

DIRECTOR

JOHN EDGAR HOOVER  
DIRECTOR



Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

DIVISION OF

DEC 8 1943

PERSONAL AND CONFIDENTIAL  
BY SPECIAL MESSENGER  
DEPARTMENT OF STATE

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NOV 27 1943  
DIVISION OF  
COMMUNICATIONS AND RECORDS

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MR. BERLE

DIVISION OF  
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DEPARTMENT OF STATE

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CONFIDENTIAL FILE

DATE:

November 18 1943

TO: Honorable Adolf A. Berle, Jr.  
Assistant Secretary of State

FROM: J. EDGAR HOOVER - DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

SUBJECT: Communist Activities in Ecuador

As of possible interest to you there is being transmitted herewith a copy of a report setting forth information regarding the activities of the Communist Party in Ecuador. It is to be noted that the enclosed report sets forth information indicating the Communists in Ecuador were becoming increasingly active and influential. This information has been obtained from a confidential and reliable source and has been made available to the Military Attache, Naval Attache, and the American Embassy in Quito, Ecuador.

Enclosure

cc - Director of Naval Intelligence  
Navy Department, Washington, D.C.

Assistant Chief of Staff, G-2  
War Department, Washington, D.C.  
Attention: Colonel L. R. Forney



File *KM 92*  
NOV 19 1943  
DEPARTMENT OF STATE

November 18 1943

Re: COMMUNIST ACTIVITIES IN EQUADOR  
Guayaquil, Ecuador

Informant advised in June of 1943 that at a recent meeting of the Communists in Guayaquil a resolution was made not to take in any new members as it was discovered that some of the members recently taken in were sent by the secret police with a view to report on the party's activities. Exception to the rule is made only in cases where an applicant is sufficiently well-known and his sincerity can be established. At the meeting there was also adopted the future policy of taking into party confidence only a limited number of members whose job it will be to prepare and execute plans towards influencing and guiding the masses. The further decision was made not to show up directly, but to have such people do the public talking, etc. etc. as do not belong to the party (especially non-party officials of labor unions), so that in case of public trouble, no blame can be put on the communists. It was also decided to adopt on the surface a pro-patriotic attitude (by supporting the government on Ecuador-Peruvian questions, by continuing the anti-Nazi activity, by behaving as Ecuadorans rather than internationalists, etc.), with a view to gain government confidence, and in the hope that thereafter the party will be legally recognized. The argument of the communists on the subject of their recognition will be, they concluded, that since the communist international has been dissolved, there no longer exist ties with foreign political groups so that in fact they represent a purely Ecuadoran political party which, in a democratic country, must just as well be officially recognized as any other existing local political party (liberals, conservatives, etc.). It is reported that on several occasions the local communist party was approached by European political refugee communists who suggested and proposed to the natives the establishment of an intimate and close cooperation, but that the natives, however, did not accept such proposed cooperation because they believe that the foreigners are not sufficiently trustworthy, giving the reason "because they are Jews."

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Informant further advised that ERNEST QUEVEDO, prominent communist in Guayaquil who spent some time in Russia, informed him that the communists meet in Guayaquil at various members houses. He said they send messages of meetings by personal messengers and never use the mail for these purposes. He said that they formerly met at the Sociedad de Carpinteros. He refused to divulge to the informant the exact number of members in Guayaquil. QUEVEDO, who is about 32 years old, is presently attending the University of Guayaquil. At a later date, QUEVEDO told informant that the communist party had received instructions to enter into as friendly contact as possible with the local resident Free Germans with a view to gain as many members as possible for "Free Germany" proclaimed in Russia. When asked from where the instructions had been received, he said that he would tell informant at a future date. Informant advised that the arguments the communists are using are that communism will be the only salvation of Germany; that the fate of Germany will be determined by Russia; and that Germany will form part of a Communist entity including all European countries, excepting perhaps and for a short time only, England.

In a report dated August 25, 1943, informant advised as follows: A secret congress of representatives of workers' unions from all parts of the country was held in Guayaquil on August 13 to 15. The congress was under the auspices of communism and PEDRO SAAD, Guayaquil communist leader, was elected general secretary of the "Federación de Obreros" (Workers' Union) for the entire Republic. Several subjects were treated, the principal of which was in connection with presidential election activities. It was decided that the unions should all vote for VELASCO IBARRA, and that committees should be appointed among the different unions to make sure that all those who can vote take part in the elections. A detailed analysis was made of the unions' total number of voters. Labor code and salary increase matters were also treated, and it was decided that a detailed list shall be prepared of living necessities of the average worker to show that his income is far below the present cost of living. The list is to be presented to the government in due time, but it is mainly intended to be distributed among the labor classes with a view to make them more clearly see "how much they are being exploited by capitalism." Undoubtedly the real aim of the list is to encourage communism among the laborers. NEPTALI PACHECO (LEON) from Milagro who is a communist farm workers' leader, gave a speech in which he pointed out that the time is near when the workers of the world will dominate the situation and when "real justice all over the world will then be exercised. He made no mention to communism but this is undoubtedly what he meant. He made a detailed description of present and future political developments in Europe and recommended that the labor classes in America should closely watch European developments and should in due time draw their own conclusions and act accordingly. PACHECO (LEON) is a good speaker, a dark colored "cholo" type of a man, and his influence among the agricultural workers (peones) on the coast is quite strong. On the last day of the congress, August 15, a small group of communist leaders joined in an "especially confidential meeting" but it has not been determined what exactly the principal purpose of that meeting was. According to PEDRO SAAD'S own statement, one of the subjects treated was with regard to the relations of native with foreign communists and a closer contact in the future than in the past was suggested.

In a report dated September 4, 1943, informant advised that the communists had never been so active in Guayaquil as during the previous few weeks and they may be said to be dominating the workers' unions practically entirely. Although they manifest that they are a purely local group without international connections, it is known that international contact is being maintained by them and that printed matter, etc. is being received from the outside. Informant advised that he had personally seen a six sheet mimeographed pamphlet which is said to have been brought to Ecuador by a sailor from Chile and the contents of which are on the subject of "Imperialistic Tendencies Among the Democratic Governments". In the pamphlet it is pointed out that democracies are but defending capitalism and that the workers of the world shall not let themselves be misled but shall clearly realize what the situation is and shall prepare themselves for the world revolution to take place immediately upon defeat of Nazism. The contents of the pamphlet are lengthy and the arguments treated therein are

manifest, but in essence they deal on the subject of the prospective world revolution. It is understood that copies were made by the local communists for distribution among their workers' unions' confidence men. There seems for some reason to exist among the masses a warmer feeling of sympathy with England than with the United States and the anti-American propagators can especially be found among student and intellectual circles (Society of Independent Writers and Artists). The separation of Vice President Wallace from the Board of Economic Warfare and the resignation of Sumner Welles are in local circles said to be an evident testimony of "imperialistic" tendencies among the United States government. Decided pro-communist sentiment can also be found among a majority of European members of the so-called "Free Movements" and books dealing on Russia, etc. are distributed widely and are eagerly being read.

On September 8, 1943, informant accompanied the well known local communist, VICTOR HUGO BRIONES and ENRIQUE GIL (GILBERT) to the congress of cooperatives held at Milagro, Ecuador. The delegates to this congress were as follows:

PEDRO SAAD, in the capacity of Secretary General of the Labor Unions.

ENRIQUE GIL (GILBERT), representative of the Society of Independent Writers and Artists.

DR. ANGEL F. ROJAS, representative of the "Alianza Democrática Ecuatoriana".

VICTOR HUGO BRIONES, representative of the communist party.

\_\_\_\_\_ CEDENO, (first name unknown) representative of the school teachers of the Province of Guayas.

In addition to the above, there were about 20 men more from Guayaquil who accompanied the above mentioned. In their majority they are members of the communist party. Among them was Sr. GALO GALECIO, the artist who painted the picture which was donated to Vice President Wallace on his visit to Ecuador. GALO GALECIO is a registered member of the communist party.

At Milagro, the party was joined by the Teniente Político of Milagro, representative of the Government; Commander ANDRADE, Manager of the Banco Hipotecario in Milagro; and several others including a representative of the society of barbers, which society is composed of members of the communist party; a man representing the workers' union of the sugar mill Valdez; and about ten other members of the communist Party. The meeting was held at "Nauza" about twelve kilometers from Milagro, which is a farm belonging to the communist leader NEPEALI PACHECO (LEON). This farm was the subject of the book by ENRIQUE GIL (GILBERT) "Maestra Pan".

In addition to the delegates from Guayaquil and Milagro, there were assembled at Nauza about two hundred men of the cooperatives who greeted the new arrivals as "comrades". There were also about sixty school children. There were flags all over PACHECO'S farm where the meeting was to be held, including two large Ecuadoran flags, six large Russian flags and two local communist flags. The Russian flag carries the hammer and sickle in yellow whereas the local communist flag carries them in black. There was also a large sign reading as follows: "Democracy is to be defended by deeds---not by words."

NEPTALI PACHECO (LEON) was elected as director of the meeting and PEDRO SAAD as secretary. The meeting was opened by a speech by PACHECO in which he stated that it was not a political meeting but purely a meeting of the cooperatives with a view to render account of the past and to decide the course of the cooperatives for the future. He confined his talk to the business of the cooperatives.

The second speaker on the program was the representative of the workers' union of the sugar mill "Valdez" which is the second largest sugar mill in Ecuador. He opened his speech by saying it was a pleasure for him to meet the members of the cooperatives to whom he was bringing a salute from the comrades of the sugar mill. He did not mention politics but said that it must be kept in mind that the time would come when not only the land but also the sugar industry would be in the hands of the laborers and workers and with this idea in view he told them that no effort should be wasted towards increasing production and improving the land and the industries.

The next speaker was one CERDEÑO, representative of the school teachers for the Province of Guayas, who did not touch on the subject of the cooperatives but began a wild speech on the subject of capitalists' exploitation. He said that the activities of independence for the farmers would from then on be supported by the activities of the comrades of the industries and by the comrades in general who lived in towns.

The next speaker was PEDRO SAAD who began his speech by expressing facts to VICENTE YEROVI IMBABURA, General Manager of the Banco Hipotecario, for the financial assistance given to the cooperatives. He then began a wild attack on imperialism, calling the Ecuadoran land owners local Nazis and said there is no hope for eliminating them if international Nazism is not eliminated first, and that for this reason the workers in general, the Communist Party, and the Labor unions have all united to the cause of the United Nations. He continued by stating that once international nazism is eliminated, elimination of local nazism must be immediately started and the farm workers must now begin to organize toward that end. He said that the first step made toward that end under the PAEZ government was a failure because the farmers had not been armed and organized, but that this second step must be well prepared and that no action shall be taken until it can be ascertained beforehand that victory will be assured. He mentioned several

examples of international "nazism". Among these examples he mentioned the United Fruit Company and the "crimes" which this company had committed against the local farmers, etc. He terminated his speech saying: "What I want you to understand clearly is that this is the moment when here in the country the foundation shall be laid right at this assembly for the second step of the farm workers' revolution. Details of the revolution shall be treated separately, but what is right now important is that it be known that the revolution begins at this moment with this assembly."

The next speaker was Dr. ANGEL F. ROJAS, Secretary and representative of the Alianza Democratica Ecuatoriana. He spoke on the subject of the cooperatives and did not mention politics except the fact that a coming social revolution must be expected and that the farmers must play an important part in that revolution. He promised the cooperation of the Alianza Democratica to the cause of the cooperatives. The last speaker was ENRIQUE GIL (GILBERT) who spoke against nazism and went into details of Nazi crimes in Europe. He then went on to expose the crimes of the land owners who he called local Nazis and promised that the local land feudalism would soon be exterminated and that the land would then belong to those who worked it.

A few special guests were invited by PACHECO to spend the night at his farm while the others returned to Milagro. That evening in Milagro there was a meeting in the workers' union headquarters in Milagro. To this meeting went PEDRO SAAD, Dr. ROJAS, Briones, CEDEÑO, and informant. There were approximately 150 people present and called each other "comrade". PEDRO SAAD reported on the business of the cooperative assembly and conversation was mainly on the subject of the coming presidential election. Dr. ROJAS urged that all possible steps be taken to have all those who can vote register for the election. BRIONES spoke for some time to the secretary of the communist party in Milagro and later told informant that Milagro communists are among the most active in Ecuador but that they must always be given encouragement from the party in Guayaquil.

Later that same evening Dr. ROJAS told informant that in his opinion PEDRO SAAD should not have spoken so clearly at the assembly; that CEDEÑO should also have kept his mouth shut; but after all they were supposed to be living in a democratic country and what they had said was right.

When questioned on the Alianza Democratica, Dr. ROJAS said that the Alianza will fight for their rights if necessary and once the masses are in power one of the first steps will be to introduce into the constitution capital punishment. Dr. ROJAS is a member of the Socialist Party and was asked by the informant whether his party program differed much from that of the Communists. He said that it differed some but fundamentally they were the same. Continuing, he said that one gets a bad reputation if labeled as a Communist but the Government does not bother the Socialists and that was one of the reasons he was a Socialist rather than a Communist. When asked whether

the Alianza with VELASCO in power would assume a radical policy he answered that it would not but that it would prepare the country for socialism. He said the masses are not yet sufficiently prepared for socialism and it would result in a failure if adopted at this time. He advised that the Alianza had talked the matter over with the communists and the communists had agreed with that viewpoint.

The following day informant talked with CARLOS SANCHEZ, member of the local Communist Party in Milagro who told him that out of 1500 workers at the Valdez sugar mill, 450 of them are registered in the Communist Party but only a few who are elected members come to the usual meetings. The others are informed by the delegates what takes place in these meetings. He reported that the majority of farm workers and members of farm cooperatives in the sector of the country located between Milagro and Juján are either sympathizers or registered members of the Communist Party. In addition to this, there are about 150 workers and small merchants in the town of Milagro who belong to the Party along with several hundred workers of the rice mills. He said the Communist movement in Milagro and the surrounding country is under the leadership of PACHECO.

SANCHEZ informed that the Communist meetings, which are held at least once a week, are not called Communist but labor union meetings and the Communists do not call themselves "Communists" but rather members of labor unions because in the past the Government caused too much trouble to Communism. Informant later accompanied SANCHEZ to the town of Yuaguachi about sixteen kilometers from Milagro. He determined there that the Communist Party was rather weak, not having more than thirty members. He said they never act on their own account but rather upon instructions received from Milagro or Guayaquil.

Informant also visited a number of farms surrounding PACHECO'S and talked to farm laborers. He said they were all either members or sympathizers of Communism. All speak of the coming revolution and live in the hope that the land will be divided equally, with everyone obtaining his share.

Informant advised that there has been no regular revolutionary organization started as yet but heard some of the leaders say that plans must be worked out concerning the organization.

Informant saw CELEÑO in the midst of a group of school children at which time he had in his hands two flags---an Ecuadoran and a Communist. He told the children that the Ecuadoran flag must be respected as it is the flag of the country but that more respect should be paid to the Communist flag because it is the flag of the farm worker and will be the country's flag in the future. The school is located on the farm of PACHECO.

In an interview with ARTURO EICHLER, one of the leading Trotskyites, EICHLER told informant that Fascism is not only German and Italian, but is world wide and exists specifically in capitalistic countries such as England and the United States. He said that Fascism is a product of capitalism and that once the war is over Fascism terror will rise in the democratic countries and although it will not be called Fascism, it will be just the same. The economic situation at the termination of the war will tend to become disastrous and workers will be degraded to an existence practically as slaves. Capitalist world competition will again begin and lack of markets, increase of unemployment, etc. will lead to the start of another world war. The next war can only be avoided through international socialism and the only real socialism is trotskyism. It is in the interest of the workers and all those who do not want to become the servants of capitalist Fascism to spread Trotskyism. Trotskyism has its branches in practically all countries of the world. Contact among the different branches is maintained by means of the Trotskyist press. Here in America, such papers are published in the United States and in Argentina. The Ecuador branch had subscribed to some of the papers but in view of the investigations made by ERIC RATH had stopped subscription. No papers are arriving at the present time, but means of getting them again are being studied. The local Ecuadoran group is as yet very small, there being in Ecuador only about ten members but they are all selected persons. About half of the local group are foreigners while the others are natives who partly figure in the Communist Party, apparently cooperating with that Party but in fact sabotaging them. He stated that there is a high government official who is well connected with the American Embassy in Quito who reports to the Trotsky group whatever he can learn on the subject of investigations made against the activities of that group. EICHLER did not reveal the name of this government official. The activities of the Trotskyites in Ecuador are as yet very limited and are especially directed towards demoralizing the democratic spirit. He said the Free Germans are but rendering "servant's" services to the Americans and British and that they will never be taken in account when the war is over. The only remedy to avoid future wars and misery during the years following this war is, in his opinion, world socialism.

Informant advised that in early September, 1943, PEDRO SAAD made a complaint on Trotskyism. SAAD reported that the Trotskyites have succeeded in gaining some of the Communists for their own cause and that the latter continue to remain in the Communist Party but only for the purpose of learning what is going on among the Communists and then reporting back to the Trotsky headquarters. He said it has not yet been established who these Trotskyites are but that experience in recent weeks has shown that Trotskyites are getting detailed information of the Communist activities and this could only come from spies within the Communist ranks. When asked as to the number of Trotskyites in Guayaquil he replied that there were perhaps not more than twenty and that these represent some of the best prepared elements among the Lefts. He advised there are some Trotskyites among the Society of Independent Writers and Artists. He said they are apparently worried



as to how to get into the country the printed matter from the Argentine and the United States. Informant advised that he had been approached by a Trotskyite who asked him whether his post office box could be used as a drop box for this propaganda or whether he could recommend some other address. However, he said that the sending of such printed matters, which consisted mainly of newspapers, was stopped immediately when it was learned that ERIC RATH was engaged in investigating Trotskyism.

Informant advised that JUSTO H. BRIONES, Velez 607, Guayaquil, is identical with VICTOR HUGO BRIONES the Secretary-General of the Union Sindical del Guayas. However, he could furnish no information as to why BRIONES used this other name. He advised that to the best of his knowledge, the date for the Communist Party annual congress has not been set but he thinks it will be held in Quito.

On September 16, 1943, there was a small notice appearing in the daily paper "El Universo", Guayaquil, that E. BARREZUETA and D. PEDRO J. VERA had been arrested for shouting "Viva Velasco Ibarra". The article advised that it is rumored the arrest of BARREZUETA is due to other reasons. Informant advised that BARREZUETA is the treasurer of the Communist Party in Guayaquil.

Newspaper notices reveal that on September 30 the Mexican labor leader VICENTE LOMBARDO (TOLEDANO) arrived in Guayaquil after attending the workers' congress in Santiago, Chile. Informants advised that LOMBARDO would remain in Guayaquil until October 2, 1943, contacting prominent communists and labor leaders. The ostensible purpose of this trip is said to be the consolidation of labor unions of South America into a solid front and at the same time to disassociate in the minds of the public the fact that the labor unions are communistically controlled and dominated.

At the completion of LOMBARDO'S visit informant advised that LOMBARDO had been received by PEDRO SAAD, VICTOR HUGO BRIONES, and NEPTALI PAGRECO (LEON). He held a private meeting with SAAD, BRIONES and ERNEL QUEVEDO and at this meeting appointed SAAD as Ecuadorian representative of the CTAL or Confederación de Trabajadores de America Latina. SAAD later advised that LOMBARDO had stated the general policy is to combine all power of the Latin American workers into one political entity, the CTAL, with local branches of this organization in each of the Latin American republics. This according to LOMBARDO, will be excluding by name the existence of the Communist Party but political activities similar to those of the former Communist Party activities will continue on an international basis, at least in Latin America. SAAD advised that even though the name of the Communist Party will not be used, the primary ends of the Communist Party, that is social revolution, will still be the primary ends of the CTAL.

On September 30 LOMBARDO made a public speech in the coliseum in Guayaquil before approximately 2000 persons, the majority of whom were from labor and intellectual groups in the city. In this speech he explained the present set up of the CTAL.

SAAD further advised informant that LOMBARDO plans to return to Ecuador within the next few months at which time a more complete organization will be made toward the CTAL in Ecuador.

It is noted that Ecuadorian Communist Party is a  
left-frontal organization which is active in  
with organizations known as "Revolutionary Front"  
has been made available to the American Embassy  
in Quito, Ecuador.

Director of Naval Intelligence  
Navy Department, Washington, D.C.

Assistant Chief of Staff  
The War Department  
Washington, D.C.