

## THE BIG STICK

"The symbol of pan-Americanism is not the white rose of democracy extolled in Washington. It is rather a crown of thorns for Latin America.... The soutane, the dollar and the sword - such is the gloomy combination which bars the road to progress."

- (Mexican weekly Siempre)

For many years, the "Big Stick" was the major policy feature of successive U.S. administrations. Patriots, nationalists, honest political leaders were undermined, were overthrown. Local 'palace revolutions' were manipulated.

One of the first of these was the dismemberment of Nicaragua and the construction of the Panama Canal. By the Bryan-Chamorro Treaty, Nicaragua ceded to the United States "in perpetuity and for all time free from all taxation or other public charge, the exclusive proprietary rights necessary and convenient for the construction of the Canal, by way of any route over Nicaraguan territory."

President José Santos Zelaya and his successor, Dr. José Madriz had refused to cooperate. They were removed by General Juan José Estrada, Adolfo Díaz and Emiliano Chamorro who were financed from abroad. The latter trio were behind the signing of the Treaty.

For ceding this territory (the Panama Canal Zone) the Government of Panama collected \$250,000 in 1903 which increased to \$930,000 in 1955. But tolls collected in 1955 were \$41 million (U.S.).

About the legality of this treaty two famous Americans, Elihu Root, a Secretary of State of the Empire and Senator Borah spoke out. This is what they wrote right after the signing of the Treaty:-

" I am assailed by anxieties and fear when I consider the question whether the Nicaraguan government that celebrated the treaty is really the genuine representative of the Nicaragua people, and whether that government can be regarded in Nicaragua and in Central America as a legitimate and free agent to authorise the Treaty. I have read the report of the head of our Marines in Nicaragua and I find in it these words:

'The present government is not in power by the will of the people. The elections were in their greater part fraudulent'.

And further on I have read in the same report the statement that those who oppose that government make up three quarters of the country.

Can a treaty which is so serious for Nicaragua and in which perpetual rights are conceded in that territory be celebrated with a President who, we have just cause to believe, does not represent more than one fourth of those governed in the country, and who is kept in his position by our military forces and to whom, as a consequence of the treaty, we would pay a considerable sum of money so that he could dispose of it as President? It would cause me disgust to see the United States place itself in such a situation."

/Senator.....

Senator Borah in a fighting speech in January 1917 said:-

" The Bryan-Chamorro Treaty is a downright violation of the most elementary principles of international decency. The treaty was made with ourselves. The so-called government of Nicaragua has neither power nor authority to contract it."

Writing about the policy of the "Big Stick" this is what retired U.S. Major General, Smedley F. Butler wrote in Common Sense magazine in November 1935:

1 " I spent 33 years and four months in active service as a member of our country's most agile military force - the Marine Corps. I served in all commissioned ranks from a second lieutenant to a major general. And during that period I spend most of my time being a high-class muscle man for Big Business, for Wall Street, and for the bankers. In short, I was a racketeer for capitalism.

3 " This helped make Mexico and especially Tampico safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in .... I helped purify Nicaragua for the international banking house of Brown Bros. in 1909-12. I brought light to the Dominican Republic for American sugar interests in 1916. I helped make Honduras 'right' for American fruit companies in 1903. In China in 1927 I helped see to it that Standard Oil went its way unmolested.

" During those years I had, as the boys in the back room would say, a swell racket. I was rewarded with honors, medals, promotions. Looking back on it, I feel I might have given Al Capone a few hints. The best he could do was to operate his racket in three city districts. We Marines operated on three continents."

For a while the "Big Stick" gave way to President F.D. Roosevelt's "Good Neighbour Policy". This did much to take off the rough edges of U.S.-Latin American relations.

But the U.S. bankers had no intention of abandoning imperialism. With the death of President Roosevelt, President Truman with his Atlantic counterpart, Prime Minister Churchill, launched the Cold War. Harry Truman was no Roosevelt. Indeed he was the "front man" for the Southern Democrats, the "Dixiecrats", who defend jimcrow and reaction. Recall that he became F.D.R.'s running mate as Vice President after the Dixiecrats insisted that Roosevelt drop the progressive Henry Wallace.

4 | Churchill and Truman saw the world not in Rooseveltian humanistic terms but in terms of the struggle between socialism and capitalism, in terms of what was good for white supremacy for Wall Street, for the 'City' of London.

According to these adherents of profits and empire, with the liberation of Eastern Europe by the armed forces of the U.S.S.R., communism had gone too far.

Incidentally some historians are now recording regrettably that Eastern Europe would not have been taken over had the West opened the "Second Front" earlier. Note that this was what Stalin was also calling for. He wanted

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an easing of Nazi pressure on the Eastern Front.

But apparently there were other motives. J.P. Priestley once said that the minds of England's conservatives snapped shut at the height of the Russian Revolution and have never opened since. It is now admitted in Western circles that the ruling class delayed the opening of the Second Front secretly hoping that the Nazis would have destroyed the Russians. Recall the flight of the Nazi, Rudolph Hess, to the "Clivedon Set" in England.

These Cold War strategists reversed the policy of President Roosevelt, who, as set out in his son's (Elliot Roosevelt) book "As He Saw It" warned that "the one thing which could upset the apple-cart after the war would be if the world is divided again .... the United and Great Britain allied in one common bloc against the U.S.S.R."

Franklin Roosevelt, although not a socialist, saw things in human terms. He admitted having greater admiration for Stalin than for Churchill. In spite of show and bluster, Churchill was first and foremost an imperialist. It was he who, contrary to the wishes of Roosevelt, told the Indians that the Atlantic Charter was not for the "lesser" breeds, that he was not appointed Prime Minister to preside over the liquidation of the British Empire.

According to Prof. D.F. Fleming (Cold War and Its Origins 1917-1960) President Truman was ready to begin the Cold War before he had been in office two weeks. Communism had gone too far; communism must be contained; communism must be destroyed; Eastern Europe must be liberated. This was the thinking of the Cold War strategists.

President Truman's policy was based on the "containment of communism". This 'cordon sanitaire' policy resulted in Treaties establishing a string of military bases encircling the Soviet Union and Eastern Europe - NATO, Baghdad Pact now CENTO and SEATO. Marshall aid was given to Europe on condition that United Front governments in France, Italy and Belgium were broken up and communists and left-wing socialists excluded.

The containment policy of Truman was superceded by the Eisenhower-Dulles policy of "liberation" and "brinkmanship". Wall Street and the bankers became indistinguishable from the Pentagon and the militarists.

Mr. Joseph Kraft in an enlightening article "School For Statesmen" in the July 1958 issue of Harper's Magazine clearly revealed the real rulers of the U.S.A. This is how he put it:-

" The whole world complains that Americans are bored by foreign policy and regard peace as the condition of being left alone. But it is no secret either that on the highest levels of foreign affairs this country has been served by a crop of Public Men - the Stimsons, Lovetts, and McCloys - remarkable for knowledge, dedication, and breadth of outlook. How did this crop spring from such stony soil?

" A part of the answer lies in the Council on Foreign Relations, a private and professedly non-partisan New York organisation which most Americans have never heard of. It has been the seat of some basic government decisions, has set the context for many more, and has repeatedly served as a recruiting ground for ranking officials. It has been called, among other things, "the best club in New York," "the government in exile," and, by a former Assistant Secretary of State, "a place where nice men meet and talk to themselves."

".....With the coming of hostilities, the Council's assembled pool of talent and information came into sudden and dramatic

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play. Stimson went to Washington as Secretary of War, taking with him the small nucleus of men, many unknown then, who were to found this country's modern defense establishment.

'Whenever we needed a man,' John McCloy, the present Council Chairman who served Stimson as personnel chief, recalls, 'we thumbed through the roll of Council members and put through a call to New York'.

" At least as important, the Council provided for the U.S. government the first organized framework for postwar planning. Less than a fortnight after the guns began pounding in Europe, and a full two years before Pearl Harbour, Armstrong and the Council's executive director, Walter Mallory, journeyed to Washington with a proposition. State lacked the appropriations to set up a planning division; Congress was bearish about any official move that hinted at U.S. intervention; there was a danger that, if it finally did get going with a sudden jolt, postwar planning might be out of the hands of State. Why not, they asked, let the Council begin the work, privately, with the understanding that its apparatus would be turned over to State as soon as feasible?

" Secretary Hull was in favour. Accordingly, in December 1939, the Council, with financial aid from the Rockefeller Foundation, established four separate planning groups - Security and Armaments; Economic and Financial; Political; Territorial - comprising about a dozen men each including research secretaries of the highest caliber (Jacob Viner of Princeton and Alvin Hansen of Harvard in the economic group, for example). A fifth group was added in 1941 to consider the problems of exiled governments of the occupied European countries which the State Department, because the United States was neutral, had to treat gingerly. In 1942, the whole apparatus with most of the personnel was taken into the State Department as the nub of its Advisory Committee on Postwar Planning Problems. Up to that point, the five groups had produced a total of 150 planning studies.

" Their impact, given the amorphous quality of decision-making in the U.S. government, is difficult to measure. It appears that Council studies played a considerable part in shaping the Charter of the United Nations; the American decision not to remove the Japanese Emperor; and the means by which Japan's former island bases were at least temporarily acquired as U.S. bases. The relatively mild American position on German reparations, taken at the Moscow Foreign Ministers Conference in 1943, was blocked out on the basis of the Council's study of the problem."

Incidentally one such pro-consul is General Douglas MacArthur. He was put on the payroll as Chairman of the Board of Remington Rand (du Pont de Nemours) at a salary of \$68,600 per year. This was after he was fired by the President for wanting to convert the Korean War into a World War!

The cold war myth of communist expansionism, communist subversion and "export of revolution" not only helped to earn super-profits for the Wall Street bankers and capitalists, it also had political and strategic objectives. Strategic raw materials had to be kept flowing. Under the 1st Mutual Defense Assistance Agreement signed on January 20th, 1952 with Ecuador, the latter

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agreed to "facilitate the production and transfer... of ..... strategic materials required by the United States." Under the Mutual Security Act of 1951, the objectives were:

"to maintain the security and promote the foreign policy of the United States by authorizing military, economic and technical assistance to friendly countries, to strengthen the mutual security and individual and collective defense of the free world, to develop their resources in the interest of their security and the national interests of the United States, and to facilitate the effective participation of those countries in the United Nations's system for collective security."

The Latin American bloc "a reserve supply of votes" was necessary at the United Nations and in other international organisations in support of U.S. cold war objectives and the maintenance of the present social and political structures.

It was for these reasons that the myth was created and deliberately fostered that the Western Hemisphere was "threatened by communist aggression both from within and without". U.S. policy and military aid programme rested on this broad assumption. But this assumption was questionable. For Latin America more than any other major area of the world was very much isolated from the East-West struggle.

This myth justified the existence of the Organisation of American States (OAS) band in Washington and influenced by the United States. It also had the effect of causing Latin American countries to vie with one another for U.S. handouts.

By the end of fiscal 1959, 12 Latin American countries received about \$317 million (U.S.) in grants for military aid as follows:

Military Assistance Program Shipments to Latin America

(Fiscal Years - Figures in \$ Millions)

1952	-	.2	1956	-	21.2
1953	-	65.2	1957	-	32.0
1954	-	37.9	1958	-	56.8
1955	-	36.9	1959	-	67.0

This \$317 million (U.S.) represented incidentally only about 1.3% of Mutual Defense Act funds. The average for the seven years was about \$65 million, some \$45 million in grants and \$20 million in re-embursable aid. This figure was increased to \$96 million in 1960.

It is to be noted however that although U.S. assistance may appear substantial, it is only a small part of the burden Latin Americans have to bear. U.S. contribution represents only a small portion, about 5% of the crushing burden of about \$1.4 billion (U.S.) Latin America spends annually to maintain her armed forces. And the fantastic thing about U.S. military aid is that almost the bulk of its - about 85% to 90% - goes back to the U.S. monopolists. U.S. administration officials in a recent article in U.S. News & World Report were "selling" foreign "aid" on the fact that it was helping the U.S. economy, thus easing the unemployment problem!

The myth of external military threat and internal communist subversion has strengthened the hands of the militarists in Latin America vis-a-vis the politicians and has caused the general resurgence of militarism.

Mr. Thayer Waldo, writing in Harper's Magazine (November 1958) in an article "Why Latin America Distrusts U.S." said that when the Pan-American

'mutual security' plan of the U.S. Government was launched in 1947 at the Rio Conference, only three nations - Argentine, Nicaragua and the Dominican Republic - were dictatorships. But by 1953, military men who had taken the anti-communist pledge and were given arms and equipment had ousted the legal governments and seized power in seven other republics.

The same thing was happening around the globe. The U.S.A. was supporting the most hated and corrupt dictators - Chiang-kai-Chek in China and later in Formosa, Syngman Rhee in Korea, Franco in Spain, Menderes in Turkey, Nuri-Es-Said in Iraq, Batista in Cuba, Trujillo in Dominican Republic, Salazar of Portugal, to name a few.

Typical of U.S. foreign policy is its attitude to Franco Spain which according to Ohio's Senator Stephen Young "is still a legalized tyranny with a fascist dictator in power".

Commenting on Franco Spain, an editorial in the New York Times (August 30th, 1951) stated:-

" Having fought the greatest war in history to defeat fascism are we now in such desperate straits that we must take a fascist regime as an ally? One of the clear facts that Americans must face is that if we go ahead with this arrangement, we will be helping to perpetuate Franco in power as long as he lives and cares to remain the Dictator of Spain. This will be our responsibility in the face of history."

President Truman's Secretary of State, Dean Acheson, defended General Franco on the ground that "Spain is of strategic importance to the general defense of Western Europe".

For "defense of Western Europe", substitute 'capitalism' and destruction of popular governments. One of the so-called 'communist' governments overthrown was that of Romulo Gallegos, patriot and novelist of Venezuela, who was elected President in 1947. He was overthrown by three colonels headed by Colonel Marcos Perez Jimenez.

Behind the colonels were the oil interests of the U.S.A. The Gallegos Government had collected \$9.09 (U.S.) per cubic meter of petroleum. The Jimenez dictatorship reduced this to \$7.33. In the year 1954 alone Standard Oil made, in addition to normal profits, a super-profit of \$331 million (U.S.). It is estimated that in six years prior to 1955 by this reduction in taxes, the Rockefeller family (owners of Standard Oil) deprived the Venezuelan Treasury of \$1,366,000,000 (U.S.). According to Dr. Arevalo, in addition, Standard Oil retains control of 12 million acres simply to prevent competition; they use only 16,000 acres in their exploitations.

"The bananas of Central America", cried Romulo Gallegos, "the oil of Venezuela and, to sweeten the pill, the sugar of San Domingo and Cuba bring the fortune seekers greater profits when they rely on the big stick than on the polling booth where the people can express their own will." The weapon of anti-communism was used not only to overthrow the Gallegos government in 1948. The overthrow of the Masaddeq government in Iran in 1951, the Jagan government in British Guiana in 1953, the Arbenz regime of Guatemala in 1954, and now the attempts against the Castro regime in Cuba are all of the same pattern - the preservation of imperialist interests and Cold War objectives.

Following the overthrow of his government in 1953, Dr. Mosaddeq was restricted, isolated and up to today frozen out of the political scene. He was no flaming radical, no communist. As a nationalist, he wanted for his country what he thought it deserved. He wanted not the 18% to 20% which

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Iran was getting, but the 50-50 sharing of profit arrangement in oil which was then operative elsewhere, notably in Venezuela. He wanted a far greater share of the loot taken out of Iran by Anglo-Iranian Oil Company. This company, with an original investment of £21½ million took out £700 to £800 million over 50 years during which Iran got £105 million giving in exchange about 300 million tons of oil. The British Government had its hands deep in the pie. "The value", said Mr. R.A. Butler on February 15, 1955, "of the government's £5 million (out of the £21½) investment went up to nearly £400 million."

What about U.S. involvement. Listen to a chief policy-maker, Mr. Nelson Rockefeller, then adviser to the U.S. President now Governor of the State of New York. This is what he said:-

" We should not ignore the vital fact that virtually all our natural rubber, manganese, chromium and tin, as well as substantial proportions of our zinc, copper and oil and a third or more of the lead and aluminum we need comes from abroad, and, furthermore, that is chiefly drawn from the underdeveloped areas of Africa and Asia, which are in the orbit of one or other of the military alliances built by the U.S. This is also true of a major part of our super-strategic material, (uranium ore particularly)".

" The most significant example in practice of what I mean, was the Iranian experiment with which, as you will remember, I was directly concerned. By the use of economic aid we succeeded in getting access to Iranian oil and we are now well established in the economy of that country. The strengthening of our economic position in Iran has enabled us to acquire control over her entire foreign policy and in particular to make her join the Bagdad pact. At the present time the Shah would not dare even to make any changes in his Cabinet without consulting our Ambassador."

What price democracy!

The Arbenz government came in conflict with the powerful United Fruit Company, the Bookers of Guatemala. When Castillo Armas, who had overthrown the Arbenz government in Guatemala in 1954, was awarded an honorary degree by Columbia University, Romulo Gallegos returned his honorary degree conferred in 1948 saying that "I do not wish to share this distinction with Castillo Armas, President of Guatemala..... In terms of America's democracy our positions are diametrically opposed."

When Colonel Nasser of Egypt nationalised the Suez Canal Company, the Anglo-French imperialists retaliated with war and bombs. This was in defense of the huge profits made by the Suez Canal Company. In one year, 1955, the Company made a gross profit of \$48.5 million (U.S.). Calculated on total assets this was almost a 20% rate. The Egyptian government received only \$3 million (U.S.) from profits in addition to about \$10 million in taxes collected from the Canal.

In the Congo, the imperialists did not stop even at murder. Patrice Lumumba's murder was engineered to protect colonialist interests and profits. By 1960, Belgian financial interests in the Congo amounted to about £3½ billion. Profits from investment have been astronomical. U.S. columnist Drew Pearson, for instance, reported (December 9, 1961) that Union Minière's "dividends are fantastic - 31 per cent, plus a 100 per cent stock dividend in 1958, and even higher in other years." While

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While these huge profits were helping to swell the Treasury of Belgium, the per capita income of the Congo's Africans never rose as high as \$75 a year.

Patriots are tortured, imprisoned and shot while Fascist dictators are fetted and honoured. Dictators like Perez Jimenez and Odria were given by President Eisenhower the "Legion of Merit". Mr. John Foster Dulles, U.S. Secretary of State spoke in glowing terms of Jimenez' Venezuela -

" Venezuela is a country which has adopted the kind of policies which we think the other countries of South America should adopt. Namely, they have adopted policies which provide in Venezuela a climate which is attractive to foreign capital to come in.... If all Latin American countries followed the example of Venezuela, the dangers of Communism and social disorder would disappear."

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