

Research Article

Mutuality: Nicaragua and the Deportation of German Nationals During World War II

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Right after the bombing of Pearl Harbor, the United States implemented an international campaign against enemy aliens. Using hemispheric security as justification, the United States, sometimes at the request from Latin American nations, began interning allegedly dangerous enemy aliens living in the region. Individuals of Japanese, German, and Italian ancestry, along with some of their families, were detained and deported from their country of residence to the United States without receiving any sort of legal hearing or specific reasons for deportation. Often these individuals were deported based on hearsay or for non-related political reasons.

This paper focuses primarily on Nicaragua, and its systematic oppression of German nationals living in the country during the war. By analyzing archival sources, such as newspaper articles and diplomatic correspondence, this paper aims to shed light on a campaign of US interference in Latin American policies towards Ger-

mans during World War II, for which there is a dearth of existing research. It is evident Nicaraguan President Anastasio Somoza Garcia supported the deportation campaign against German nationals living in Nicaragua as a means of obtaining economic assistance from the U.S. In turn, creating favorable political circumstances that helped him solidify his grasp of power, and in the course helped him amass a large personal wealth. An aspect that is difficult to corroborate is the degree to which the interpersonal relationship between Somoza and Roosevelt influenced the Nicaraguan state's willingness to implement the deportation program.

AROUND SIX O'CLOCK IN THE morning an officer and two soldiers knocked on the door of a house in Leon, Nicaragua. When the door was answered, one soldier said, "Good morning, is Mr. Fischer in?" Mr. Fischer appeared and said, "I'm coming out of the bathroom, what can I do for you?" They responded, "Join us. Because the war has broken out and you are a German subject, you have to come with us." After seventeen days of being held in jail, he was released on December 24, 1941, and held on house arrest. Julio Fischer told his son this story years later as an example of the campaign against German nationals in Nicaragua during World War II. The son, Róger Fischer Sánchez, an advisor of cultural goods for the Central Bank of Nicaragua, shared his knowledge about the detainment of his father. His father, a German, came to Nicaragua to mine an auriferous deposit that belonged to his grandmother, Aurora Cortes, originally from Leon, in the area of northern Chinandega. Róger believed that this was an example of President Somoza's greed – Somoza knew his father was a miner, and had knowledge of the sugar making business, and wanted to get this knowledge for "free", that's why Somoza gave him Montelimar (personal property) for jail and made him work

at his sugar mill for free. The arrest and detainment of Julio Fischer was a way to ensure that Mr. Fischer's knowledge was put to use for the state, for Somoza's benefit.¹

The above story is an example of how the Nicaraguan government became a willing participant in the United States' campaign to detain and deport enemy aliens and the benefits that President Somoza reaped through this participation. During World War II (1939-1945), Latin America became a staging ground for one of the United States' most overlooked international campaigns: the rounding up, deportation, and internment of enemy aliens in neighboring states. During the war 4,058 Germans were deported from Latin America and interned in the U.S.²

When analyzing the relationship between the United States and Latin American nations during World War II, scholars have emphasized imperialism in several forms, mainly economic, cultural, and political. In its most elementary definition, imperialism is "[...] a system in which A dominates, controls, or coerces B, preventing B from acting in its own interest or compelling it to act in the interest of A."³ Within this framework, the economic relations between the U.S. and Latin America have

traditionally been comprehended in terms of dependency. By 1939, the U.S. was the dominant market for most of Latin America, not just the main source of supply, substantiating the economic dependency of Latin American nations on the United States.⁴ U.S. concentration of capital and outsourcing of production to Latin America can best be characterized as, “the monopoly stage of capitalism” to use Lenin’s words.⁵ In his seminal work on Anastasio Somoza Garcia, Knut Walter echoes the relevance of this conception of imperialism by noting how important exogenous forces were to Nicaragua: “[...] the Nicaraguan political system was determined to one extent or another by the actions of foreign states; that is, the Nicaraguan state was the product in important respects of the political and military decisions of stronger states.”⁶ The deportation of German nationals from Latin America is just another example of U.S. imperialism in Nicaragua.

This article revises the standard narrative of the way the history of Latin America during WWII is told using the concept of mutuality and mutual benefit. Latin America during World War II has been viewed as a bystander to the conflict and a subservient region to countries like the United States and those in Europe. However, this article argues that Latin America was a key player. The goal of this investigation is to discuss Nicaragua, and the Somoza regime’s systematic oppression and deportation of German nationals residing in the country; to view the deportation program not from an American, but from a Latin American perspective in order to uncover the reasons for Somoza’s decision to participate in a

program that stripped people of dignity and freedom. Somoza supported the deportation campaign against German nationals living in Nicaragua as a means of obtaining economic assistance from the U.S., creating favorable political circumstances that helped him to solidify his grasp of power, and in the course allowed him to enrich himself. Another contributing factor to the Nicaraguan state’s willingness to implement the deportation program was the perceived interpersonal relationship between Somoza and Roosevelt.

The role the U.S. played in Latin America during World War II is something that is not to be understated, but it is important to challenge current scholarship by placing the Nicaraguan state not as a passive or solely reactive actor but as a significant player. By looking at imperialism not through a U.S.-centric lens but as imperialism from below, we can better understand U.S.-Latin American relations during World War II.

Imperialism and Deportation Program

WORKS WRITTEN ABOUT LATIN America during World War II have focused primarily on the ABC countries (Argentina, Brazil and Chile), likely because they have the largest economies of the region.⁷ Other works touch on the Andean region (Peru, Bolivia, and Ecuador) with their natural resources of international value, which were vital to the war effort, such as copper, tin, and silver. These works have helped to build the foundation for the study of U.S.-Latin American relations during World War II. As a result of placing so much focus on the ABC countries and the Andean

region there has been little written on Nicaragua during World War II. When Nicaragua is mentioned, it is typically folded into a greater conversation about Central America. Yet more than any other country in Central America, Nicaragua has been the site of the most persistent U.S. political, economic and military interventions (1909-1933) due to the U.S.' interest in building an isthmus canal. Thus, Nicaragua's long experience with U.S. imperialism provides a relevant case study from which to analyze the deportation program of German nationals during World War II.

The U.S. has repeatedly intervened during periods of political instability in Nicaragua, as was the case seven times between 1909 and 1933. U.S. presence was so prevalent that one observer commented that "Washington had ruled the country more completely than the American Federal Government rules any state in the Union."⁸ As previously stated, this meddling in Nicaraguan political conflicts can be attributed to American interest in building an isthmus canal through Nicaragua. The construction of the canal is a point of contention throughout most of Nicaragua's history, even after the building of the Panama Canal. In 1927, the revolutionary leader opposing U.S. intervention, Augusto Cesar Sandino, would acknowledge the importance of the canal in his Manifesto, stating that, "Civilization requires that a Nicaraguan canal be built, but that it be done with capital from the whole world, and not exclusively from the United States."⁹ Because the canal was crucial to the United States, and embraced by Nicaraguan elites who sought "a cosmopolitan nation-state project", it solidified "Nicaragua's embrace of the

'American way of life.'¹⁰

Given the United States' history of intervention in Nicaragua, and in Latin America more broadly, the World War II deportation policy is unsurprising. Nicaragua was more than willing to participate in American policies for Latin America – including their program of deportation of German nationals out of Latin America to prevent what the U.S. feared: A Nazi Fifth Column¹¹ in the Americas. In the opinion of Friedman, "[a]lthough it has somehow escaped notice, the deportation program should be at the center of any history of the war and Latin America, and especially of U.S.-Latin American relations in this era."¹²

Although the U.S. initiated and drove the deportation policy, it required the collaboration of Latin American countries. Assistance was instrumental in the implementation of the campaign. This cooperation manifested itself in U.S. economic assistance that led to political stability for Somoza. Yet, it was essential that the U.S. not appear as either the instigator or driver of the arrest of residents in Latin American nations. The appearance of cooperation was essential due to the long history of U.S. intervention in Nicaraguan history. In a memo from the U.S. State Department on November 24, 1943 to Assistant Chief of the State Department Division of the American Republics, John Moors Cabot stated the importance of having the deporting government request assistance from the U.S. The memo specified that "it would be highly desirable if the written record in each deportation case should show that the deporting Government had requested our collaboration" and that the need for discretion was paramount.¹³

Even though there was a need by the U.S. to not be perceived as carrying out this campaign unilaterally, the comments made by John Moors Cabot made it seem as though they were. On December 16, 1941, Cabot wrote, “While I do not think we should *urge* any government to deport Axis nationals, I see no harm in discreetly pushing the matter when an opening is given,” which conflicted with the notion of collaboration.¹⁴

Until recently the literature on the deportation program of thousands of Germans from Latin America was scant. It was not until Max Paul Friedman’s 2003 book *Nazis & Good Neighbors: The United States Campaign Against the Germans of Latin America in World War II* that this campaign came out of obscurity. Friedman’s work highlights the role the U.S. played in spearheading the program, and how “a belief in Latin American inferiority, and economic opportunism” drove the implementation of this program.¹⁵ Friedman, like Walter, shows that the relationship between the United States and Nicaragua can be understood through an imperialistic lens: “[...] an essential aspect of U.S.-Latin American relations that went back to the Monroe Doctrine and forward to the present day: many in the United States thought Latin American countries could not manage their own affairs without paternal guidance from Washington.”¹⁶ It is important to acknowledge that although the U.S. was the dominant partner in the international relationship, the campaign against the Germans of Latin America was not explicitly controlled by the U.S., but was carried out by and mutually beneficial for Latin American regimes.

It is crucial to understand how

Germans arrived in Nicaragua. Germans came to Nicaragua on their way to the California Gold rush in the late 1840s. Seeking a safer passage through the American continent than the typical time-consuming and dangerous land crossing through the U.S., many Germans turned to the Central American isthmus, specifically Nicaragua, as it offered the best route possible at the time, prior to the construction of the Panama Canal. Nicaragua, with its San Juan River and Lake Nicaragua, offered a way to connect the Atlantic and Pacific Oceans. For some Germans, settling in Nicaragua seemed like a better idea; as von Houwald put it, “En estos días muchos alemanes creían que en el ‘Nuevo Mundo’ podrían encontrar un mejor hogar (In these days many Germans believed that in the ‘New World’ they could find a better home).”¹⁷

For Germans in Nicaragua, it became home. They created families and opened businesses. Many maintained ties to their heritage through the foundation of various *Vereine* (clubs or associations) for the purpose of providing recreational, educational, and cultural assistance to German immigrants. In Nicaragua, some Germans tried to keep their Germanness even as they intermarried. As Friedman notes, “German polite society would sometimes accept intermarriages if the non-German spouse, usually the wife, kept a German household, and the children received a German education.”¹⁸ Nicaragua was not the only Latin American nation where Germans were not-fully-assimilated, as Friedman put it: “Most German immigrants occupied an in-between space, loyal but apart, welcomed but unincorporated, in Latin America but not of it.”¹⁹ The lack of full assimilation never rose as a significant

issue until World War II.

On July 17, 1941, President Roosevelt introduced the “Proclaimed List of Blocked Neutrals” -commonly referred to as the “Black List” - published throughout the region via local newspapers, ostensibly to assist Latin American governments in identifying those deemed a threat. Latin American nations began rounding up German nationals appearing on the list shortly after it was first published. Once the “enemy aliens” were named on the list, they were surveilled, followed, and eventually arrested with U.S. assistance. The FBI, which Roosevelt made responsible for intelligence gathering in the region, was scattered throughout Latin America, often assigned to U.S. embassies, and “designated as ‘legal attachés’ or liaison officers to national police officers.” They were tasked with compiling “lists of suspected Axis nationals and sympathizers.”²⁰

Once arrested, accused “enemy aliens” were loaded onto American naval vessels and sent to the U.S. for internment at one of several camps. For those coming from Latin America the most prominent among them was Camp Kenedy in Texas. Also in Texas was Camp Crystal City, the only family internment camp in the U.S. Most of these German nationals were detained without legal representation or access to due process. It was not until the end of the war that the State Department created the Alien Enemy Control Section (AECS) to collect and review evidence from German detainees still residing in internment camps.²¹

An aspect of this campaign that is overlooked is the impact that these arrests had on the detainees and their families. There are two cases in particular that highlight the consequences of these

detentions. First, that of Adolfo Adler, who owned a bakery in Managua, who suffered a fainting spell following his arrest that, due at his advance age, caused permanent damage. Second is that of Señora Soledad Buitrago de Kiesler, who was left alone when her husband was interned. She described her predicament, stating: “Tengo varios hijos suyos y ahora me encuentro completamente desamparada (I have several children of his and now I am completely helpless)”. She had to manage their business, which she had no experience in, “hoy me veo en el caso de ni siquiera saber quienes son sus clientes, para hacer sus cobros, pues el único que conocía el negocio era él. (Today I see myself in the case of not even knowing who his clients are, to make his collections, because the only one who knew the business was him).”²²

Fear is the common thread that runs through all of the detainee’s stories. Likewise, fear of a different kind was experienced by policymakers in the United States. The deportation program developed from a growing fear of a Nazi takeover of the continent. Freidman argues that the fear of a Fifth Column was based on American officials’ generally prevalent view of Latin American countries as immature in their democracies and therefore susceptible to Nazi manipulation.²³ This view is well articulated in a June 15, 1938 dispatch from the U.S. Consul General in Stuttgart to the U.S. Ambassador in Berlin: “Because the South American Republics are not fully developed socially, culturally, economically, and in tradition, they are regarded as likely to be influenced more by German Propaganda than the old established democracies.”²⁴

The fear of a Nazi Fifth Column

flourishing in the “weak” Latin American democracies was perpetuated in Nicaraguan newspapers. For example, on December 11, 1941, four days after the bombing of Pearl Harbor, *El Centro Americano* published an article with the headline: “La Quinta columna de Nicaragua. (Fifth Column of Nicaragua)” The article claimed that it was the Nicaraguan people’s duty to repel “el virus que en forma de fascismo, (the virus that in the form of fascism)” that was purportedly threatening Nicaraguan democracy and to fight reactionary forces infiltrating through a Fifth Column.²⁵ This fear was made palpable in the whole of Latin America and the Nicaraguan press was more than willing to disseminate it throughout the country. Thus, three months later, on February 22, 1942, *La Prensa* published an article with the same theme but focusing on Mexico, declaring the presence of “Quinta columnistas en Mexico (Fifth Columnists in Mexico).”²⁶ It is evident that the media was fanning the flames by validating them via print media discussing the continental threat that the Nazi Fifth Column posed.

U.S. government officials also aided in spreading fears of a Fifth Column. There was a July 25, 1941 telegram to the Secretary of State from Jefferson Caffery, Ambassador to Brazil (1937-44), in which Caffery highlights the attempts by Germans to make inroads with laborers and farmers. “75 poorly dressed Germans,” he claimed, “have gone there within the last few months and are visiting individual *fazendas* with the message that Hitler is fighting the battles of the poor and economically downtrodden the world over, et cetera.”²⁷ Similarly, on Saturday October 3, 1942,

La Prensa published an article: “La Quinta Columna amenaza en todas las Naciones de América (The Fifth Column threatens all the nations of America),” reporting statements made by Nelson Rockefeller (Coordinator of Inter-American Affairs) after visiting various countries in the continent. Rockefeller reiterated the threat posed by a Fifth Column, urging that all countries maintain vigilance twenty-four hours a day, every day, if need be. It is interesting to note that the article acknowledges that these remarks by Rockefeller were exaggerated, “[...] declaraciones sensacionales hechas por Nelson Rockefeller (sensational statements made by Nelson Rockefeller).”²⁸

Wherever this fear of a Nazi Fifth Column originated, historian Thomas M. Leonard argues that, “[a] case can be made that the United States overreacted to the Nazi threat particularly given the fact that the total number of Germans in all Central America was less than 2 percent of the region’s total population.”²⁹ In the end, only a small portion were able to return to their countries. After the war, “for those Central Americans who were shipped to Europe, their only way home was through Spain at their own expense. For those remaining in the United States, the government in Washington paid their travel costs.”³⁰

Somoza’s Motives

Political and Economic Benefits

IT IS DIFFICULT TO SEPARATE THE deeply entwined political and economic benefits that Somoza gained from his compliance with the internment and deportation program. To best

understand his reasons it is necessary to understand his desire to strengthen his position both economically and politically. Economically, Somoza benefited at both ends: he was taking economic assistance from the United States to increase his own coffers while also using the legal expropriation of assets to increase his personal wealth. This personal enrichment was greatly aided by the perceived/real Somoza-Roosevelt relationship. This relationship allowed him to politically legitimize his presidency in the eyes of the population of Nicaragua and, more importantly, in the eyes of his political adversaries.

It was not just Somoza who desired to be in the good graces of the United States – in their need to attain a “cosmopolitan nation-state,” Nicaraguan elites and government officials welcomed U.S. imperialism in the form of military intervention. One of the results of this military intervention was the creation of the *Guardia Nacional*. The *Guardia Nacional* was a constabulary force created by the United States to preserve peace in Nicaragua, consisting of men with no loyalty to any political party. Anastasio Somoza gained notoriety when, in late 1932, he was chosen as *Jefe Director* of the *Guardia Nacional* by President-elect Juan Bautista Sacasa. Somoza was able to harness the power of the *Guardia Nacional* to advance his political ambition.³¹

After attaining the position of *Jefe Director* of the *Guardia Nacional*, Somoza’s rise to the presidency is attributed to Roosevelt’s Good Neighbor Policy. The Policy consisted of non-intervention, condemnation of aggression, non-recognition of territory seized by force, equality of states, and

the respect for treaty obligations.³² It was the ambivalence towards non-recognition that allowed Somoza to reach the apex of Nicaraguan political power. Non-recognition, together with the non-interference clause which was central to the Good Neighbor Policy, benefited Somoza. Latin American political sentiment was that “[a]ny public comment from Washington could have a direct effect on domestic politics,” while also believing that “the absence of any positive expression of US opinion could be equally influential.”³³ This no-win scenario facilitated the belief that Somoza was colluding with the United States, a belief that Somoza made sure to promote, and one which the United States could not deny because of their fear of intervening in local politics. It is evident that, “[u]ndeniably, Somoza was the first and perhaps greatest beneficiary of the Good Neighbor Policy.”³⁴ If the Good Neighbor Policy was the initial means by which Somoza solidified his grasp on power, then the campaign against German nationals was the tool that made him a credible power in the eyes of the United States.

Somoza needed the political support of the United States, even if that support was timidly given. In the deportation program Somoza saw a means to attain political recognition and economic assistance. As Friedman stated, “Throughout the war, the United States expected cooperation with its anti-Axis policies in exchange for economic assistance for Latin America, and Latin American governments paid for that assistance with deliveries of raw materials and expelled German nationals.”³⁵ Somoza was more than willing to arrest and deport enemy aliens,

knowing full well that cooperation with the United States would guarantee economic assistance, which would in turn generate economic growth for the country. The economic upturn in Nicaragua made possible by the U.S. economic assistance created a climate in which Somoza was able to attain “[...] some peace from political adversaries.”³⁶ The political power that came with having U.S. backing of Nicaragua was crucial for Somoza’s continued political success. Indeed, it was seen that “[o]nly the withdrawal of U.S. support would threaten the dictator’s position.”³⁷

In addition, the perceived collusion between Somoza and Arthur Bliss Lane, the U.S. Minister to Nicaragua (1933-1936) in the assassination of Augusto Cesar Sandino in 1934 by the Nicaraguan National Guard, which was under the command of Somoza, and the belief throughout the region that the U.S. played a part, drove this idea that the two governments were tied together. The murder and the subsequent American silence bound Somoza to the Roosevelt administration.³⁸ As Crawley puts it, the murder and “silence was a rich source of political capital for Somoza, who used his personal contacts and his own newspaper to spread the word that, as Washington’s man, he had ordered Sandino’s murder under instructions from the State Department.”³⁹

The view that Somoza was politically and personally tied to Washington prevented any opposition in Nicaragua to fully commit to an overthrow of his government. As was emphasized by Andrew Crawley, “[f]ear of American reprisals was a significant factor preventing Nicaragua’s dissenting groups from acquiring the unity of purpose

required for concerted action against the government.”⁴⁰ Somoza enjoyed the privilege and power that U.S. protection gave him.

This perceived U.S. protection was on full display and was legitimized by Somoza’s visit to Washington, D.C. on May 5, 1939. Unlike most of Roosevelt’s low-key events of state, there was a grand parade down Pennsylvania Avenue, filled with people on the parade route, most of whom were federal employees given the day off by presidential suggestion. The Nicaraguan newspaper *Novedades*, in May 1939, used the whole front page of the paper to cover Somoza’s state visit to Washington, D.C., giving gravitas to the relationship between the U.S. and Nicaragua. As the newspaper stated, using overtly ingratiating language, Somoza “[f]ue invitado a los Estados Unidos por el president Roosevelt. Su patria, la república más grande de Centro América, es una nación estratégica para el desenvolvimiento de nuestra defensa del hemisferio y de la solidaridad Americana (was invited to the United States by president Roosevelt. His homeland, the largest republic in Central America, is a strategic nation for the development of our hemispheric defense and American solidarity).”⁴¹ One benefit of trip and the ensuing media coverage was that people in Nicaragua were given the impression that Somoza and Roosevelt were close friends. In addition, the trip allowed Somoza to negotiate with Roosevelt for the Pan-American Highway project.⁴²

Clearly there was a strong link between the U.S. and Nicaragua, and it was not something that occurred overnight. Indeed, “Somoza, it has been said, ‘was a time bomb, planted in Managua by the Hoover administration,

Somoza was more than willing to arrest and deport enemy aliens...

and Franklin Roosevelt allowed it to explode.”⁴³ There is the chance that Roosevelt did not know that Somoza might have been planted by a previous administration: “That Anastasio Somoza – an apparently amiable 37-year-old with no military training and a fondness for dirty jokes – might have been ‘planted’ by the Hoover administration as part of some long-term US policy objective was a possibility of which the Roosevelt State Department seemed to be blissfully unaware.”⁴⁴

Somoza’s political benefits stem from U.S. economic assistance and the climate World War II had created in Nicaragua and the rest of Latin America. A major impact of World War II was the immediate loss of access to European markets. This, in turn, made the United States the only market available to Latin American countries. Due to the high demand of allied nations for commodities from Latin America, lending to Central American nations increased, which occurred through programs such as Lend-Lease (a program through which the United States sold, leased or lent food, supplies or arms to nations) that allowed nations to pay off external debts. Somoza was a great beneficiary of these lending programs, as it allowed him to “pay off a substantial part of the pre-war external

public debt.”⁴⁵ The ability to pay off external debt incentivized Somoza and other leaders in the region to cooperate with the United States war efforts.

In turn, the United States government saw an opportunity and an excuse to limit the economic influence that Germany was having in Latin America by instilling fears of a Nazi Fifth Column. Economic encroachment by Germany was made possible by the unjust Reciprocal Trade Agreement between the U.S. and Latin America, spearheaded by Secretary of State Cordell Hull who pushed for “nondiscrimination in tariffs and in the regulation of foreign exchange.”⁴⁶ Latin American countries applauded this plan because it allowed access to U.S. markets, something that had been coveted for some time. In the end, domestic pressures led to the failure of this policy; instead, “not only did most countries in the region not gain access to U.S. markets but they felt insulted as well.” As Bratzel put it, “the reciprocal trade agreement did considerable damage to the standing of the United States in Latin America.”⁴⁷ Furthermore, “[b]efore the war, the Germans used bilateral trade agreements to ensure that the balance of payments between themselves and any Latin American nation would be equal. Latin America looked positively towards

...knowing full well that cooperation with the United States would guarantee economic assistance

this policy [...].⁴⁸ These binational trade agreements allowed Germans to increase their economic penetration in the region based on the belief that “[...] the economic relationship with various Latin American nations would be equal.”⁴⁹ Latin American states’ positive reaction to the German trade deals was so menacing to the United States that it catalyzed fears of a Nazi Fifth Column in the region. The United States’ willingness to cooperate with and, in some ways, orchestrate the economic assistance for Latin American countries was driven by fear of a German economic penetration in the region.

This fear was driven by statistics showing that “by 1938, Germany was providing 16 percent of Latin America’s imports (up from 9.5 percent in 1932) and was taking 10.5 percent of the continent’s exports (up from 7.4 percent in 1932).”⁵⁰ This economic encroachment by Germany worried the United States, in turn allowing Somoza to utilize this fear to his advantage by recognizing that “[t]he region’s strategic position, so close to the Panama Canal and the shipping routes of the Caribbean, obliged the United States on the outbreak of war to work closely with whatever governments were in power provided they were friendly to the United States. Each *caudillo* (such as Somoza in Nicaragua) in Central America recognized this and [...] bent over backwards to accommodate the U.S. economic and strategic needs.”⁵¹

The Somoza regime, with United States’ economic assistance, was able to undertake several public projects, such as the construction of the Pan-American Highway. Leonard notes that “[...] The U.S. War Department encouraged the completion of the Pan-American

Highway and increased economic and cultural activities to further cement the existing favorable U.S.-Central American relationship.”⁵² It was in the interest of the U.S. and Central America to have the Pan-American Highway completed in a timely fashion, as it connected the continent and allowed for freer passage of trade. Somoza drove home the importance of the Pan-American Highway in a July 17, 1940 letter he wrote to Roosevelt. The letter emphasized the need for public works that are “for continental defense: The Pan American Highway and the Canal through Nicaragua” both of which economically benefited Nicaragua and, as previously noted, also benefited Somoza’s pockets.⁵³ To this end, “In December 1941 the U.S. Congress voted \$20 million to help Central America and Panama to construct their sections of the road with United States paying two-thirds of the cost and each isthmian government the remaining third.”⁵⁴

The Nicaraguan manifestation of the U.S.’ economic generosity was apparent in myriad ways. For example, there was an increase in employment, especially public jobs. This increase was made clear by the type of budgetary expenditures of the Somoza regime. Government expenditures on public works and development oscillated from 11.5 percent to 44 percent between the years of 1939-1945, when in the years between 1930-1939 development and public works only averaged about 8.8 percent.⁵⁵ This influx of economic assistance by the United States allowed Somoza to garner much public support, especially since “the government became an important provider of jobs. In addition, public employment increased the size of the

political clientele,” thus strengthening the Somoza regime.⁵⁶ This highlights how mutually beneficial it was for the United States and Somoza to work together.

Other scholars, such as Fernando Henrique Cardoso and Enzo Faletto, have emphasized this mutuality, writing that “[...] the system of domination reappears as an ‘internal’ force, through the social practices of local groups and classes which try to enforce foreign interest, not precisely because they are foreign, but because they may coincide with values and interest that these groups pretend are their own.”⁵⁷ As imperialism has been utilized by historians to analyze U.S.-Nicaraguan relations, it seems to paint the weaker state as reactionary and guileless. However, it is important to acknowledge, as I will show below, that U.S.-Nicaraguan relations have also been mutually agreeable and financially beneficial. Indeed, the U.S. wanted the Germans out of Latin America, and, in the case of Nicaragua, Somoza wanted both the recognition from the U.S. that aiding them would offer as well as the financial gains he could create for himself through this campaign. As an example, MacRenato states that “It is evident that he [Somoza] forced the U.S.’s hand and managed to established a mutually beneficial, long term relationship - a relationship that would eventually take full advantage of U.S. hemispheric concerns.”⁵⁸

Personal Financial Enrichment

WHEN IT CAME TO advantageous opportunities that cooperation with the United States offered to Somoza personally, it was the deportation program, specifically the expropriation

of assets of enemy aliens, that Somoza found his greatest gains. Victor Bulmer-Thomas, author of *The Political Economy of Central America Since 1920*, wrote that, “Somoza, in particular, was quick to exploit the opportunity provided by the expropriation of German owned assets [...]”⁵⁹ The expropriation of assets was facilitated by the legal decrees that the Nicaraguan Assembly instituted, giving the Somoza regime legal means by which to restrict and expropriate the assets of German nationals living in Nicaragua. These legal decrees by the Nicaraguan government were published in *La Gaceta*, the state’s official publication of legal rules. Decree No. 70 published Thursday December 18, 1941, stated that while the state of war persisted, the funds of social firms and citizens of Japanese, German, and Italian descent were to be frozen in banking institutions. The people impacted by this decree were required to appear, by stipulation put forth in the decree.⁶⁰

The deportations and expropriations economically benefitted the Nicaraguan government, specifically, Somoza. Legislative Decree No. 276, which took effect in Nicaragua on August 28, 1943, made it clear from whom, and when, to take expropriations. The decree outlined under what circumstances the Nicaraguan government was allowed to expropriate the assets, companies, and businesses of nationals from countries at war with Nicaragua and the Allies. While the decrees were ambivalent on what would happen to the funds, the Nicaraguan courts were explicit with their reasoning behind the expropriations. The expropriations were to be carried out “Con el objeto de evitar los daños y perjuicios considerables

When it came to mutuality, Roosevelt was willing to show support for Somoza and incite fear of a Nazi column in Nicaragua to benefit his war policy.

que a la economía nacional ocasiona la paralización, falta de producción, deterioro o ruina de los bienes, empresas o negocios que existen en el país, pertenecientes a personas naturales o jurídicas sujetas a inmovilización de sus fondos (In order to avoid the considerable damages to the national economy that the paralysis causes, the lack of production, the deterioration or ruin of goods; companies or businesses that exist in the country, belonging to natural or legal persons are subject to immobilization of their money).⁶¹ The Law of Expropriation was also published in *La Prensa* on July 4, 1943, thus making it available to the public. To add salt to the wound, Article 36 of Legislative Decree No. 276 set a scale by which the net capital of Axis citizens in Nicaragua were to be taxed with an annual fee, “Con el objeto de que las ‘personas afectadas’ contribuyan a los gastos extraordinarios que ha hecho y tiene que seguir haciendo el Estado, con motivo de la supervigilancia y custodia de sus personas, y del control, congelación y administración de sus bienes y fondos (In order that the ‘affected persons’

contribute to the extraordinary expenses that the state has made and must continue to do, due to the supervision and custody of their persons, and the control, freezing and administration of their assets and funds).⁶² The assessments were in addition to any other taxes that the person (or company) was paying. The fee structure was as follows:

Capital Net	% type of assessment
5,000-25,000	0.50%
50,000-100,000	0.75%
100,000-200,000	1.25%
200,000-500,000	2.25%
500,000-1,000,000	2.75%
1,000,000+	3.25%

One of the challenges to the expropriation law, which was published in *La Prensa* on August 1, 1943, stated “Esta Ley, aunque ha sido bautizada con el nombre de ley de expropiación es en realidad una ley de confiscación, y tiene treths aspectos... un aspecto legal, un aspecto económico y un aspect moral (This law, although it has been baptized with the name of expropriation, is actually a confiscation law, and it has three aspects...a legal, economic, and moral aspect).⁶³ Dr. Diego Manuel Chamorro, a prominent member of the Nicaraguan deputy chamber, laid out his argument for not supporting this law. Legally, he said, the Nicaraguan constitution did not allow them to create confiscatory laws in a time of war. Dr. Chamorro references the Rio Conference of 1942, which stipulated that governments should adapt modes that abide by international law and the legislation of each country, and to do

everything in their power to disrupt the commercial and financial interchange between the western hemisphere and the axis-powers. A vote was taken in the National Assembly and it went against Dr. Chamorro.

A blatant example of the economic benefits that the expropriation law provided Somoza was the auction of assets of Julio Balkhe. *La Prensa*, on Sunday August 23, 1942, ran a headline stating, “Las propiedades de la Sucesión Balkhe le fueron adjudicadas a Coronel Camilo Gonzáles por la suma de 410.000 córdobas (The properties of the Balkhe succession were awarded to Colonel Camilo Gonzáles for the sum of 410,000 Córdobas).”⁶⁴ The article narrates one of the most talked about auctions where the properties of the wealthiest man in Nicaragua, who happened to be of German descent, were auctioned off at a discount and won by Somoza. An article published by *7 Dias* magazine in their May 16-22, 2005 issue, “El Origen de la fortuna de los Somoza (The origin of Somoza’s fortune)” ties the auction of Julio Balkhe to the genesis of Somoza’s wealth.⁶⁵

While some of the popular class of Nicaragua were tolerant of Somoza’s self-enrichment program, were less sanguine. As Crawley notes, “Members of the moneyed class [... were] alienated by Somoza’s greed. Forced to make contributions to his private fortune and often obliged to sell their properties to him at a fraction of their real value.”⁶⁶ It would become these people who would, in turn, create a movement against the Somoza dynasty years later. For the time being, he was blanketed in the goodwill of the United States that the moneyed elites and government officials believed

they shared.

Somoza took advantage of the pro-American sentiment that had taken over Nicaragua during World War II, made evident by the December 10, 1941 headline in *El Centro Americano*, which stated that there was a “Gran manifestación en Chinandega pro Estados Unidos (Great pro United States demonstration in Chinandega).”⁶⁷ This was in direct contrast to the typical anti-American sentiments of the general population, due to the various military occupations by the U.S. in Nicaragua. According to *La Prensa*, in their Sunday July 8, 1939 headline, “Ayer los estudiantes decretaron el boicoteo a los Establecimientos Comerciales de los Alemanes Nazis (Yesterday the students decreed the boycott of the commercial establishments of the Nazi Germans).”⁶⁸ The article described the clash between students handing out pamphlets calling for the boycott of German businesses and the police who were tasked with protecting the German businesses. A result of the pro-Allies/anti-Axis sentiment that engulfed Nicaragua was the passing of Resolution No. 35 (12/10/1941). The resolution gave him the executive power to declare war on any non-American power that committed acts of aggression against any of the American Republics; it also gave power to the President of Nicaragua to declare war as well as allowing him to dictate “todas aquellas medidas que a su juicio sean necesarias para la propia defensa (all those measures that in his opinion are necessary for their own defense).”⁶⁹

Somoza and FDR relationship

PART OF SOMOZA'S PRO-AMERICAN interest was his perceived public admiration of Roosevelt, which can be difficult to corroborate as a driver for his willingness to comply with the campaign of deportation. This admiration of Roosevelt by Somoza was made clear to the Roosevelt administration through documents, such as the February 6, 1943 memorandum from J. Edgar Hoover to Harry L. Hopkins (Roosevelt's chief diplomatic advisor). Hoover wrote that "President Somoza recently expressed again, as he has done so often, his admiration for President Roosevelt."⁷⁰

Somoza's admiration for Roosevelt was well documented and evinced itself in quite overt ways. For example, on May 28, 1943, *La Prensa* wrote about a project proposed by Somoza to raise funds to erect a statue of President Roosevelt, funds which were raised using a popular fundraising campaign.⁷¹ Further, on January 30, 1942, Somoza wrote a letter to Roosevelt detailing the events that were planned in Nicaragua in honor of President Roosevelt's birthday. In this letter Somoza also stated that, "Me place reiterarle lo que le manifesté en carta anterior que mi mayor honor sería imitar a Ud. en laborar por el bien de mi pueblo..., (I am pleased to reiterate what I stated in a previous letter, that my greatest honor would be to imitate you in working for the good of my people...)" reinforcing the admiration that Somoza had for Roosevelt.⁷²

The rapport that Somoza so clearly coveted between himself and Roosevelt

was not a figment of his imagination. On February 19, 1942, President Roosevelt wrote a letter in which he thanked President Somoza for sending a "gracious letter" for his birthday, and to thank Somoza for renaming the principal street in Managua "Roosevelt Avenue" after him.⁷³ This clearly demonstrates that President Roosevelt was aware of Somoza's ingratiating techniques. What Roosevelt thought of him, however, is not clear, as he was careful not to publicly express his opinion of President Somoza or the Nicaraguan government. When it came to mutuality, Roosevelt was willing to show support for Somoza and incite fear of a Nazi column in Nicaragua to benefit his war policy. Indeed, as Crawley notes, "Roosevelt exploited such public anxieties" because it "enabled him to aid the British war effort."⁷⁴ This strategy allowed Roosevelt to bypass the pledge of neutrality and isolationism that he had campaigned on.

It is impossible to know for certain what was behind Somoza's show of support, even filial admiration, for Roosevelt. The scarcity in sources from Somoza himself lead to the difficulty in determining what his real intentions in projecting a public relationship with Roosevelt were. According to the U.S. government's Confidential Biographic Data on President Anastasio Somoza and members of his party, "President Somoza [was] believed to have a sincere affection for the United States." The report goes on to state that "He [Somoza] has consistently displayed a desire to cooperate fully with this government and to cultivate our friendship."⁷⁵ The

tone of the letters in which Somoza expressed his admiration for Roosevelt seemed to suggest a sincere interest in President Roosevelt and an honest desire for friendship. A memo written by J. Edgar Hoover to Harry Hopkins, one of Roosevelt's closest advisors, made these sentiments abundantly clear to U.S. officials. In this memo, the admiration that Somoza has expressed for Roosevelt is believed to exist and "in fact could be termed a fanatical point of view."⁷⁶ For Andrew Crawley, on the other hand, in his important book on Somoza and Roosevelt, this perceived admiration was a ruse by Somoza who "[...] openly praised Roosevelt to serve his own purposes."⁷⁷ It is difficult to ascertain Somoza's intents in fostering a public friendship with Roosevelt.

Conclusion

THIS ARTICLE HAS EXAMINED the diverse and interconnected factors that drove President Somoza to participate in a deportation program spearheaded by the United States that stripped people of dignity and freedom. The program came into being from an unfounded fear that Germany was encroaching in the region economically, thus threatening the regional hegemony of the United States. This article argues that what drove Somoza to execute the deportation program was the intrinsically tied together economic and political benefits that the deportation of German nationals provided him. It is evident that by complying with the deportation program there were gains

attained by Somoza – primarily economic and political. In addition, it becomes clearer that Somoza complied with the program because of his yearning for the recognition of his presidency from the United States, in part because of what this recognition entailed politically. This mutuality – Somoza's personal, economic and political interest and the U.S. concerns of a Nazi Germany economic encroachment in Latin America – is the backbone of Nicaragua's compliance with the deportation program during World War II.

The campaign against German nationals living in Nicaragua was not explicitly controlled by the U.S., but was carried out by, and mutually beneficial to, the Somoza regime. The U.S. wanted to halt the German economic encroachment in Latin America, something aided by the failure of unfair trade agreements, and to push back on the perceived Nazi Fifth Column in the Western Hemisphere. In turn, Somoza required the economic assistance that complying with the deportation program could produce. The economic upturn in Nicaragua, due to U.S. financial assistance, created a political atmosphere that allowed Somoza to placate his adversaries and solidify his grasp on power.

An aspect that is difficult to corroborate is how influential the relationship between Somoza and Roosevelt, which exists primarily on paper, was in engendering the Nicaraguan state's willingness to implement the deportation program. The lack of primary sources contributed

to the difficulty in determining how the Somoza-Roosevelt 'friendship' was crucial to Somoza's adherence. The documents that do exist show how the perception of a relationship benefitted Somoza politically by limiting the power that his adversaries had. Furthermore, these documents also showed that Roosevelt utilized this relationship to advance his war policy.

As noted previously, there has been a dearth of research into one of the most overlooked international campaigns of U.S. interference in Latin America towards Germans during World War

II, particularly the deportation and expropriation campaigns by Somoza in Nicaragua. Until now, the history has primarily been written from an U.S.-centric viewpoint, framing Latin American governments as merely bystanders to world history and subservient to countries like the United States and those in Europe. By placing the focus on Somoza's reasons for complying with the deportation of German nationals from Nicaragua, this article contributes a new angle to the existing literature. ♦

ENDNOTES

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³ Karl de Schweinitz Jr., "What is Economic Imperialism," *Journal of Economic Issues* Vol. 15, No. 3 (Sep., 1981): 676.

⁴ R.A. Humphreys, *Latin America and the Second World War: Volume One 1939-1942* (London: The Athlone Press Ltd, 1981), 11.

⁵ Shizuta, Hitoshi, "Imperialism as a Concept," *Kyoto University Economic Review* Vol. 31, No. 1 (1961), 2.

⁶ Knut Walter, *The Regime of Anastasio Somoza 1936-1956* (Chapel Hill: The University of North Carolina Press, 1993), xiv.

⁷ Works that emphasize South America when discussing LATAM and WWII: Humphreys, *Latin America and the Second World War*; Thomas M. Leonard and John F. Bratzel, eds. *Latin America During World War II*. For further study in Nazi propaganda in Latin America see Alton Frye, *Nazi Germany and The American Hemisphere* (New Haven: Yale University Press, 1967).

⁸ Andrew Crawley, *Somoza and Roosevelt: Good Neighbour Diplomacy in Nicaragua 1933-1945* (New York: Oxford University Press, 2007), 26.

⁹ Robert Edgar Conrad, *Sandino: The Testimony of A Nicaraguan Patriot 1921-1934*. Ed. Sergio Ramirez (Princeton: Princeton University Press, 1990), 76.

¹⁰ Michael Gobat, *Confronting the American Dream: Nicaragua Under U.S. Imperial Rule* (Durham: Duke University Press, 2005), 43.

¹¹ A term that stems from the Spanish Civil War- a group of people that subvert a larger group from within (in this case inside Latin American countries) in favor of an enemy group or nation, such as Nazi Germany.

¹² Friedman, *Nazis & Good Neighbors*, 3.

¹³ Department of State Division of the American Republics, RG 59, National Archives.

¹⁴ Friedman, *Nazis & Good Neighbors*, 109.

¹⁵ *Ibid.*, 5.

¹⁶ *Ibid.*, 3.

¹⁷ Götz von Houwald, *Los Alemanes en Nicaragua* (Managua: Editorial y Litografía San José, 1975), 12.

¹⁸ Friedman, *Nazis & Good Neighbors*, 15.

¹⁹ *Ibid.*, 17.

²⁰ *Ibid.*, 62.

²¹ *Ibid.*, 222.

²² “Continúan las detenciones de alemanes e italianos,” *La Prensa*, December 14, 1941, 1.

²³ Friedman, *Nazis & Good Neighbors*, 4.

²⁴ Department of State Division of European Affairs, “German Propaganda and its penetrating influences,” 800.20210/116, RG 59, National Archives.

²⁵ Gustavo Abaunza H., “La Quinta Columna de Nicaragua,” *El Centro Americano*, December 11, 1941, 3.

²⁶ “Quintacolumnistas en México,” *La Prensa*, February 12, 1942, 3.

²⁷ FDR Library, Hyde Park, NY., P.P.F. 5913 Somoza. July 25, 1941.

²⁸ “La Quinta. Columna amenaza en todas las Naciones de América,” *La Prensa*, October 3, 1942, 1&4.

²⁹ Thomas M. Leonard, “Central America: On the Periphery,” in *Latin America During World War II*, ed. Thomas M. Leonard et al. (Lenham: Rowman & Littlefield Publishers, Inc., 2007), 41.

³⁰ *Ibid.*, 42.

³¹ Several Guardia officers “perceived Somoza as a social climber of the worst sort and a man who was using his army position to get ahead politically.” Quoted in Terno MacRenato, *America’s Favorite SOB: Gen. Anastasio Somoza Garcia American Made Nicaraguan Dictator* (San Diego: Montezuma Publishing, 2013), 114.

³² Edward O. Guerrant, *Roosevelt’s Good Neighbor Policy* (Albuquerque: The University of New Mexico Press, 1950), 68-82.

³³ Crawley, *Somoza and Roosevelt*, 43.

³⁴ MacRenato, *America’s Favorite SOB*, 6.

³⁵ Friedman, *Nazis & Good Neighbors*, 129.

³⁶ MacRenato, *America’s Favorite SOB*, 158.

³⁷ Leonard, “Central America,” 48.

³⁸ *Ibid.*, 51.

³⁹ *Ibid.*, 55.

⁴⁰ *Ibid.*, 167.

- ⁴¹ “La Capital Recibe al Presidente de Nicaragua Con Toda Pompa,” *Novedades*, May 11, 1939, 1.
- ⁴² Knut Walter, *The Regime of Anastasio Somoza 1936-1956* (Chapel Hill: The University of North Carolina Press, 1993), 87.
- ⁴³ Crawley, *Somoza and Roosevelt*, 23.
- ⁴⁴ *Ibid.*, 27.
- ⁴⁵ Victor Bulmer-Thomas, *The Political Economy of Central America Since 1920* (Cambridge: Cambridge University Press, 1987), 95.
- ⁴⁶ John F. Bratzel, “Introduction,” in *Latin America During World War II*, ed. Thomas M. Leonard et al II (Lenham: Rowman & Littlefield Publishers, Inc., 2007), 3.
- ⁴⁷ *Ibid.*, 3.
- ⁴⁸ *Ibid.*, 4.
- ⁴⁹ *Ibid.*, 9.
- ⁵⁰ Crawley, *Somoza and Roosevelt*, 158.
- ⁵¹ Bulmer-Thomas, *The Political Economy of Central America*, 87.
- ⁵² Leonard, “Central America,” 36.
- ⁵³ FDR Library, Hyde Park, NY. P.S.F. Box 45. “Office of the President of the Republic Managua, Nicaragua, July 17, 1940.
- ⁵⁴ Bulmer-Thomas, *The Political Economy of Central America*, 89.
- ⁵⁵ Walter, *The Regime of Anastasio Somoza*, 87.
- ⁵⁶ *Ibid.*
- ⁵⁷ Fernando Henrique Cardoso and Enzo Faletto, *Dependency and Development in Latin America*, trans., Marjory Mattingly Urguidi (London: University of California Press, 1978), xvi.
- ⁵⁸ Ternot MacRenato, *America’s Favorite SOB*, 6.
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- ⁶⁰ Republica de Nicaragua, “Poder Ejecutivo: Hacienda Y Credito Publico,” in *La Gaceta Núm*, December 18, 1941, 2425
- ⁶¹ Ministerio de Hacienda, *Leyes de Emergencia* (Managua D.N.:Talleres Nacionales, 1941/43), 110.
- ⁶² *Ibid.*, 125.
- ⁶³ “Se discute la Ley sobre las propiedades de Ejeanos,” *La Prensa*, August 1, 1943, 1&4.
- ⁶⁴ “Las propiedades de la Sucesión Balhcke le fueron adjudicadas al Coronel Camilo González por la suma de 410.000 córdobas,” *La Prensa*, August 23, 1942, 1&4.
- ⁶⁵ Helena Ramos, “Aventuras y desventuras de los alemanes en Nicaragua,” *7 Dias*, May 16 & 22, 2005, 4.
- ⁶⁶ Crawley, *Somoza and Roosevelt*, 163.
- ⁶⁷ Ernesto Pereira, “Gran manifestación en Chinandega pro Estados Unidos y Gbno. De Nicaragua,” *El Centro Americano*, December 10, 1941, 1.
- ⁶⁸ “Ayer los estudiantes decretaron el boicoteo a los Establecimientos Comerciales de los Alemanes Nazis,” *La Prensa*, July 8, 1939, 1.
- ⁶⁹ Ministerio de Hacienda, *Leyes de Emergencia*, 10-11.
- ⁷⁰ Federal Bureau of Investigation, “Recent Statements of President Somoza-Nicaragua,” February 6, 1943. P.P.F. 5913, FDR Library, Hyde Park, NY.

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⁷⁴ Crawley, *Somoza and Roosevelt*, 179.

⁷⁵ Department of State, “Confidential Biographic Data on President Anastasio Somoza and Members of his Party,” P.S.F. Box 45, FDR Library, Hyde Park, NY. April 29, 1939.

⁷⁶ Edgar Hoover, Memorandum to Harry L. Hopkins, 1943. “Recent Statements of President Somoza-Nicaragua,” February 6.

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