

its actions speak louder than its words (see *Summary* No. 195). Admiral Storni, the Foreign Minister, has again promised that Argentina will be with the American nations, and the Minister of Finance has dropped broad hints that a rupture of relations with the Axis may take place within a month. This impression, indeed, is widespread, though (as already suggested in *Summary* No. 194) it is quite possible that the Government will limit itself, at least at first, to action against Japan.

While, however, the authorities appear to be deliberately fostering the impression that a rupture of relations will ultimately take place, they are reported to have dissolved, with a fine impartiality, one of the most influential of pro-Allied committees in the country, the Victory Committee. The truth is that, with the exception of the Minister of Finance, the Government is out of touch not merely with the governing "estanciero" class but with University and legal circles. It is not even confident of full support from military and naval circles. It is extremely fearful of appearing to act in subservience to foreign pressure. And the nationalistic bias which some of its supporters show is hardly to be distinguished from pro-Axis sympathies. Its present situation is neither dignified, nor, it would seem, very secure.

*Coups d'Etat* are apt to be contagious affairs and the ease with which the Argentine *coup* was accomplished may well excite ambitions in neighbouring countries. Even President Vargas has found it a subject of disturbing reflection. In Chile, where the position would seem to have been very delicate, the possibility of a Rightist *coup*, which might have disastrous internal consequences, is still not to be wholly discounted. In Paraguay the former Minister of War and seven other army officers are reported to have been engaged in conspiracy and to have been arrested, a fact which, if correct, is likely considerably to impair President Moringo's enjoyment of his present junketings abroad; and in Nicaragua, where President Somoza, most unwisely, has rushed through an amendment to the Constitution which will, in effect, extend his term of office till 1953, an irritated Opposition is anxious to end it at once.

His Majesty's Government has now approached the Mexican Government with a view to seeking a solution to the old and vexatious oil dispute. In a note delivered by His Majesty's Minister on the 1st July, it is proposed that the British and Mexican Governments shall each, within thirty days, appoint an expert to undertake a final valuation of the properties, rights and interests in Mexico of the Mexican Eagle Oil Company, expropriated in 1938. The experts are to complete their work within one year. Meanwhile, it is satisfactory that the Mexican Government which, a few weeks ago, established a new Emergency Economic Board, is making genuine efforts to check the rise in prices of essential foodstuffs, which has been a fertile source of discontent (see *Summary* No. 190), and to penalise spectators and racketeers. The latest illustration of the liberal policy of the Government towards refugees is the arrival of some 700 Poles in Guanajuato.