

PANAMA IN WORLD WAR 2



PART 20 – INTERNED – LATIN AMERICAN INTERNMENTS OF ENEMY ALIENS, AND INTERNED AND SEIZED VESSELS UNDER THE PANAMA FLAG

THE LATIN AMERICAN INTERNMENT PROGRAM FOR ENEMY ALIENS¹

While Panama escaped most of the worst effects of World War 2 and, in some ways, benefited economically from the developments that took place, it did have a role in one unpleasant (though perhaps, to some extent, unavoidable) and somewhat mishandled aspect. This involved the detention and deportation of those whose nationality or origin was of the Axis countries.

The obvious and immediate threat from any dangerous enemy national in Panama was probably greater than elsewhere in Latin America, and could be said to justify action taken in and around the Canal Zone. However, Panama also played a part as a transit point for those interned in, and deported from, their homes in other Latin American states.

A memo dated 27 November 1941 from the Commandant 15th Naval District, Balboa detailing which types of person should be detained was accompanied by lists of –

¹ <https://gaic.info/history/the-world-war-ii-latin-american-internment-program/>

- dangerous Axis sympathisers;
- dangerous Germans;
- dangerous Italian aliens; and
- Japanese in the city of Colon,

and also recommended that all Japanese should be interned immediately, but that the detention of others should be limited to those considered most dangerous².

During World War 2, the US had 3 separate programmes for the identification, detention and repatriation of civilians, such as enemy aliens, considered to be a potential threat. Of these the best-known is probably that which resulted in the harsh treatment of people of Japanese descent, and their wholesale removal from the US West Coast. The least-known is probably that of the State Department's Special War Problems Division in Latin America.

The detention of nationals who were nationals of the Axis states, or were of German, Italian or Japanese ethnicity, has already been mentioned in earlier Parts. However, it should be remembered that this resulted, with US arrangements and financial support, in thousands of civilians who were legal residents in Central and South American states, and the Caribbean, being interned and housed in detention centres, without legal hearings or recourse – in conditions that varied, but were often poor or worse.

Some were run by the US military, or were funded by the US, and in some places prisons were utilised, while others used hotels (usually where those interned had money or influence). In the case of Ecuador, those involved were simply asked to move away from the coast.

The policy reasons for the US programmes are said to be motivated by –

- national and hemispheric security concerns;

² <https://ncisahistory.org/wp-content/uploads/2019/12/Priority-List-of-Dangerous-Aliens-in-the-Canal-Zone-Nov-27-1941.pdf>

- economic rivalry over Latin American markets; and
- gathering captives for potential barter for Americans held by the Axis states.

The programmes had been preceded by secret schemes run by the FBI in the US and the intelligence services in Latin America during the 1930s. These were to identify potential security risks, over concern that Nazi elements might become a threat, or become established in Latin American states³. A State Department document of February 1941 labelled many German groups in Latin America as subversive and claimed that they were “indispensable media for the operation of the Nazi system” and that “...virtually all the *Reichsdeutschen* [Germans born in Germany – though the document did concede that this only applied to the non-Jewish Germans] in Latin America are sincere supporters of the Nazi regime”⁴.

US officials were instructed to pressure countries to arrest and intern Axis nationals. In a more overt move, at a conference of countries of the Americas in Rio de Janeiro in January 1942, and at the insistence of the US, an Emergency Advisory Committee for Political Defense was set up to monitor what were termed “enemy aliens” in Latin America. Procedures to be adopted included registration, surveillance and various restrictions⁵ – in the same way as in the US. At this time, some – but not all – Latin American states had already severed ties with the Axis countries and/or entered the war on the side of the Allies.

18 Central and South American and Caribbean states accepted US funds to implement and subsidise detention and deportation programmes⁶.

³ , *The Shadow War: German Espionage and United States Counterespionage in Latin America during World War II*, by Leslie B. Rout Jr and John F. Bratzel (University Publications of America Inc).

⁴ <https://gaic.info/history/the-world-war-ii-latin-american-internment-program/>

⁵ Such as registration, increasing surveillance, limiting internal travel, and forbidding aliens to have guns and transmitters, (though radios without transmitting capacities were also seized). In addition, naturalisation processes were slowed or stopped, and cancellation of citizenship should any naturalised citizen exhibit support for the Axis powers.

⁶ Notably, Argentina, being more pro-fascist, allowed its German community to remain largely unaffected.

In one secret mission, carried out by 12 C-47 Skytrain of the 20th Transport Squadron based in Panama, the US Army Air Force transported 220 German, Japanese and Italian prisoners from La Paz, Bolivia, to Panama in May 1944. They were thought to be the remaining agents of the Nazi Abwehr military intelligence network in South America⁷, and had been apprehended by the FBI with the help of the Bolivian and Chilean governments. It is believed that some were imprisoned for the duration in Panama while others were sent to prisoner of war camps in the US.⁸

In Panama, the detention centre was run by the US Army and located at Camp Empire, at Balboa in the Canal Zone⁹. The offshore island of Taboga was turned into a confinement camp for Italians¹⁰. According to the *Chicago Daily News* in November 1942, 185 Japanese were being held as civilian internees in a camp “somewhere in the Canal Zone”, and within a larger camp with separate facilities for Germans and Italians. Outside the camp, in a former private club, 34 women and 47 children were said to be confined¹¹.

Exact figures are uncertain, but it is reported that, for example, 1,813 internees were repatriated directly to Germany from Central and South America. Numbers were also deported from Latin America to be interned in the US by the Immigration and Naturalization Service (INS) – 4,058 German¹², 2,264 Japanese and 287 Italians. Some

⁷ Abwehr – meaning “defence” in German (a cover given to this counterintelligence group in order to disguise its espionage functions) began as an intelligence arm of the German Army which, in 1928, merged with the German Navy’s espionage unit under the Ministry of Defence. It later evolved into a department under the OKW (the High Command of the Armed forces), and the military espionage agency of World War 2

⁸ <https://www.historynet.com/book-wings-over-the-canal-dan-hagedorn-avh.htm>

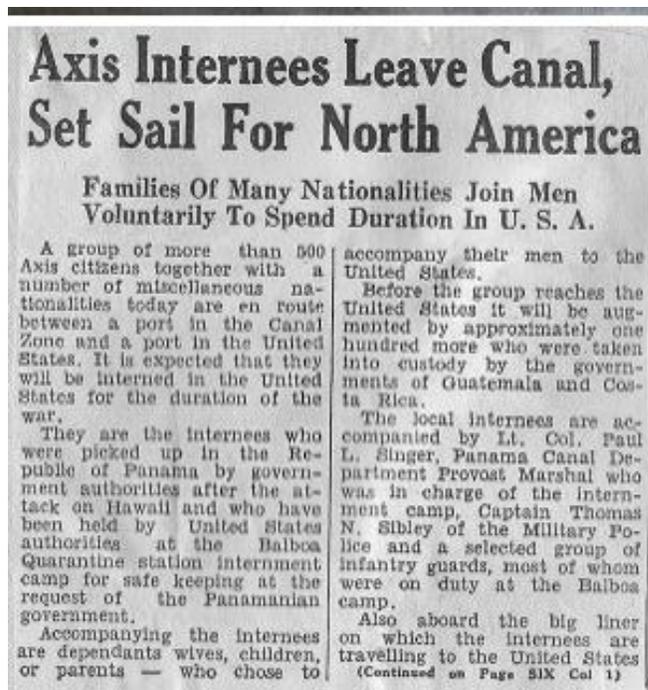
⁹ Swiss diplomats representing German interests told the US State Department that each successive wave of German internees reported similar complaints about conditions and ill treatment at the Camp, as did their letters to family members in Germany⁹.

¹⁰ <https://www.newsroompanama.com/opinion/mediawatch-a-wartime-president>

¹¹ <http://www.discovernikkei.org/en/journal/2018/4/26/japanese-internment-panama/>

¹² 3,317 of those of German origin were subsequently repatriated to Germany.

other nationalities and ethnicities would also have also been affected (when seen as a security concern).



Although originally only males were deported, from November 1942, a new recommendation was that whole families should be deported. This followed situations, such as in Panama, where wives and children left behind found themselves impoverished and a source of anti-American propaganda and resentment.



However, other injustices also existed, such as when refugees produced documents to show that they had been in concentration camps or had otherwise been persecuted, it was not considered proof of innocence¹³ (of the 247 Germans taken to the US from Panama 1941-1945, 30 were Jewish, and of these 5 had spent time in Nazi concentration camps). About

60 Jews were amongst a much larger number of Germans, Italians and Japanese

¹³ It is reported that 81 Jews were noted to have been brought to the US from Latin America (*Undue Process: the Untold Story of American's German Alien Internees* by Arnold Krammer:Maryland: Rowman and Littlefield Publishers Inc, 1997).

transported to the US for internment in the Spring of 1942. Altogether, 81 Jews and 4,707 enemy aliens from Latin America were interned in the US during World War 2.¹⁴.

It is said that most Latin American nations did not round up Jews, or quickly released those taken into custody, but in Panama and British Honduras, the influence of anti-Semitic officials is said to have made these countries especially eager to include Jews. Additionally, a few Jews from Bolivia, Costa Rica, Honduras, and the Dominican Republic ended up being interned¹⁵.

The Panamanian Government, especially under President Arias Madrid in 1939-40, is said to have adopted anti-Semitic policies and according to Latin American expert Richard Behrendt, fascist and anti-Semitic groups "became very powerful" in Panama - because "some of them . . . remained in office" even after Arias Madrid was deposed in 1941. They "were in positions of power to use the outbreak of the war to harass and intern Jewish refugees". Whereas the Panamanian authorities are said to have quickly released local fascists and refugees of Czechoslovakian, Polish, and Italian origin, they kept German and Austrian Jews confined¹⁶. A further difficulty for those affected was that most of the Jewish refugees had left Germany and Austria with their families but without funds because of German government restrictions.

One example of former concentration camp inmates was Gerhard Schlesinger. He had been arrested in 1938 and sent to Buchenwald. He was released on the condition that he

¹⁴ *Jewish Internees in the American South 1942-1945* by Harvey Strum (American Jewish Archives Journal), 1990: http://americanjewisharchives.org/publications/journal/PDF/1990_42_01_00_strum.pdf
They would have remained in internment until the end of the war, but the American Jewish Joint Distribution Committee and the National Refugee Service learned of their plight and pleaded their case to American military and civilian authorities. By the middle of 1943, the US Government reclassified most of the 28 American Jewish Archives Jews as internees-at-large who could live outside the camps for the duration.

¹⁵ http://americanjewisharchives.org/publications/journal/PDF/1990_42_01_00_strum.pdf

¹⁶ http://americanjewisharchives.org/publications/journal/PDF/1990_42_01_00_strum.pdf

leave Germany but, because of the outbreak of the war in 1939 he and his wife, Charlotte, had to travel via the Soviet Union and Japan before reaching Panama in September 1940.

In another example, Fred Kappel was residing in Berlin in 1938 when the Gestapo ordered him to leave Germany within a month. After going to Denmark, he obtained a visa for Panama and arrived there in December 1938. In Panama, such men had to take other kinds of work to support their families - they worked as butlers, labourers, and servants. In fact, one refugee served as a servant to the US governor of the Canal Zone. Once interned, most lost their jobs.

In 1945, none of the refugees housed in the US wanted to return to Europe, and only a few wished to go back to Latin America, because of the manner in which the Latin American countries, particularly Panama, had rounded them up and expelled them¹⁷.

Some level of pre-war Nazi activity in Latin America had been reported by US and British intelligence, and the vital importance of the Panama Canal meant that the US authorities felt that they could not countenance any such potential risks in Panama, or indeed nearby¹⁸. The genuine, realistic risks were amplified by inaccurate reports, misleading news stories and misconceptions that ethnicity alone meant that all Germans would automatically be regarded as Nazi sympathisers or supporters. The hysteria or paranoia is illustrated by the plots of the black and white Hollywood films mentioned in an earlier Part.

Security concerns were not the only driver, however. For the US, the opportunity arose to remove potential commercial or economic rivals. In the Latin American states involved, it could be quite convenient to remove or acquire business interests that those interned had owned or controlled. For example, as already mentioned in a previous Part, in Panama in

¹⁷ http://americanjewisharchives.org/publications/journal/PDF/1990_42_01_00_strum.pdf

¹⁸ Hence the action against Colombian airline SCDATA mentioned earlier.

the 1930s the offshore fishing industry had been largely dominated by the Japanese¹⁹. In many cases in Latin America, US companies and interests stepped in to fill gaps left by internments.

Already, before even entering the war, the US had followed the lead of the British in preparing a list of Axis country citizens and businesses to be boycotted, and in June 1941 the State Department instructed its delegations throughout Latin America to gather information for the same purpose. In July 1941, President Roosevelt declared The Proclaimed List of Certain Blocked Nationals, being a list of people and businesses with whom or with which the US would no longer do business²⁰ - and this also had the effect of paving the way for US businesses to take over or supplant backlisted companies.



Enemy Alien Clothes and Luggage Transit Tags

The US State Department, through its Special War Problems Division, coordinated efforts to bring axis nationals from Latin America to the US in wartime²¹.

¹⁹ And it was not just the peoples of the Axis states that were affected by restrictions imposed during the war. In 1941, under President Arias, businesses of Chinese residents who were not naturalised were detained. Many Chinese married transferred their businesses to their wives or children who were Panamanian nationals: <https://revista.drclas.harvard.edu/book/chinese-panam%C3%A1-also-have-story-tell%E2%80%A6>

²⁰ This effectively prevented any company from dealing with them since it, too, would be placed on the list if it did so.

²¹ <https://www.thc.texas.gov/preserve/projects-and-programs/military-history/texas-world-war-ii/japanese-german-and-italian>



Japanese Interned In the Canal Zone

As mentioned above, conditions in the detention centres in Panama could be poor, particularly at first, when internees were housed in temporary tented accommodation. In fact, in Spring 1944, when the US lodged a formal protest against Japan for its treatment of American captives, Japan responded in a letter to the Swiss legation denying ill-treatment of prisoners, and complaining of the treatment of Japanese nationals in US custody, and citing the treatment of detainees in Panama in particular²² -

“The Japanese who were handed over to the United States Army by the Authorities of Panama at the outbreak of the war were subjected to cruel treatment, being obliged to perform the work of transporting square timber, sharpening and repairing saws, digging holes in the ground for water closets, mixing gravel with cement and so forth. The internment Authorities let the Japanese dig a hole and then fill it again immediately, or let them load a truck with mud with their bare hands using no tools. Neither drinking water nor any rest was allowed. The Japanese who were exhausted and worn were beaten or kicked and all this lasted over a month”.²³

²² <http://www.discovernikkei.org/en/journal/2018/4/26/japanese-internment-panama/>

²³ <http://www.discovernikkei.org/en/journal/2018/4/26/japanese-internment-panama/>

After the Japanese held in the camps in the Canal Zone were evacuated to the US, these camps were reused to house Peruvian Japanese internees²⁴, who had been detained and summarily deported, with the first ship of civilian deportees leaving Callao in Peru in April 1942, carrying Germans, Japanese and Italians²⁵.

Like the Panama-based Japanese before them, it is said that these new Peruvian occupants of the camps spent several days or months in confinement, and were forced to work without pay to clear jungle and construct living quarters amid the heat and the pouring rains²⁶. Many who were Japanese citizens had lived in Peru for decades, some for over 40 years, and a number had wives and children who were Peruvian citizens. In 1943, President Prado had sought US help in permanently removing all Peruvians of Japanese



descent and the last ship transporting Japanese Peruvians out of Peru landed in New Orleans on 21 October 1944.²⁷

Japanese Peruvians being transported to US Army Internment camps, April 1942 (Photo: US Signal Corps)²⁸

²⁴ There had been Japanese immigrants in Peru since 1899, welcomed as labour in the expanding cotton and sugar plantations. <https://www.bbc.com/news/world-latin-america-31295270>

²⁵ In May 1940, about 600 Japanese homes and businesses in Lima and Callao were attacked and looted. Despite such tensions most Japanese Peruvians were, by this time, deeply rooted in Peru, and the 1940 census reported 17,598 Japanese immigrants and 8,790 Peruvians citizens of Japanese descent, at least 40% of whom were women and children:

<https://lawdigitalcommons.bc.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1186&context=twj>

²⁶ Ibid.

²⁷ <https://lawdigitalcommons.bc.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1186&context=twj>

²⁸ Oddly, while the Peruvian government severed diplomatic relations with Japan in January 1942, it did not actually declare war until 1945 when Allied victory was imminent:

<https://lawdigitalcommons.bc.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1186&context=twj>

Even with the end of the war, the internees were not necessarily able to return to their former lives or the countries from which they had been removed (even they had wanted to return). As mentioned above, many Japanese deported, via Panama, from Peru could not return and a number ended up in defeated, impoverished Japan – despite not knowing the country or perhaps even able to speak the language²⁹.

In the US itself, a Japanese American Joint Board (JAJB) had been established following the decision of the US Army in the Continental US to recruit soldiers for a segregated combat team from within the internment camps, and the decision of the War Relocation Authority (WRA) to encourage Japanese Americans in the camps to leave for jobs in the country's interior (but not to reside, as many had before the war, on the US West Coast). All those over 17 years old were required to complete a questionnaire asking about certain aspects of their national, educational, financial, religious, and cultural backgrounds. The JARB processed the data and produced findings on the loyalty or disloyalty of individuals seeking to leave one of the camps, join the military, or work in an industry doing sensitive war work³⁰.

Some internees were repatriated back to their Axis home countries. However, of others there remained concerns about those who had been leaders of anti-American activities, or whose businesses had been taken over or replaced by others. Therefore, in September 1945, President Truman authorised the (forced) repatriation of “dangerous” alien enemies deported to the US during the war. Those who had been deported to the US, including around 18,00 Peruvian Japanese³¹, were therefore to be treated as illegal aliens.

²⁹ It is claimed that, of the Latin American Japanese deported to the US, only around 100 were able to return to Latin America, whereas around 900 were sent to postwar Japan:

<http://www.campaignforjusticejla.org/history/>

³⁰ https://encyclopedia.densho.org/Japanese_American_Joint_Board/

³¹ There were also substantial numbers from Bolivia, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Mexico, Nicaragua, and Venezuela: http://encyclopedia.densho.org/Japanese_Latin_Americans/

However, there were some internees who managed to win court cases against the US Government, which was embarrassing, as was the fierce criticism of the judge in one particular case³². Furthermore, some Latin American states wanted their German residents (or at least some of them) back.

It was September 1947, over 2 years after the end of the war, when the last of the Latin American German internees held in the US were ordered to be released.

NOTE - See Part 12 for the story of one Japanese citizen interned in Panama – Yoshitaro Amano

INTERNEED AND SEIZED VESSELS OPERATING UNDER THE PANAMANIAN FLAG

During the war, a number of ships belonging to Axis countries were interned in the US and subsequently taken over by the US Government under Executive Order, Public Law 101. This happened after the outbreak of hostilities in Europe and up until entry of the US into the war in December 1941. Dozens of foreign-flagged ships taken over by the US were reflagged out to Panama (by my count, 78).³³

They were eventually allocated to the US Maritime Commission, who in turn handed them on to the War Shipping Administration for operation, being assigned to various US steamship companies (under what was called a General Agency Agreement) and registered under the flag of Panama³⁴.

³² For example, Helmuth Sapper, who had been removed from Guatemala, won his case in December 1945: <https://gaic.info/sapper-story/>

³³ <http://www.usmm.org/foreign.html>

³⁴ <http://www.armed-guard.com/panama.html>

There were also ships that were already on bareboat or time charter with US shipping companies and flying the flag of Panama. The crews for both categories of ships came from a variety of countries and many ships were to carry a US Naval Armed Guard³⁵.

One example of an interned vessel was the SS *Africander*, an Italian ship of 5,441 tons that had been built in 1921. It was interned under the Executive Order in New York in September 1941 and was allocated to the Waterman Steamship Company of Mobile, Alabama. It had a Norwegian master and a crew of 35.

It was attacked by German aircraft while on passage from Scotland to Archangel in the Soviet Union in September 1942, as part of convoy PQ18, carrying machinery, 6 tanks and 5 aircraft as deck cargo. It was torpedoed and sunk, but all the crew and the 11-man contingent of US Navy Armed Guard survived.

Part 11 included a list of all Panamanian-flagged vessels that became victims of U-boat attacks during the war.

³⁵ The US Navy Armed Guard was a service branch responsible for defending US and Allied merchant vessels from enemy air, submarine or surface vessel attack during the war, serving mainly as gunners, signallers and radio operators. The service was disbanded soon after the end of the war: <http://www.armed-guard.com/>