P. and the local police were required to oust them from the arena which by this time was well littered with fragments of broken bottles.

A té dansant given in the Country Club by the American Society of Peru, in honour of Rear Admiral Snyder and the officers of the fleet, brought the day to a pleasant close.

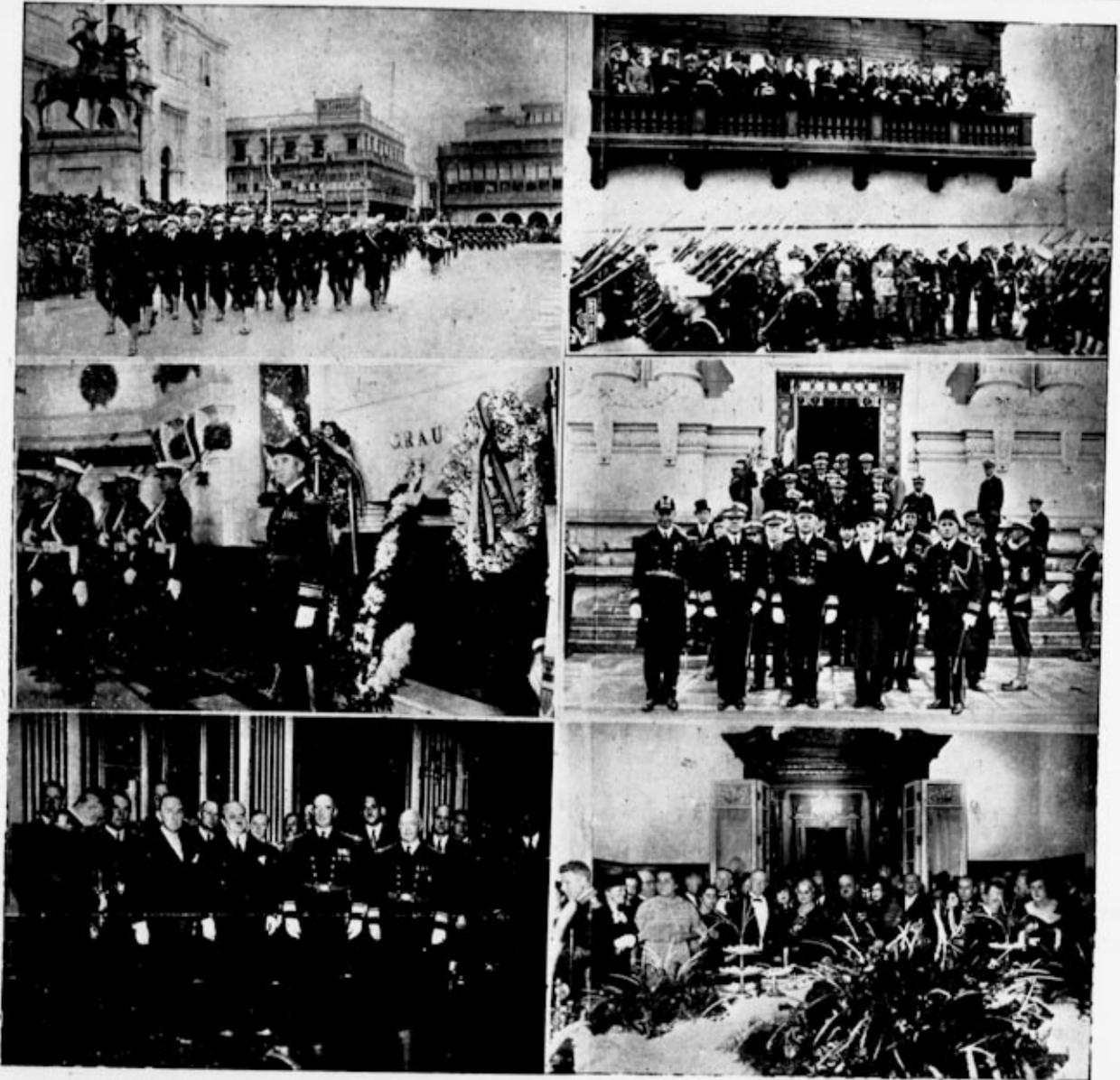
In return for the generous hospitality, public and private, which had been lavished on the visitors, a series of entertainments was given on board the visiting warships during the concluding days of their stay. The principal of these was the luncheon on board the flagship

given by the combined uni-
spectacle was also repeated

Shore leave ended on Tue-
ed until midnight in orde-
ample opportunity to make
friends and to spend the
uvian cash. A large numbe-
farewell visit to Lima, to n-
the night clubs; and traff-
and taxi was more congest-
since the fleet's arrival. In
the hours of seven and mid-
ing room was available on t-

The closing feature of t-
stay in Callao was the arriva-
of the flagship Louisville a-
2 of the Port Terminal in c-
facilities to friends of offic-
a farewell visit. In the even-

U. S. NAVY



Above: from top to bottom:—

- (1) Sailors marching past the bronze statue of Pizarro, Plaza de Armas.
- (2) Admiral Snyder of the U.S. Fleet before the tomb of the Peruvian naval hero, Admiral Grau.
- (3) Official visit of staff officers of the Fleet to the Palace of Government: centre, from left to right:— Ambassador Dearing; President Benavides; Admiral Snyder.

Above: from top to bottom:

- (1) Sailors marching past the Palace of Government, reviewed by President Benavides, Ministers of State, diplomats and officers of the Fleet on Saturday, May 30th.
- (2) Staff officers of the Fleet before the Crypt of the Heroes, when Admiral Snyder placed a wreath on the tomb of Admiral Grau.
- (3) Reception at the Palace of Government: centre, at the end of the table, Admiral Snyder, Mrs. Benavides, President Benavides.

ANTIGUA BOTICA FRANCESA S. A.

Ask for an ice at our Soda-Water Bar.
Made with rich heavy cream.

MERCADERES 451.

ANTIGUA BOTICA FRANCESA S. A.

THE OLDEST PHARMACY IN PERU.
ESTABLISHED 1824.

English, French and German spoken.

MERCADERES 451.



*At the left: American Embassy staff and staff officers of the Fleet in
Palace corridor after paying official visit to the President.*

Unos Estados Unidos de nueva faz

2 / 5 / 36

Por Joaquin Blaya Alende.

La marinería yanqui constituye en estos días la nota saliente de la ciudad virreinal.

Pelotones de muchachos fuertes y macizos, marchando como en racimos para no desorientarse, discurren alegremente por las calles, ofreciendo a las gentes el joven espectáculo de hombres fuertes, sencillitos y buenos, que abren grandes ojos de niño ante cualquier cosa pintoresca.

Helos aquí en línea, piropeando—con tiroteo de piropos inofensivos—a las morochas que pasan por el portal. Más allá, en una tienda de postales, buscan con afán las más pintorescamente indígenas, a manera de niños amantes de lo exótico. Estos entran silenciosamente en un templo y admiran cosas de arte antiguo que no están acostumbrados a ver en las frías iglesias de cemento de su patria. Aquéllos piden en el restorán platos del país, en busca de rarezas y sencillas emociones.

Una nota blanca—para cantineros que no discurren, bien amarga—ha sido ese beber cosas inofensivas de miles de mozos fuertes y bien plantados. ¿Cuántas cantinas tenían preparados sus toneles de whisky, sus misteriosas botellas de pisco, sus licores de todo grado, marca y catadura? Pero ellos, ahora, no se emborrachan. Ignoran el arte, antes tan divulgado, de describir eses en el aire. La Ley Seca fue buen sermón. La Ley Humeda no les pide, después de semanas de abstención forzada, ahogarse en un mar de alcohol. Y ellos, ahora, piden vinos sencillos, frescas cervezas, helados de "chiguimola" y chicas copitas de dulce licor.

Pero es en la plaza de toros donde esos marineros se muestran como son, con alma de niño dentro de los rozagantes pantalones y debajo de ese sombrero-mosca enhiesto sobre la coronilla de su cabeza. Miran a la plaza con ojos embobados. Gústales lo más infantil, como esa arrancada del torero que se trepa, huyendo del toro bravo, a las tribunas.

—Bis! Bis!! gritan enardecidos, como si el toro fuese una especie de clown que ensaya sus juegos y repite las suertes que han gustado.

Se entusiasman con los ademanes trianeros de los toreros. Tocan meticulosamente, como guagua ante una golosina, sus capas multicolores. Palpan sus sombreros exóticos. Tiran de su coleta enmoñada. Saltan al redondel a vitorear al matador, y, niños grandes que ellos son, compran a buen precio una banderilla, que, mañana, en la paz del hogar, ante parientes y vecinos será motivo para contar hazañas.

—Estando en Lima, y en lo mejor de una corrida real, un torazo gigante acosa a los toreros, echándoles por los aires a cornazos. Hay un muerto y seis heridos, con los trajes manchados de sangre. Entonces, para salvarlos del toro, saltamos al redondel una docena de marineros audaces y volvemos loco al torazo con nuestros gritos y desafíos, que aulla terriblemente. Salto yo entonces a su lado y le arranco una banderilla (y la mostraré ufano) que tenía la bestia clavada en un pulmón; y por el chorro de sangre echa su alma.

Y el héroe, emocionado, recibirá una cordial ovación, mientras la novia, cuyo corazón late fuerte, derrama dulces lágrimas.

La estada de unos miles de marineros norteamericanos en Lima—y, simultáneamente, de otro más en Valparaíso—se ha desarrollado en un ambiente muy distinto de otras ocasiones pasadas.

En otras épocas, cuando el pueblo norteamericano vivía en la atmósfera envenenada de un Wall Street material y espiritual, y los marineros chupaban licor como esponjas, y Monroe, mal interpretado y calumniado, era ideal y bandera, la llegada de marineros a estos paralelos hispano-americanos marcaba una fecha muy distinta de la actual. Los mozos bebían demasiado; demasiado licor y demasiado alcohol imperialista. Y andaban trazando por las calles eses orgullosos y sembrando conflictos que daban que hacer a los diplomáticos.

Pasó todo aquello como un mal sueño. Y el sol ha salido por el lado de Casa Blanca en el mismo instante en que el genial Roosevelt—y, más que genial, bueno—se sentaba en el sillón presidencial.

Era de inteligencia mutua, de cooperación, de quedarse cada cual bien firme en su derecho, de vivir todos a manera de buen vecino. Era de la abolición de la Enmienda Platt, del nuevo Tratado panameño, del reconocimiento de los gobiernos que cada pueblo se da a sí mismo por los medios que tiene a mano, de un acercamiento que, saliendo del corazón, es todo él solidez y fecundidad.

Porque Roosevelt es esto, y el mundo no sabe ver todavía qué gigante ha aparecido en América. El ha plantado cara a esa minoría gris cuyas especulaciones engordaban sobre la miseria del pueblo. El ha arruinado a la Wall Street tradicional, inaugurando un período de decencia, de nuevos principios, de nueva economía, de moral social. Y ha tenido la audacia de destronar con mano decidida a ese ejército de mamuts, que hacían y deshacían parlamentos y Presidentes.

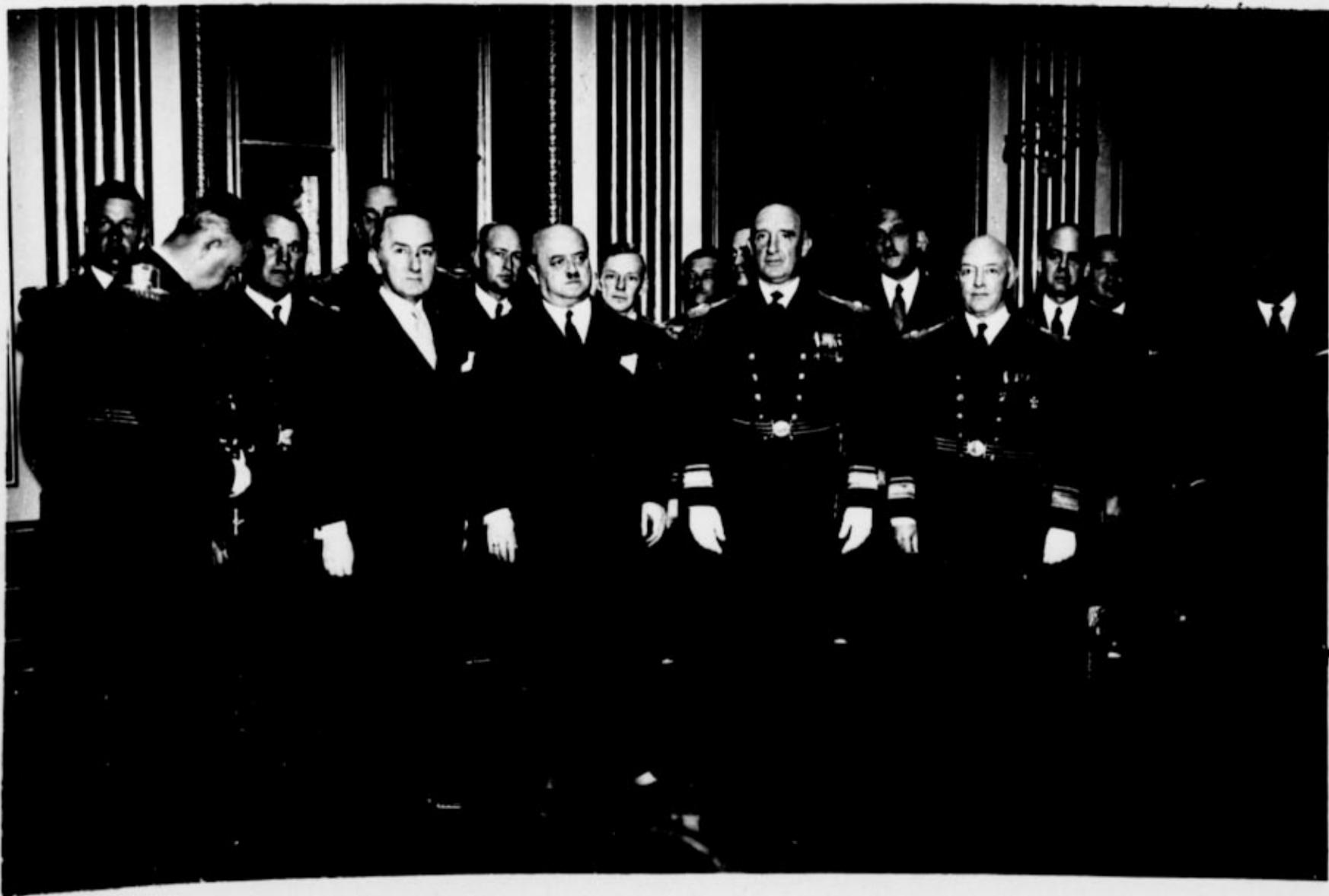
Porque los hacían y deshacían, la política americana internacional era agresiva, maleva, insolente, imperialista, gruesa: el polo opuesto de la limpieza cordial que Roosevelt ha sabido imponer con brazo fuerte.

Pero ¿sería de Roosevelt únicamente la gloria de la Nueva Era? No. Que es el pueblo americano quien ha colocado a Roosevelt en el curul de Washington y Lincoln. Este pueblo magnífico, del cual es expresión cabal esa marinería sencilla e ingenua, que vocifera locamente en esta Plaza de Toros de Lima, retratándose con toreros una banderilla en la mano, y sonríe como niño al paso de una morocha de ojos de almendra, requebrándola con frases elocuentes, aprendidas en el "Arte de hablar español en seis días", escrito por un inglés:

—¡Okey, milonga! ¿Cómo te va? ¡Olé tu mare! . . .

J. B. A.

Lima, 10. de junio de 1936.





PSF: Peru

11 AM Appt

file personal

ASSISTANT SECRETARY OF STATE
WASHINGTON

July 8, 1936.

file Peru

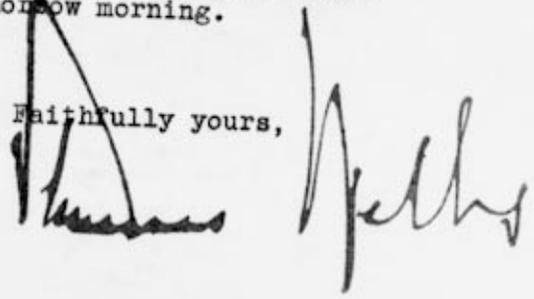
My dear Mr. President:

You have agreed to receive tomorrow, Thursday, morning, at eleven o'clock, the Ambassador of Peru and the Minister of Ecuador in order that they may advise you officially of the agreement reached by the two Governments they represent for the settlement of their boundary dispute by your arbitration.

I am enclosing a brief memorandum giving you the background of the dispute. The agreement provides for the settlement of the last really dangerous boundary controversy existing on this Continent, and it clears the atmosphere for the approaching Inter-American Conference. I have asked Steve Early to give all appropriate publicity to the visit that will be paid you tomorrow morning.

Believe me

Faithfully yours,



Enc.

The President,
The White House.

PSF Para

MEMORANDUM

July 8, 1936.

In 1924, Peru and Ecuador reached an agreement in Washington known as the "Ponce-Castro Oyanguren Protocol," which provided for the eventual submission of their boundary dispute to the arbitration of the President of the United States.

Nothing was done to carry out the terms of this Protocol until 1934, when the two Governments, through their diplomatic representatives in Washington, requested the formal consent of President Roosevelt to undertake the arbitration and to permit the two Governments to send their respective delegations to Washington. Thereafter, at the suggestion of Peru, further negotiations were held in Lima in order to determine whether the arbitration should be juridical or one of equity and to fix the extent of the arbitral zone. These negotiations proved unsuccessful until very recently, when they were resumed in Quito and resulted in a further protocol, signed on July 6th, last, which provides that the arbitration shall be on a basis of legal rights and that the delegations of the two countries shall commence negotiations in Washington on September 30, 1936. The purpose of the negotiations commencing on that date will be primarily to reach a decision as to the extent of the zone to be arbitrated by the President of the United States.

The Government of Peru has selected as its Delegates Francisco Tudela y Varela, Arturo Garcia Salazar, and Victor A. Belaunde. The Government of Ecuador has appointed as its Delegates Homero Viteri Lafronte, Alejandro Ponce Borja, and José Vicente Trujillo.

This agreement to prepare the way for the prompt arbitration of this dispute by the President of the United States provides for the peaceful solution of the last dangerous boundary controversy on this Continent, and comes at a particularly opportune moment in view of the approaching Inter-American Peace Conference.

PSF: Peru

November 12, 1936.

Dear Fred:-

Thank you for those most interesting stamps, especially the collection of those so-called errors which collectors adore, in spite of the fact that they have suspicions as to their origins

I am off Tuesday I hope. The next trip I plan I must make the West coast.

As ever yours,

Honorable Fred Morris Dearing,
American Embassy,
Lima,
Peru.

2
W. L. ...
C. B. ...
70

Lima, October 28, 1936

Personal

Dear Mr. President:

I understand you are determined to have a fishing trip in the early part of November whether you are re-elected or not. I imagine you will also take out a little time to look over your stamp collection. Please let me send you a few specimens of Peruvian issues which may prove to be rarities.

Peru had a good many stamps of certain issues on hand and so when the design was changed recently, the expedient of surcharging the old stamps was adopted in order not to lose them. Some of my friends tell me that some changes in the surcharge were carried out deliberately to make the stamps rare, so perhaps that will whittle down their moral value. I send them to you, nevertheless, thinking you may wish to put them in your collection. You will notice that in one of the surcharges "20" instead of "2" is used. I send

The President,
The White House,
Washington, D.C.
U.S.A.

three stamps in a row so you will see what happened. In the larger group there is an "S" missing in the surcharge on the stamp which bears a little red dot in the upper right-hand corner. The "S" standing before the zero means "soles" of course. The other four separate stamps are straight surcharges but the number of this issue so surcharged is limited.

I made a warm but fairly comfortable return trip to Peru and yesterday saw the President and gave him cordial messages from you and from Secretary Hull.

On my way down I picked up a great cock-and-bull story about the Peruvian-Ecuadoran boundary dispute negotiations in Washington, which I relayed to Sumner; but I am happy to say I have found no confirmation for it either in Ecuador or in Peru.

During the day or two following my arrival here the situation was rather intense as a result of the count of the votes following the Peruvian elections on October 11th. The President, by the way, was extremely interested in the electoral campaign in our country when I was with him yesterday.

Down here the Apristas - that is the more radical elements in the country - rather outplayed the

government and the conservatives. From the beginning of the campaign here the conservatives have refused to work together, and roughly speaking their vote was divided three ways, that is between Prado, Flores and Villaran. At the last moment a most inconspicuous candidate, Eguiguren, heading a small party called the "Social Democrats" inscribed himself as a candidate apparently without any opposition from the government, and two days before the election, an order went forth from Aprista headquarters to vote for Eguiguren. Nobody seems to know positively whether a deal was made with Eguiguren or whether the Apristas simply acted on their own initiative in the hopes of capitalizing later on. At any rate, their rather numerous and well-organized votes simply swamped the elections and apparently far outcounted the other three candidates.

Under the Peruvian constitution, the Apristas were ruled out for being members of an international party, but actually, by voting for Eguiguren and not an Aprista, they have scored over the government. It has been so far, however, rather an empty triumph as the

electoral boards declared themselves incompetent to complete the counting, since it was apparent how things were going! The Constituent Assembly has been called to meet on the thirtieth to straighten things out and the President has changed his Cabinet into a military Junta. Everything is still in the air and there are plenty of prophets of doom all around the place.

The President tells me, however, that the worst is over and that while there may be some minor difficulties, he thinks the situation will hold steady. He still wishes I believe, quite sincerely to lay down the cares of office on December 8th but he was wearing a military uniform when I saw him, informed me that he was a soldier and apparently will be resigned to his fate if the Constituent Assembly insists upon retaining him and fixing a date for a new election and new rules for the voting.

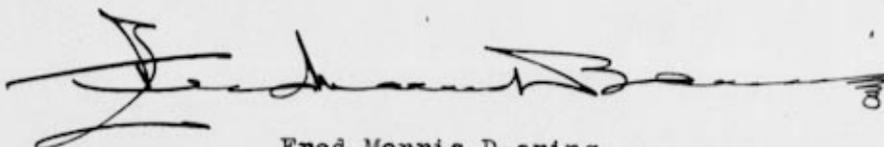
Incidentally, the elections quite disappointed this Constituent Assembly, which has been continuing itself, with but little justification from the legal point of view, for years, and it would seem hardly to lie with them - not a one of whom, I hear, was reelected - to be deciding the fate of the country.

There are many old hatreds, resentments, rancors and personal scores to be settled and there may be some trouble when the Apristas and others realize they are to be cheated out of the results of the elections. The government has acted swiftly and vigorously, however, to nullify any subversive movement and has made a large number of arrests. It may feel it is justified because the Aprista voters are evidently members of an international party no matter for whom they have voted. But on the face of it, it looks as if the government will have a poor case to present to the world at large as the appearance is that it has arbitrarily flouted the wishes of the real majority in the country and thus belies any protestation of good faith in the elections. So you see all the skulduggery is not practiced at home!

Dorothy is staying on in Dutchess County but I hope she will be sailing south the latter part of November and join me here about the first of December.

I wish you could extend your fishing trip and come down the West Coast in November. Why not set a precedent?

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing', with a long horizontal flourish extending to the right.

Fred Morris Dearing.

P.S.

October 31, 1936.

The resolution naming the Peruvian delegation to the Inter-American Conference at Buenos Aires has just been issued as I close this letter. President Benavides told me on the 27th he regretted he could not possibly go himself as Sumner and I had suggested.

The delegates are Concha, Ulloa, Barrera y Laos and Arias Schreiber. Concha, who heads the delegation, is a very good friend of ours and a fine man and in his hands things will go well and we may expect the friendliest kind of cooperation. He was in the States in July and had a talk with Sumner.

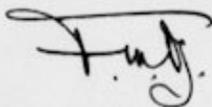
Ulloa - until a day or two ago Concha's successor as Minister for Foreign Affairs here - is much more temperamental and not particularly friendly toward us, but has been so much influenced by Concha that in association with Concha I think he will not make things

difficult.

Barreda y Leos, the Minister in Buenos Aires, is also extremely temperamental and touchy, but Mr. Hull will know how to manage him as he did so consummately well at the Montevideo Conference.

Arias Schreiber, associated with the Legal Department of the Foreign Office, may be depended upon, I believe, to follow Concha's lead.

Altogether and in view of the political situation of the moment, it is about as good a delegation as Peru can send.

A handwritten signature in dark ink, appearing to be 'F. Hull', written in a cursive style.



DEPARTMENT OF STATE
WASHINGTON

PSF
Peru -

In reply refer to
PR

July 6, 1939

My dear Miss LeHand:

With reference to the communication recently addressed by the President to His Excellency General Oscar R. Benavides, President of the Republic of Peru, on the occasion of the tenth anniversary of the establishment of a direct air service between the United States and Peru, I am enclosing herewith General Benavides' reply, which has been received under cover of a note from the Ambassador of Peru in Washington. No further action would seem to be necessary.

Sincerely yours,

Stanley Woodward

Acting Chief of Protocol.

Enclosure:
Letter from General
Benavides.

Miss Marguerite A. LeHand,
Private Secretary to the President,
The White House.

Department of State

BUREAU } _____
DIVISION } PR

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

Miss LeHand
.....



Lima, 30 de mayo de 1939.

Mi apreciado Señor Presidente:

He recibido con gran satisfacción la amable carta de Vuestra Excelencia de fecha 15 del actual, en la que se digna trasmitirme sus mejores deseos al cumplirse los diez años del establecimiento del servicio de transportes aéreos entre el Perú y los Estados Unidos de América.

La importancia de este servicio se ha revelado, como muy bien lo dice Vuestra Excelencia, en el creciente desarrollo de su capacidad para el transporte de pasajeros, de la correspondencia, y para ofrecer las mayores seguridades de estabilidad de las máquinas, todo lo cual se debe en gran parte al magnífico progreso alcanzado por la ciencia y la técnica de ese gran país.

El Perú ha contribuido, también, en la medida de sus posibilidades al desarrollo de la aviación comercial, concediendo todas las facilida-

Excelentísimo Señor

Franklin D. Roosevelt,

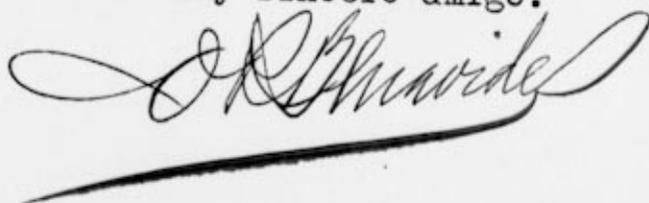
Presidente de los Estados Unidos de América.

Washington.

des a su alcance, para lograr una más rápida comunicación, que ha significado el incremento de las relaciones comerciales entre nuestros países y una mayor y más efectiva vinculación entre los ciudadanos peruanos y norteamericanos.

Puedo afirmar a Vuestra Excelencia que esta tarea de estrechar la vieja y sincera amistad entre el Perú y los Estados Unidos de América, mediante el progreso de sus comunicaciones aéreas, es uno de los más decididos propósitos del Gobierno peruano y a él dedicará sin vacilación alguna sus mejores esfuerzos, en la seguridad de que su realización servirá para llegar a ser, como con tanto acierto lo dice Vuestra Excelencia, vecinos más próximos y mejores amigos.

De V.E. muy sincero amigo.

A handwritten signature in dark ink, appearing to read "J. R. Muñiz". The signature is written in a cursive style with a long, sweeping underline that extends to the left and then curves back under the main body of the signature.

Excelentísimo Señor
Franklin D. Roosevelt,
Presidente de la República de los
Estados Unidos de América.

Washington, D.C.

[TRANSLATION]

LIMA, May 30, 1939.

My esteemed Mr. President:

I have received with great satisfaction Your Excellency's friendly letter of the fifteenth instant, in which you kindly transmitted to me your best wishes upon the completion of ten years of established air transport service between Peru and the United States of America.

The importance of this service has been revealed, as Your Excellency very well remarks, in the growing development of its capacity to carry passengers and mail and to offer the greatest guarantees of reliability in the planes, all of which is due in great part to the magnificent progress achieved by the science and technical skill of your great country.

Peru has also contributed, within the measure of its ability, to the development of commercial aviation, granting all facilities in its power, in order to achieve a more rapid communication, which has meant an increase

His Excellency
Franklin D. Roosevelt,
President of the United States of America,
Washington.

in the commercial relations between our countries and a greater and more effective bond between Peruvian and American citizens.

I can assure Your Excellency that this task of strengthening the old and sincere friendship between Peru and the United States of America, through the advancement of their air communications, is one of the most decided intentions of the Peruvian Government and one to which it will devote its best efforts without any vacillation, in the certainty that its realization will serve to make us, as Your Excellency so justly says, closer neighbors and better friends.

Your Excellency's very sincere friend,

O. R. BENAVIDES

TR:AVA:JP

free Peru



GREETINGS FROM THE AMERICAN EMBASSY

and from a
Coming American Family
Merry Xmas and Happy New Year!
Dorothy Downey and Fred Downey.
Lima. 1936.

P.F.

Lima, January 10, 1937.

Personal and
~~CONFIDENTIAL~~

My dear Mr. President:

I regret to have to report, upon the heels of your return from the Buenos Aires Conference, that I am not at all sure how good a neighbor the present Peruvian administration - and especially the President - is going to be. I believe I detect a determination (I gave you some inkling of this in my last letter) to exploit our behavior as good neighbors and to do as little as possible to carry out Peruvian obligations to ourselves.

The President is a stubborn man and is becoming stubborn. I am positive he knows the atmosphere in which you exercise your powers and the conditions in which he exercises his are distinct. Nevertheless, he continues to pretend that all in the world you have to do, when he makes a request, is to say: "Let it be done", and it will be done. His attitude is that if our Government is really as friendly as we pretend, you would

The President,
The White House,
Washington, D.C.

immediately direct the Department of Agriculture to grant Peru a sugar import quota of 200,000 tons. Then everything would be lovely, American interests in Peru would march forward unimpeded, we should be acting like real neighbors, and so would Peru. The President takes the position that the first concession should be made by us, and in this question of sugar, acts as if the sugar quota system were aimed specifically at Peru, which is not the case.

Meanwhile, he does nothing to discharge obligations to us; he does not help in the least; gives us no cooperation in reaching reasonable settlement of claims, or towards carrying out service on the Peruvian bonds held by American investors, or in opening negotiations for a trade treaty, or indeed in anything. Sugar, apparently, has become the lodestone of his existence, and in the past few months I have had more and more indications of a fixed purpose not to satisfy us in any of our representations until, as he imagines, we have seen the light and have done something to help out the Peruvian sugar industry.

I have argued the case with him from A to Izzard in as friendly and as conciliatory a manner as I have been able to do, but to no avail. He wants what he wants or he will make no concession.

Meanwhile I have also spoken to some of the chief newspaper publishers and to some of the planters, and I believe we have induced them not to embitter the situation until a reasonable and friendly effort can be made to do something about sugar towards the end of the present year; that is, when the Jones-Costigan legislation comes to an end and the sugar question will again have to be considered in all its bearings. Cuba, Santo Domingo and Peru are now holding conversations, and eventually all the sugar producing countries will, I understand, hold some sort of a meeting in London. And then the time will have come for us to review our situation and perhaps a good solution eventually can be found. I hope so for otherwise the prospects for a trade treaty and for the accomplishment of our other purposes is not bright.

At present the President, abetted by his ^{former} Minister of

Finance, Ugarteche, and the former Minister for Foreign Affairs, Ulloa, is sitting tight and we cannot move our questions forward. Sugar seems to be the cause of the whole trouble. In the case of the trade treaty with Great Britain, discrimination is provided for although not yet put into actual practice. We have reason to think there is a secret agreement ancillary to the treaty, which deals primarily with sugar. We have called the Government's attention to this potential discrimination, but are blandly informed that Peru does not propose to do anything about it as long as we continue to discriminate in favor of Cuba.

Other nations are now becoming disturbed by the proposed discrimination, and my Dutch Colleague tells me his Government intends to do something about it. The German Chargé is also giving the matter his attention. I understand that still other nations feel the discrimination is injurious. You must not, therefore, expect too much of us in the way of performance while we patiently endeavor to hold the situation steady and live this state of affairs down. The main thing now is to keep cool and to prevent a series of reprisals.

I regret to tell you, also, that we have it on good authority that the Peruvians feel we are showing favoritism to Ecuador. The Peruvians now regret ever having gone to Washington. There has been a stiffening of the attitude of the Ecuadorans in Ecuador itself. The Peruvians seem to feel that they are going to lose their case and that they will also lose their prestige as well. You may remember I attempted to give you the Peruvian point of view when I was speaking to you in Hyde Park last September. Peruvians say it is all very well for all nations to be able to use the Amazon as a highway, but point out that each country that comes to the banks of that river constitutes just one more agency physically able in an emergency to choke off the route of egress and ingress for the whole of Eastern Peru. It was bad enough, they feel, to have to go through Brazilian territory to reach the sea; it was worse to have Leguia permit Colombia to come down to the river at Leticia and thus give Colombia an opportunity to put pressure on the Oriente's jugular vein; it will be disastrous, they feel, if Ecuador also comes to the river and is able, in case

of differences between the two countries, to exert pressure by blockading the Amazon.

The Peruvians are not the least bit happy about the matter. We hear that all the members of the Peruvian Commission wish they had any job but the one before them, and that the atmosphere in Washington is distinctly pro-Ecuadorian. The announcement of the approaching negotiation of a trade treaty with Ecuador, Colon Alfaro's standing in our country, and the presence of his two sons at West Point, all contribute to the present Peruvian unhappiness.

As I had the privilege of telling you in a former letter, Peru could have a trade treaty with us if she wanted it, and I have repeatedly told the President and the various Ministers for Foreign Affairs that Peru need not live by sugar alone, but could consider profitably all the other articles figuring in our mutual commerce. But so far I have not been able to get beyond this point and purely academic expressions of interest.

As to our immediate questions, the four million soles voted for American holders of Peruvian bonds by the now extinguished Constituent Assembly is, we understand, to be continued in the next budget but no payments will actually be made. This is merely a face-saving device. The Peruvians themselves stated their obligations so publicly and

so well that if they did not at least leave this item in the budget they would be stultified. I told you in my last letter of what seems to be the theory of the President and Ugarteche as to making payments. The President himself struck from the budget, at the last moment, all items for the satisfaction of the claims of the National City Bank, the Electric Boat Company, United Air Craft, etc., on the excuse that he needed the money for the armed forces and to insure law and order. In the Sutton case I have presented the matter to this Government - always in the friendliest fashion - over 150 times in the last seven years, and I am now on the point of getting the Department's authorization to present an official diplomatic claim. I have, I feel, exhausted all reasonable and dignified efforts to settle the matter by diplomatic negotiation and there is nothing for it but to forward the claim and let the case go to eventual arbitration. I can detect no intention whatever to make a friendly and equitable settlement unless we make the President happy by giving him his 200,000 tons of sugar.

We are also having difficulty about the British-American Hospital which, in spite of its name, is chiefly an American institution. A cabal of jealous Peruvian doctors is trying to get control of the institution. If this is achieved it will be a disastrous development so far as Americans living here are concerned. The President, who could insure the Hospital's independence, refuses to make the American control secure. The case is open, and dangerously so, for it is thus subject to some swift, subversive manoeuver at any time. We have done our best within the scope of what is proper to save the situation and shall not give up until we find it is completely closed against us.

Meanwhile our task has become complicated because the Foreign Office has been practically nullified as an agency through which to conduct business on account of the inefficiency of the present incumbent. General de la Fuente, the Minister, is a thoroughly charming and most sympathetic man. You may recall having met him when he was on special mission in Washington last year. But he simply knows nothing about the business of his important portfolio, is bored to death by his job and does not expect to remain in office. The Legal Adviser is away, the Official Mayor (who corresponds to our Under Secretary of State) has gone off on a special mission - we understand to the Ecuadorian

frontier - and Bedoya, who used to be in the Peruvian Embassy in Washington, is doing all the work that can be done in the midst of the pressure and confusion existing.

I am sorry to paint you so black a picture but felt sure you would prefer to know the actual situation. Happily, nothing quite overcomes or obliterates the effect of your visit to Buenos Aires and of the Conference. So far as the attitude of the Peruvian people is concerned, their interest and sympathy have been won, and as I have told you before, feeling in general towards our country and our people is better than it has been for many years. This, perhaps, will assist us to our objectives eventually.

We have just read your inaugural speech and the statement on the budget with the most intense interest. Any compliments from me for either or both of them would be superfluous. Nevertheless, I make you my compliments most whole-heartedly and sincerely.

The BALCH is here on a shake-down cruise and we are expecting the CUMMINGS at the end of February.

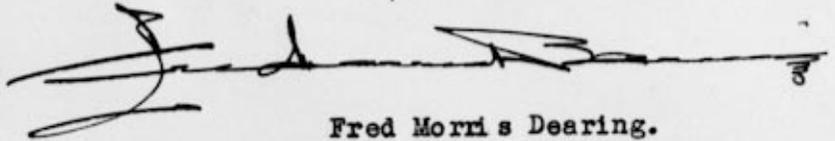
Have you read Harold Laski's article on the British

Civil Service in the last Yale Quarterly? It is fascinating on the subject of administrative reorganization and incidentally Foreign Service reorganization.

I am thrilled by your own proposals for the reorganization of our Government machine. I would almost say it will be your greatest achievement. And before you get through I trust the Foreign Service is going to be organized for efficiency also. But what delighted my mean nature was the Committee's perfectly beautiful sock in the eye for that pestiferous and self-seeking old arbitrarian, McCarl. If you only knew what he has done to thousands of poor devils all over the world for the last fifteen years you would give that part of the Committee's report your special blessing. He never meant to be either reasonable or fair. If the law enabled him, by any interpretation he could put upon it, to reclaim money he would, regardless of justice, right, the purposes of the administration, the ends of public policy, or anything else. He cared only for the legend: "The Watch Dog"! What an ambition! We used to be told he gave a prize to the clerk in his office who made the most disallowances. But perhaps that is apocryphal. I certainly agree with the Committee.

With warmest good wishes in which Dorothy joins
me,

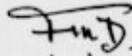
Yours most sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing', with a long horizontal flourish extending to the right.

Fred Morris Dearing.

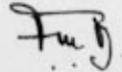
P.S. January 12th.

We had a little uprising today but it was
quickly squelched.

Handwritten initials 'F.M.D.' in dark ink.

P.S. January 17th.

I attach a clipping from LA PRENSA of January 16th,
Pedro Beltran's paper, showing the attitude of the
Peruvians about sugar. Yesterday I had a talk with
Chamot who negotiated the treaty with Great Britain,
and he confirms me in the feeling Peru will continue to
balk about everything until satisfied by grant of a
larger sugar quota in our market.

Handwritten initials 'F.M.D.' in dark ink.

Translation of an article taken from LA PRENSA, Lima, Peru,
January 16, 1937.

The Cuban Sugar Crop.

According to cable despatches, the Cuban sugar crop for the present year has been fixed at 2,939,000 long tons, against 2,515,000 in the past year. That figure will permit Cuba (counting the carrying over from last year) to offer on the free world market 923,000 tons after filling the export quota to the United States, which has been fixed provisionally at 1,692,000 tons. Furthermore, the cable news reports that Cuba will produce an excess of half a million long tons in the hope that its quota to the United States will be increased in the course of the year.

This considerable increase of the Cuban production is a bad omen for Peru. According to the figures noted, Cuba actually has more than 900,000 tons to offer in the free market and besides it will have a reserve of half a million tons which it will offer in the free world market if they cannot be sold in the United States.

Cuba's action is eminently injurious to the interests of the few countries which, like Peru, have to struggle without any protection in the restricted free market which still remains for the sugar in the world. Thanks to the production which the United States grants to Cuban sugar, that island disposes of almost 2 million tons in the United States, for which it gets a price almost three times larger than that which Peruvian sugar receives in the markets of Chile, Great Britain or any other country in which it can sell its sugar. By selling the greater part of its sugar at such a high price, Cuba can "dump" and it actually dumps it into the British market, debasing the quotations through

the excessive

the excessive supply and injuring Peru which has to sell its production at ruinous prices. Let us say its entire production, as indeed the sugar which Peruvian producers dispose of in the internal market is sold at world market prices because the prices of the London market are the ones which govern sugar quotations in the Peruvian internal market.

The sugar policy of the United States is profoundly harmful to Peruvian interests. On the one hand, it excludes, except for a very small quota of about 5000 tons, Peruvian sugar from the American market which consumes 6,000,000 tons annually; on the other hand, because of the protection given Cuban sugar, it places that country in a position to harm our sugar interests as well as the interests of the few countries which still have to depend on the international market.

The United States is its own master, being the most powerful nation, and can follow the sugar policy which best suits its own interests, and from that point of view we have nothing to say. But, insofar as that policy is harmful to Peruvian interests and unjustly discriminates against a Peruvian product and against Peru, it is our duty to defend our commercial interests, and to see that they are not treated with lack of equity.

With a few weeks the North American Congress, according to sugar magazines, is about to take up anew the sugar policy. That is our chance to present once again to Washington our just claims. If they are not heeded, it behooves Peru in her economic interests to adopt the exact same policy of quotas and differential duties in regard to the products of the United States as

the United

the United States applies to Peruvian sugar. A measure of this kind on the part of Peru would be justified in view of the policy which the United States has been following for the past three years with regard to our sugar.



EMBASSY OF THE
UNITED STATES OF AMERICA

PSF:
Peru

Lima, January 17, 1937.

Personal and
~~Confidential~~

Dear Larry:

I enclose a translation of an article in LA PRENSA of January 16th, which will show you exactly how the Peruvians feel about sugar. The tone of it is carefully guarded, as you will observe, but it discloses that the original attitude and determination has not changed by one jot or by one tittle. I enclose a copy of the Spanish text also.

Yesterday, at a ceremony at which the President inaugurated a sports field, a swimming pool and some sixty houses for workmen, I had an opportunity to talk to Chamot, whom I believe you met there in Washington when he went up about a year and a half ago to have talks with you in the Department, with Secretary Wallace and others in the Department of Agriculture, and with the President, about getting a larger quota for Peruvian sugar. Since that time he has been in England and I suppose may be regarded as the chief negotiator of the trade treaty between Great Britain and Peru.

Laurence Duggan, Esq.,
Chief, Division of Latin American Affairs,
Department of State,
Washington, D.C.

Sr. Chamot is now the Manager of the Chamber of Commerce here in Lima; he is in close touch with the Sociedad Agraria and the PRENSA - their organ - and is one of the President's most trusted economic and personal advisers. He is not a particularly sincere man, but he is intelligent enough in spite of a certain tendency to deviousness and intrigue. He told me a lot of things yesterday and his words, taken literally, mean nothing; but taken - as I believe they should be, as an indication of his real thoughts - they show conclusively what we have come more and more to believe, namely, that the Government here proposes to do absolutely nothing for us in any of our questions until they are satisfied by having granted to them the privilege of selling a larger amount of sugar in our market - 200,000 tons if possible, although Chamot tells me that even 100,000 tons would break the log-jam, and Carlos Concha once told me that he thought a concession of even 50,000 tons would relieve the situation.

Chamot denied that there was any secret agreement in connection with the Peruvian-British Trade Treaty. When I talked to him about discrimination he rather confirmed what we have been told by other informants to the effect that none would actually be practiced as long

as there is a possibility of trading for the increased sugar quota. He gave me to understand, somewhat naively, that this business of the British treaty and the discrimination had all been set up so that Peru's friends in Washington could use the threat it contains to cause or induce Congress to open the doors of our market a little more widely for imports of Peruvian sugar. I shook my head over the desirability of doing things in this fashion, but he was somewhat bewitched by it and charged ahead, evidently with the intention of preventing me from asking any more questions or making any further observations.

When I suggested that it was a shame Peru should be denied all the benefits of a commercial treaty with the most favored nation clause just on account of sugar, Chamot blurted out, before he could stop himself, that Peru didn't care about anything else. Seeing that he had let the cat out of the bag, he went on to say that Peru could always sell her cotton, petroleum and copper, and that there was no use talking about these things now. He seemed to think that Congress will take up the matter of our sugar quota policy some time soon, and that when it does and at the time the Jones-Costigan law comes to

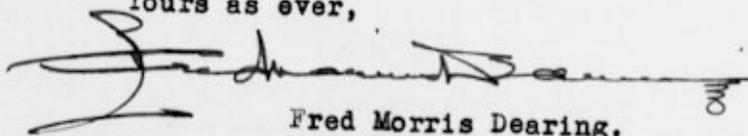
an end late in the year, it will be possible for us to let Peru have the larger quota desired.

While I think the Peruvians have gone about the business in the worst possible fashion, and while I think the reasoning of President Benavides and Chamot utterly specious, I do feel - as I told Herbert Feis when I was last in Washington - that it is wrong for us to practically bar from our market everything Peru produces and expect to increase trade, good will and neighborly feeling in this country. I would not be inclined to yield to pressure about sugar, but I would be inclined just to ignore the pressure and do something for sugar if possible, on general principles. And I feel further that we certainly should also do something to pull down our rates on copper, long staple cotton, petroleum, wool and other Peruvian products.

We have heard nothing about the progress of the three-cornered conversation between Peru, Santo Domingo and Cuba. When there are any developments, do please let us know.

With warm good wishes as always,

Yours as ever,



Fred Morris Dearing.

Enclosures:

Spanish text and translation of clipping from
LA PRENSA, Lima, January 16, 1937.

Translation of an Article appearing in LA PRENSA,
Lima, Peru, January 16, 1937.

The Cuban Sugar Crop.

According to cable despatches, the Cuban sugar crop for the present year has been fixed at 2,939,000 long tons, against 2,515,000 in the past year. That figure will permit Cuba (counting the carrying over from last year) to offer on the free world market 923,000 tons after filling the export quota to the United States, which has been fixed provisionally at 1,692,000 tons. Furthermore, the cable news reports that Cuba will produce an excess of half a million long tons in the hope that its quota to the United States will be increased in the course of the year.

This considerable increase of the Cuban production is a bad omen for Peru. According to the figures noted, Cuba actually has more than 900,000 tons to offer in the free market and besides it will have a reserve of half a million tons which it will offer in the free world market if they cannot be sold in the United States.

Cuba's action is eminently injurious to the interests of the few countries which, like Peru, have to struggle without any protection in the restricted free market which still remains for the sugar in the world. Thanks to the production which the United States grants to Cuban sugar, that island disposes of almost 2 million tons in the United States, for which it gets a price almost three times larger than that which Peruvian sugar receives in the markets of Chile, Great Britain or any other country in which it can sell its sugar. By selling the greater part of its sugar at such a high price, Cuba can "dump" and it actually dumps it into the British market, debasing the quotations through

the excessive

the excessive supply and injuring Peru which has to sell its production at ruinous prices. Let us say its entire production, as indeed the sugar which Peruvian producers dispose of in the internal market is sold at world market prices because the prices of the London market are the ones which govern sugar quotations in the Peruvian internal market.

The sugar policy of the United States is profoundly harmful to Peruvian interests. On the one hand, it excludes, except for a very small quota of about 5000 tons, Peruvian sugar from the American market which consumes 6,000,000 tons annually; on the other hand, because of the protection given Cuban sugar, it places that country in a position to harm our sugar interests as well as the interests of the few countries which still have to depend on the international market.

The United States is its own master, being the most powerful nation, and can follow the sugar policy which best suits its own interests, and from that point of view we have nothing to say. But, insofar as that policy is harmful to Peruvian interests and unjustly discriminates against a Peruvian product and against Peru, it is our duty to defend our commercial interests, and to see that they are not treated with lack of equity.

With a few weeks the North American Congress, according to sugar magazines, is about to take up anew the sugar policy. That is our chance to present once again to Washington our just claims. If they are not heeded, it behooves Peru in her economic interests to adopt the exact same policy of quotas and differential duties in regard to the products of the United States as

the United

the United States applies to Peruvian sugar. A measure of this kind on the part of Peru would be justified in view of the policy which the United States has been following for the past three years with regard to our sugar.

La Zafra Azucarera de Cuba

El cable nos comunica que la zafra azucarera de Cuba para el presente año ha sido fijada en 2'939.000 tons. largas contra 2'515.000 que fue la del año pasado. Esa cifra permitirá a Cuba (contando con la existencia que quedó del año pasado) ofrecer en el mercado libre del mundo 923.000 toneladas, después de cubrir la cuota de exportación a EE. UU., que ha sido fijada provisionalmente en 1'692.000 tons. El cable dice, además, que Cuba producirá un exceso de medio millón de toneladas largas con la esperanza de que su cuota a los Estados Unidos sea ampliada en el curso del año.

Este aumento considerable de la producción cubana en el presente año es un mal augurio para el Perú. Cuba, en efecto, según las cifras apuntadas, dispone de más de 900 mil toneladas para ofrecer en el mercado libre y aun le quedará una reserva de medio millón de toneladas que si no puede vender en Estados Unidos tendrá que ofrecer en el mercado libre mundial.

La acción de Cuba es eminentemente dañina a los intereses de los pocos países que, como el Perú, tienen que luchar sin ninguna protección en el restringido mercado libre que aun queda para el azúcar en el mundo. Gracias a la protección que EE. UU. otorga al azúcar cubana, esa Isla coloca en aquel país cerca de dos millones de toneladas, por las que obtiene un precio casi tres veces mayor que el que obtiene el azúcar peruano en los mercados de Chile, Gran Bretaña o cualquiera otro en que coloque su azúcar. Vendiendo así la mayor parte de su azúcar a un precio tan alto puede Cuba hacer el "dumping" —y lo practica— en el mercado de Gran Bretaña, envileciendo las cotizaciones por el exceso de oferta y dañando al Perú que coloca así toda su producción a precios ruinosos. Y decimos toda su producción, pues aun el azúcar que los productores peruanos venden para el consumo interno la colocan a precios equivalentes al del mercado mundial, porque son en definitiva los precios del mercado de Londres los que rigen las cotizaciones internas del azúcar entre nosotros.

La política azucarera de los Estados Unidos daña así profundamente los intereses del Perú. Por una parte, excluye, excepto para una pequeña cuota de alrededor de cinco mil toneladas, el azúcar peruano del mercado americano que consume seis millones de toneladas por año; por otra parte, mediante la protección que otorga al azúcar cubano pone a ese país en condiciones de dañar nuestros intereses azucareros, así como los de los pocos países que aun tienen que acudir al mercado internacional.

Estados Unidos es muy dueño como nación soberana de seguir la política azucarera que mejor convenga a sus intereses, y desde ese punto de vista nada tenemos que decir. Pero desde que esa política daña los intereses peruanos, y discrimina injustamente contra un producto peruano y contra el Perú, es nuestra obligación defender nuestros intereses comerciales, velar porque no sean tratados con falta de equidad.

Dentro de pocas semanas el Congreso norteamericano, según dicen las revistas de azúcar, debe tratar nuevamente de la política azucarera. Es esa la oportunidad de presentar una vez más a Washington nuestros muy justos reclamos. Si ellos no fueran atendidos toca al Perú, en defensa de sus intereses económicos, adoptar respecto a los productos de los EE. UU. exactamente la misma política de cuotas de derechos diferenciados que a-

plica EE. UU. al azúcar peruano. Una medida de esa clase por parte del Perú está justificada de antemano por la política que desde hace tres años sigue EE. UU. con relación a nuestro azúcar.

PSF: Peru

Lima

full
knowledge

Lima, February 24, 1937

Personal

Dear Mr. President:

May I give you a few notes about present conditions in Peru? Many very interesting, although not encouraging, things are happening here now, and perhaps a report regarding some of them may indicate the significance of developments and what may be impending.

Since the President became an absolute dictator early in December, the Government has become, day by day, more arbitrary and repressive. Two days ago it issued a law so drastic in character that one might well believe it had emanated from Moscow, Rome or Berlin! The law provides, under the heaviest of penalties including death itself, that no one may think, do or even breathe a thing which the Government may consider subversive. We know that the secret

The President,
The White House,
Washington, D.C.

services, expensive instruments, continue to work fast and furiously and that they were sufficiently efficient to produce five different detailed reports of the last revolutionary attempt before the movement even got started. The censorship is all pervasive, as any one can tell by a glance at the paper, and as is proven by comparison of the radio bulletins sent us by the Department, with the despatches carried in the local newspapers. We are not sure that our mail goes through or that our telephone conversations are inviolate.

On the 21st some forty arrests or more were made, and some of my colleagues tell me of having seen a number of public automobiles, provided with hidden machine guns, cruising about the city ready to pour bullets into any disturber. The Prefect of Callao expressed the greatest concern to me as to what might happen that day.

One of the traitors to the opposition cause was bumped off not long ago in true Chicago fashion, by being "taken for a ride". Within a day or two the Government replied, in genuine gang-land fashion, by getting rid of an Aprista leader from Trujillo, Arevalo, upon whom it pinned responsibility for the

killing, by the well-known "Ley de Fuga", of which you have heard in Cuba and Mexico and which is almost the Latin American equivalent for "being taken for a ride", except that it is always supposed to be the constituted authority that applies the process and there is some hint of resistance to the authorities and an effort to escape. Whatever the pretense and the psychology, the effect is the same and death is the result. The Government must be pretty nervous - as well as arbitrary - to be doing all these things.

 To give you just a whiff of the other side of the cheese, I enclose the last number which has reached us of the clandestine paper, the "TRIBUNA", thinking you may find it something of a curiosity. It carries the picture of Haya de la Torre - the famous Aprista leader - and some characteristic declarations by other Aprista leaders. It is precisely this sort of thing that the recent law would put an end to. Formerly it was supposed that the police knew where Haya de la Torre was staying but thought ^{it} to be wiser not to seize him or to

martyrize him. Now that the Government has apparently made up its mind to wipe out the Apristas as completely as possible, and would like to lay its hands upon him, it cannot find him. He is supposed to have at least a dozen hideouts and we hear every now and then that he is here some place close by the Embassy in Miraflores.

The Government has assured itself of the allegiance of the armed forces, it is widely assumed, by paying them exceedingly well, and it is a consciousness or belief that they are loyal which now causes the Government to challenge its enemies so vigorously. Everyone waits for the reaction and everyone seems to think that since it is doubtful whether a subversive movement could be started within the armed forces, what we shall now see is an attempt at assassination. The situation is something like that existing during the last several years of the Leguia regime, when something might have happened at any moment and yet the actual precipitation of the political storm was years away.

The economic improvement here, due to that throughout the world, which, of course, provides the Government with additional resources, makes me think

the present Government may be able to carry on for some time. Exception must always be made, however, for some sudden and accidental happening. We hear the President's wife is almost out of her mind because of letters she has received threatening both the kidnapping of her children and the assassination of her husband. The President and his family do not appear in public unnecessarily, but they do go about more or less normally, and the President's young daughter, apparently quite unguarded, has been seen at the bathing beaches in La Punta.

We hear a number of stories indicating that all is not well within the Government itself. The Minister of Fomento, for instance, is said to be grafting extensively and yet, in addition to his regular duties, he has again just been put in charge of the aviation service, thus indicating some doubt as to its loyalty. (He was taken from Aviation to fill the Fomento portfolio). The Chief of Police, Ordoñez, at the same moment, is displaced because of payroll padding, and it is said that Callao cannot be

properly policed because he has withheld money for food and clothing as well.

A bad situation has just arisen in the Navy: Peru has three or four antiquated vessels, and since the departure of our Naval Mission a year or two ago (the navy men ardently desire the return of this Mission and to put Peru on a par in this respect with Brazil and Argentina), there has been no vast amount of efficiency in maintaining even these old vessels. The President is an army man, and like most Peruvian Presidents, gives his affection to the navy only in second place. Recently, desiring dry-dock facilities, the President decided that the navy should go to Talcahuana in Chile, and apparently sold some petroleum to the Chilians in order to pay for the service. The argument was that this would be cheaper than paying for dry-dock services in Panama. But as the petroleum could be sold to the United States as well as to Chile, it is difficult to see the force of this argument. The fact is the President has never forgiven us for refusing dry-dock privileges to the Peruvian vessels during the Leticia trouble, when they

desperately desired them, and he will not have anything to do with us if he can possibly avoid it.

The President called on Comandante Rotalde, an excellent officer, formerly stationed with our navy for training and formerly Minister of Marine; Chief of naval operations, to take the vessels south. Rotalde reminded the President that during the Tacna-Arica settlement he had been mauled and man-handled by Chilean roughnecks when on an official mission, and that his father had suffered defeat in a naval engagement at Talcahuana, and that by a Chilean vessel now stationed there which would have to be saluted by the Peruvian vessels. Report has it that when he urged these occurrences as reasons for not going, the President put his request on personal grounds and said he was asking his friend (Rotalde) to command the vessels. Rotalde is reported to have replied that as a friend he wished to make it as easy for the President as possible, and here was his irrevocable resignation.

The latter part of the story is that when Rotalde returned to the Navy Department and told his associates

of what had happened, they were about ready to go on the warpath, close the port of Callao, and hold up the Government. This they could probably have done, but yielding to Rotalde's better advice, they desisted. The vessels finally sailed south under the command of Labarthe, a subordinate officer, but whether they will actually go to Talcahuana is not definitely known. I expect they will as the yen to be friendly with Chile is strong and there is a secret protocol, negotiated during the Leticia trouble, calling for close cooperation in international affairs.

We hear, finally, that the real reason for disliking to make the visit is the fact that the vessels are in such terrible condition the naval officers are ashamed to have the Chilians learn the truth about them; that naval officers, despite the Administration's attitude, continue to regard Chile as Peru's worst potential enemy and believe it will play completely into Chile's hands to reveal the Peruvian weakness. It is felt that the Chilean navy could make short work of the entire Peruvian fleet.

One more note with regard to the Peruvian navy: The President, I am told, has called in a local American, acquainted with neval vessels, and has told him to see

what he can do to find a second-hand cruiser which the Peruvian Government might purchase. In talking to the Naval Attaché I find that nothing of any great efficiency could possibly be obtained for less than several million dollars. In view of the present demands upon the Government's resources, payment for a vessel of any real efficiency would be almost impossible. Nevertheless, this inquiry is significant.

I regret having to report that President Benavides is proving to be a poorer and poorer neighbor every day. Since Carlos Concha left the Foreign Office several months ago, it has been practically impossible to get anything from this Government but negatives. As I have written to you in previous letters, this is due primarily to the President's stubborn belief that if he withholds all cooperation he can force us to grant Peru a larger sugar quota. Coached by a small group - Ulloa in the Foreign Office, Tola and Ugarteche in the Ministry of Finance, and one or two others - the President turns down every initiative we take to get settlements for outstanding questions, and bristles very much indeed when we show signs of independence.

In the Lee case the Government does nothing at all, seeming to feel that inaction will wear us out; in the Sutton case the President directly refuses to make any fair, direct settlement and contests our right to claim on his behalf. He quite certainly has no intention of meeting the demands of justice or of satisfying us in any way. In a recent levy against the Cerro de Pasco Copper Corporation, the Government bluntly informed me it was not an appropriate matter for diplomatic representation. This is not the first time it has endeavored to block me from having anything to say about the rights of Americans who feel they have grievances.

Towards American holders of Peruvian securities the President's attitude is one of the utmost cynicism. Having made a gesture - the gesture being merely the insertion in the 1936 budget of an item providing that four million soles should be diverted to service and amortization on the bonds of the national loan - the President has since been content to let the item remain quiescent in the budget. March 31, 1937, the period expires within which these funds may be made available to our bondholders. I detect no intention on the part of the authorities to transfer these funds

to New York. Quite the contrary. The Bondholders' Advisory Committee is sending down a representative to see what may be done. I will wager he will not obtain a cent.

One or two more items - some pleasanter ones I trust - and I shall have finished:

Some of your admirers in this country - of whom there are many - are campaigning in the Press for the award to you of the Nobel Peace Prize because of your accomplishments in connection with the Buenos Aires Conference. The effects of that Conference are most apparent in the general psychology of the people. There is now a pervading consciousness of common American interests and American solidarity such as has never existed here before. In time this will bring its results and will have its effect upon even so stubborn and narrow an administration as that of President Benavides.

The President was extremely interested in your suggestions for judicial reform, and at his direct request I gave him a copy of your message to Congress.

During the recent floods at home I had expressions of most sincere sympathy from a number of our Peruvian friends, although no official expression from the Government.

Many Peruvians are not in sympathy with the President's arbitrary dictatorship, and gradually and unobtrusively they are finding their way out of the country for more or less indefinite residence.

Meanwhile, strong currents of tourist travel have turned this way, and almost every week brings us hundreds of new discoverers. Last week was an exceptional one and over a thousand visitors arrived on the COLUMBUS and on the ROTTERDAM on special voyages. Yesterday our Destroyer, the "CUMMINGS" arrived on a shake-down cruise. On the 22nd, while you were placing your wreath on Washington's tomb, we were holding a reception here for our American colony. March 4th we are expecting the visit of some fifteen planes from the Canal Zone. The next day Alec Weddell and his wife arrive on their way to the United States. Henry Norweb has just gone through on return to his post at La Paz.

And here is a final batch of notes just handed

me by my staff:

The deposed Chief of Police, Ordoñez, is not the only high official involved in the recent graft scandal. Gossip involves the Minister of Government also, and there has been some talk that he might lose his place as a result. Commander Flores of the Police, is also said to have had a hand in the speculations.

Not all the army officers are in accord with President Benavides' repressive policies. A number of them criticize bitterly - in private - the recent law forbidding any thought or word the Government may consider subversive. They state that in case a military uprising should occur, it will now be necessary to put it down ruthlessly and without quarter, and that as a consequence they may be in danger of their lives at the hands of the Government and would certainly have to go before a firing squad if the rebels should win.

The Administration is dismissing a great many members of the Government's service, almost all of them being employees who earn from fifteen to twenty pounds

per month. They are bitter against the Government and may constitute the nucleus for uprisings in the future. On the other hand, as a reward to many of its satellites the Government is creating a number of high-salaried posts. Sayan Alvarez, for instance, is to receive one hundred and fifty pounds per month.

Forty laborers of those under the control of the Board for Unemployed who had not been paid their wages for some time past, recently went to La Perla - the President's suburban home - to claim their back wages at once. They were told by the Aide that they should go to the Ministry of Government, but they refused to leave. They were then informed that the police would disperse them. They replied they were ready to die in defense of their rights and had no intention of leaving. The President then considered it politic to come out and talk to them, and after doing so gave telephonic orders to the appropriate authorities and the men were paid off without further delay.

With warmest good wishes in which Dorothy joins me,

Yours most sincerely,

Fred Morris Dearing.

Note: (Page 3.)
The Ambassador regrets that he has been unable to procure the copy of TRIBUNA. If possible he will forward same at a later date.

P.S. Mr. Lane just heard Srta. Brumades, the President's wife, is to go to the States next week. Some say she is fleeing in terror. Others think she has gone to get away something. Both stories may be discounted. But as she is a most able and resourceful person you may be sure she is not put on a pleasure trip. Her son, 17 or 18, goes with her and every other one of her school's friends. Fred



*File
Dip. file*

EMBASSY OF THE
UNITED STATES OF AMERICA

Peru

Lima, March 7, 1937.

The attached sheet (LA TRIBUNA, February 21, 1937)
to accompany the Ambassador's letter of February 27,
1937, to the President.

LATRIDUNA

DIARIO POPULAR PARA TODO EL PERU

EDICION CLANDESTINA DE PRÓTESTA
PRECIO DIEZ CENTAVOS

AÑO VIII

LIMA, 21 DE FEBRERO DE 1937

EPOCA VIII

EDITORIAL

El Pueblo Aprista del Perú celebra hoy, en un gran acto nacional de reafirmación, un nuevo cumpleaños de Haya de la Torre.

El 22 de febrero ha sido declarado, por la soberana voluntad de las masas de nuestro gran Partido, EL DIA DE LA FRATERNIDAD APRISTA.

Y todo trabajador manual e intelectual, todo ciudadano conciente del Perú, reconoce en esta fecha la del nacimiento de un hombre que ha dado con su vida de sacrificio y de energía, ejemplo y lección extraordinarias.

Haya de la Torre no solo ha realizado una obra admirable sino que muestra como el mas alto paradigma su propia vida.

En este país de políticos claudicantes, de burócratas prostituidos, en este Perú Civilista en el que "donde se pone el dedo brota pus"—según la frase del gran González Prada—Haya de la Torre ha dado una lección heroica de principismo, de lealtad a un ideal y de la mas limpia energía.

Pudo ser lo que hubiera querido y alcanzar todos los honores que otros buscan arrastrándose por el lodo.

Pudo quedarse en su casa y pasar tranquilamente por las pue-tas que la vida le abría.

Pudo ser el ídolo y el héroe del Civilismo contemporáneo y sus honores que hoy no le faltan, que no fué de los que se gana en un día.

Pero Haya de la Torre buscó otro camino. Se abrió el ojo. Vino hasta el Pueblo que entonces se hallaba anasteciado por la miseria, por la ignorancia y la explotación. Haya de la Torre conciente de los peligros de la actitud que adoptaba, se enfrentó a los opresores de la Patria, atacó a los tiranos y abofetó a los que se iban. El rico, el noble, el rico, el pobre, tomó el camino de las persecuciones por la Justicia, de los destierros, de la cárcel y del odio salvaje que los civilistas desata contra todo aquel que no se les rinda.

Él no quebrantable, Haya de la Torre no tuvo jamás los pentas del demagogo que se acerca al Pueblo cada vez que hay elecciones y luego marcha del bra-

"Yo he entregado mi vida al servicio del Pueblo que es el alma viva de mi Patria. Nada ni nadie me detendrá en este camino libremente escogido por mí. Si hay que en mi lucha por la justicia, por la cultura. Ahí está firme y fuerte el Aprista."

Haya de la Torre
(Penitenciaría, Julio 1932)

zo con los tiranos y los opresores. Haya de la Torre dedicó toda su vida a su gran batalla por la liberación del Pueblo Peruano. Sintió con el Pueblo, sufrió con el Pueblo, dió al Pueblo todos los elementos de cultura y organización que podía darle, y formó para su servicio un Gran Partido.

Fundado el Aprismo, estructurado el Partido de los trabajadores manuales e intelectuales del Perú, Haya de la Torre no abandonó nunca su puesto de lucha. No tuvo jamás la actitud del político legoista que "se le tasta" y se aleja temporalmente de las filas para "levantar sus bonos". Haya de la Torre ha hecho de la dirección política una tribuna, una trinchera y una cátedra. Por

ese caso excepcional y único—su prestigio aumenta en vez de aminorarse. Y el pueblo se siente cada día mas identificado con la lucha de Haya de la Torre, a medida que pasan los años y él se mantiene inflexible en su puesto.

El Civilismo y sus aliados han sido y son implacables contra Haya de la Torre. No le perdonan que se haya puesto al servicio del Pueblo. Ellos saben que sin Haya de la Torre no se habría fundado el aprismo y sin aprismo el pueblo sería el rebaño de siempre.

Por eso, todo su odio se reconcentra en Haya de la Torre y por eso en 1931, como en 1932, como en 1934 y como hoy, se tiene un objetivo firme y eliminario.

De fundido por la frater-nidad de su Pueblo, res-guardado por centenares e miles de sus discípulos, de sus hermanos, de sus compañeros, Haya de la Torre ha sobrevivido afirmando su obra para dejarla vigo-

rosa y entera.

Así lo ratificamos en este día todos los apristas y defensores que con el brazo izquierdo en alto saludamos a quien es Jefe y Maestro del Pueblo, defensor tenaz de la democracia, de la justicia y de la cultura.

OPINIONES SOBRE EL JEFE

Con motivo del 22 de febrero, hemos recibido muchas cartas y artículos sobre Haya de la Torre. Para complacer esta información hemos pedido también



BEST AVAILABLE COPY

MENSAJE DEL JEFE

"Hemos VENCIDO. Trecientos cincuenta mil votos ha alcanzado el aprismo sin candidatos propios, sin libertades, con cinco mil presos y desterrados. Este es una Victoria que no se destruye a bayonetazos. Ellos se quedarán en Palacio, pero nosotros permanecemos en el llano con el triunfo de haber demostrado que solo por el atropello se nos impide el paso. El DERECHO y la JUSTICIA está con nosotros. Ahora preparamonos para la lucha final".

1117 A 2011

Incahuasi 1937.

El Jefe de la Torre.

ALLA EN INCAHUASI

La Tribuna no podía dejar de enviar uno de sus redactores a la casa del Jefe del Partido Aprista Peruano para consignar su pensamiento, y fui yo el designado para intervenir a Haya de la Torre.

A las siete de la noche emprendí el camino en busca del Jefe, en un auto del partido y en compañía de un chasqui. Llegamos a las pocas horas a la cordillera de los Andes, luego de haber contemplado la belleza de la carretera central, el panorama y el paisaje.

Allí en la entrada de Incahuasi, que es el chasqui con los que hacen guardia por la casa del Jefe del Partido, siendo a los pocos minutos conducido yo a presencia del líder máximo del Apra.

Incahuasi, la casa de granito de los Andes, donde trabaja el Maestro y conductor del pueblo peruano, es sencilla, sobria, modesta. Casa de un solo piso con varias habitaciones donde se trabaja incansablemente y desde donde Haya de la Torre dirige la marcha del partido del pueblo que ganó nuevamente las elecciones en el mes de octubre del año pasado.

El Jefe viste de Overol. Su vital roto revela optimismo y sobre todo salud, apesar del trabajo intenso y de la honda y cruel persecución de que es objeto por la tiranía vesánica del Ex-general Oscar R. Benavides.

Al estrecharme entre sus brazos, sus labios escarrocipitan una amplia risa cordial, ya célebre en América y en Europa. Es la sonrisa del vencedor, del hombre de lucha que triunfa en las jornadas de la vida y que se agiganta en la persecución.

—Vengo, Compañero Jefe, enviado por la Tribuna para reportarlo, para recoger su pensamiento en ésta hora grave que vive el país, en que se ha entronizado la tiranía más cruel y sanguinaria que registra la historia.

—Los felicito de que "La Tribuna" reinicie su publicación con brío y entusiasmo. Las nuevas máquinas espero que aseguran la salida normal de nuestro vecero.

—Es que las seis máquinas anteriores cry ron en poder de la policía, c. Jefe.

—Comprendo, compañero, y por lo mismo cierto y seguro que ahora se voceará normalmente el pensamiento de nuestro Gran Partido.

Debemos proseguir en la lucha contra la tiranía de Benavides, el hombre cruel y frío que tanto daño ha hecho y hace al Perú.

..... La frente de Haya de la Torre se contrae. Parece que se combata más como para que sus pensamientos salieran puros cortantes, incisivos, para que al enunciar al tiranuelo Benavides, ellos no perdieran ni un ápice, ni un solo ápice de exactitud. Sus ojos se iluminan bajo las enarcadas cejas y continúa:

—Hay en este momento 6,500 presos políticos en el Perú. Ni Gómez en Venezuela tuvo tantos detenidos. Y es que Benavides se ha encaramado en el Poder contra la voluntad del Perú entero.

Lo interrumpo: y el ejército Jefe, no lo sostiene.

El Jefe se hiergue de su asiento y levantando su índice me contesta casi violentamente, subiendo el tono de la voz:

—No, absolutamente no. El ejército del Perú no sostiene a Benavides, no puede sostenerlo. Y la prueba está allí, palmaria, concluyente: Coroneles y Comandantes deportados; comandantes y cien de miles presos en el Panóptico de Lima y otros lugares, y al rededor de 350 clases y soldados en el Frontón. El ejército peruano ha tratado de derrocar al tirano y lo conseguirá. Los movimientos últimos así lo demuestran.

Lo que sucede es que el tirano ha introducido en cada regimiento y batallón "soplones" para delatar a los Jefes, Oficiales y clases.

El "soplón" es el sostén de este régimen corrompido. Delata, y cuando no descubre nada, para justificar la "paga", inventa. El Oficial peruano está así a merced del "soplón", de esos soplones que como Ud. sabe se recogen del hamaca de Lima.

—Pero los cuadros de lucha del partido probablemente, se han diezmado con la terrible persecución que constata a diario, debilitando así su marcha?

—No, porque la organización vertical del Apra impide el estacionamiento y la quiebra del partido. Cada cuadro de lucha nuevo, trae entusiasmos certificados y decisión inquebrantable de luchar y seguir luchando por el triunfo de la JUSTICIA SOCIAL. Las ideas, lo he repetido a diario, no se combaten con prisiones y ergástulas. Las ideas no se degüellan como afirmaba Sarmiento. El aprismo victorioso, saldrá más fuerte, más puro y más glorioso de esta lucha que estamos librando contra la tiranía.

El Apra no morirá jamás, porque es bandera porque es evangelio de justicia social, porque es fe porque es redención.

—Pero el Apra, solo el Apra combate al Tirano energicamente.

—Todos los peruanos, sin excepción, lo combaten. Los Jefes de otras agrupaciones políticas estacionados, se encuentran deportados o permanecen ocultos. La espada sin gloria del Tirano Benavides no podrá jamás impedir que lo derroquen. Ha maldito todo en el Perú, ha corrompido a los hombres, ha destruido las instituciones, se ha burlado del sufragio, ha violado la Constitución y continúa violando las leyes.

Allí despertó la conciencia de millares de obreros y los que lo vimos día tras día durante tres años enseñando y orientando, no lo olvidaremos nunca.

Un Estudiante: A mí me ha que gozo o más... Haya de la Torre comprendo que su más grande hazaña ha sido permanecer honrado y leal a sus ideas en un país sin estímulos para esta clase de sacrificios y con tantos ejemplos "magistrales" de claudicantes y sin verguenzas.

Un Joven Obrero: "Nosotros los obreros jóvenes vemos al c. Haya como a un hermano mayor, a un guía y a un maestro. Cuando nos sentimos desanimados o desilusionados al ver nuestra suerte y la situación desgraciada de este país, pensamos en Haya de la Torre que nunca se desanimó y tomamos nuevaz fuerzaz

ULTIMA HORA

■ DESPUES DE LA PRISION DE NTESTRO C, MANUEL AREVALO Y SUS BRAVOS COLABORADORES, EL COMITE REGIONAL DEL NORTE SE HA REORGANIZADO SIN DEMORA CON LA PRESENCIA DE DOS DELEGADOS DE LAMBAYEQUE cc. LUIS E. HEISEN, AGUSTIN VALLEJOS ZAVALA Y TODOS LOS DELEGADOS DEPARTAMENTALES Y DE LOS VALLES AZUCAREROS.

TODOS LOS cc. LIDERES Y AFILIADOS PRESOS EN EL PANOPTICO, EL SEXTO Y EL FRONEON HAN ENVIADO UN CALUROSO SALUDO AL JEFE DEL PARTIDO REAFIRMANDO SU FE APRISTA. LOS PRESOS HAN CONMEMORADO EL DIA FERVOROSAMENTE.

apra PROXIMAMENTE
SALDRA A LVZ

asesino Y PRESIDENTE EN BREVE
15,000 EJEMPLARES

El hombre que juró ante un Crucifijo y que dió su palabra de honor de retirarse a su casa el 8 de diciembre de 1936 solo ha enseñado a mentir, a robar, a torturar. Y la MENTIRA es la peor escuela de Gobierno. Quien suspendió las elecciones cinco veces, y quien las anuló en octubre de 1936 es capaz de todo.

Tengo noticias, compañero Jefe, de que el 22, día de vu st o cumpleaños, el pueblo se prepara a festejarlo.

—Yo agradezco vivamente la adhesión de mi pueblo, mártir y explotado siempre, que siente en sus carnes palpitanter, los garfios de la crueldad del tirano y del civilismo vende-patria. Pero estimo esa adhesión como un homenaje a nuestro propio partido y me reafirma a la convicción de que ¡SOLO EL APRISMO SALVARA AL PERU!

—Sabemos, compañero Jefe, que la Conferencia Popular de Buenos Aires lo designó Presidente de Honor y de que los periódicos de América con tal motivo publicaron sendos artículos sobre su persona.

—Mi designación como Presidente de Honor de la Conferencia Popular de Buenos Aires fue un homenaje al Perú, al Perú que combate contra la tiranía del usurpador Benavides. América contempla abismada esta tiranía abyecta y en la terratología de la historia guarda lugar preferente para el Usurpador.

Me despidió del Jefe. Un nuevo abrazo, mensajes de simpatía a los compañeros que luchan y parto de regreso.

Mientras el carro rueda, mi esperanza, se agita en el viento se agita y amente y mi fe de luchador y de aprista se potencia.

En mis oídos aún resuenan las últimas palabras de este hombre joven, Maestro y creador de una nueva doctrina, y pienso que su alma y su voluntad son como el granito de Incahuasi, como la piedra de los Andes. Y si los Andes hicieron la grandeza del Tahuantinsuyo, Haya de la Torre será el único capaz de hacer la GRANDEZA DE NUEUESTRA PATRIA. HA DESPERTADO UNA FE Y HA CREADO UNA NUEVA CONCIENCIA.

Lima, 17 de febrero de 1937.

JUAN DE UGARTE

OPINIONES SOBRE EL JEFE

Con motivo del 22 de febrero, he recibido muchas cartas con opiniones sobre Haya de la Torre. Para completar esta información hemos pedido también a una clase de gentes algunas ideas sobre el fundador del Aprismo:

Un Fajista: "Haya de la Torre es un ejemplo de juventud. Fue gran deportista desde 1912 como uos cuenta el c. Las e u biografía. Futbolista, nadador, gran trepador de montañas, fue después boga del Regatas C orrillos. Cultivó el masculino y el cerebro y por eso siempre a s do tonante.

Un Obrero: "Soy de la vieja guardia de la Universidades Populares González Prada. Esa es para mí la obra cumbre de Haya.

Incachuasi.—El **6. Haya**, de la Torre pasará tranquilamente en sus labores como un día de trabajo cualquiera. Durante toda la semana han llegado desde los niños prisioneros, raciones del país saludos, mensajes, cartas, etc. Estas demostraciones han sido en mucho a las de los años anteriores. El **6. Haya** del Partido se halla en perfecta salud y su única preocupación en este día ha sido que las familias de los presos y todos los necesitados y los niños reciban como siempre el obsequio de la fraternidad aprista.

La madre del Jefe del Partido envió su saludo al hijo ausente. Su hermano Agustín que se halla en la Penitenciería desde noviembre de 1934 envió su mensaje con todos los presos apristas.

Los prisioneros del Frontón y del Sexto enviaron también su saludo anticipado anunciando actuaciones conmemorativas.

Lima.—El Secretariado de Asistencia Social ha recordado a todos los apristas que el 22 de febrero debe darse una cuenta extraordinaria en dinero o en especies para las familias de los presos y para los necesitados y desocupados. A los niños pobres debe dárseles algo. Ropa, víveres, libros, dulces, juguetes, todo puede darse en este día.

Lima.—Todos los secretariados, buros y brigadas de trabajo del Partido continúan en plena labor. Durante la semana última y con motivo de la proximidad del 22 de febrero las faenas se han redoblado. El entusiasmo y decisión aprista han aumentado.

Lima.—Como ya se ha indicado por la radio "Indiamérica" son nuevos secretarios nacionales de Propaganda, el **c. Yuranki**, de Asuntos Indígenas el **c. Matto Julka**, de Interior el **c. Juarez**, de Defensa, Interino, el **c. Justo Suárez**, y Subsecretario General del Comité Nacional de Acción el **c. Jaime de La Rosa**.

Disciplina.—El Tribunal Supremo del Partido ha confirmado la expulsión decretada por el Tribunal Regional de Disciplina del Norte, contra **Nerón Montoya** agente provocador de la tiranía con misión divisionista.

APRISTA: Recuerda que después de 2 años de persecución fuimos a las elecciones y nuestros votos sumaron 350 mil hasta tres meses.

Esta victoria debe redoblar ahora. Si de 1931 a 1936 aumentamos mas de cinco veces nuestro número de afiliados. En 1937 debemos ser diez veces mas fuertes y activos que en 1931.

NUESTRO SALUD

La Lit. e Impta. Colón, salva en el día de su onomástico al Jefe del Partido Aprista **Perdano**, **Visto**, **Raúl Haya** de la Torre, ejemplo de honradez y energía en este país de políticos corrompidos.

Los obreros de la **Lit. e Impta. Colón**, marcharán hasta el triunfo, llevando la vida de sacrificio, igual que nuestro Jefe, combatiendo a la casta corrompida del civilismo, hasta exterminarlo.

¡Solo el Aprismo Salvará al Perú!

Haya de la Torre ha publicado tres libros en un año: "A dónde va Indoamérica?" "El Antimperialismo y el Apra" y "Ex-Combatientes y Desocupados". Los tres han sido editados por Escuela de Santiago de Chile.

"A dónde va Indoamérica?" es un libro del que ya van lanzadas tres ediciones. Ha alcanzado un éxito verdaderamente extraordinario.

"El Antimperialismo y el Apra" lanzó una primera edición popular de 10.000 ejemplares que se agotó a las seis semanas habiéndose lanzado ahora otra de 60.000 que se está agotando. La tercera edición con un nuevo prólogo de Haya de la Torre está ya en preparación.

"Ex-Combatientes y Desocupados" es el último libro sobre Europa de Haya de la Torre. Lanzada a fines de 1936 ha obtenido un éxito extraordinario.

Los libros de Haya de la Torre se venden en toda América. Menos en el Perú. La estulticia y la barbarie, la envidia y el odio de la tiranía han cerrado el paso a los libros de Haya de la Torre. Cuanto ejemplar ha podido ser descubierto en el correo ha sido incinerado por orden del administrador. Sin embargo, en todo el sur del país, los libros de Haya de la Torre están circulando furtivamente. La juventud y el pueblo ha establecido la Biblioteca Circulante Aprista para leer las obras del Jefe.

NOTICARIO APRISTA

La Plata (Argencina).—Ha quedado formado el primer Sindicato Estudiantil Aprista Argentino en esta Universidad. Ha formado el "Comité Aprista Mariano Moreno" para estudiar la realidad argentina, y la "Biblioteca Haya de la Torre" al servicio de estudiantes y obreros.

Buenos Aires.—El Secretario General del Partido Aprista Argentino **c. Daniel Faleroni** iniciará en breve una gira de conferencias apristas por toda la región del Litoral.

Santiago de Chile.—Los desterrados apristas **Manuel Seoane**, **Luis López Añaga**, **Luis Alberto Sánchez**, **Jorge Mufiz**, **Samuel Vázquez** y otros ofrecieron una serie de conferencias en los Sindicatos obreros de Santiago y Valparaíso sobre el aprismo. Los obreros chilenos los ovacionaron.

Trujillo.—El entusiasmo para celebrar el cumpleaños de Haya de la Torre se reprisa en todo el norte al de los años anteriores. En **Tumbes**, **Piura**, **Cajamarca**, **Amazonas**, **Lambayeque** y **Ancash** se preparan grandes "quemadas", luminarias en las colinas y reparto de víveres para el pueblo necesitado.

Arequipa.—Todo el sur celebrará como nunca el cumpleaños de Haya de la Torre. El Aprismo que ha crecido inmensamente en los últimos meses en toda la región sureña se muestra muy activo y decidido.

Cerro de Pasco.—Los obreros de Cerro de Pasco se preparan para celebrar el cumpleaños del 22 de febrero. En todo Junín los obreros harán una grand demostración de la fuerza aprista.



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EMBASSY OF THE
UNITED STATES OF AMERICA

*PSF
Paw*

Lima, May 20, 1937.

My dear Mr. President:

This, I imagine, will be the last letter I send you from this post. It has been a long and interesting tour of duty but also a difficult one on account of the drain on our health. You can imagine, therefore, how pleasant are the anticipations of returning to our northern world. I trust we can serve you well in Sweden and make of that post the active and helpful factor in our foreign relations I know you want it to be.

Just as we leave Peru the situation here becomes more interesting; and the turn is distinctly for the better. And equally as distinctly is the improvement the result of the policies you and Secretary Hull have been furthering. Carlos Concha has come back from Washington persuaded that there are no more kindly and considerate people in the world than Sumner, the Secretary and yourself. He was impressed, also, by Secretary Wallace, and in general by the convincing

The President,
The White House,
Washington, D.C.



evidence he received on all hands that we really mean to do everything we can to be a helpful neighbor and to make the attitude concrete by assisting Peru with her sugar problem.

It is especially fortunate that it should have been Carlos Concha, who knows and understands us, who went to Washington as a sort of special ambassador. There is no doubt in my mind that he is going to play a more and more important role in this country, and I think it not beyond the realm of possibility that he may some day, relatively soon, become the Peruvian President. President Benavides has evidently been testing him and trying him out. He has given him difficult assignments. He took him from the post of Minister to Bolivia and made him head of an antiquated and somewhat discredited Foreign Office. While he was Minister for Foreign Affairs he made a particularly gratifying impression upon everyone accredited to this Government, and in addition to carrying on the everyday work, he completely reformed the Home Office and Foreign Service. At one jump he brought the Foreign establishment from a condition comparable to that fifty years ago to a state of efficiency which compares

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favorably with the machinery for conducting foreign affairs in any other Latin American country.

Carlos Concha also personally handled the difficult Ecuadoran-Peruvian boundary negotiations - in which we have, as you are aware, a somewhat special interest; he was used for a brief time in Brazil as Ambassador; he was made the Chief of the Peruvian delegation to the Buenos Aires conference where his record was excellent; he was then sent to Chile as Ambassador, a post of especial importance for Peru; and finally he was selected for the difficult and apparently almost impossible task of presenting the Peruvian case for an increase in the allotment of sugar imports into our market. He has acquitted himself well in every instance and he has, without doubt, Benavides' unbounded confidence, and Benavides is a distrustful man.

At the time Concha left the Foreign Office I said to President Benavides, in a conversation I had with him, that in the Embassy and in Washington we held Concha in the highest esteem. I enlarged upon the theme and told the President concretely how valuable it had been for us to have a man who was frank and sincere

and cooperative to deal with, and that if he could have been left at the Foreign Office a little while longer, all of our questions could have been settled. I stressed his statesmanlike qualities and his nobility of character and my belief that he would prove to be one of the great values of Peru - one of its most constructive citizens. I have since had opportunity, on one or two occasions, again to express my admiration and I did so recently just prior to Concha's departure for Washington.

We now have it, on good authority, that some time in the near future the President - feeling he now has the situation under thorough control - will ask Concha to head a civilian cabinet and send the army officers who have been serving in the emergency military cabinet back to their posts.

The Chilean Ambassador told me last night that his Government would deeply regret having Concha leave Santiago but that it was a satisfaction to know he would be the President of the Peruvian cabinet and thus virtual head of the Government under the President's immediate direction.

Just prior to hearing this news, I received a call from Concha at the Embassy. He came to tell me about

his trip to Washington. He took advantage of the occasion to ask me a great many questions of a general political nature. I have always had a most frank and friendly association with him and so I attached no unusual importance to his inquiries and remarks. But in the light of what I heard later, I am convinced he had in mind the comparatively early assumption of new duties as Chief of the Cabinet. We hear the President wishes him to become Minister of Gobierno, which means that he will have the police and the prefects under his control and the job, primarily, of keeping order in the country.

Concha himself would much prefer Foreign Affairs which he reorganized, which he thoroughly understands and in which he has passed his life, except for the years when he was in exile in the United States working for Grace and Company or teaching at Yale or in other American schools. My guess is that having been so long away from Peru and having been associated almost entirely with foreign affairs, the President desires to build up Concha's identity and prestige

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within the country by giving him a job which will make it necessary for all the political leaders in Peru to become acquainted with him and to learn what kind of a man he is. It would be a shrewd thing to do, if he has Concha in mind as his successor, and the value of the experience for Concha will be great in case the President leaves the Government as he has so often asserted to me he will do, and drops his mantle upon Concha's shoulders.

In the conversation with me at the Embassy to which I have referred, Concha told me that while the country is outwardly quiet and the President is preserving order, the political situation is still difficult and filled with hates and animosities. The Apristas, for the present, are suppressed and quiescent, but the party is numerous and bides its opportunities with hatred in its heart. It is, unfortunately, lacking in wise and experienced leaders. The Right parties, if they could get together, might outnumber the Apristas and that would enable the President - or any Government that succeeds him - to control the nation; but they simply will not get together or work together, and you never saw such full blown vengeances and detestations in

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your life as prevail among them. Concha has very justifiable misgivings about being able to make the various Right parties and groups work together and tells me, confidentially, that Jorge Prado - Benavides' favored candidate in the elections of last October, a man of somewhat liberal tinge - is intensely hated by the Miro Quesadas and the old aristocrats of church, land and army background, and that they will not accept him on any terms. He adds his confidential personal opinion that Prado is not really a careful student of public affairs and does not go deeply into the nation's questions, but is chiefly an orator and a man with considerable initiative who is headed in the right direction and has good and kindly intentions.

In this connection Concha, very significantly, deeply deplored the handling of the elections last October and the illegal and arbitrary course President Benavides then and since has felt it necessary to follow which has resulted not only in an unjustifiable occupancy of the Presidential office by Benavides but his transformation into as complete an autocrat as any dictator in the world. Fortunately Benavides is,

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his transformation into as complete an autocrat as any dictator in the world. Fortunately Benavides is, according to his lights, benevolently inclined. He is undoubtedly a constructive man and has a constructive plan for the development of the country. Concha says he is deplorably dilatory and speaks of his difficulty in making up his mind and feels it is a shortcoming. But as I look back on the last four years I am inclined to think that from the political point of view at least, this apparent dilatoriness was somewhat deliberate, was astute and has been salutary and advantageous in that it caused most of the major political problems and dangers to settle themselves.

The worst aspects of the President's course are his unwillingness to compromise; his extremely repressive laws, and the rigid exclusion from any participation in the life of the country of those he considers his political enemies. This means not only Apristas, but the Fascisti and Civilistas as well.

I trust these circumstances give you some idea of the background and of the possibilities. They are important because the 8th Pan American Conference will be taking place in Lima some time next year and it will certainly be desirable for men to be in control here who

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ING TO THE DIRECTOR
OFFICE FOR THE
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will be an improvement over our dear and self-centered friend Saavdra Lamas who, incidentally, is detested in Peru.

Concha tells me Alfonso Lopez in Colombia is very anxious for the Conference to take place early in 1938 so he, while still President, may come to Lima at the head of the Colombian delegation. Lopez has many ideas in his mind, which you may recall from his suggestions for the agenda for the Buenos Aires Conference, and probably is not too friendly to our country. Lopez is, however, a close personal friend of Benavides, or perhaps I should say that both the men are canny enough to see that they can gain a great deal by assuming a close personal friendship. And you will recall that it was due to their personal initiative and exchanges that the devastating Leticia war was brought to an end and the conference in Rio de Janeiro was instituted. Concha's remark was that Lopez could come just as well in the latter part of the year, and that although he would not then be President, he could represent Colombia no less

effectively. He was not, of course, sure that being out of office Lopez could so easily command the place as Chief of the Colombian delegation.

Concha is probably the best informed of all Peruvians regarding the boundary dispute with Ecuador and he, with Viteri Lafronte - who used to be the Ecuadoran Minister here - laid the foundations for the conversations now going on in Washington. I told Concha that the legend had been built up that Peru was determined to bring the conversations to naught and had no intention of reaching a settlement. He said he was aware that this impression existed and that he intended to break it down. He assured me Peru was extremely anxious that the conversations in Washington should not fail and said the Government would do everything possible to keep them from failing. He said he had hoped that the discussions and the case itself could be kept out of the press so the question would not have to be argued in public and by a great many uninformed people and because many readers of the newspapers would not have a sufficient background to reach a fair judgment. He felt that the last Ecuadoran moves and the proposal

With regard to sugar Concha, as a result of his conversations with the Secretary, with Sumner and with Wallace, and his general comprehension of conditions in Washington and American psychology, is able to speak more convincingly than I have ever been able to do to the President and to Peruvians in general. He has made them see the enormous difficulties of carrying a plan to help into immediate realization and yet the complete sincerity of our desire to do so. Meanwhile, the Landon conference and the assistance given to Peru and other full duty countries by Norman Davis has helped a great deal. Even since Concha telegraphed back from Washington some time ago that he had been given friendly assurances, there has been noteworthy a better attitude on the part of the President, the Foreign Office and Peruvian officials in general.

So, as Mr. Steinherdt enters upon his duties within the next few months, I feel sure he will find an improving atmosphere and one which will enable him to clear up questions like Bertram T. Lee's Yurimaguas concession, the Sutton case, etc., on which we have been working so long. He should also be able to make

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further progress with the Claims Convention and the Trade Treaty.

I am happy to tell you that we have already been able to get from the President what seems like a valid promise for payment of service on the national indebtedness to American bondholders. This question, also, I discussed with Concha in the conversation I had with him. I reminded him it was his own statement, publicly made in the Constituent Assembly, and that of Deputy Rosenda Badani, Deputy for Loreto, which gave us our hope and assurance of proper treatment for the American holders of Peruvian bonds. I remarked that he had stated the case for us almost better than we could have done ourselves. Concha replied that his attitude had by no means changed and he agreed with me that Peru could do no better thing than effectively and promptly to resume service on the national debt. It has the means and the ability to do so.

You may have noticed recently in the press that the President has given even more public promises and

assurances to Mr. Miller of the United Press than he gave to Rafael Creamuno, the bondholders' spokesman, when he was recently here. I believe, therefore, that a real start has been made and that as the years succeed each other, the service on the loan will be brought to full payment. It is so obvious that the great constructive plans of President Benavides will some day require financing that it is equally obvious the country's credit must be restored. The basic thing in the President's plan for the development of the nation is a system of roads connecting all sections of the country. I have constantly told him, and told Concha, he could make no better beginning towards the development of Peru or the political appeasement of the country than to provide quick and satisfactory communication to all parts of the country, and thus to make it a unit. Parts of it, until now, have been so remote from each other as to be almost more foreign than a foreign country. And already American capital is showing a direct interest in the possibilities here. One of Mr. Farley's friends was here not so long ago in connection with

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projects for the exploitation of Peruvian oil resources, and the President has just promulgated a law making such activities more feasible and more promising.

The President has a plan, also, for enlarging the port works at Callao and has entrusted the work to the excellent American firm of Snerre and Company who are responsible for the present docks which were opened only a year or two ago and have already revitalized the commerce of the country. When the projected new works are completed, Callao will have a magnificent water front, and if the experience with the present docks is repeated, all the new facilities will be immediately required for the increased movement of vessels. The internal improvement going in in mining, in agriculture and in various other activities would indicate that this is exactly what is going to happen.

You will be glad to hear that on Pan American Day there were many expressions of admiration and gratitude for the course you have been following

these last four years. The Conference at Buenos Aires came in for especial commendation and a consciousness of all that your friendly policies mean seems to have penetrated the minds of every editorial writer in the country. Bread you have cast upon the waters is certainly returning and you may be glad.

I must not fail to mention the gratifying impression made upon the President's wife, Señora de Benavides, by her trip to the States. I sat beside her at a dinner at the Palace a few nights ago and heard her recount her adventures in our wild country. She recalled with the most evident satisfaction the tea she had with you at the White House. You can scarcely imagine what an important figure she is in the Peruvian scheme of things. Some say she is more powerful and influential than the President; but she is shrewd and discreet and never lets anything get out of place. She is cagey, but I believe we may now consider her a friend; at least not adverse.

I hope so much to have the opportunity of seeing

you as we go through Washington, and I shall appreciate it very much indeed if you will then let me have any suggestions as to what ways I may employ to make the mission in Stockholm serve the great ends I know you have in view.

With my warmest regards and good wishes, in which Dorothy joins me, I am,

Yours most sincerely,

/s/

Fred Morris Dearing.

P.S. Nelson and Winthrop Rockefeller have just been here and I think they may take up seriously, via the Metropolitan Museum of New York, the protection, study, excavation, preparation and exhibition of Peruvian archaeological remains - and a School of Archaeology in which Peruvians and Americans will work together.

F.M.D.

Perm folder 1-44

*File
Personal*

June 27, 1944.

TO BE GIVEN TO THE PRESIDENT BEFORE
SEÑOR BELTRAN COMES IN TO PRESENT HIS
CREDENTIALS.

G. G. T.

(When Return to Spain)

July 12

noon

June 27, 1944.

Dear Jack:-

Ever so many thanks for your note.

I am particularly glad to know about Senor
Beltran.

With my warm regards,

Always sincerely,

Honorable John C. White,
American Embassy,
Lima,
Peru.

Lima, June 14, 1944

PERSONAL AND
~~CONFIDENTIAL~~

The President,
The White House,
Washington, D. C.

Dear Mr. President:

At the time when you were so good as to receive me in Washington before my departure for Lima you asked me to write to you from time to time.

To write letters in regard to a foreign country is apt to be unsatisfactory unless the subject matter is as familiar to the receiver of the letter as it is to the sender. Sometime I should be glad to send you a general background description of the situation here, but I feel that at present you are much too busy with far more important matters to warrant my inflicting any such lucubration upon you.

The imminent departure, however, for Washington of the new Peruvian Ambassador, Señor Pedro Beltran, perhaps justifies me in writing you a line about him.

I doubt whether the Peruvian Government could have made a better choice for the post. Mr. Beltran has an extensive business experience. He has been active in agricultural, economic and financial fields. He owns a cotton plantation south of Lima to which he devotes much personal attention. He was instrumental in bringing British experts to Peru to establish the Lima Cotton Exchange. He has been president of the National Agrarian Society and helped establish the Agricultural Bank of Peru. He has been vice president and acting president of the Central Reserve Bank. He worked with the Kemmerer Mission and helped draft many of its reports. He was in business in Liverpool from 1936 to 1939, largely because President Benavides exiled him. He has frequently been consulted by the Government on economic and financial matters. He is considered a hard worker and has very good knowledge of cotton and finance. His reputation for fairness, integrity and

ability

ability is outstanding. Probably his predilections are British rather than American, but anyway he has been a good friend of the Allies from the start. He has great personal charm and speaks English well. He has been to England during the present war and has observed conditions there.

While, therefore, I recommend Mr. Beltran personally with the utmost confidence and cordiality, I consider that it is not excluded that on behalf of his Government he will make various demands of us of an economic nature, possibly of you personally; as for instance additional Lend-Lease material or otherwise. While the cooperation of Peru on the political plane has been excellent, I feel that in economic and military matters we should be very cautious in promising any favors additional to the very substantial assistance they have received from us in the past. There has not been evident the same disposition to cooperate on the economic side as there has been on the political. I might refer in this connection to the extreme reluctance to make settlement (with one recent small exception) of various debts and claims, notably the External Loans, which various other Latin American countries have now settled on a satisfactory basis. There has been observed a disposition in some quarters to nationalize civil aviation in this country. It is not certain how extensive this tendency is, but it would do our own very efficient companies no good if developed. If we were to supply the Peruvian Government with a number of passenger or transport planes this tendency might be strengthened. As regards military material, the granting of such to one South American country usually tends to provoke similar demands from jealous neighbors, so that we find ourselves assisting a miniature armaments race. Again in the matter of import control into Peru, just as we are relaxing the emergency measures, Peru proposes to substitute its own controls and make them extensive to all imports. While this country can make a plausible case for its contemplated action, these controls could--I do not say they will--be used against us.

I do not wish to be understood as not favoring any more economic assistance to this friendly country but I do think it should only be given after very careful and hard-headed consideration, possibly accompanied with some bargaining.

With the very best wishes, I am

Sincerely yours,

J. C. White
J. C. White



DEPARTMENT OF STATE
WASHINGTON

June 26, 1944

MEMORANDUM FOR MISS TULLY:

The enclosed sealed, personal and confidential letter for the President has just been received in the Department by pouch.

G. T. Summerlin
George T. Summerlin

Enclosure:
Letter.

