Of Spying and infidelity

Brazilian-American Relations during WWII

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In the dawn of November 28th in 1944, the German submarine U-1230 started to surface on the rough waters of Frenchman bay, in the State of Maine in the very north of the United States Atlantic coast. The commander emerged enough to operate the periscope. He was able to confirm his localization due to the lighthouse located on a peninsula near Seal Harbour, an east coast summer station for the American aristocracy. They were sailing in deep waters in the vicinity of Mont Desert Island. The crew either whispered or did not talk at all. The Germans were afraid they could be detected by the American Army's tapping equipment. A sonar could well be probing the area. That possibility was not a likely one. Although the Second World War bloodbath would still last for another six months, the Americans did not believe a German submarine would dare, in late 1944, to approach their beaches. This was mainly because the greater part of the once powerful *Kriegmarine* submarine fleet was out of combat due to deep-sea bombs launched by the airplanes, patrol ships and by torpedo-hunters of the American Navy.

The commander took his boat as close to the beach as he could and "parked" on the muddy bottom of the bay. The day was getting brighter and he would have to wait for the darkening to fulfill his assignment: disembark two men, Eric Gimpel and William Curtis Colepaugh on the United States land. Their mission was to obtain the as much information as possible about Roosevelt's popularity among the Polish, Tcheck and, most importantly, German minorities. They were also to track and detect the main sources of American anti-Nazist propaganda and should survey the effects of rationing products over the population's moral. Finally, they had to broadcast all the information by radar. Some have linked the landing of the two agents with a diversion tactic in preparation for the German counter attack in the Ardennes that was to be carried during the freezing

month of December. One thing was clear, the mission was part of Hitler's desperate tactics and strategies to try to reverse the critic military situation in which Germany found itself at that point of the war.

Erich Grimpel was German and Willian Colepaugh was born and raised in Connecticut. The first had already done some information work; the American, who had German grandparents, took great interest in the Nazis' proposals and was able to get to Germany and contribute to the building of the *Thousand-Year Empire*. The two men, before embarking on the mission in the United States, received an intensive training given by Major SS Otto Skorzeny, famous worldwide for having rescued Mussolini from prison, in September 1943. In the SS "school" they learned, for example, how to handle explosive devices, use a number of German and American made guns, and to use invisible ink to write the reports and pass the information.

The American and the German were slightly nervous when the submarine emerged at night. Both of them, wearing civilian clothes, got their luggage and jumped on board of the inflatable boat that the crew had tied in the prow. They embarked with difficulty and went to the beach carrying sixty thousand dollars (a fortune to that time), ammunition, two automatic Colt caliber 32 pistols, a hundred diamond gems, two bottles of invisible ink, a Leica camera, and a change of clothing. That was the luggage of the two spies in service for the agonizing Nazi Germany. They were not considered combatants by the rules of war and were subject to death penalty if caught. Both were cautious upon their arrival at the beach of Crabtree Neck, a small village inhabited by a few fishermen's families. The rubber boat was captured back by the submarine that turned round, headed east and disappeared at the north Atlantic darkness.

Calepaugh and Gimpel got a cab and, through the pouring snow, made it to the station of Bangor, a city in the heart of Maine. They got a train, headed to Boston and then New York. They found the city preparing for Christmas. To Calepaugh, the scenery was familiar and eased his homesickness. To Gimpel, the lights, the big Rockefeller Plaza lighted Christmas tree, the skating rink, America's colorful clothing and flamboyance were greatly impacting.

They entered into shops, bought elegant overcoats, good quality shoes, fine ties. They were in New York, which, according to Monteiro Lobato, was a consumer bacchanal. Of course all this was done in order to make them "invisible", dissolving them in the New York society. But the American Way of Life would eventually shake the determination of the two spies.

They also bought a radio, which Gimpel would transform into a transmitter, and rented a *studio* apartment inside the house where the general headquarters of espionage would be established. In a given moment during the numerous activities of both spies, the American William Calepaugh experienced a moral dilemma: he didn't want the German victory anymore. He couldn't imagine the end of America land of liberty and, primarily, of abundance. He managed to deceive the German and surrendered to the American Federal Police, the FBI. Calepaugh spent part of 1944's Christmas day speaking to the investigators. After two days, Erich Gimpel was found, imprisoned, and told the authorities everything he knew. There was nothing left to hide. They were sued, found guilty and condemned to death. In early 1945, as soon as President Harry Truman was in power the penalty was suspended, giving freedom to both of them¹.

In the investigation that was carried in the beginning of 1945, the detectives collected what was left of the sixty thousand dollars, the radio equipment, the invisible ink jars, the diamonds. Among the papers found in the suitcases of the ex-spies, false identity documents. FBI's investigations discovered Erich Gimpel had a strange message of a certain "Frau Haeff" addressed to her daughter that was living in America. Until then, there was nothing out of the ordinary as there were many Germans and German descendents in the United States and the postal services between Germany and America were inexistent. The strange fact was that a spy, on a top secret mission, carrying the lightest possible luggage, consent in serving as the messenger of a mother who is desperate because of war circumstances. Perhaps that was because of the friendship with Haeff's family. Perhaps Gimpel hadn't done much secret of his trip and frau Haeff, knowing about the spy's mission, asked the favor. All that may be understood as the German espionage service found itself under a serious crisis situation in late 1944, with the risk of ceasing its activities after the imprisonment and subsequent execution of Admiral Canaris, chief of the information service and of counter-espionage (Abwher),

¹ C.f. KHAN, David. Hitler's Spies- German Military Intelligence in World War II. Capo Press, 2000 (no locality), pp. 3-26.

suspected of participating of an attempt to Hitler towards the middle of 1944. Another interesting question and of difficult answer, suggestive for fine conspiracy theory, is how could *frau* Haeff be assured the spy would give the letter to her daughter? Could the daughter have any connection with the Germans suspects? Even if the conditions to send the correspondence by mail were in place, all the letters would have to pass through the *Office of Censorship* where those coming from belligerent countries were opened. Anyway, the note was saying she, the mother, was fine, even though she had been imprisoned for protesting against a Nazi government official. The problem was that the addressee, the daughter of Mrs. Haeff, carried the surname of the chief of government of a key country to the relations of the United States and Latin America. She was Ingeborg Anna Elisabeth Tenn Haeff Vargas, daughter in law of the President Getulio Vargas.

Getulio had no idea he was being involved in an espionage scheme in the United States in that complicated beginning of 1945, the exact moment when he was intensively busy articulating the political transition that would put an end to the Estado Novo. In a confidential correspondence, dated the 8th of February of 1945, simply signed by Edgar, who was none but the feared J. Edgard Hoover director of FBI the name of Getulio was mentioned: "He [Gimpel] asked the agents of this department to pass this information to President Getúlio Vargas or to his son and to let lady Vargas [Ingeborg] know" ² The document was addressed to Honorable Nelson A. Rockefeller, the American State Department's Assistant Secretary. In other words, the addressee had an equivalent position of a vice-minister for Latin American Affairs. Hoover had already phoned Nelson reporting the suspicious Ingeborg. The FBI director showed a certain intimacy with Nelson. It is not standard procedure in official documents, and principally in the secret ones, for the sender to sign with the first name. Why was the director of the most feared American federal agency, famous for having persecuted communists in the 1920's, for having persecuted and eliminated gangsters like Al Capone, Baby Face, Machine-Gun Kelly and that was now persecuting Nazi spies, phoning and writing to Nelson A. Rockefeller?

² Correspondences between J. Edgard Hoover and NAR, dated 8th of February of 1945. RAC. Family Collection. Record Group 4, box 18, folder 145h.

Following the State Secretary Edward Stetinius, Nelson Aldrich Rockefeller was the highest ranked officer in relation to the affairs of the United States with Latin America. Nelson was one of the rare Americans that believed in good understandings and personal knowledge as means of good International Relations. In this he stood close to President Franklin Roosevelt, inventor of the Good Neighborhood Policy. In international politics, Roosevelt used to say, "Special Diplomacy" worked better than the tortuous ways of the State Department. Among many reasons Roosevelt found to hire Nelson in August 1940, for working as Coordinator of the *Office of Inter American Affairs*, it was not the fact that he was the heir of one of the biggest fortunes of the world, but his good traffic within the Latin American elite that weighted the most.

In February 1945, while Roosevelt, two months before his death, was making a final effort to create the profile of a new world in Yalta at the meeting with Stalin, the Soviet leader, and Churchill, the British Prime Minister, Nelson Aldrich Rockefeller stayed in the United States. Nelson was heading what the Americans call a "One Man Show". This actually meant he was the most powerful American political authority for Latin America, especially with Brazil, the American partner of choice in the south of Rio Grande.

This is explained by the fact that J. Edgar Hoover, the FBI Director, contacted Nelson at the minute he heard about the relation between the two spies coming from Germany and Inge, the way Luthero Vargas's wife was known intimately.

Luthero Vargas, President Getulio's oldest son, had studied medicine at the Rio de Janeiro National University and had travelled to Europe in 1939 to take Orthopaedic specialization classes. In Germany, before the war, he had met with the young and beautiful Ingeborg, whom he then married. He worked as a doctor in Brazil and, in January 1942, during wartime already, the couple went to the United States where he studied at the prestigious Cornell University while she was dedicating to artistic activities. As Brazil entered the war, Getulio's son joined the army as a medic, serving in the Brazilian Air Force in Italy during the second semester of 1944, at the General Livorno Hospital and Inge was preparing herself for another trip in the United States.

Inge had already contacted Nelson even before he knew of the spy story. On January the 15th, 1945, he asked one of his assistant to provide with an accommodation for Ingeborg, who had recently arrived in the United States to go through her studies.

The arranged flat, located on the East side of Manhattan, was very expensive for "Madame Vargas", as she was titled in her correspondence. Along with the flat rent, she had to pay for her daughter's school, but her income, which she beneficiated from as the Brazilian President's daughter-in-law, was insufficient to cover all her expenses which also included music studies in New York. The problem of living expenses was not solved immediately, but then music classes were guaranteed, thanks to a scholarship obtained by Nelson.

Wallace Harrison, a friend of Nelson whom he had replaced at the head of the *Office of the Coordinator of Inter-American Affairs*, says CIAA, received a letter from Rockefeller on the same January: "Dear Wally, I would be very content if the CIAA could grant to Lady Vargas, President Vargas' daughter-in-law, an eight months scholarship worth 300 dollars per month. The conditions enabling her to study at the Julliard Scholl in New York are being settled". On the same time, Nelson managed to have the CIAA beef up her allowance with an extra 300 dollars to cover her expenses. Thanks to this, Inge could meet her plans of studying music in New York and pay for the rent of a small apartment.

While the deal was being arranged, Inge had been a temporary guest at Eurico Penteado's house, a Brazilian diplomat who lived on Park Avenue, 290, while Inge's daughter, Cândida, moved to Philadelphia, at the house of a German called Stinnes. Such an episode, which may appear to be without importance, only made Inge's situation more complicated. Her German friend simply was the son of Hugo Stinnes, a great entrepreneur, one of the *Schlotbarone* (the Chimney Barons), linked to the Thyssen Group, which was considered, alongside with Krupp, as a center-piece of the Nazi Germany rearmament program. This was everything the American Intelligence Service could dream of. Some days after providing a place at the Julliard School, he wrote to Maria Martins, spouse of Carlos Martins, the Brazilian Ambassador in Washington. Nelson and Maria were close friends. Rockefeller, who was known as an Art *Collectionneur*, admired the Ambassador's wife, who was considered as a talented

sculptor and a very attractive woman. In the letter, he explained to Maria that he was trying to help Ingeborg. He wrote about some requirements Vargas' daughter-in-law was making. But he also talked, showing preoccupation, that Cândida, Inge's daughter and therefore the Brazilian President grand-daughter, was hosted at Stinnes house. And, to complicate even more the situation,

"by a strange coincidence her singing professor in Germany is in New York and Madame Vargas is pressuring to take classes with her former teacher, even though she is not a member of the Academic board of Julliard.

Honestly, from a public-relations point of view, I do not think that it has been a wise attitude, and it could be wrongly interpreted by friends of Brazil in this country, given the close relationship with the President." ³

It was a way of sharing strictly State's scope information with Maria Martins and suggested that she should keep her eyes and ears wide open while Inge was on American territory. Hoover and the FBI were also doing so. The Inge file was already extensive and Nelson was aware of it. The FBI informers recorded Inge's name in a wrong way, Hauff instead of Haeff, but they knew that she had taken part in the Hitler Youth, which qualified her for acts of spying, beyond the fact that it did not demonstrated a lot of sympathy for the way Brazil and United States were taking place.

"At the Embassy, her activities were always deemed to be suspect by an informer we have there – wrote Hoover to Nelson – According to this informer, Lady Vargas was part of the Hitler Youth and on one occasion, when passing by Ambassador Martins, after he had met with Roosevelt, she may have said "have you given Brazil away on a silver plate?" (...) This informer suggests that the presence of Lady Vargas in the United States could shake its' relations with Brazil." ⁴

The fact that Inge was intimate with the Stinnes, combined with a record of sympathy for Nazism was way enough for the FIB to become very attentive. Some days later, Hoover wrote another letter to Rockefeller saying that Ingebord was still being monitored and that his informers had discovered another suspicious attitude in Getulio's daughter-in-law. This was no more related to politics. Now it was a question of extra-

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³ Letter of NAR to Maria Martins, January 31, 1945. RAC, Family Collection. Record Group 4, box 18, folder 145h.

⁴ Idem

marital relationship. This fact was affected in one hand by Hoover's Calvinist moral and in the other, by the typical Gaucho sexism impersonated in a man of Vargas family. Inge had been seeing a New Yorker architect and plastic artist named Philip Weiner. "She accompanied Weiner from New York to Washington on the 26th of February and they were staying at the Shorehan hotel. He took her luggage to his own room and there they stood together until the 1st of March, when they returned to New York". The Shorehan was and it still is considered one of the most luxurious hotels, frequented by politicians, artists and famous intellectuals. As a result, it was more than adequate as a place to increase mysteries and mistrust about Madame Vargas' behavior. After dating the New Yorker architect, she was preparing herself to return to Rio de Janeiro. Nelson Rockefeller was advised to keep paying attention to Inge's activities by the director of FBI. Even though, the letter ended up "cleaning" the political record of Luthero's wife: "In spite we have information that indicates certain sympathies of Mrs. Vargas to the German cause, there is nothing that indicates she is involved in espionage".

The United States was living under a growing atmosphere of paranoia. All were suspicious of anti-American activities, principally the Germans in exile. At that time, writers, intellectuals and artists like Thomas Mann, Heinrich Mann, Klaus Mann, Bertold Brecht, Arnold Shonberg. Teodoro Adorno, Herbet Marcuse, and Enrich Maria Remarque were among those living in New York and California who had been able to escape from Nazi persecution. All of them were intimately observed by the FBI and other secret services agencies of the Navy and Army. They had their mail violated, telephones tapped, their garbage searched through for any sign of sympathy, maybe for Nazi Germany (which would be a paradox), but principally sympathy for socialist or communist ideas. That is why the services, especially the FBI, called them "communazis".⁵

Consequently, it was not strange that Nelson suspected of Ingeborg. The case, which got near to a diplomatic scandal, seemed to be over. But it wasn't yet. Luthero discovered his wife's adventures in the United States. It is not known if Nelson advertised the son of Vargas or if he let the information flow to Brazil, although it was

⁵ See **STEPHAN**, Alexander. Communazis – FBI surveillance of German Emigré Writers. New Haven, Yale University Press, 2000.

secret and under FBI's sphere. By the content of the correspondence between Nelson and Maria Martins, it turns possible to point that the information passed through the Brazilian embassy. Anyway, the case came to the ears of the Brazilian president's son.

With the death Roosevelt in April 1945, Harry Truman took power as the new president of the United States and the American Policy began to change. Nelson Rockefeller left his post in the American Government and rejoined his business activities. He declined being the Assistant Secretary in the 23rd of August. Even though, he still remained as a reference in the complications involving the Brazilian Luthero and the German Ingeborg. Rockefeller received in September 1945 a letter from Luthero Vargas. He asked Nelson to help him in the divorce process sued against Ingeborg. Writing in English, with some typing mistakes, Luthero tried to explain he needed to proof his wife's infidelity to get divorced in Mexico. That was not possible in Brazil at the time. He asked for his authorization to use documents like as an example, the letter Rockefeller sent to Maria Martins. Luthero signed the letter adding a p.s.: *Excuse-me (sic) the english(sic)*, the typewrriting(sic) and this letter, but I am in very bad depression.⁶

Ingeborg wrote to Nelson as well: "Dear Mr. Rockefeller, I am writing this letter with full knowledge of Alzira [Luthero's sister]..." followed by a long explanation of her activities, she told she never got occupied with politics but merely with the artistic life in the United States. And differently from Luthero, ended up by asking Nelson not to get involved within the couple's life: "concerning my private affairs I have always found it better to talk about them with Luthero, for he should be the only person, whom it may interest." ⁷

Nelson, already as a mere citizen (private citizen, as he referred to himself replying to Luthero) wrote to the next Secretary of State, James Byrnes. The letter, with the word "secret" underlined, made a resume of the case and had annexed a long memorandum which gave details of facts involving Inge and her supposed espionage activities.

⁶ Letter from Luthero Vargas to NAR (not dated) September, 1945. RAC, Family Collection. Record Group 4, box 18, folder 145h.

⁷ Letter from Ingeborg Vargas to NAR, 20th of September, 1945. RAC, Family Collection. Record Group 4, box 18, folder 145h.

The end of the war cleared up the contradictions among the allies of yesterday. The Soviet Union and the United States were not at the same side anymore. The Cold War was just starting. The new Secretary of State had more important things to do and answered in a much more bureaucratic and formal way. The matter ran out of the official sphere and was left in the world of personal relations.

Possibly in a less complicated conjuncture, the help Rockefeller gave to the German wife of a Brazilian wouldn't have caused a great repercussion. That was not the case. The British and American soldiers were getting closer to the left bank of the Reno, tightening the belt in the West, while the Soviets were combating East in the suburbs of Berlin. Not to mention that Brazilian soldiers were fighting a six months or longer combat in the North of Italy. Germany's days were about to finish. Apart from the complicated conjuncture, Nelson was not merely an official of the American Government.

While the world's destiny was being resolved through iron, blood and fire in Europe as the Allied Armies were putting Germany to the knees, in the Pacific, Japan was being literally incinerated by atomic bombs. Nelson, differently from the major part of the American citizens, advised his Government to do not keep the political focus confined to Europe and Asia. He convinced the delegates of Latin American countries to vote massively in favor of the United States against the Soviet Union in the recently created United Nations Organization. And each time more, he feared that the North American Government could not recognize the importance of the Latin American republics. It was like he was trying to say: be careful, we can loose our closest neighbors, our backyard, as they used to say. In other words, it was here, in Latin America, that security could be guaranteed and consequently, the future of the United States, not in Europe alone. Why did Nelson Aldrich Rockefeller thought like this? Undoubtedly, the reason was that he liked Latin America. But maybe, in a premonitory vision, he knew that poverty in Latin America could cause revolutions and produce series of sovietized castrist Cubas, moving the subcontinent afar of the United States sphere. In case the American State didn't take accurate providences, through development policies for Latin America, in the same manner they were supporting the European reconstruction, it wouldn't be easy to defy popular movements attracted by the communists and socialists. For sure the United States and, specially his family, would loose a subcontinent to the communist world. Plus, if the governmental organs didn't take those providences, he would do himself. It was his destiny, his mission. And he felt predetermined to undertake the mission. Furthermore, with Brazil he had a special mission.

The name Rockefeller addresses the image of a monopolist-imperialist capital exploration that bleeds along the open veins of Brazil and the rest of Latin America. Nelson undoubtedly represented an important fraction of the Yankee imperialism. But with the use of current analysis, in special the Marxist ones, there would be not a reason for understanding the relations between Nelson and Brazil. He was an admirer of what could be called the *Latin American Way*; in other words, the informal and personal way of relationship.

His passion for Latin America, South America in special, was legitimate and genuine, a rare case among American politicians. He saw it as a brut continent, ready to be transformed and prepared to accept modernity. A precious gem to be lapidated from its natural state. A new *West* to be explored.

Nelson achieved a great reputation in Latin America during and after the Second World War. His younger brother, David Rockefeller, thinks that "...there was no other American as popular among the Latins of that time. Nelson showed a great satisfaction for his involvement and for the many friends he had there. My impression is that he, by the end of his life, looked back to the dedicated years to Latin America as the happiest of his existence".

He seemed to be seeking in his Latin American friends what he didn't find in those from his own country, especially intimate relations, much more familiar and of affectivity. Though he might have experienced a warm relation between father and son, they were not expressed by gestures, for example. In a certain occasion, John D. Rockefeller Jr., Nelson's father, wrote the son a letter telling his impressions of the summer house he constructed in Seal Harbour, in Maine's State. "As you well know, I've showed my cepticism related to [the conception of] your house...But after I've seen it finished i hope you have noticed how astonished I was by the construction. I beg your

⁸ ROCKEFELLER, David. Memórias. Rio de Janeiro, Editora Rocco, 2003, p. 454.

pardon for my later cepticism... It is simply beautiful dominated by a wonderful view..."⁹. Father and son have been visiting the new house moments before.

In Harrice Watson's opinion, an architect and intimate friend, Nelson adored the Latin Americans because, as he said, the Mexicans, Brazilians, Venezuelans, etc, made him feel much more human. He had the gestures, the hugs, the warm friendship relations and the corporal touching that usually cause aversion to the Anglo-Americans. Nelson wanted to show himself this way. Already as a politician in New York, he eventually caused certain embarrassments due to his "Latinity". This kind of relationship was not well accepted by his American patricians, which were defined by the Calvinist culture of restraining. While other regions of the world were spots of curiosity for him, Latin America was a matter of passion.

The performance of Nelson Rockefeller in Brazil is the objective of this book, the biography of a "Brazilian" Nelson Rockefeller. The American that was connected with Brazil for almost 40 years and acted in the most diverse areas and unimaginable fields. In culture, agriculture, livestock-farming, metal works, supermarkets, highway construction, railways, airports, popular livelihoods, basic sanitation, banks, rural credit, cafe culture, pig breeding, bird breeding, agriculture mechanization... He felt like he was a predestinated capitalist, with the mission of taking the Latin American neighbors out of a poverty and sub development situation.

⁹ Cf. REICH, Cary. The Life of Nelson A. Rockefeller – Worlds to Conquer 1908-1958. New York, Doubleday, 1996, p. 152.

¹⁰ Cf. ERB, Claude Curtis. Nelson Rockefeller and United States – Latin American Relations, 1940. Ann Arbor, University Microfilms International, 1986, pp. 13-14.