# A WARNING TO THE NATION BY THE CO-AUTHOR OF THE SENSATIONAL BEST-SELLERS SABOTAGE ! AND THE GREAT CONSPIRACY

HIGH

# TREASON THE PLOT AGAINST THE PEOPLE



WITH THE ASSISTANCE OF ARTHUR KAHN

THE COMPLETE ORIGINAL \$3 BOOK



# HIGH TREASON

#### By Albert E. KAHN

SABOTAGE!-The Secret War Against America \*

THE PLOT AGAINST THE PEACE \*

THE GREAT CONSPIRACY: The Secret War Against Soviet Russia \*

HIGH TREASON: The Plot Against the People

Pamphlets

Treason in Congress

Dangerous Americans

\* With Michael Sayers

# HIGH TREASON

# The Plot Against the People

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Research and Editorial Assistant, ARTHUR KAHN

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# TO MY MOTHER

# whose heart is with the people

None of the incidents or dialogue in *High Treason* has been invented by the author. The material has been drawn from various documentary sources which are indicated in the text or listed in the Bibliographical Notes.

The reader of this book is not to infer from the title, *High Treason*, that any person named in the book has committed treason against the United States Government. The title is derived from the concept defined in the author's foreword. In those cases where treason against the United States Government has been committed by persons named in this book, the author has specifically indicated this fact.

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The traitor to Humanity is the traitor most accursed. James Russell Lowell

When I, the People, learn to remember, when I, the People, use the lessons of yesterday and no longer forget who robbed me last year, who played me for a foolthen there will be no speaker in all the world say the name: "The People," with any fleck of a sneer in his voice or any far-off smile of derision. The mob-the crowd-the mass-will arrive then.

Carl Sandburg

#### A Foreword

#### **ON TREASON**

THE greatest treason is not treason against governments but against human beings.

Treason against the people is committed in many diverse ways. Oppression through violence, terror and inquisition; the exploitation, despoilment and impoverishment of millions of men and women; despotic laws and the use of the courts as instruments of repression; fraudulent propaganda and the artificial pitting of one section of the public against another; the making of wars and the monstrous alchemy of converting man's blood into gold: all these are forms of treason against the people.

And common to all of them is the fierce determination of a privileged minority to retain their power and increase their advantages at the expense and suffering of the great majority.

Treason against the people is not a new phenomenon in the world. Its dark thread runs through the pattern of all recorded history. But in our epoch, as the strength of the people has achieved unprecedented proportions and their demand for a better life has become implacable, the measures of the few to subjugate the many have grown increasingly ruthless and desperate. Fascism was a product of that ruthlessness and desperation. The German citizen who actively opposed the Nazi regime was not a traitor but a true patriot; it was the Nazi Government that was traitorous.

This book deals with treason against the American people. The crimes and conspiracies it records do not make for pleasant reading, and much of its content will be deeply shocking to the average American. Yet there is every reason why Americans must comprehend the treasonable devices employed against them in the past and so gravely menacing them in the present. The maintenance of democracy in America, and of peace in the world, depends largely upon this understanding.

It is in the hope of increasing this understanding, and of activizing Americans against the mounting danger in the land, that this book has been written.

# BOOK ONE: DAYS OF TERROR



#### Chapter 1

#### WAR IN PEACE

Give me your tired, your poor, Your huddled masses yearning to breathe free, The wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me, I lift my lamp beside the golden door!

From Emma Lazarus' poem, The New Colossus, inscribed on the base of the Statue of Liberty.

#### 1. Grim Aftermath

SHORTLY BEFORE DAWN on a chill overcast December morning, one year after the end of the war, a carefully guarded transport vessel lying in the shadow of the guns of Fort Wadsworth lifted anchor and slipped out of New York Harbor under extremely strange and mysterious circumstances. Not even the captain knew where the ship was bound; he was sailing under sealed orders, to remain unopened until he was twenty-four hours at sea. The only persons aware of the ship's destination were a few highly placed officials of the United States Government.

Through the long tense hours of the night a cordon of heavily armed soldiers had stood on guard at the pier. Aboard ship, other soldiers with fixed bayonets patroled the decks. A special detachment of marines, several agents of the Department of Justice and a top-ranking member of the Military Intelligence Section of the Army General Staff sailed with the vessel. Shortly before departure, revolvers were distributed among the crew . . .

The ship carried an extraordinary cargo: 249 Russian-born men and women who had been arrested by Federal agents in a series of sudden nationwide raids and brought for deportation to Ellis Island under armed guard. According to Justice Department spokesmen, the prisoners were "the leaders and brains of the ultra-radical movement" and "Soviet agents" who were "conspiring to overthrow the Government of the United States."

While street lights blinked out in the hushed, still slumbering city of New York, the ship bearing these men and women steamed slowly away from the dimly-looming Statue of Liberty and headed out to sea.

The ship was the Buford. More colloquially, the American press dubbed it "The Soviet Ark". . .

For those readers who do not recall the banner headlines which heralded the news that the *Buford* had sailed, it should be mentioned that this singular voyage occurred one year after World War I, not World War II.

The date on which the *Buford* sailed from New York was December 21, 1919.\*

The Great War had ended but peace had not come with the signing of the Armistice on November 11, 1918.

On that long-awaited day which officially concluded the agony and havoc of the four seemingly interminable years, as the momentous word raced through the land, and every hamlet and town resounded with the frantic clamor of whistles, horns and bells, and tens of thousands danced wildly in the streets with joy, President Woodrow Wilson sat at his desk in the White House writing a solemn but exultant message to the American people:

"My Fellow Countrymen: The Armistice was signed this morning. Everything for which America fought has been accomplished. It will now be our fortunate duty to assist by example, by sober friendly counsel, and by material aid in the establishment of just democracy throughout the world."

In Europe, as in America, President Wilson's quixotic pronouncements were on all lips. Arriving on the Continent that December to attend the Paris Peace Conference, the tall, lean, bespectacled professor from Princeton was fervently acclaimed by the war-weary

<sup>\*</sup> On January 17, 1920, after being escorted across the English Channel by a British destroyer and passing through the Kiel Canal to the Baltic Sea, the *Buford* deposited its human cargo at the port of Hango, Finland. The Finnish Government immediately transported the deportees to the Russian border and turned them over to the Soviet authorities.

millions as a modern Moses who had come to lead mankind into a promised land of peace and brotherly love.

And yet, incredible as it seemed, within a matter of weeks, the splendid visions conjured up by Wilson's magic words had vanished into thin air, and in their place loomed ominous portents of turbulent and tragic days to come.

"It is now evident," Colonel E. M. House, Wilson's chief adviser and closest confidante, noted apprehensively in his diary on March 3, 1919, "that the peace will not be such a peace as I had hoped, or one which this terrible upheaval should have brought about."

At the carefully secluded peace deliberations of the Big Four in a conference room at the Quai D'Orsay in Paris, there soon emerged the real reasons why millions of men had died in the mud of Europe's battlefields. Bound by their secret treaties and commercial pacts, and avidly impatient to redivide the world market and carve up the German Empire, David Lloyd George, Winston Churchill,\* Georges Clemenceau and Vittorio Orlando lost little time in bypassing Wilson's high-sounding peace proposals and getting down to the real business of the day.

"The old politicians," observed the famous British war correspondent, Sir Philip Gibbs, "who had played the game of politics before the war, gambling with the lives of men for territory, privileged markets, oil fields, native races, coaling stations and imperial prestige, grabbed the pool which the German gamblers had lost when their last bluff was called and quarreled over its distribution."

There were other discordant notes at the Peace Conference.

The legacy of the Great War had not been limited to millions of dead and crippled human beings, and to wreckage, plague, famine and destitution. Out of the cataclysm there had come, unbidden and unforeseen, gigantic upheavals of masses of humanity, revolting against further suffering and bloodshed, demanding peace, bread, land and an end to the old order.

"The whole of Europe is filled with the spirit of revolution ...," Prime Minister David Lloyd George told the Peace Conference in a confidential memorandum. "The whole existing order in its politi-

<sup>\*</sup> Winston Churchill, then British Secretary of War, temporarily replaced Prime Minister Lloyd George, as the British spokesman at the Paris Peace Conference in February 1919.

cal, social and economic aspects is questioned by the masses of the population from one end of Europe to the other."

How to stifle this "spirit of revolution" and maintain the status quo? How to liquidate the soviets in Berlin and Hamburg, in Bavaria and Hungary? Such were the questions that obsessed the peacemakers at Paris.

And dominating all other questions was this: how to crush the revolution in Russia which had brought the Soviet regime to power on November 7, 1917?

As recorded by the semi-official *History of the Peace Conference* published under the auspices of the British Royal Institute of International Affairs:

The effect of the Russian problem on the Paris Peace Conference was profound: Paris cannot be understood without Moscow. Without ever being represented at Paris at all, the Bolsheviki and Bolshevism were powerful elements at every turn. Russia played a more vital part in Paris than Prussia.

"Bolshevism is spreading," the aging French "Tiger," Premier Georges Clemenceau, agitatedly warned the Peace Conference. "It has invaded the Baltic provinces and Poland . . . we have received very bad news regarding its spread to Budapest and Vienna. Italy, also, is in danger. . . Therefore, something must be done against Bolshevism!"

Already something was being done. Although peace had been proclaimed, tens of thousands of Allied troops, fighting side by side with counter-revolutionary White armies led by former Czarist generals, were waging a bloody, undeclared war on Russian soil to overthrow the new Soviet Government.

"Bolshevism," Herbert Hoover, Chairman of the American Relief Administration, told the Peace Conference, "is worse than war!" \*

\* By the summer of 1919, without declaration of war, the armed forces of fourteen states had invaded the territory of Soviet Russia. The countries involved were: Great Britain, France, Japan, Germany, Italy, Czechoslovakia, Serbia, China, Finland, Greece, Poland, Rumania, Turkey and the United States.

The intervention and the civil war in Russia lasted into the summer of 1921 and finally ended in the defeat and routing of the interventionist forces and their White Russian allies by the Red Army.

Although receiving scant attention in most histories, the two and a half years of intervention and civil war were responsible for the death through battle, starvation or disease of some 7,000,000 Russian men, women and chilPoint six of Wilson's Fourteen Points called for the "evacuation of all Russian territory" and "the independent determination of her own political development and national policy." But at Paris, Wilson gave in to the advocates of intervention. The day before he was to return to America, he said, "I have explained to the Council how I would act if I were alone. I will, however, cast in my lot with the others."

Back in America, President Wilson placed the Treaty of Versailles before the Senate. Unwilling to admit to himself or to others the tragic failure of his mission and the iniquity of the peace terms, Wilson declaimed: "The stage is set, the destiny disclosed. It has come about by no plan of our conceiving, but by the hand of God who led us into the war . . . We can go only forward, with lifted eyes and freshened spirit, to follow the vision."

But Wilson's eloquence now fell on deaf ears. Under the leadership of the elderly, die-hard isolationist, Senator Henry Cabot

dren. The material losses to Soviet Russia were later estimated by the Soviet Government at \$60,000,000. No reparations were paid by the invaders.

With irony and characteristic bluntness, Winston Churchill, who himself supervised the Allied campaign against Soviet Russia, later wrote in his book, *The World Crisis: the Aftermath:* "Were they [the Allies] at war with Russia? Certainly not; but they shot Soviet Russians at sight. They stood as invaders on Russian soil. They armed the enemies of the Soviet Government. They blockaded the ports and sank its battleships. They earnestly desired and schemed its downfall. But war-shocking! Interference-shame! It was, they repeated, a matter of indifference to them how Russians settled their own affairs. They were impartial-bang!"

On September 5, 1919, Senator William Borah declared in the U. S. Senate: "Mr. President, we are not at war with Russia; Congress has not declared war against the Russian Government or the Russian people. The people of the United States do not desire to be at war with Russia . . . Yet . . . we are carrying on war with the Russian people. We have an army in Russia; we are furnishing munitions and supplies to other armed forces in that country . . . There is neither legal nor moral justification for sacrificing these lives. It is in violation of the plain principles of free government."

Under the direction of Herbert Hoover, the American Relief Administration channeled all possible food supplies into territory occupied by the troops of General Nicholas Yudenitch and other ex-Czarist and White Guard commanders, while withholding supplies from Soviet territory, where hundreds of thousands were starving. The ARA also arranged for the delivery of military equipment to the White forces. Finally, after the end of the intervention and civil war, public pressure in America forced the sending of food to faminestricken Soviet Russia.

"The whole of American policy during the liquidation of the Armistice," Herbert Hoover wrote Oswald Garrison Villard on August 17, 1921, "was to contribute everything it could to prevent Europe from going Bolshevik . . ." Lodge, the Senate Foreign Relations Committee proceeded to chop apart and revise the Treaty, concentrating its attack on the Covenant of the League of Nations.

Early in September 1919, against the warning of his physicians, Wilson set out on a coast-to-coast speaking tour to rally popular support for his peace program. The strain on his already overtaxed nervous system proved too great. On the night of September 25, having delivered forty speeches within three weeks, the President collapsed while en route by train to Wichita, Kansas. He was rushed back to Washington. A few days later, a cerebral thrombosis resulted in the partial paralysis of his left side . . .

For the remaining seventeen months of his term, President Wilson was an ailing recluse in the White House. Bedridden for over a month, and then confined to a wheel chair, he received scarcely any visitors and attended to only the most elementary matters of state. Day after day, wrapped in a shawl, lonely and gray-faced, Wilson sat in his wheel chair on the portico of the Presidential mansion, brooding bitterly on the disintegration of his cherished dreams.

The atmosphere in the nation's capitol, as depicted by Edward G. Lowry in *Washington Close-Ups*, was

one of bleak and chill austerity suffused and envenomed by hatred of a sick chief magistrate that seemed to poison and blight every ordinary human relationship... The White House was isolated... Its great iron gates were closed and chained and locked. Policemen guarded its approaches. It was in a void apart.

The rumor spread that Wilson was no longer in his right mind. A number of congressmen urged that he be supplanted by Vice-President Thomas R. Marshall, and the Senate dispatched Senators Albert Fall and Gilbert Hitchcock to the White House to check on the President's mental condition.

"Mr. President," Senator Fall unctuously told Wilson, "I am praying for you."

The two senators reported back to their colleagues in the Upper House that they had found the Chief Executive in full possession of his mental faculties . . .

Such was the grim finale of Woodrow Wilson's crusade for world peace.

As in Europe, so also in America, peace had not come with the signing of the Armistice.

While President Wilson had been touring the land delivering impassioned speeches on his plans for world peace, his own country was seething with violent unrest and bitter industrial strife.

The uneasy wartime truce between labor and capital in America had terminated abruptly. With officials of the American Federation of Labor still sanguinely echoing Wilson's slogan of "Industrial Democracy" and predicting a "new era for American Labor," the major industries launched a sudden intensive campaign to wipe out labor's wartime gains and crush the trade unions.\*

"I believe they may have been justified in the long past," Judge Elbert H. Gary, Chairman of the U. S. Steel Corporation, told a meeting of stockholders. "But . . . there is, at present, in the opinion of the large majority of both employers and employees, no necessity for labor unions . . . The existence and conduct of labor unions, in this country at least, are inimical to the best interests of the employees, the employers and the general public."

The Minnesota Banker editorialized:

There is no question as to the economic value of the open shop.... The closed shop is zealously fought for by the radical wing of labor organizations. The open shop can be the most readily brought about by the elimination of this element in organized labor.... where the radical element is too strongly entrenched, there is, of course, but one final thing to do, and that is to beat them by force.

William H. Barr, President of the National Founders' Association trenchantly summed things up with the words: "War-time wages must be liquidated!" American workingmen did not submit quietly to the concerted assault on their unions and living standards. A storm of strikes swept the country.

In January 1919, shipyard workers in Seattle, Washington, walked off their jobs in protest against a wage cut, and within three

But despite the wartime gains of organized labor, the lot of most American workers was still extremely arduous at the war's end. In the steel industry, for example, there was a seven-day work-week in 1919, and many steel workers put in twelve to fourteen hours a day. Commenting on working conditions in the steel industry in 1919, a Report by the Commission of Inquiry of the Interchurch World Movement stated: ". . The 12-hour day is a barbarism without valid excuse, penalizing the workers and the country."

<sup>\*</sup> As a wartime expedient, various concessions had been made to the labor movement by industries which, in the words of the labor historians, Selig Perlman and Philip Taft, "spurred on by war-time profits, staged a reckless competition for labor." Wages had been increased, hours of labor shortened. Workers poured into unions. Between 1913-1920 the American Federation of Labor membership rose from 1,996,000 to 4,078,000.

weeks the entire city was tied up by a general strike. During the following months, in one state after another, typographers and construction workers, telephone operators and railroadmen, longshoremen, teamsters and textile workers went on strike. The culminating point of the strike wave came in September and October, when close to 350,000 steel workers quit their jobs and half a million miners walked from the coal pits, bringing the total number of workers on strike in America to more than two million . . .

A headline in the December 1919 issue of *The Employer*, organ of the Oklahoma Employers' Association, called the coal strike "Nothing Less Than Open and Defiant Revolution." The same issue of this journal posed the question: "Would Hindenburg and Ludendorff do less evil to the country than Lewis and Foster?"\*

To smash the strikes, thousands of Federal troops, state militia, municipal police, and whole armies of company-hired strikebreakers and gunmen went into action. In many industrial centers martial law was declared. Pitched battles were fought in the coal fields. In one battle in West Virginia, some 1,500 armed deputies and more than 2,000 Federal troops were used to disband a colony of striking miners who had armed themselves against strike-breaking gunmen.

The dead and wounded in these fierce labor conflicts numbered in the hundreds.

Bloody violence in postwar America raged not only in the arena of industrial strife.

"That year [1919]," the noted scholar W. E. B. Dubois records in his book, *Dusk of Dawn*, "there were race riots large and small in twenty-six American cities, including thirty-eight killed in a Chicago riot in August; from twenty-five to fifty killed in Phillips County, Arkansas; and six killed in Washington."

Governor Hugh M. Dorsey of Georgia told a citizens' conference in Atlanta: "In some counties the Negro is being driven out as though he were a wild animal; in others he is being held as a slave; in others no Negroes remain."

The wholesale terror against Negroes reached its peak at Phillips County, Arkansas.

<sup>\*</sup> The Employer was referring to John Llewellyn Lewis, then Acting President and later President of the United Mine Workers of America; and to William Z. Foster, then Secretary of the National Committee for the Organizing of the Iron and Steel Industry and leader of the great steel strike, and later the National Chairman of the American Communist Party.

Crushed under the peonage of the feudal plantation system, Negro cotton pickers in Phillips County formed a Progressive Farmers' Household Union in an effort to change their subhuman working and living conditions. Immediately, the plantation owners and local authorities launched a ferocious drive to destroy the organization. Members of the Union were systematically hunted down, jailed, shot and lynched. With desperate courage, the Negroes armed themselves, established "Paul Revere" courier systems to recruit new members to their ranks and fought back under the slogan, "We've just begun."

Federal troops, equipped with machine guns, were rushed into Phillips County. Hundreds of Negroes were arrested and herded into jails. After trials lasting literally only a few minutes, eleven Negroes were sentenced to death, nine Negroes to twenty-one years imprisonment, and 122 more indicted on various charges.

The Progressive Farmers' Household Union was destroyed . . .

In Washington, on August 25, 1919, Congressman James F. Byrnes of South Carolina told members of the House of Representatives:

For any colored man who has become inoculated with the desire for political equality, there is no employment for him in the South. This is a white man's country, and will always remain a white man's country.\*

There were other grim features to the postwar scene in America. As Frederick Lewis Allen writes in his book, *Only Yesterday:* 

If the American people turned a deaf ear to Woodrow Wilson's plea for the League of Nations during the years of the Post-War Decade, it was not simply because they were too weary of foreign entanglements... They were listening to something else. They were listening to ugly rumors of a huge radical conspiracy against the government and the institutions of the United States. They had their ears cocked for the detonation of bombs and the tramp of Bolshevist armies. They seriously thought—at least millions of them did, millions of otherwise reasonable citizens—that a Red revolution might begin in the United States the next month or the next week ...

#### 2. Secrets of the Department of Justice

Toward the end of 1919, the Assistant Chief of the Justice Department's Bureau of Investigation,<sup>†</sup> Frank Burke, dispatched an \*For James F. Byrnes' activities as U. S. Secretary of State after World War II, see Book Four.

<sup>†</sup> The name of this division of the Justice Department was changed in 1924 to Federal Bureau of Investigation, or FBI.

urgent, highly confidential directive to Federal agents throughout the country. The directive revealed that the Justice Department was about to stage scores of simultaneous raids in a nationwide round-up of "communists" and "radical aliens."

"You will be advised by telegraph," wrote Burke, "as to the exact date and hour when the arrests are to be made."

The Justice Department agents were instructed by Burke that their spies, informers and agents-provocateurs within "communist groups" should make every effort to have these organizations hold meetings on the designated night. In Burke's words:

If possible you should arrange with your under-cover informants to have meetings of the Communist Party and the Communist Labor Party \* on the night set . . . This, of course, will facilitate in making the arrests.

Burke's letter concluded:

On the evening of the arrests, this office will be open the entire night and I desire that you communicate by long distance to Mr. Hoover any matters of vital importance or interest which arise during the course of the arrests.

I desire that the morning following the arrests you should forward to this office by special delivery marked for the "Attention of Mr. Hoover" a complete list of the names of the persons arrested . . . I desire also that the morning following the arrests you communicate in detail by telegram, "Attention of Mr. Hoover," the results of the arrests made, giving the total number of persons of each organization taken into custody, together with a statement of any interesting evidence secured.

The full name of the "Mr. Hoover" who was assigned this responsible role in the raids was John Edgar Hoover.

A stocky round-faced young man with close-cropped dark hair and expressionless dark eyes, who had attended night law classes at George Washington University, J. Edgar Hoover had obtained a job as a minor official in the Department of Justice during the war. As shrewd as he was ambitious, he had advanced rapidly in the Department. In 1919, at the age of twenty-five, he was appointed director of the newly formed, rather mysterious General Intelligence Division of the Department's Bureau of Investigation. In this capacity, Hoover had the important task of supervising the Bureau's

<sup>\*</sup> The Communist Party and the Communist Labor Party were formed in September 1919 after a split within the Socialist Party. The two groups later merged and founded the Workers (Communist) Party of America. In 1928 the name became Communist Party of the United States of America.

"counter-radical activities." His official title was Special Assistant to the Attorney General.

A. Mitchell Palmer, the U. S. Attorney General at the time, was a man with an eye to the future. Knowing the gravity of Wilson's illness, Palmer was not averse to picturing himself as the Democratic presidential candidate in the 1920 elections. The fulfillment of such high hopes, Palmer knew, depended to a considerable degree on keeping his name in the news; and how could this be more effectively accomplished than by leading a crusade against "subversive elements" which threatened "the very life of the Republic"?

To millions of Americans, the handsome, immaculately groomed Attorney General was known as the "Fighting Quaker." There was no more voluble champion of democracy and civil rights. "The life of the Republic," declaimed Palmer, "depends upon the free dissemination of ideas and the guarantees of freedom of speech, press and assembly . . ."

Sweeping raids and wholesale arrests? The very reason they were imperative, asserted the Attorney General, was to safeguard the Constitution and protect the American people from "alien agitators . . . seeking to destroy their homes, their religion and their country."

In addition to his frequently expressed concern for the Constitution, and to the publicity value of the raids, Palmer had another, quite personal interest in the anti-radical crusade. He was a director in the Stroudsburg National Bank, the Scranton Trust Company, the Citizens Gas Company, the International Boiler Company and various other such enterprises.

Throughout the spring and summer months of 1919, elaborate surreptitious plans had been afoot in the Justice Department for an all-out offensive against the "radical movement." Under the supervision of Attorney General Palmer, Chief of the Bureau of Investigation William J. Flynn and General Intelligence Director J. Edgar Hoover, hundreds of special operatives, spies and paid informers had swarmed into organizations of the foreign-born and into left-wing, progressive and trade union groups in every part of the country. Sedulously compiling data on "radicals" and "labor agitators" this underground network of Federal agents and labor spies fed a steady stream of confidential reports into Justice Department headquarters at Washington, D. C. Here the reports were carefully classified and filed in Hoover's General Intelligence Division.

"There has been established as part of this division," Palmer was soon able to report to a congressional committee, "a card index system, numbering over 200,000 cards, giving detailed data not only upon individual agitators connected with the ultra-radical movement, but also upon organizations, associations, societies, publications and special conditions existing in certain localities."

Justice Department spies were instructed to keep on the lookout for "subversive" literature. Not infrequently, when unable to discover any, they themselves arranged for its publication and distribution. In one typical instance, a private detective agency, functioning in cooperation with the Department of Justice, printed hundreds of copies of the *Communist Manifesto* and had its operatives plant them in appropriate places for seizure during the impending raids . . .

Simultaneously, a special publicity bureau in the Justice Department was blanketing the country with lurid propaganda about Moscow-directed "Bolshevik plots" to overthrow the U. S. Government. Scarcely a day passed without the bureau's issuing press releases under such captions as: Attorney General Warns Nation of Red Peril-U. S. Department of Justice Urges Americans to Guard Against Bolshevik Menace-Press, Church, Schools, Labor Unions and Civic Bodies Called Upon to Teach True Purpose of Communist Propaganda.

On May 1, 1919, the anti-radical crusade received a sudden, spectacular impetus.

As workingmen in scores of cities celebrated the traditional labor holiday of May Day, U. S. Post Office authorities dramatically announced they had uncovered a far-flung "Bolshevik bomb plot" to assassinate dozens of prominent American citizens. Already, reported the Department, more than thirty packages containing bombs had been intercepted. Among the public figures to whom the packages were said to be addressed were Postmaster General Albert S. Burleson, John D. Rockefeller, J. P. Morgan and Attorney General Palmer himself.

The Attorney General issued a personal statement assuring the nation there was no need to become panic-stricken—the Department of Justice had the situation "well in hand . . ."

One month later, on June 2, simultaneous bomb explosions occurred in eight different cities.

According to the press, "emissaries of the Bolshevik leader Lenin" were responsible for the explosions.\*

"It has almost come to be accepted as a fact," stated Attorney General Palmer, "that on a certain day in the future, which we have been advised of, there will be another serious and probably much larger effort of the character which the wild fellows of this movement describe as a revolution, a proposition to rise up and destroy the government at one fell swoop."

As the summer drew to a close, the New York Tribune headlined the news: "Nation-wide Search for Reds Begins."

The stage was set for the Palmer raids.

#### 3. The Raids

On November 7, 1919, the Department of Justice struck. The date, according to an article in the *New York Times* on the following day, had been selected by the Justice Department as the "psychological moment" for the raids because it was "the second anniversary of the Bolshevik Revolution in Russia."

In New York, Philadelphia, Newark, Detroit and a dozen other cities, Federal agents stormed into meetings of "radical" organizations, arrested hundreds of foreign-born and native Americans, and herded them off to jail.

Typical of the raids was one at the Russian People's House at

On September 16, 1920, a tremendous bomb explosion took place in Wall Street, directly opposite the building of J. P. Morgan & Co. Thirty people were killed in this bombing and hundreds injured. As with the previous bombings, none of the culprits was apprehended.

Nineteen years later, on October 10, 1949, Life magazine printed an article dealing with the atom bomb, entitled "Can Russia Deliver the Bomb?" Accompanying the article was a picture of the wreckage caused by the 1920 Wall Street bombing with the caption: "In 1920 Reds Exploded Bomb in Wall Street, Killed 30, Wounded Hundreds." However-despite Life's lurid caption-the crime, as historian Frederick Lewis Allen writes, "was never solved."

<sup>\*</sup> The perpetrators of these conveniently timed bombings were never apprehended, nor was any evidence uncovered establishing their identity. Algernon Lee, director of the Rand School, told a reporter from the *New York Tribune* on June 4, 1919: "I am convinced that it is a frame-up . . . because of its calculated effect upon the State Commission for the investigation of Bolshevism, and upon Congress in the matter of legislation designed to curb radical movements."

13 East 15th Street in New York City, a school and community center for Russian-born Americans.

Classes in English, arithmetic and other subjects were in session when suddenly, without warning, dozens of Federal agents burst into the building. The astounded teachers and students including a number of veterans recently discharged from the U. S. Army, were harshly ordered to line up against the walls. The raiders then proceeded to hurl typewriters to the floor, rip up books, break pictures and smash desks, chairs and other furniture.

Placed under arrest, the teachers and students were roughly herded from the building. Those who moved too slowly to satisfy the raiders were prodded and beaten with blackjacks. Some were hurled bodily down the stairs. Outside, the prisoners were forced to run a gauntlet of Federal agents and police officers wielding clubs and nightsticks. They were then flung into waiting police wagons. In the words of the *New York Times*:

A number in the building were badly beaten by the police during the raid, their heads wrapped in bandages testifying to the rough manner in which they had been handled . . . Most of them had blackened eyes and lacerated scalps as souvenirs of the new attitude of aggressiveness which has been assumed by the Federal agents against Reds and suspected Reds.

Throughout the country, newspapers acclaimed the raids as a death blow to the "Red Plot for revolution in America."

The November 7 raids, however, were only a preliminary to what was to come. In the words of one prominent Government official: "The November raiding was only tentative—in the nature somewhat of a laboratory experiment."

Intermittent raids, dramatically highlighted by the deportation on the *Buford* on December 21 of two hundred and forty-nine of the arrested aliens, continued throughout November and December.

At the same time, Attorney General Palmer and a few of his most trusted aides were making covert preparations for their next move . . .

The November 7 raids had convinced the Attorney General that the Alien Act of 1917, under which he was theoretically operating, presented unnecessary inconveniences. According to the provisions of this Act, arrests of aliens, and searches of places and individuals, could not be made without warrants. The Act also stipulated that at deportation proceedings, aliens were to be given a fair administrative hearing and permitted to be represented by their own legal counsel.

"These regulations," complained Attorney General Palmer, "are getting us nowhere."

He decided to have the regulations changed . . .

To avoid possible objections from those who were overly scrupulous about legal matters, the Attorney General was careful to prevent his plans from becoming public knowledge. As he himself later related:

Appreciating that the criminal laws of the United States were not adequate to properly handle the radical situation, the Department of Justice held several conferences with officials of the Department of Labor and came to an agreeable arrangement for the carrying out of the deportation statute.\*

The conferences to which Attorney General Palmer referred were conducted in the strictest privacy. According to the "agreeable arrangement" reached between Palmer and John W. Abercrombie, the Acting Secretary of Labor, the regulations were altered so as to facilitate the issuance of arrest warrants and to deny arrested aliens the right to legal counsel. Palmer submitted to Abercrombie a stack of mimeographed forms as "affidavits" supposedly establishing the guilt of persons to be arrested. In return, the Attorney General was given several thousand arrest warrants.

One of Palmer's aides who participated in these clandestine conferences between Justice and Labor Department officials was the Attorney General's Special Assistant, J. Edgar Hoover . . .

At a subsequent trial concerning the illegal arrest of certain aliens, Henry J. Skeffington, Commissioner of Immigration, was asked by the Judge: "Did you have instructions as to this procedure?"

"We had an understanding," said Skeffington.

"Written instructions?" demanded the judge.

"No," replied Skeffington. "We had a conference in Washington in the Department of Labor with Mr. Hoover."

At half-past eight on the evening of January 2, 1920, the coastto-coast raids began. In more than seventy cities, Justice Depart-

<sup>\*</sup> The Bureau of Immigration operated under the jurisdiction of the Department of Labor until June 14, 1940, when it was transferred to the Department of Justice.

ment agents, accompanied by state and city police, swooped down on public meetings and invaded private offices and homes. In New York City almost a thousand persons were arrested. In Boston 400 manacled men and women were marched to jail through the streets of the city. In Maine, Oregon, New Jersey, California, Ohio, Mississippi, Illinois, Nebraska and a score of other states, thousands were rounded up . . .

Everywhere, the raiders acted more like vigilante mobs than guardians of the law.

In New York City, Federal agents, detectives and policemen stormed into the Communist Party headquarters brandishing revolvers, arrested and photographed everyone on the premises, and then proceeded to tear from the walls pictures of Eugene Debs, Karl Marx and Friedrich Engels, which they coverted into grotesque masks and held over their faces as they boisterously paraded about the premises. Government agents in a small New Jersey town who chanced upon a committee of townspeople collecting funds to pay for the funeral of an impoverished Polish immigrant, promptly arrested the committee members and imprisoned them along with the other "radicals" they had rounded up. Describing the raids in Massachusetts, Judge George Anderson of the United States District Court in Boston subsequently stated:

Pains were taken to give spectacular publicity to the raids, and to make it appear that there was great and imminent public danger against which these activities of the Department of Justice were directed. The arrested aliens—in most cases perfectly quiet and harmless working people, many of them not long ago Russian peasants—were handcuffed in pairs, and then for the purpose of transfer on trains and through the streets of Boston, chained together. The northern New Hampshire contingent were first concentrated in jail at Concord and then brought to Boston in a special car, thus handcuffed and chained together. On detraining at the North Station, the handcuffed and chained aliens were exposed to newspaper photographers and again exposed at the wharf where they took the boat for Deer Island . . .

As for the conduct of the raiding parties, Judge Anderson declared:

... a mob is a mob whether made up of government officials acting under instructions from the Department of Justice, or of criminals and loafers and vicious classes.

Reports varied as to the total number of arrests. According to the New York World of January 3, "2,000 Reds" involved in a "vast working plot to overthrow the government" had been rounded up. Banner headlines in the *New York Times* proclaimed: "REDS PLOTTED COUNTRY-WIDE STRIKE—Arrests Exceed 5000, 2635 Held." Senator Thomas J. Walsh of Montana, a distinguished lawyer well known for the integrity and carefully documented accuracy of his public utterances, later declared that more than 6,000 men and women had been arrested in the raids. . . .

"Approximately 3,000 of the 3,600 aliens \* taken into custody during the recent nationwide round-up of radicals are perfect cases for deportation," J. Edgar Hoover, the Special Assistant to the Attorney General, told the press a few days after the raids. The deportation hearings and shipment of "Reds" from the country, he promised, would be handled as expeditiously as possible.

"Second, third and as many other Soviet Arks as may be necessary," said Hoover, "will be made ready as the convictions proceed, and actual deportations will not wait for the conclusion of all the cases." †

Hundreds of aliens and citizens were taken into custody without arrest warrants. Private homes were invaded and searched without search warrants. Personal belongings were seized and carted off. Many of the innocent men and women jailed were held *incommunicado* and not permitted to secure legal counsel or even to contact their friends and relatives.

"If I had my way," State Secretary Albert P. Langtry of Massa-

When Senator Thomas Walsh at the Judiciary Committee hearings asked Attorney General Palmer how many search warrants had been issued for the raids, Palmer replied: "I cannot tell you, Senator, personally. If you would like to ask Mr. Hoover who was in charge of this matter, he can tell you."

<sup>\*</sup> This figure of 3,600 arrests was one of several figures given out by Justice Department officials.

<sup>&</sup>lt;sup>+</sup>In later years when J. Edgar Hoover as FBI chief had become a national figure, he vigorously denied he had played an active part in the Palmer raids and declared he had wholeheartedly opposed them at the time they occurred. "I deplored the manner in which the raids were executed then, and my position has remained unchanged," Hoover told Bert Andrews of the New York Herald Tribune in a written statement which was published in that paper on November 16, 1947.

Had former Attorney General Palmer been alive in 1947, he would probably have been somewhat surprised at Hoover's statement. When Palmer appeared in 1920 before the House Rules Committee and in 1921 before the Senate Judiciary Committee, on occasions when both committees were investigating the raids, his special assistant, J. Edgar Hoover, sat at his side and frequently prompted the Attorney General on answers.

chusetts said of the men and women who had been taken into custody, "I would take them out in the yard every morning and shoot them, and the next day would have a trial to see whether they were guilty."

The super-patriotic author, Arthur Guy Empey, declared:

"What we want to see is patriotism reducing Bolshevik life limit. The necessary instruments can be obtained in your hardware store. My motto for the Reds is S.O.S.—ship or shoot."

The terror, lawlessness and violence of the raids were accepted with marked equanimity by most American newspapers. As an editorial in *Editor and Publisher* subsequently stated: "When Attorney General Palmer started his so-called 'radical raids' so many newspapers entered into the spirit of that infamous piece of witch-hunting that the reputation of the American press suffered heavily."

Exemplifying the general attitude of the American press at the time was an editorial in the New York Times on January 5, 1920, which read in part:

If some or any of us, impatient for the swift confusion of the Reds, have ever questioned the alacrity, resolute will and fruitful, intelligent vigor of the Department of Justice in hunting down these enemies of the United States, the questioners have now cause to approve and applaud...

This raid is only the beginning. It is to be followed by others. Without notice and without interruption, the department will pursue and seize the conspirators against our Government . . . Its further activities should be far-reaching and beneficial.

Just how far-reaching these activities of the Justice Department became in the postwar period was described some years later in an article in the *New Republic* magazine:

At that dark period, Hoover compiled a list of half a million persons suspected as dangerous because of the "ultra-radicalism" of their economic or political beliefs or activities. The equivalent of one person out of every 60 families in the United States was on the list. Hoover beat out Heinrich Himmler by 14 years.

The compilation of huge proscribed lists of "dangerous citizens" was not the only way in which J. Edgar Hoover and his associates foreshadowed techniques subsequently employed by the secret police of Nazi Germany. There were other, even more sinister resemblances.

#### 4. Chambers of Horror

If the treatment of the men and women arrested in the Palmer raids was shockingly brutal, it was mild compared to what they endured in the seclusion of the jails in which they were confined.

At hastily improvised "immigration board" hearings to determine whether or not the arrested aliens should be deported, Justice Department agents and Labor Department officials acted as witnesses, prosecutors and judges. Accused of seditious acts by a motley assortment of labor spies, *agents provocateurs* and Federal operatives, deprived of legal counsel of their own, and frequently unable to speak or understand the English language, the prisoners were wholly at the mercy of their inquisitors. Many, without knowing what they were doing, signed "confessions" that they had been plotting to overthrow the Government of the United States. Others were compelled by third degree methods to admit their "guilt." In some cases, where prisoners steadfastly refused to be cowed, their signatures were forged to incriminating documents. . . .

Appalling conditions prevailed at the local jails, military barracks and "bull pens" where the prisoners were held. Invariably, the prisoners' quarters were squalid, frightfully overcrowded and lacking in adequate sanitation facilities. The prisoners, young and old, men and women, alike, were frequently compelled to sleep on prison floors without bedding or mattresses.

Hundreds of prisoners were viciously beaten and tortured by Justice Department agents and local police officials.

A group of sixty-three workers who had been arrested without warrants in the raids at Bridgeport, Connecticut, and imprisoned at Hartford, without even knowing the charges against them, were kept in jail for five months. Fed on scanty noisome rations and given no opportunity for exercise, they were allowed out of their cells for three minutes each day to wash their face and hands in filthy sinks. Once a month they were permitted to bathe in a tub.

Periodically the Hartford prisoners were "interrogated" by Federal operatives who beat them savagely and not infrequently threatened to kill them if they did not confess to being "revolutionaries."

One of the Hartford prisoners, a thirty-three year old Russianborn machinist named Simeon Nakwhat, subsequently related in a sworn affidavit: In the thirteenth week of my confinement Edward J. Hickey [a Department of Justice agent] came into my cell and asked me to give him the address of a man called Boyko in Greenpoint, Brooklyn. I do not know this man and told Hickey that I did not. Hickey thereupon struck me twice with his fist, once in the forehead and once in the jaw, whereupon I fell. He then kicked me and I became unconscious. Hickey is a big man, weighing two hundred pounds. For three weeks after this I suffered severe pain where I was kicked in the back ...\*

Another prisoner, a tailor from Bridgeport who had come to the Hartford jail to visit an imprisoned friend and had been promptly seized and locked up himself, later stated:

Six men, I presume agents of the Department of Justice, questioned me and threatened to hang me if I did not tell them the truth. In one instance, an agent of the Department of Justice . . . brought a rope and tied it around my neck, stating that he will hang me immediately if I do not tell him who conducts the meetings and who are the main workers in an organization called the Union of Russian Workers . . .

There were four rooms at the Hartford jail which came to be known with dread by the prisoners as the "punishment rooms." Identical in construction, approximately nine feet long by four feet wide, they were built of solid concrete, were without windows and devoid of all furniture. Alleged anarchist or communist prisoners were locked, often ten to fifteen at a time, in one of these little, unventilated and unlighted rooms. The heating system was then turned up, and the prisoners were kept in pitch darkness and almost unendurable heat for periods lasting from thirty-six to sixty hours. Every twelve hours the cell door was momentarily opened and the prisoners given a glass of water and a piece of bread . . .

This is how Peter Musek, one of those tortured by the "punishment room" method, described the ordeal:

On February 6... I was taken out of my cell and ... brought to the basement of the jail and put into a cell high enough for me to stand up in and long enough for me to make about two and a half paces. When I was put in the cell, I heard the jailer say to somebody, "Give this man heat." When I came into the cell it was quite warm. Soon thereafter the floor became hot and I nearly roasted. I took my clothes off and remained absolutely naked but the heat was unbearable.... I heard the man say again, "Give him some more heat." ... I could not stand on

This and other sworn statements in this section are taken from the treatise, To the American People-Report Upon the Illegal Practices of the Department of the United States Department of Justice, which was made public in May 1920 by twelve outstanding American jurists. For further data on this Report, see pages 27 ff.

my feet any longer and I remained on the floor up to eight in the morning, when the door opened and a man handed me a glass of water and threw a piece of bread into the cell. I asked him to bring me a doctor for I felt that I was going to die. But he laughed at me, stating that I was strong enough to hold out, and locked the door again ... I felt terrible pain in my chest and half of my body was almost roasted from contact with the hot floor. I remained in the cell up until about eight o'clock of the night of February 8... The cell was so dark I could not even see my own hands.

Like a number of other prisoners, Peter Musek had been arrested simply because he came to the jail to visit a friend. No charges were preferred against Musek and on March 18, 1920, he was set free . . .

At Detroit, 800 men and women who had been rounded up in the raids were packed into a windowless corridor on the top floor of the Federal Building. There was one toilet at the disposal of all the prisoners. They had no bedding except newspapers, overcoats, and other pieces of clothing. The only food the prisoners received was that brought them by their relatives and friends.

On the seventh day of their imprisonment, 128 of the prisoners at the Detroit Federal Building were taken to the Municipal Building and put in a cellar room measuring 24 by 30 feet. Their food rations here consisted of coffee and two biscuits twice a day.

When Mayor James Couzens of Detroit informed the City Council that such conditions were "intolerable in a civilized city," the bulk of the prisoners were transferred to an old army barracks at Fort Wayne.

Among the most diabolic methods of torturing the men imprisoned at Fort Wayne was forcing them to witness the maltreatment of their own wives and children who came to visit them.

One such case involved a prisoner named Alexander Bukowetsky. Bukowetsky was taken from his cell one day and told that his wife and two children, a twelve-year-old girl and a boy of eight, had come to see him. He was instructed to report to an office in the building. On reaching the office, Bukowetsky was seized and held by a guard. Two other guards dragged Bukowetsky's wife and children out of the office and into the corridor. What then happened was later described by Bukowetsky:

My wife and children were pulled out of the room by their arms.... They were pulled into the hall by Sergeant Mitchell and then he brought my wife close to me and hit her with his fist both on her back and over her breast. My wife and children began to cry, and I asked Sergeant Mitchell what he was trying to do, if he was trying to provoke me so that I would start to fight. Instead of answering me he struck her several more times and made her fall to the floor. With that he grabbed a gun and at the same time Ross took a club and then one other guardsmen, Clark, came in and he too with the butt of his pistol struck me over the head ... I fell with blood streaming all over my body.

My little girl, Violet, saw this and ran to the guardsmen and with her hand smoothed his face crying, "Please don't hurt my father and mother," but with all this, seeing the blood on the floor from my head and my wife and children crying, he paid no attention to us.

When Bukowetsky staggered to his feet and started to run up a nearby stairway, one of the guards raised his gun and fired at the fleeing man. The shot went wild, missing Bukowetsky and wounding another prisoner . . .

Bewildered, desperate with anxiety, and distraught from constant terrorization and torture, not a few of the men and women imprisoned during the Palmer raids inevitably broke under the fearful strain.

At Deer Island, one man committed suicide by hurling himself from a fifth floor window. Others at Deer Island and elsewhere went insane.

Six of the prisoners at Ellis Island died.

One prisoner, after being held illegally and incommunicado for eight weeks and tortured by Justice Department agents at the Park Row building in New York City, flung himself to his death—or was pushed—from a window on the fourteenth floor.\*

The total number of deaths, permanently injured, and victims of irreparable emotional shock will never be known.

No member of the Justice Department was ever brought to trial or punished for these atrocious crimes committed during the Palmer raids under the pretense of defending the Constitution of the United States:

<sup>\*</sup> This prisoner was an Italian anarchist printer named Andrea Salsedo. For further mention of this case, see page 94.

# Chapter п DARK TIDE

Mr. Chairman, the spectre of Bolshevism is haunting the world. Everybody-statesman, businessman, preacher, plutocrat, newspaper editor-keeps on warning the world that it is about to be destroyed by Bolshevism . . . But the worst of it is that every movement, every new idea, every new suggestion, every new thought that is advanced, is immediately denounced as Bolshevism. It is not necessary to argue anymore with a man who advances a new idea; it is enough to say "That is Bolshevism."

> Representative Meyer London, speaking on the floor of the U. S. Congress, February 11, 1919.

#### 1. The Nature of the Crime

"AT PRESENT there are signs of an overthrow of our Government as a free government," Louis Freeland Post, the Assistant U. S. Secretary of Labor, wrote in his diary on New Year's Day, 1920. "It is going on under cover of a vigorous 'drive' against 'anarchists,' an 'anarchist' being almost anybody who objects to government of the people by tories and for financial interests . . ."

Seventy-one years old, small and sturdily built, with an unruly black beard and shaggy head of hair, Louis F. Post was a man whose boundless energy and inquiring mind belied his age. During his remarkably varied career, he had been in turn a lawyer, journalist, teacher, lecturer, essayist, historian and politician. A nonconformist in politics and former advocate of the single tax and other reformist movements, Post was a fighting liberal, an inveterate champion of progressive causes.

Panic and hysteria had no appeal for the elderly Assistant Secretary of Labor. As far as Post was concerned, Attorney General Palmer's crusade to rid America of "Reds" was a "despotic and sordid process."

Suddenly, and quite unexpectedly, Post found himself in a position to do something about it . . .

In March, John W. Abercrombie, the Solicitor for the Department of Labor who had been serving as the Acting Secretary during Secretary L. B. Wilson's illness, announced he was taking a leave of absence.

Overnight, Post assumed the authority of Secretary of Labor.

The scholarly, liberal-minded septuagenarian immediately undertook a thorough investigation of the Justice Department "Red records" on which the issuance of arrest warrants and the deportation decisions had been based. "Upon plunging into this clutter . . . I was amazed at the facts disclosed," Post later wrote in his book, *The Deportations Delirium of Nineteen Twenty*. "The whole 'red crusade' stood revealed as a stupendous and cruel fake. Had the facts as they were then thrust upon my attention been generally known, public condemnation of the Department of Justice and its cooperating agencies would have been sure and swift."

To supplement his findings, Post dispatched a number of Labor Department investigators into the field to get first-hand information on the treatment of persons jailed during the Palmer raids. He was soon receiving one shocking report after another.

Two of Post's investigators visited Deer Island. Reporting back to their chief, they described how the prisoners had arrived at this place of detention. "The chains made a pile about that high," said one of the investigators, holding his hand about three feet above the floor.

"Pile of chains!" exclaimed Post.

The other investigator explained, "The Department of Justice marched their prisoners through the streets of Boston in chains. We know it, for we saw photographs of the chained prisoners lined in a group." He paused, then added wryly, "Nothing was lacking in the way of display but a brass band."

As soon as he had in hand detailed evidence of the illegality of the arrests and the deportation proceedings, Post went into action. He cancelled 2,500 of the warrants and ordered the prisoners set free . . .

Immediately, Post was caught up in what he subsequently de-

scribed as a "hurricane" of Congressional politics and newspaper vilification."

The New York Times, declared that the Assistant Secretary of Labor had "let loose on the country public enemies, some of them fugitives from justice." Numerous newspapers demanded Post's removal from office.

In Congress, the Chairman of the House Committee on Immigration and Naturalization, Representative Albert Johnson, charged that Post was the ringleader of "Reds" who were "boring from within" the Labor Department. A group of congressman initiated impeachment proceedings against the Assistant Secretary of Labor.

Old as he was, Post had lost none of his readiness to battle for a good cause, no matter what the odds. But in connection with the impeachment proceedings, Post knew he would need at his disposal the very best legal talent. And how, he wondered, could a man of his modest means afford a high-priced lawyer?

Late one afternoon that April, while Post was sitting in his office at the Labor Department pondering his dilemma, a businessman with whom Post was casually acquainted entered the room. His name was E. T. Gumlach. On the previous evening, Gumlach explained, he had learned of Post's plight. He was himself of a decidedly conservative bent, said Gumlach, not a man to espouse radical causes—but he was an American who believed in justice . . .

Gumlach came to the point of his visit. "In these circumstances," he said, "you will need money, need it bad, and I am here to tell you to draw on me at sight for ten thousand dollars."

Recovering from his astonishment, Post told Gumlach he would accept the offer because he knew "the spirit in which it was offered."

With funds advanced by Gumlach, Post retained as counsel Jackson H. Ralston, one of the country's most eminent attorneys. . .

On May 7, 1920, Post was called for questioning before the House Rules Committee.

The hearing quickly took a dramatic and wholly unexpected turn. In the person of the erudite mettlesome and passionately democratic old man, the inquisitorial congressmen encountered far more than their match. Deftly parrying their questions, speaking with a fervent eloquence and incontrovertibly documenting every statement he made, Post transformed his own trial into a trial of his accusers. The members of the Rules Committee had less and less to say as Post vividly recounted the numerous violations of constitutional law during the Palmer raids, the hundreds of illegal arrests, the lawless searches without warrants and the inhuman treatment of the arrested. It was the duty of American citizens and particularly Government officials, Post told the Committee, to protect the rights of the alien. "We should see to it that no injustice is done him," Post forcefully declared. "If he has a domicile here, he is entitled to the protection of our Constitution, of our laws . . ."

Describing Post's testimony, Mrs. William Hard wrote in the New Republic:

As he stood there, unbowed, ungrayed by his seventy-three years, (\*) there seemed to pass forms, shadowy, real. They were the figures of the ignorant, the hampered, the misunderstood, the Aliens. Back of them were the terrified upholders of our Government. And back of them there seemed, shadowily, to be the Committee of Americanizers that sit in high places. But in the foreground, unterrified by the unreined emotionalism of either, stood a little man, cool but fiery, who set his belief in the Constitution of the country above all fears, and who could amass facts . . .

The little man and his facts won out. The Rules Committee decided to call off the impeachment proceedings.

"The simple truth," commented the New York Post, "is that Louis F. Post deserves the gratitude of every American for his courageous and determined stand in behalf of our fundamental rights. It is too bad that in making this stand he found himself at cross-purposes with the Attorney General, but Mr. Palmer's complaint lies against the Constitution and not against Mr. Post."

There were other patriotic and courageous citizens who recognized, like Louis F. Post, that behind the facade of the anti-Red crusade an assault was being made on the very tenets of American democracy.

In May 1920, twelve of the most distinguished attorneys in the United States published a profoundly significant, sixty-three page pamphlet entitled To The American People-Report Upon the lllegal Practises of the United States Department of Justice. Among the authors of this report were such noted jurists as Roscoe Pound, Dean of the Harvard Law School; Felix Frankfurter, Professor of

<sup>\*</sup> Mrs. Hard was mistaken about Post's age. He was seventy-one years old when he testified.

Law at Harvard Law School; Zechariah Chafee, Jr., one of the nation's outstanding authorities on constitutional law; and Francis Fisher Kane, who had resigned from his post as U. S. District Attorney in Philadelphia in protest against the Palmer raids.

The report of these attorneys contained a painstakingly documented account of the unconstitutional activities of the Justice Department at the time of the Palmer raids, and a penetrating analysis of the ominous implications of these activities.

The report opened with these words:

For more than six months we, the undersigned lawyers, whose sworn duty it is to uphold the Constitution and Laws of the United States, have seen with growing apprehension the continued violation of that Constitution and breaking of those Laws by the Department of Justice.

Under the guise of a campaign for the suppression of radical activities, the office of the Attorney General ... has committed illegal acts ...

The report charged that in order to convince the American public of the existence of a "Red plot" against the Government and "to create sentiment in its favor, the Department of Justice has constituted itself a propaganda bureau, and has sent to newspapers and magazines of this country quantities of material designed to excite public opinion against radicals."

Proceeding to a comprehensive study of the Palmer raids, the report catalogued various violations of the Constitution by the Justice Department, under such headings as: Cruel and Unusual Punishment, Arrests Without Warrants, Unreasonable Searches and Seizures, Compelling Persons to be Witnesses Against Themselves.

"The American People," stated the lawyers in a section entitled *Provocative Agents*, "has never tolerated the use of undercover provocative agents or 'agents provocateurs', such as have been familiar in old Russia or Spain." But the Justice Department had been using such agents for "instigating acts which might be called criminal . . ."

Concluding, the twelve eminent attorneys declared:

Free men respect justice and follow truth, but arbitrary power they will oppose until the end of time ...

It is a fallacy to suppose that, any more than in the past, any servant of the people can safely arrogate to himself unlimited authority. To proceed upon such a supposition is to deny the fundamental theory of the consent of the governed. Here is no question of a vague and threatened menace, but a present assault upon the most sacred principles of our Constitutional liberty. An equally scathing indictment appeared in a lengthy report which was inserted into the Congressional Record by Senator Thomas J. Walsh, the chairman of a Senate committee investigating the practises of the Justice Department. The report was entitled *The Illegal Practises of the Department of Justice*.

"Those who conceived the procedure here criticized," stated this Senate report, "were oblivious of the letter and wholly unappreciative of the spirit of the Bill of Rights."

But the sensational disclosures and grave admonitions of men like Louis F. Post, Senator Thomas J. Walsh, and the twelve attorneys who authored the report, *To the American People*, were largely ignored or grossly distorted by the press. Their sober voices were drowned out in a rising tide of anti-radical hysteria, prejudice and repression.

### 2. "The Foulest Page"

The months of inflammatory agitation against the "Reds," the ominous warnings by Government officials of imminent revolution, the blood-curdling bomb plots, and the panic and terror surrounding the Palmer raids had had their effect on the country as a whole. Fear of the Red Menace pervaded the nation like a contagious madness.

"Innumerable . . . gentlemen now discovered that they could defeat whatever they wanted to defeat by tarring it conspicuously with the Bolshevist brush," historian Frederick Lewis Allen later wrote. "Big-navy men, believers in compulsory military service, . . . book censors, Jew-haters, Negro-haters, landlords, manufacturers, utility executives . . . all wrapped themselves in the Old Glory and the mantle of the Founding Fathers and allied their opponents with Lenin."

Newspapers and magazines overflowed with hair-raising accounts of "Bolshevik atrocities" in Russia and sinister plots of "paid Soviet agents" in America. On January 8, 1920, the nation's press headlined the news that Justice Department agents were "hunting down" the Soviet representative to the United States, Ludwig C.A.K. Martens, who was reported to be financing a "conspiracy to overthrow the American Government." \* Two days later, the House of

<sup>\*</sup> Acting on the request of the Justice Department, the Department of Labor

Representatives refused to seat Socialist Congressman Victor Berger of Milwaukee declaring that his "continued presence" in the Lower House constituted "a menace" to that legislative body.

Soon afterwards, the New York State Assembly announced the expulsion of five Socialist members on the grounds that they were affiliated with "a disloyal organization composed exclusively of traitors." Commented the *New York Times* regarding their expulsion: "It was an American vote altogether, a patriotic and conservative vote."

More than seventy Federal sedition bills were under consideration in Congress. Some of these bills stipulated a maximum penalty of twenty years imprisonment for "unlawful discussion," and the denaturalization and deportation of naturalized citizens for similar offenses. Senator Kenneth D. McKellar of Tennessee called for the establishment of a penal colony in Guam to which "subversive" native-born Americans might be deported.

Almost every state had enacted criminal syndicalist laws making it a felony to advocate "revolutionary" changes in American society. The West Virginia statute defined as criminal any teachings in sympathy with "ideals hostile to those now or henceforth existing under the constitution and laws of this state."

In thirty-two states it had become a criminal offense to display publicly a red flag. Some of these states provided penalties for the use of any emblem of any color "distinctive of bolshevism, anarchism, or radical socialism." In several states the wearing of a red tie constituted a misdemeanor ...

In schools and universities throughout the land investigations of the "loyalty" of teachers and students were instigated by local and state authorities. On the recommendation of the Lusk Committee Investigating Seditious Activities, the New York State Legislature passed a law requiring "teachers in public schools to secure . . . a special certificate certifying that they are of good character and that they are loyal to the institutions of State and Nation." The bill read in part:

had issued a warrant for Marten's arrest for deportation. The brief against Martens was prepared by J. Edgar Hoover.

In December 1920, Secretary of Labor Wilson ruled that Martens "was not proved to have done anything unlawful as an individual." The illegal deportation warrant which Hoover had obtained was cancelled. In January 1921, Martens returned to Russia of his own accord.

No person who is not eager to combat the theories of social change should be entrusted with the task of fitting the young and old of this State for the responsibilities of citizenship.

Well-known liberals of the day like Jane Addams, Rabbi Stephen S. Wise, Oswald Villard and Felix Frankfurter were widely denounced as "tools of the Reds." Charles Chaplin, Will Rogers, Norma Talmadge and other actors and entertainers were accused of being "Communists." According to the Better American Federation of California, Sinclair Lewis' novel, *Main Street*, was "subversive" because it "created a distaste for the conventional good life of the American."

An Indiana jury, after deliberating two minutes, acquitted a man who had murdered an alien for shouting, "To hell with the United States"...

In this miasmic climate, vigilante groups of self-styled patriots were mushrooming in every corner of the land. The white plague of the Ku Klux Klan began swiftly spreading through Georgia, Indiana, Colorado, Ohio and a score of other states; and every month tens of thousands of new members joined the hooded terrorists who were pledged to purge America of "Catholics, Communists, Jews and aliens." \* In Michigan, the *Dearborn Independent*,

<sup>\*</sup> Organized during the Reconstruction era of the 1870's to deprive Negroes of rights won in the Civil War, the Ku Klux Klan had been dormant from the turn of the century until 1915, when the secret terrorist society was revived under the leadership of a former preacher and traveling salesman named William J. Simmons. In 1920 the membership of the Klan soared to 700,000. By 1925 its members numbered almost 9,000,000; and the Klan had become a national power.

With its vast secret apparatus-the Invisible Empire-the Klan came to dominate the political life of Texas, Georgia, Arkansas, Oklahoma, Indiana, Oregon, and other states. In 1924 Klan-sponsored candidates won the gubernatorial elections in Kansas, Indiana and Maine and the senatorial races in Oklahoma and Colorado.

<sup>&</sup>quot;The rise of the Ku Klux Klan from 1922 to 1925 was no accident," Roger N. Baldwin, director of the American Civil Liberties Union, later wrote. "Its organized intolerance was only a transfer to the field of racial and religious conflict of the domination of the ruling economic class. . . ."

In large sections of the country, the hooded Klansmen terrorized the population with crossburnings, nightriding, intimidatory parades, floggings, mutilations and lynchings. In Louisiana, Klansmen killed some victims with a steam roller. In Oklahoma, an investigation revealed over 2,000 cases of violence by the Klan in two years. There were no arrests or prosecutions in connection with these crimes.

In the late 1920's, after a series of newspaper exposés and public investigations, the membership of the Klan and its influence underwent a rapid decline. The secret society, however, began to grow again in the middle 1930's when

a weekly newspaper published by the famous auto magnate, Henry Ford, launched a nationwide campaign of vitriolic anti-Semitic propaganda with a front page editorial headlined, "The International Jew: the World's Problem"; and shortly thereafter Ford's newspaper began serializing the infamous anti-Semitic forgery, *The Protocols of the Wise Men of Zion*.

Appearing before the Senate Judiciary Committee in Washington that summer, Attorney General A. Mitchell Palmer declared: "I apologize for nothing that the Department of Justice has done ... I glory in it. I point with pride and enthusiasm to the results of that work; and if ... some of my agents out in the field were a little rough and unkind, or short and curt, with these alien agitators ... I think it might be well overlooked in the general good to the country which has come from it."

The Attorney General recommended that Congress pass a law stipulating the death penalty for "dangerous acts" of peactime sedition . . .

The round-up of "Soviet spies" and "dangerous radical aliens" continued. Among those arrested—taken into custody on May 5 in a small town near Boston and charged with robbery and murder—were two obscure Italian anarchists whose names were destined to become world famous: Nicola Sacco and Bartolomeo Vanzetti.\*

In Boston that same May, an undistinguished Republican Senator told a group of businessmen: "America's present need is not heroics but healing, not nostrums but normalcy, not revolution but restoration."

The Senator was Warren G. Harding of Ohio.

"America is no longer a free country, in the old sense; and liberty is, increasingly, a mere rhetorical figure . . .," wrote Katherine Fullerton Gerould in an article in *Harper's Magazine*. "On every hand, free speech is choked off in one direction or another. The only way in which an American citizen who is really interested in the social and political problems of his country can preserve any freedom of expression, is to choose the mob that is most sympathetic to him and abide under the shadow of the mob."

its members played a leading role in combatting the growth of industrial trade unions.

<sup>\*</sup> For details on the case of Sacco and Vanzetti, see pages 93 ff.

During the course of a sermon delivered at the Cathedral of St. John the Divine in New York City, Bishop Charles D. Williams of the Protestant Episcopal Diocese of Eastern Michigan declared:

Businessmen are seeing "red." They commenced seeing "red" with their drive on radicalism. They branded everyone who had a progressive thought as a "parlor bolshevist," and persons have been secretly arrested by paid spies on manufactured information and deported without cause.

Bishop Williams added:

The very principles of Americanism have been undermined by hysteria and panic. It is the foulest page in American history!

#### Chapter III

# **BALANCE SHEET**

THE postwar wave of reaction in the United States cost the American people many of their most cherished democratic rights. It fomented nationwide intolerance, hysteria, hatred and fear. Thousands of innocent persons had been arrested, jailed and tortured. Scores had died in labor struggles, lynchings and race riots. Never before had terror and repression been so widespread in the nation.

What were the causes behind this "foulest page in American history?"

Federal authorities explained the Palmer raids and other postwar repressions as necessary measures to protect the nation against a "Communist plot" to overthrow the United States Government.

Actually, the crusade against Communism played a role of secondary importance. The left-wing forces in the United States at the time were extremely few in number. According to an estimate made late in 1919 by Professor Gordon S. Watkins of the University of Illinois, the combined membership of the Socialist, Communist and Communist Labor Parties was between eighty and one hundred thousand. "In other words . . .," writes Frederick Lewis Allen in Only Yesterday, "the Communists could muster at the most hardly more than one-tenth of one per cent of the adult population; and the three parties together . . . brought the proportion to hardly more than two-tenths of one per cent, a rather slender nucleus, it would seem, for a revolutionary mass movement."

Allen indicates some of the more compelling motives behind the postwar "anti-Communist" drive:

... the American businessman ... had come out of the war with his fighting blood up, ready to lick the next thing that stood in his way.... Labor stood in his way and threatened his profits... he developed a fervent belief that 100-percent Americanism ... implied the right of

the businessman to kick the union organizer out of his workshop.... he was quite ready to believe that a struggle of American laboring-man for better wages was the beginning of an armed rebellion directed by Lenin and Trotsky....\*

American workers who went on strike in defense of their unions and living standards were widely branded as "Reds" and "pawns of Bolshevik agents."

"To smash these strikes," writes Henry M. Morais and William Cahn in their biography, *Gene Debs*, "the cry of a 'red plot' was raised."

The Associated Employers of Indianapolis called for the immediate passage and "enforcement of laws to check the radicalism of the A. F. of L. and the Bolshevists . . ."

The stratagem of the "Red Menace" was well adapted to the mood of the time. As Selig Perlman and Philip Taft state in *The History of Labor in the United States:* 

For the large strata of the general population, the wartime emotion was now ready to be transferred into an anti-red hysteria, with strikes and wage demands often held manifestations of "redness."

The chief objectives of the Palmer raids and the postwar crusade against "Communism" were to crush the organized labor movement, drive down wages, restore the open shop on a national scale, and effect greater profits for the large corporations.

\* During the war itself, there had been harsh, widespread repressions against those sections of the labor movement whose demands were regarded as "unreasonable," and against left-wing elements opposed to America's participation in the war on the grounds that it was an imperialist war. Throughout the country, members of the IWW (Industrial Workers of the World) were subjected to intense persecution by law-enforcement agencies and vigilante mobs, were brutally beaten, jailed and lynched. Militant trade union leaders and radicals were convicted on trumped-up charges and imprisoned.

The two most famous working class leaders to be jailed during the war were Thomas J. Mooney and Eugene V. Debs.

An outstanding trade unionist in California, Mooney was framed on a bombing charge in San Francisco in July 1916 and sentenced to be hanged. Nationwide protests resulted in the commutation of the sentence to life imprisonment. In 1939, after serving twenty-two years at San Quentin Penitentiary, Mooney was granted an unconditional pardon by Governor Culbert Olson of California and released.

The renowned Socialist and former leader of railroad workers, Eugene V. Debs, was sentenced in September 1918 to ten years imprisonment on charges of violating the Espionage Act, because of his opposition to America's participation in the war. After serving three years, Debs was pardoned by President Harding in December 1921. (In 1920, while still in prison, Debs received The Department of Justice shared the objectives of big business. From the first, the Palmer raids and the "anti-radical" operations of J. Edgar Hoover's General Intelligence Division of the Bureau of Investigation were aimed chiefly at the trade unions and the labor movement.

According to the subsequent testimony of Attorney General A. Mitchell Palmer before the House Rules Committee, a strike in June 1919 at the Ansonia, Connecticut, branch of the American Brass Company had been "instituted entirely by the foreigners" and was dealt with in this effective fashion:

A number of the most active leaders were arrested on deportation warrants; some were included in the passenger list of the Buford . . . However, a number of prominent agitators who were citizens continued their efforts. The strike failed after federal and state prosecutions.

The Attorney General went on to tell the members of the Rules Committee that the great steel strike of 1919 was "terminated ... through the action of the Department of Justice."

On January 3, 1920, the New York Times offered this account of the Justice Department preparations for the Palmer raids of the previous night:

The action, though it came with dramatic suddenness, had been carefully mapped out, studied and systematized . . . For months, Department of Justice men, dropping all their work, had concentrated on the Reds. Agents quietly infiltrated into the radical ranks . . . and went to work, sometimes as cooks in remote mining colonies, again as steelworkers, and when the opportunity presented itself, as agitators of the wildest type. . . . several of the agents, 'under-cover' men, managed to rise in the radical movement and become, in at least one instance, the recognized leader of the district . . .

During the steel strike, coal strike, and threatened railway strikes, secret agents moved constantly among the more radical of the agitators and collected a mass of evidence. For months an elaborate card index of the utterances, habits, and whereabouts of these men had been made. From time to time the Department of Justice will, from now on, round up these disturbers and either send them to the courts or out of the country.

Throughout this period, the Bureau of Investigation worked in intimate, secret collaboration with the labor espionage apparatuses of the large corporations.

920,000 votes as the candidate of the Socialist Party for President of the United States.)

<sup>36</sup> 

"The whole 'red' crusade," wrote Louis F. Post in *The Deportation Delirium of Nineteen-Twenty* "seems to have been saturated with 'labor spy' interests—the interests, that is, of private detective agencies . . . in the secret service of masterful corporations . . .

The Commission of Inquiry of the Interchurch World Movement recorded in its Report of the Steel Strike of 1919:

Federal immigration authorities testified to the commission that raids and arrests, for "radicalism," etc., were made especially in the Pittsburgh District on the denunciations and secret reports of steel company "under-cover" men, and the prisoners turned over to the Department of Justice.

According to one Federal agent operating in the Pittsburgh area, who testified before the Commission of Inquiry of the Interchurch World Movement, "ninety per cent of all the radicals arrested and taken into custody were reported by one of the large corporations, either of the steel or coal industry . . ."

Complementing the drive against organized labor was the concerted campaign against the entire progressive movement. The essential aims of this campaign were to stifle all liberal protest; crush the political opposition of the Socialist, Communist and other left-wing parties; intimidate champions of civil liberties; and suppress the struggles of minority groups for decent living standards and equal rights.

Among minority groups, the Negro people were singled out for special attack. While lynchings and other anti-Negro outrages were occurring on a nationwide scale, Attorney General Palmer compiled an extensive report entitled *Samples of Negro Propaganda*, which he later submitted to the House Rules Committee. "Toward the close of the European war," the Attorney General told the members of the Rules Committee, "the Department of Justice was confronted with considerable agitation and unrest among the Negroes." The Department, said Palmer, had as yet "not found any concerted movement on the part of Negroes to cause a general uprising throughout the country." . . . A final objective of the "anti-Communist" drive was to silence

A final objective of the "anti-Communist" drive was to silence voices demanding an end to America's participation in the war of intervention against Soviet Russia and urging diplomatic recognition of the Soviet Government. As the New York Times observed on January 5, 1920 regarding "radicals" arrested during the Palmer raids: "These Communists are a pernicious gang. In many languages they are denouncing the blockade of Russia."

"Even were one to admit that there existed any serious 'Red menace' before the Attorney General started his 'unflinching war' against it," wrote the authors of the *Report Upon the Illegal Practices of the United States Department of Justice*, "his campaign has been singularly fruitless." Pointing out that Attorney General Palmer, after announcing the Justice Department possessed a list of 60,000 "Bolshevik suspects," had deported a total of only 281 aliens and ordered the deportation of 529 others, the Report commented: "The Attorney General has consequently got rid of 810 alien suspects, which, on his own showing, leaves him at least 59,160 persons (aliens and citizens) still to cope with."

But in terms of its real objectives, the postwar "anti-communist" crusade was far from fruitless. Along the entire industrial front, from New Jersey to California, major strikes were broken, wages driven down, the open shop restored and the organized labor movement reduced to a shadow of its wartime strength. The case of the Seamen's Union was not exceptional: its membership in 1920 had been 100,000; two years later, its membership was 18,000. By 1923, the American Federation of Labor had lost more than a million members.

The success of this campaign against the labor movement was due not only to the enormous power of American industrialfinancial interests, which had emerged from the war with far greater resources and influence than ever before, and to the extensive assistance rendered these interests by the Justice Department and other Government agencies. The success of the campaign was due also to major weaknesses in the labor movement. With the exception of a few militants like William Z. Foster,\* the trade union leadership was in the hands of opportunistic, corrupt or timid officials, who were scarcely less alarmed than the employers themselves by the militancy of the workers. Red-baiting and internecine squabbles wracked the organized labor movement. Of the leadership of the railroad brotherhoods, the *Wall Street Journal* observed:

<sup>\*</sup> Historian Frederick Lewis Allen describes William Z. Foster as "the most energetic and intelligent of the strike organizers."

It is no paradox to say that their inability to stand shoulder to shoulder throughout the strike was the most fortunate thing that could have happened, first for the country at large and eventually for the investor in the railroads.

The defeat which was suffered by the American labor movement represented at the same time a defeat for the American people as a whole. The nation was to pay heavily for the victory which big business had won.

The anti-democratic excesses and the undermining of the progressive movement during the years immediately following the Great War paved the way for one of the most shameful and disastrous eras in American history. It was to be an era of unprecedented corruption and crime in high places; an era of absolute domination of the Government by predatory vested interests, of profiteering, fraud and embezzlement on a prodigious scale, of ruthless and unrestrained looting of the land.

It was to culminate in the Great Depression.



# BOOK TWO: LOOTING THE LAND

For twelve years this Nation was afflicted with hearnothing, see-nothing, do-nothing Government. The Nation looked to the Government but the Government looked away. Nine mocking years with the golden calf and three long years of the scourge! Nine crazy years at the ticker tape and three long years in the breadlines! Nine mad years of mirage and three long years of despair!

> President Franklin D. Roosevelt, October 31, 1936.

#### Chapter IV

## **INCREDIBLE ERA**

#### 1. The Making of a President

THE Republican National Convention, which took place in June 1920 in Chicago, Illinois, was a most extraordinary affair.

"The Presidency was for sale," writes Karl Schriftgiesser in *This Was Normalcy*. "The city of Chicago, never averse to monetary indecencies, was jam-packed with frenzied bidders, their pockets bulging with money with which to buy the prize. The Coliseum became a market place, crowded with stock gamblers, oil promoters, mining magnates, munition makers, sports promoters, and soap makers . . . The lobbies and rooms of the Loop hotels were in a turmoil as the potential buyers of office scurried about lining up their supporters, making their deals, issuing furtive orders, passing out secret funds."

Among the captains of industry and finance who had flocked into the Windy City to make sure the Republican Presidential candidate was a man to their taste were Harry F. Sinclair, head of the Sinclair Oil Company, who had already invested \$75,000 in the Republican campaign and was to put up another \$185,000 before the campaign was over; Judge Elbert H. Gary, Chairman of the Board of Directors of U.S. Steel, whose name had figured prominently in the smashing of the 1919 steel strike; Samuel M. Vauclain, president of the Baldwin Locomotive Company; Thomas W. Lamont, partner in the firm of J. P. Morgan and Company; Edward L. Doheny, president of the Pan-American Petroleum Company; and William Boyce Thompson, the copper magnate, who had recently returned from Soviet Russia, where as head of the American Red Cross mission he had staked \$1,000,000 of his own money in an effort to stem the tide of the Russian Revolution. For conducting the devious, backstairs negotiations among the different delegations, and for keeping things in general under control at the open sessions of the Convention at the Chicago Coliseum, the renowned industrialists and financiers were relying on a small, select group of Republican politicians. These "political deputies of wealth," together with their connections, as named by Ferdinand Lundberg in his book, *America's 60 Families*, were

Senators Henry Cabot Lodge (Morgan), Medill McCormick (Chicago Tribune-International Harvester Company), James E. Watson of Indiana (Klan), Reed Smoot (Utah sugar interests), James W. Wadsworth of New York (Morgan) and Frank Brandages of Connecticut (Morgan).

Shortly after dinner on the sweltering hot night of June 9, with the Convention balloting for the Presidential candidate deadlocked between General Leonard Wood and Governor Frank O. Lowden of Illinois, the junto of Senators met in the three-room suite of the Republican National Chairman, Will Hays, at the Blackstone Hotel.

Present at the secret meeting, in addition to the Senators, was George B. M. Harvey, the eccentric, influential publisher of *Har*vey's Weekly, who had close connections with J. P. Morgan and Company and was frequently referred to as the "President-maker."

Periodically, as the evening wore on, Nicholas Murray Butler, president of Columbia University and a key figure in the inner circles of the Republican Party, drifted in and out of the smokefilled room in which the private, animated conference was taking place.

Around midnight, the decision was reached as to who should be the Republican candidate for President . . .

Senator Warren Harding of Ohio, tired, disheveled and slightly intoxicated, was summoned to Will Hays' suite.

"Senator, we want to put a question to you," said George Harvey. "Is there in your life or background any element which might embarrass the Republican Party if we nominate you for President?"

The meaning of this question was to be later interpreted in various ways. One interpretation was that Harvey and his colleagues wanted to be certain that Harding was not part Negro, as had been claimed in some scurrilous racist propaganda then circulating in Chicago. Harvey's own subsequent explanation was that the Senator was being asked to seek Divine guidance regarding his fitness to become President. Another version was that Harding was being given the opportunity to inform his backers whether his relationship with Nan Britton, the mother of his illegitimate daughter, might be disclosed and become an embarrassing issue during the Presidential campaign.

At any rate, Harding retired to an adjourning room, remained there a short while, and then came back and solemnly assured the others that there was nothing in his past to preclude his becoming President . . .

On the following afternoon, Senator Warren G. Harding was nominated as the Republican candidate for President of the United States. Selected to be his running-mate, as candidate for Vice-President, was Governor Calvin Coolidge of Massachusetts, best known for his role in suppressing a police strike in Boston in 1919.

Commenting editorially on Harding's nomination, the New York Times stated:

... the Chicago convention presents a candidate whose nomination will be received with astonishment and dismay by the party whose suffrages he invites... Senator Harding's record at Washington has been faint and colorless ...

The nomination of Harding ... is the fine and perfect flower of the Senatorial cabal that charged itself with the management of the Republican Convention ...

As for principles, they have only hatred of Mr. Wilson and a ravening hunger for the offices.

According to the *Nation*, Harding was a "colorless and platitudinous, uninspired and uninspiring nobody" who had been trotted out by the Republican Old Guard "like a cigar store Indian to attract trade."

Warren Harding's own succinct comment on the fact he had been selected to run for President of the United States was: "We drew to a pair of aces and filled."

#### 2. "God, What a Job!"

There was one thing about Senator Harding on which everyone agreed: he was an unusually handsome man. Tall and distinguished-looking, with a large well-molded face, deep-set ingenuous eyes and silvery-grey hair, he cut an imposing figure in any gathering. It was this quality which, years before, had convinced his close personal friend and Presidential campaign manager, Harry M. Daugherty, that a great political future lay ahead of Harding. "He *looks* like a President!" Daugherty repeatedly insisted. And, from the beginning, Daugherty had been determined to see that Harding became one . . .

Harry Micajah Daugherty, a blustering, heavy-set man who usually sported a massive pearl stickpin in his garish ties, was a lawyer by profession. His real business, however, was lobbying for large corporations in the Ohio State Legislature, in which he himself had served two terms as a member of the House of Representatives. For a good many years, Daugherty had played a prominent role in the notoriously corrupt Republican political machine in Ohio which was known as the "Ohio Gang."

"I frankly confess to a leadership in the so-called 'Ohio Gang'...," Daugherty subsequently stated in his book, *The Inside Story of the Harding Tragedy*, which he wrote in collaboration with Thomas Dixon, author of *The Birth of a Nation* and other pro-Ku Klux Klan writings. "On the lips of rival politicians the 'Ohio Gang' is an epithet. I wear its badge as a mark of honor."

In 1914 Daugherty had persuaded his friend, Harding, who was then editor of a small newspaper in Marion, Ohio, to run for the United States Senate. Harding at first had been reluctant. "When it came to running for the Senate," Daugherty later reminisced, "I found him sunning himself in Florida like a turtle on a log, and I had to push him into the water and make him swim." With the support of the Ohio Gang, Harding was elected to the Senate . . .

As Senator, Harding spent most of his time in Washington at poker games, the ball park and the race track. The few speeches Harding made in the Senate, as unforgettably described by William G. McAdoo, left "the impression of an army of pompous phrases moving over the landscape in search of an idea; sometimes these meandering words would actually capture a straggling thought and bear it triumphantly, a prisoner in their midst, until it died of servitude and overwork."

When Daugherty proposed that Harding make a bid for the Republican Presidential nomination, the Senator asked: "Am I a big enough man for the race?"

"Don't make me laugh!" said Daugherty. "The day of giants in the Presidential Chair is passed . . ." What was now needed was an "every-day garden variety of man." And Harding, declared Daugherty emphatically, was just that sort of man . . .

In February 1920, three months before the Republican National Convention in Chicago, Daugherty had made this remarkably accurate prediction: "At the proper time after the Republican National Convention meets, some fifteen men, bleary-eyed with loss of sleep and perspiring profusely with the excessive heat, will sit down in seclusion around a big table. I will present the name of Senator Harding to them, and before we get through they will put him over."

In November 1920, in a runaway victory at the polls, Warren Gamaliel Harding was elected President of the United States.\* He took office on March 4, 1921.

The members of what was to become known as Harding's "Black Cabinet" included Secretary of the Treasury Andrew Mellon, the diminutive soft-spoken multi-millionaire who dominated the aluminum trust and ruled a vast private empire of oil wells, coal mines, steel mills, utility corporations, and banking houses; Secretary of War John W. Weeks, ex-Senator from Massachusetts and partner in the Boston brokerage firm of Hornblower and Weeks; Secretary of Commerce Herbert Hoover, former head of the American Relief Administration, who had amassed an immense personal fortune before the war in the promotion of dubious mining stocks in backward parts of the world; Secretary of the Interior Albert B. Fall, ex-Senator from New Mexico, where as a lawyer and politician he had maintained intimate, shady connections with large oil interests; and Postmaster General Will Hays, former Chairman of the Republican National Committee and chief counsel for the Sinclair Oil Company.

To Harding's political mentor and bosom friend, Harry M. Daugherty, went the post of U.S. Attorney General . . . . +

<sup>\*</sup> The candidates of the Democratic Party were, for President, the Governor of Ohio, James M. Cox; for Vice-President, the thirty-eight year old Assistant Secretary of the Navy, Franklin Delano Roosevelt.

<sup>&</sup>lt;sup>†</sup> There was one man in the Harding Cabinet who, in the words of Karl Schriftgeisser, "had real qualifications for his post." He was the Secretary of Agriculture, Henry C. Wallace. "Honest, outspoken and (in his way) a true liberal . . . ," writes Schriftgeisser of Henry C. Wallace in *This Was Normalcy*, "he was not without his enemies both within and without the cabinet. Surrounded as he was by men of whose faults he was only too aware, his life

Few, if any, of the members of the new Administration were less equipped to fill their posts than the President himself.

Not long after his inauguration, Harding was visited at the White House by his old friend, Nicholas Murray Butler. The head of Columbia University found the President sitting in his study, staring disconsolately at the letters, documents and papers of state that cluttered up his desk. Gloomily, Harding muttered, "I knew that this job would be too much for me."

On another occasion, after listening in frustrated bewilderment to a long, heated discussion among his advisers on a question of taxation, Harding flung himself wearily into the office of one of his secretaries.

"John, I can't make a damn thing out of this tax problem!" Harding blurted out to the secretary. "I listen to one side and they seem right, and then-God!-I talk to the other side and they seem just as right, and here I am where I started. I know somewhere there is a book that will give me the truth, but, hell! I couldn't read the book. I know somewhere there is an economist who knows the truth but I don't know where to find him and haven't the sense to know him and trust him when I do find him."

Shaking his head in exasperation, the President cried, "God, what a job!"

But Harding's own sense of inadequacy notwithstanding, his qualifications for the office of President were eminently satisfactory to the millionaires who had sponsored his candidacy. As Charles W. Thompson states in his book Presidents I've Known: "They could shuffle him and deal him like a pack of cards."

#### 3. The Ways of Normalcy

The domestic policy of the Harding Administration, as described by Charles and Mary Beard in The Rise of American Civilization, consisted essentially of

a repeal of the taxes on incomes, inheritances, and excess profits, especially the higher schedules, and a shift of the burden of federal support from wealth enjoyed by the rich to goods consumed by the masses

in Washington was to be an unhappy one. But with the passing of the years, he stands out, head and shoulders, above the rest of the 'best minds.'" For details on the political career of Henry C. Wallace's son, Henry A.

Wallace, see Books Three and Four.

... "no government interference with business"-no official meddling with mergers, combinations, and stock issues, no resort to harsh pricefixing or regulatory schemes, and a release of the tense pressure exerted upon railways.

"Anyone knows," philosophized Andrew Mellon, Harding's fabulously rich Secretary of the Treasury, who was affectionately called "Uncle Andy" by the other Cabinet members, "that any man of energy and initiative can get what he wants out of life . . . when that initiative is crippled by legislation or a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself . . ."

As soon as the Sixty-seventh Congress convened, Mellon, who lacked neither energy nor initiative, pressed for and secured the repeal of the Excess Profits Act of 1917. The liquidation of this Act effected a yearly tax saving for large corporations of more than \$1,500,000,000, and, incidentally, a saving of approximately \$1,000,-000 a year for the diverse, multiple interests of Andrew Mellon ...

The foreign policy of the Harding Administration was keynoted by the slogan, "America First", which Harding, at Daugherty's suggestion had repeatedly employed during his campaign speeches.\* This foreign policy, as viewed by Walter Lippman, then writing for the New York World, was based on these concepts:

That the fate of America is in no important way connected with the fate of Europe.

That Europe should stew in its own juice . . . That we can sell to Europe, without buying from Europe. . . . and that if Europe doesn't like she can lump it, but she had better not.

"Let the internationalist dream and the Bolshevik destroy," declared President Harding. "God pity him 'for whom no minstrel raptures swell.' In the spirit of the republic we proclaim Americanism and proclaim America!"

There was, however, one highly significant phase of American political-economic life to which the tenets of isolationism did not apply. While publicly applauding Harding's program of "an end to entangling foreign alliances," American finance-capitalists were privately drafting secret international agreements with German, Japanese, British and other foreign cartelists, and had already em-

<sup>\*</sup> The same slogan was again revived on an extensive scale by the America First Party in 1940-41. See page 219.

barked upon an ambitious program to infiltrate and dominate the markets of Europe and Asia.\*

Shortly before his inauguration, Harding had publicly observed, "It will help if we have a revival of religion . . . I don't think any government can be just if it does not somehow have contact with Omnipotent God . . . It might interest you to know that while I have never been a great reader of the Bible, I have never read it as closely as in the last weeks when my mind has been bent upon the work that I must shortly take up . . ."

Whatever the extent of his familiarity with the Bible, there was definitely something of a biblical parable to be seen in Harding's conduct as President of the United States. In the words of the famous journalist, William Allen White:

Harding's story is the story of his times, the story of the Prodigal Son, our democracy that turned away from the things of the spirit, got its share of the patrimony ruthlessly and went out and lived riotously and ended it by feeding among the swine.

Within a few weeks after the Harding Administration took over, the city of Washington was teeming with a motley crew of Republican Party bosses, big businessmen, bootleggers, members of the Ohio Gang, and big-time confidence men. Not a few of these individuals held key offices in the new Administration. Others were lobbyists for big corporations. All had come to share in the loot.

A mood of abandoned merrymaking pervaded the nation's capitol. Wild parties and games of chance for fabulous stakes were nightly occurrences. Prostitutes were plentiful. Prohibition or not, liquor flowed freely . . .

Rowdy, cigar-smoking politicos congregated almost every evening in the sedate rooms of the White House for boisterous drinking parties and shirt-sleeved poker sessions lasting into the early morning hours. "While the big official receptions were going on," recollects Alice Longworth, in her book, *Crowded Hours*, "I don't think the people had any idea what was taking place in the rooms above. One evening while one was in progress, a friend of the Hardings asked me if I would like to go up to the study. I had heard rumors and was curious to see for myself what truth was in

<sup>\*</sup> For further details on cartel and other international operations of American finance-capital during the 1920's, see page 81.

them. No rumor could have exceeded the reality; the study was filled with cronies . . . the air was heavy with tobacco smoke, trays with bottles containing every imaginable brand of liquor stood about, cards and poker chips ready at hand—a general atmosphere of waistcoat unbuttoned, feet on desk, and the spittoon alongside."

Not all the gay carousals of the President and his boon companions took place at the White House. Mrs. Harding, a petite shriveled woman several years her husband's senior, who favored a black velvet neck-band and was familiarly known in the inner Harding circle as "The Duchess," was a possessive, domineering and extremely jealous wife. Although Harding's mistress, Nan Britton, paid occasional clandestine visits to the Presidential mansion, more discreet rendezvous were deemed advisable . . .\*

For purposes of relaxion and revelry, the Ohio Gang established a private retreat at a small comfortable residence at 1625 K Street. This house, which came to be called "The Little Green House," was rented by Howard Mannington, a lawyer and politician from Columbus, Ohio. While holding no official Government post, Man-

The book recounts such tawdry episodes as the furtive meetings between Harding and Nan Britton in disreputable hotels, shabby rooming houses, the Senate Office Building and the White House; and how, when they were traveling together, Nan Britton would register at hotels as Harding's "neice" or "secretary," and sometimes as his wife. During one of their meetings, which took place in an obscure New York hotel while Harding was still a Senator, house detectives broke in on the couple. Depicting Harding's reaction, Nan Britton writes: "They got us!" [said Harding] . . . He seemed so pitifully distressed . . . sat disconsolately on the edge of the bed, pleading that we had not disturbed any of their guests, and for this reason should be allowed to depart in peace." The detectives, on learning Harding was a member of the U. S. Senate, respectfully conducted the couple out of a side entrance of the hotel. "Gee, Nan," Harding told his mistress, "I thought I wouldn't get out of that for under \$1000!"

In one of the more significant passages in the book, Nan Britton relates how Harding, as a Senator, obtained a secretarial position for her at the United States Steel Corporation: "I had never heard of Judge Gary, strange to say, and he [Harding] explained that he was the Chairman of Directors of the largest industrial corporation in the world. Mr. Harding handed his card to the secretary in Judge Gary's outer office. The judge came out immediately. After introducing me to Judge Gary, Mr. Harding inquired casually of him whether his senatorial services in a certain matter had been satisfactory. The judge replied that they had indeed and thanked Mr. Harding . . ."

<sup>\*</sup> Nan Britton later wrote a book, entitled *The President's Daughter*, describing in intimate and sordid detail her clandestine affair with Hardingfirst as U. S. Senator and then as President—and the birth of their illegitimate daughter, Elizabeth Ann. Although written in a maudlin and meretricious style, the book nevertheless offers a revealing picture of the character of the 28th President of the United States.

nington was in almost daily contact with Attorney General Daugherty and other prominent figures in the Administration. Mannington was on equally familiar terms with a number of the nation's leading bootleggers, who used the house on K Street as a headquarters when they visited Washington, and who there made arrangements to buy permits for large quantities of liquor from Government-controlled distilleries. At the Little Green House, arrangements were also frequently made for federal convicts to buy pardons, and for aspiring jurists to purchase federal judgeships.

Another favorite rendezvous of the Ohio Gang was a house at 1509 H Street, where Attorney General Daugherty lived together with his close friend and personal aide, Jesse Smith. The house, complete with butler and cook, had been turned over to Daugherty by its owner, Edward B. McLean, the affluent playboy publisher of the *Cincinnati Enquirer* and the *Washington Post*, whose sumptuous estate, "Friendship," was frequented by President Harding and key members of the Administration.

A description of the sort of affairs held in the house on H Street appears in the memoirs of Gaston B. Means, who was one of the chief investigators in the Bureau of Investigation during the Harding Administration. Means relates:

One night . . . my home phone rang . . . "Means? . . . This is Jess Smith. Say-come around to H Street quick as you can get here, will you? There's-a little trouble-" . . . I slipped into my clothes . . . and hustled around to H Street. Everyone knew of the many gay midnight suppers there . . .

So I was not altogether unprepared for the scene that I walked into when the door was opened for me. The rooms were in the wildest disorder. The dinner table had been cleared—evidently for the dancing of chorus girls—dishes were scattered over the floor—bottles lay on chairs and tables. Everybody had drunk to excess. Half drunken women and girls sprawled on couches and chairs—all of them now with terror on their painted faces.

I was approached by Mr. Boyd who told me that somehow, accidentally, when they were clearing the table for the girls to dance . . . and everybody was throwing bottles or glasses—that a water bottle had hit one of the girls on the head and she seemed badly done up.

I saw President Harding leaning against a mantel with his guards standing near and I whispered to the man next to me that they better get the President out and away first . . .

I found the unconscious girl stretched out on a sofa in a rear hall... I dared not 'phone for a doctor or an ambulance so I picked the scemingly lifeless figure in my arms and carried her out to my car and took her to a hospital behind the Hamilton Hotel. She was unconscious for days and was finally operated on.\*

It was not without reason that William Allen White later wrote of the Harding era: "The story of Babylon is a Sunday school story compared with the story of Washington from June 1920, until July 1923."

\* For further details on Gaston B. Means' activities during the Harding Administration, see pages 63 ff.

#### Chapter v

## **ROGUE'S GALLERY**

## 1. "The Real Old Times"

ONE month after the inauguration of President Harding, a certain Colonel Charles R. Forbes showed up in the nation's capitol. He was a ruddy-faced, hard-drinking, swaggering adventurer, with a penchant for spinning extravagant yarns and an easy way with members of the opposite sex. During the war he had been decorated with the Croix de Guerre and the Distinguished Service Medal. His checkered career had also included desertion from the U. S. Army, crooked ward politics on the West Coast, shady operations as a business contractor, and several years of lucrative underhand dealings as a public official in the Philippine Islands.

The reason Colonel Forbes came to Washington in the early spring of 1921 was that he had been summoned by President Harding himself . . .

Colonel Forbes and Senator and Mrs. Harding had met in Hawaii before the war. The Hardings were enchanted by Forbes' inexhaustible tall tales and boisterous affability; Forbes found Harding to be a good-natured loser at poker; and a warm friendship quickly blossomed between the Colonel and the future President and his wife. During the 1920 Presidential campaign, Forbes, who was then vice-president of the Hurley-Mason Construction Company of Tacoma, campaigned energetically for Harding on the West Coast; and following his election, Harding called his old friend to Washington to take charge of the Bureau of War Risk Insurance. Soon afterwards, Forbes was appointed director of the newly formed United States Veterans' Bureau . . .

As head of the Veterans' Bureau, Colonel Forbes was responsible for the management of all veterans' hospitals in the country, the disposal of war-time medical supplies and hospital equipment, and the construction of new hospitals for veterans. The total expenditures of the Veterans' Bureau were estimated at approximately \$500,000,000 a year.

The swashbuckling colonel lost little time in exploiting the bonanza that had fallen into his hands. He promptly appointed as his aides and subordinates a number of friends and old cronies, men who could be relied upon to do just what they were told and whose scruples were no more exacting than his own when it came to matters of graft and embezzlement. The offices of the Veterans' Bureau were soon swarming with hard-boiled swindlers and petty racketeers, who traveled around the country, staging wild parties, carousing and living in luxury on government funds that had been set aside to care for disabled war veterans . . .

A typical letter written by one of Forbes' field representatives, R. A. Tripp, to his immediate superior in Washington, read in part:

You are missing the real old times. Hunting season is on-rabbit dinners, pheasant suppers, wines, beers, and booze-and by God we haven't missed a one yet. Collins and I get invitations to 'em all. Last Wed. I was soused to the gills on rabbit, etc. Last Sat. wines-Oh, Boy! ... We eat and wine with the mayor, the sheriff, the prosecuting atty.

To hell with the Central Office and the work. And the fun is in the field-'tis all the work I want-just travel around.

Regarding the site of one veterans' hospital, Tripp jocularly noted:

Fire hazards-say, if Forbes could only see the "lovely" high (3') grass & if fire comes-boom! up she goes.

The letter concluded:

Well, old Boss, 'tis a wonderful time—as happy as can be—as soon as we can lift the freight embargo we will be thru. You should see us when we can't get a switch engine, we "swipe" the cars and take the crane to spot 'em or use a liberty truck—then the Jews—Oh, my, how they weep: "I got stung." Ha! Ha!

Let me know when Forbes is going to sell by sealed proposals, then's when I get a Rolls Royce. Got a good drink coming, so here's back to you.

Colonel Forbes himself, like the members of his staff, strongly believed in mixing business with pleasure. None of his exploits as head of the Veterans' Bureau more clearly revealed this proclivity than his dealings with Elias H. Mortimer, a representative of the Thompson-Black Construction Company. Soon after Forbes and Mortimer became acquainted early in 1922, they began privately discussing the extensive building program then being initiated by the Veterans' Administration. During one of their first chats on the subject, Forbes told Mortimer about his own career in the construction game. The Colonel said pointedly, "We fixed things so that no one lost money."

That April a small clandestine conference took place in Forbes' Washington apartment. Present were Forbes, Mortimer, and J. W. Thompson and James Black, heads of the Thompson-Black Construction Company. The Colonel informed the others that he was about to let a number of major contracts on hospital buildings, the sites of which had not yet been made public. He himself would soon leave on a cross-country tour to make final arrangements in connection with the jobs. He suggested that Mortimer and his vivacious young wife accompany him on the trip. "You can look things over at Chicago," said Forbes. "We are

"You can look things over at Chicago," said Forbes. "We are going to put up a five million dollar hospital at Chicago. We are going to put up a hospital at Livermore, California, and one at America Lake, which is just outside of Tacoma. On the way back you can stop off at St. Cloud, Minnesota—and in this way have advance information over everybody."

Presently, Forbes drew Mortimer aside. He was, he explained, in a rather embarrassing predicament which he hesitated to mention in front of the others. To put it in a nutshell, he was "very hard up"...

Mortimer asked, "What do you want me to do?"

"I need about five thousand dollars," said the Colonel.

Before the group separated, Mortimer had arranged with his associates for Forbes to get the money . . .

The five thousand dollars, it was understood, represented only a token payment. According to the terms of the final agreement reached between Forbes and the contractors, the Colonel was to receive one-third of all profits on hospitals built by the firm of Thompson and Black . . .

That summer Colonel Forbes and Mr. and Mrs. Mortimer traveled across the country together. Their first stop was in Chicago, where most of their stay was devoted to lavishly entertaining business acquaintances and friends in their \$50-a-day suite at the Drake Hotel. Despite the merrymaking, and in a way because of it, a somewhat trying situation soon developed between the Colonel and his two traveling companions. Describing one of the parties in his suite at the Drake, Mortimer subsequently related:

... Colonel Forbes' room was off to the right of our apartment... Colonel Forbes, when I came in there at about 4:30 in the afternoon was shooting craps with Mrs. Mortimer on the bed ... There was a bottle of Scotch there, and he had his coat off ...

Although piqued at this and similar episodes, Mortimer did not at first permit the personal complication to interfere with his business dealings with the Colonel. Together, the Mortimers and Forbes proceeded on to California, having, in Mortimer's own words, "one royal good time all the time we were on the trip."

Meanwhile, Forbes' trusted aide, Charles F. Cramer, Chief Counsel of the Veterans' Bureau, was receiving sealed bids in Washington on Government hospital contracts. Following Forbes' instructions, Cramer opened all bids and immediately telegraphed their details to the Colonel in California. Forbes then relayed this supposedly confidential information to Mortimer, so that the firm of Thompson and Black might be able to gauge its own bids accordingly ...

Forbes was delighted with the way things were going. "We'll all make a big clean-up," he enthusiastically assured Mortimer.

For Mortimer, however, notwithstanding the mounting profits, the situation was becoming increasingly irksome. As the summer drew to a close, his forbearance finally at an end, Mortimer firmly told his wife and Forbes that he had had enough of their more than friendly relationship.

Returning east a few weeks later, Mr. and Mrs. Mortimer permanently separated. At the same time, the secret partnership between Colonel Forbes and the firm of Thompson and Black came to an abrupt conclusion ...

Graft from the construction of veterans' hospitals was only one of Colonel Forbes' multiple sources of income as head of the Veterans' Bureau.

By buying Government supplies at fabulously high prices and selling them at a fraction of their worth, Forbes won the esteem of numerous business executives, who naturally did not object to sharing profits with the Colonel. From one favored firm, for example, Forbes purchased \$70,000 worth of floor wax and floor cleaner—a quantity, it was later estimated, sufficient to last the Veterans' Bureau for one hundred years. The Colonel paid 87 cents a gallon for the material which was worth approximately two cents a gallon . . .

Forbes' largest single transaction in this field involved the Government's immense supply depot at Perryville, Maryland, where there were more than fifty buildings filled with vast quantities of medical stores and other supplies. Without any public advertisement of the sale, the Colonel signed a contract with the Boston firm of Thompson & Kelly, Inc., for the disposal of the entire contents of the Perryville warehouses. The day the contract was signed, fifteen empty freight cars moved into the Perryville railroad yards; and before a week had elapsed, more than 150 freight cars were being simultaneously loaded with huge amounts of goods and materials from the Government supply depot.

In all, Thompson & Kelly purchased at Perryville for the sum of \$600,000, supplies whose actual value was conservatively figured at \$6,000,000.

By the end of 1922, from all parts of the country, furious criticism of Forbes' management of the Veterans' Bureau was pouring into Washington from veterans' organizations, high Army and Navy officers, and businessmen who had had no opportunity to bid on Veterans Bureau contracts.

The Perryville deal brought matters to a head.

Early in January 1923, President Harding summoned Colonel Forbes to the White House. Forbes came bringing with him a bundle of old dilapidated sheets to indicate the "worthlessness" of the goods he had sold at Perryville. The President was not impressed. He told his friend that the irregular practises at the Veterans' Bureau would have to stop.

Before the month was out, Forbes sailed for Europe. From France, he sent his resignation to President Harding.

That spring the Senate initiated an investigation of the Veterans' Bureau. Public hearings began in Washington in October.

Among those to appear at the hearings was Colonel Forbes, who had just returned from Europe. "I worked sixteen long hours a day ...," declared the Colonel about his directorship of the Veterans' Bureau, "and no man loved the ex-servicemen better than I did."

Another witness was the building contractor, Elias Mortimer, who described in intimate detail his various dealings with Colonel Forbes, including those involving Mrs. Mortimer. After Mortimer's testimony, Mrs. Mortimer's attorney appeared at the hearings to request that his client be given the opportunity to testify, so that she might publicly defend her reputation. The attorney told the senators, in what was probably the most poetic utterance at the hearings: "A woman's character is a fragile thing, as delicate as the frost upon the morning window, which a breath dispels, and it is forever gone. And yet, a woman's character is her most priceless possession."

Following the Senate committee hearings, Colonel Forbes was indicted on charges of conspiring to defraud the United States Government. He was tried in Federal court, found guilty and sentenced to a fine of \$10,000 and two years' imprisonment.

It was estimated that Forbes' machinations as Veterans' Bureau director had cost the American people about \$200,000,000, a fair portion of which had ended up in the Colonel's own pocket.

Impressive as the sum was, it represented only a fraction of the vast loot that was being systematically extracted from the public treasury by U. S. Government officials and American big businessmen during the Harding Administration.

#### 2. The Dome and the Hills

One day in the early spring of 1922, Harry F. Sinclair of the Sinclair Oil Company and James E. O'Neill, president of the Rockefeller-controlled Prairie Oil and Gas Company, met with two business associates for a quiet meal at the exclusive Bankers' Club in New York City. The four men had come together to discuss a highly confidential, multi-million-dollar oil transaction.\*

"I wish," said one of the men during the meal, "that I was Secretary of the Navy for about two years."

<sup>\*</sup> The names of the two businessmen who met with Sinclair and O'Neill are, despite considerable speculation, still not definitely known. The dialogue quoted is taken from the subsequent testimony of a witness before a Senate investigatory committee, who had overheard part of the conversation between the four men at the Bankers' Club.

"Well," replied Sinclair, "you'd have a better job than the President."

"I'd clean up some millions!"

"You all have to be careful after this," warned Sinclair, "and each one will have to look out for himself."

"Suppose there's some trouble afterwards? Who would take care of it?"

"If the Sinclair Oil Company isn't big enough, the Standard Oil Company is," remarked O'Neill, whose firm was closely tied to Standard interests. He added, "Why, we make a hundred million dollars a year."

The secret deal that the four men were discussing concerned the leasing of certain oil lands at the Naval Oil Reserve at Teapot Dome, Wyoming.

For a number of years the largest American oil companies had been trying to get control of the rich naval oil reserves established in 1909 in Wyoming and California by an Executive Order of President William H. Taft and confirmed by Congress in the Pickett Act. The oil reserves were Navy Petroleum Reserve No. 1 at Elk Hills, California; Naval Petroleum Reserve No. 2 at Buena Vista Hills, California; and Naval Reserve No. 3 at Teapot Dome, Wyoming. The purpose of these reserves was to hold the oil in the ground for possible future use by the U. S. Navy, in the event that regular commercial oil resources should become depleted.

During and immediately after the First World War, as the value of oil soared to unprecedented heights, American private oil interests became all the more determined to get their hands on the naval oil reserves. With Harding as President, the oil men knew their chance had come . . .

A few weeks after taking office, President Harding issued an Executive Order, against the vigorous opposition of high-ranking Navy officers, transferring control of the naval oil reserves from the Navy to the Department of the Interior.

The Government official now responsible for determining what happened to the naval oil reserves was Secretary of the Interior Albert B. Fall.

A cantankerous short-tempered man with a drooping white mustache and long wavy white hair, who looked like an elderly frontiersman, Secretary Fall had one main interest in life: to make as much money as he could, as quickly as possible, by whatever means were necessary.

Within a week after the promulgation of Harding's Executive Order, Secretary Fall dispatched a confidential letter to Edward L. Doheny, the president of the Pan-American Petroleum and Transport Company of California. The letter read in part:

There will be no possibility of any future conflict with Navy officials and this department, as I have notified Secretary Denby that I shall conduct the matter of naval leases, under the direction of the President, without calling any of his force in consultation unless I conferred with himself personally about a matter of policy. He understands the situation and that I shall handle matters exactly as I think best . . .

Edward L. Doheny, a millionaire oil operator whose insatiable yearning to exploit new oil resources were equaled in intensity only by his burning hatred of "Bolshevism," was an old friend of Secretary Fall. Years before, Doheny and Fall had prospected together for oil in the Southwest.

Now, once again, the two men were to become profit-sharing partners in an oil venture . . .

Certain obstacles precluded the immediate leasing by Secretary Fall of the naval oil reserves to Doheny's company. There was, for example, the Naval Fuel Oil Board, which had been set up to safeguard the reserves. In October 1921 Secretary Fall's associate, Secretary of the Navy Edwin N. Denby, disbanded the Naval Fuel Oil Board.

This accomplished, Secretary Fall put through a telephone call from the Department of the Interior to Doheny, who was then in New York City.

"I'm prepared now to receive that loan," Fall told Doheny.

The oil magnate promptly dispatched his son, Edward L. Doheny, Jr., to the bank, where he drew \$100,000 in bills. Carrying the money in a small black satchel, Doheny, Jr., traveled to Washington. There he turned the \$100,000 over to the Secretary of the Interior . . .

Soon afterwards, Fall granted to Doheny's Pan-American Petroleum and Transport Company a 15-year lease to all the oil acreage of the Naval Petroleum Reserve No. 1 at Elk Hills, California.

Regarding these arrangements, Judge Paul J. McCormick of the United States District Court of California subsequently stated:

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It was in effect a complete surrender and transfer of approximately 30,000 acres of valuable proven oil land and its oil contents, estimated at from 75,000,000 to 250,000,000 barrels of oil for fifteen years at least.

Doheny, at the time, put the matter more simply. "We'll be in bad luck if we don't get \$100,000,000 profit," the oil tycoon-whose private railroad car was named *The Patriot*-said of the contemplated draining of the naval oil reserves.

While furtively negotiating with Doheny, Secretary Fall was engaged in similar clandestine dealings with Harry F. Sinclair of the Sinclair Oil Company.

On the morning of December 31, 1921, Sinclair and his attorney, Colonel J. W. Zevely, after whom the oil magnate had named his famous race horse, "Zev," arrived from New York in a private railroad car at Three Rivers, New Mexico. The two men had come to visit Secretary Fall, who was spending the Christmas vacation at his nearby ranch.

The purpose of the visit was not purely social. As Sinclair himself said later: "I went to Three Rivers to discuss with Senator Fall the leasing of Teapot Dome."

Following several additional private conferences in Washington and New York between Sinclair, Zevely and Fall, a contract leasing the property of the Teapot Dome oil reserve to Sinclair was secretly drafted in Colonel Zevely's Washington law offices. On April 7 Secretary Fall signed the contract with Sinclair.

One month afterwards, Sinclair traveled to Washington. In the seclusion of his private railroad car, Sinclair handed \$198,000 in Liberty Bonds to Secretary Fall's son-in-law, M. T. Everhart. Later that same month, Everhart visited New York City, where, in Sinclair's office, he received another \$35,000 in Liberty Bonds and \$36,000 in cash, to take to his father-in-law. When Sinclair again visited Fall's ranch that autumn, he gave the Secretary of the Interior an additional \$10,000 in cash; and, in January 1923, in his suite at the Wardman Park Hotel in Washington, the oil magnate presented Fall with another \$25,000.

In all, Secretary Fall and his son-in-law, Everhart, received \$233,-000 in Liberty Bonds and \$71,000 in cash from Harry Sinclair . . .

From Sinclair's viewpoint, it was a conservative investment. Appearing in January 1923 before the Senate Committee on Manufactures, Sinclair declared: "I consider the value of the Mammoth

property at this time-it is only a guess-at a greater amount than \$100,000,000."

Sinclair was referring to the Mammoth Oil Company, which he had incorporated solely for the purpose of exploiting the oil resources at Teapot Dome.

Although profitably concluded, Secretary Fall's leasing of the oil reserves at Teapot Dome and Elk Hills had not failed to arouse considerable suspicion among certain Naval officers and congressmen.

In the Upper House, Senator Robert M. LaFollette secured a passage of a resolution calling for an investigation by the Senate Committee on Public Lands and Surveys of the leases to the Teapot Dome and Elk Hills Naval Petroleum Reserves . . .

At the same time, angry protests were mounting among oil men whose companies had been given no opportunity to bid on the contracts. There were increasing demands for the resignation of Secretary Fall.

Fall, however, clung obdurately to his post until the last of his secret financial transactions had been concluded with Sinclair and Doheny. Finally, on March 4, 1923, he handed in his resignation to President Harding.

After reluctantly accepting the resignation, Harding announced that he had offered Fall an appointment as Supreme Court Justice; but that Fall-because of the tribulations of public office and a desire to return to private life-had gratefully declined the offer . . .

"I feel entitled to classify myself with the martyrs," Fall publicly stated, referring to the early Christians who had met their fate singing hymns in Roman gladiatorial arenas, "for I confess to a grateful sense of satisfaction as I contemplate my approaching political demise."

Before leaving Washington, Fall purchased the handsome Jacobean furniture in his office at the Department of the Interior and had it shipped to his ranch at Three Rivers, New Mexico. The value of the furniture was estimated at \$3,000.00. The price Fall paid for the furniture was \$231.35 . . .

Back at his ranch, Fall received this letter from Washington:

#### My dear Fall,

This note is just by way of expressing appreciation for the many kindnesses I had at your hands during the last two years in the Cabinet. I know that the vast majority of our people feel a deep regret at your leaving the Department of the Interior. In my recollection, that department has never had so constructive and legal a headship as you gave it.

I trust the time will come when your private affairs will enable you to return to public life, as there are few men who are able to stand its stings and ire, and they have got to stay with it.

The letter was signed, "Yours faithfully, Herbert Hoover."

### 3. Mr. Smith Goes to Washington

"I wouldn't have given thirty cents for the office of Attorney General," remarked Harry M. Daugherty one year after taking office, "but I wouldn't surrender it for a million dollars."

Among the various lucrative enterprises connected with the Justice Department while Daugherty was Attorney General were:

dismissing various Federal court actions against large corporations, and failing to prosecute them for committing war frauds and violating antitrust laws;

selling pardons and paroles in connection with Federal prison sentences; removing and selling liquor from bonded warehouses;

selling Federal Judgeships and U.S. District Attorney posts;

disposing of various property seized by U.S. Government authorities as a consequence of violation of Federal statutes.

"We did not play for marbles," the Justice Department agent, Gaston B. Means, said later. "The harvest was ripe, and we knew we were there as the reapers."

None of the many adventurers connected with the Harding Administration was more unscrupulous and remarkable than Gaston B. Means. A hulking, 200-pound, six-foot southerner, with a bulging forehead, thin receding hair, and little eyes set in a pudgy moonshaped face, Means had formerly served as a German Secret Service agent in the United States, under the direction of the German naval attaché and espionage chief, Captain Karl Boy-Ed. He had also operated from time to time as a secret agent for the Mexican, Japanese and British governments, and for a number of years had been employed as an undercover man by the William Burns Detective Agency. When William J. Burns was appointed director of the Justice Department's Bureau of Investigation by Attorney General Daugherty, he brought Means with him to Washington. In Burns' opinion, Means was "the best investigator in the business."

Among Means' various duties as an agent of the Bureau of In-

vestigation were collecting graft from bootleggers, selling confiscated liquor, acting as a liaison in surreptitious deals between the Justice Department and the criminal underworld, and spying upon congressmen who were calling for investigation of Attorney General Daugherty.

According to Means' subsequent testimony before a Senate investigating committee, he personally collected hundreds of thousands of dollars for providing bootleggers with liquor permits and for "insuring" various gangster operations against Federal interference.

In his book, The Strange Death of President Harding, Means gives this description of how he received his "payments":

... the big bootleggers in New York City wanted to pay for Federal protection . . . It became known in the underworld that they could pay this protection money to me. I was then stationed at the Vanderbilt Hotel first . . .

Our method there was simple. We had our runners, twenty-five men, —tipsters of the underworld. They were to keep us posted as to how much money different bootleggers were making. From their reports, my superior officers would estimate how much each one would pay, for protection. These bootleggers were then notified . . .

We did not want these bootleggers to be handing this money to any individual. I then had another room engaged—on another floor of the Vanderbilt Hotel—we will say number 518. The register would show that this room had been engaged by another man. In similar manner, the room next door, number 517 was engaged.

In room 518, I took a big round glass bowl that one could easily see through, a big gold fish aquarium. We made a peep hole in the door connecting 518 and 517. This big glass bowl was conspicuously placed on a table in 518...

The "purchaser of protection" was instructed to come to the hotel room containing the glass bowl:

He would enter 518,—would see nobody, but he would see the glass bowl, which always had bills of money in it. From 517, through the peep hole in the door, I could see him all the time. They were instructed never to bring a bill less than \$500.00. He would throw into the bowl so many \$500.00 bills—or so many \$1000.00 bills. I watched for two reasons: to make sure that he put his money into the bowl and to be sure that he took none out. As soon as he would step out, quick as a flash, I'd unlock the door between and lock the outside door. I'd check up. Never once was I short-changed! Then, I would leave the money, say \$10,000.00 in the bowl, unlock the outside door again and wait for the next man . . .

Bootleggers are straight shooters in matters like that. Seeing money in

the bowl gave them assurance that others were paying for protection also . . .

#### According to Means' account:

By this process . . . we covered in territory besides New York City and New York State,-Massachusetts, Connecticut, Rhode Island, New Jersey and Eastern Pennsylvania.

A conservative estimate of the sum total of each visit I made, I would put at a quarter of a million,-\$250,000.00...

Fully \$7,000,000.00 passed through my glass bowl and through my hands.\*

After the money had been collected, Means records, it was turned over to Jesse Smith, Attorney General Daugherty's private aide and confidante.

Jesse W. Smith was really not cut out for his job with the Attorney General. He was a plump, middle-aged, rather effeminate man, who had formerly owned a dry goods store in the little town of Washington Court House, Ohio, and was happiest when discussing clothing fabrics. A close friend and worshipful admirer of Daugherty, he had readily accepted the latter's invitation to come to Washington to "give a hand" with the nation's affairs. Dazzled by the glamorous atmosphere of the capitol and by the fact he was rubbing shoulders with the most famous personages in the land, Smith became a frequent caller at the White House, arranged whenever possible to be photographed standing alongside President Harding, and periodically went shopping with Mrs. Harding, fastidiously helping the First Lady select hats, dresses and shawls for her wardrobe.

While holding no official post, Smith had a private desk directly outside the office of the Attorney General, and word soon got around Washington that the way to approach Daugherty was to "see Jess first." †

\* There is no documentary substantiation of Means' picturesque description of the manner in which he collected graft and "protection money" from bootleggers. However, the fact that such money was collected, in sums running into hundreds of thousands of dollars, and then turned over to Daugherty's man, Jesse Smith, has been corroborated with ample evidence.

In view of the fact that Gaston B. Means was an unusually fluent liar, the author of this book has been careful to quote Means only in instances where there exists corroborative evidence of his statements, and where such does not exist, to so indicate.

<sup>+</sup> Smith's first name, Jesse, was soon abbreviated to "Jess" in Washington; and before long he himself adopted the shortened form, and used it even when signing his "official" correspondence in the Justice Department. Soon after joining Daugherty in Washington, Smith began having large sums of money at his disposal. "We are all much better off than we have ever been before," he cheerfully told his former wife, Roxy Stinson. She and Smith had been married in 1908; and although their marriage had lasted less than two years before they were divorced, they had remained warm, intimate friends.

From the nation's capital, Smith frequently sent considerable sums of cash to Roxy Stinson in Washington Court House, Ohio. Sometimes the money Smith sent was for her personal use, and sometimes she was instructed to buy certain stocks at a brokerage firm where Smith had opened an account for her under an assumed name. Smith himself had several such blind accounts at brokerage houses, and much of his time at the Justice Department was spent on the Attorney General's private telephone line, calling brokers and ordering the purchase and sale of various leading stocks . . .

In a short time the former dry goods store proprietor was discussing matters of high finance with the casual air of a veteran banker. "In the past few days," he informed Roxy Stinson on one of his visits to Washington Court House, Ohio, "five men have made \$33,000,000."

"Were you and Harry in on it?" she asked.

"No," he said ruefully. "That's what we're sore about. They were our friends too."

Other big projects, however, were underway.

Not the least of these projects concerned an internationally-controlled copper concern called the American Metals Company.

During the war a large portion of American Metals stock had been seized by the U. S. Alien Property Custodian as Germanowned and sold at Government auction for \$7,000,000. In the fall of 1921 a certain Richard Merton visited the office of the Alien Property Custodian. Presenting himself as the representative of a "Swiss Corporation," Merton claimed his firm was the rightful owner of the American Metals stock that had been auctioned and that the American Government therefore owed his firm \$7,000,000. The claim of the "Swiss representative" was quietly recognized as valid by the Alien Property Custodian and, at Merton's request, the \$7,000,000 was turned over to the Societe Suisse pour Valeurs des Metaux—a Swiss front for German metal interests . . .

A number of persons in Washington had been involved in facilitating this transaction for Merton, and they were generously re-

warded for their assistance. To John T. King, Republican National Committeeman from Connecticut, who had acted as a general contact man throughout the negotiations, Merton presented \$391,000 in Liberty Bonds and a \$50,000 check. Of this sum, \$50,000 went to the Alien Property Custodian, Colonel Thomas W. Miller, for his "services." And, in appreciation of certain vital "introductions" in Government circles and various other help, \$224,000 was passed on to Attorney General Daugherty's aide, Jesse Smith . . .

The stakes, however, were getting too steep for Smith. The more deeply he became involved in the grandiose political-financial conspiracies afoot in Washington, the more uneasy he felt. "I am not made for this," he wrote to Roxy Stinson. "This intrigue is setting me crazy. If I could just come home-but I am in now and have to stand by Harry . . ."

By the spring of 1923, Smith had further cause for anxiety. The details of Colonel Forbes' embezzlements in the Veterans' Bureau were coming to light. The Senate Committee on Public Lands and Surveys was investigating the leases to Teapot Dome and Elk Hills, and Secretary of Interior Fall had just resigned. How long would it be, Smith wondered, before someone discovered what was going on inside the Justice Department?

When Smith visited Washington Court House, Ohio, that April, he was a terrified man. He knew "too much," he told Roxy Stinson; and he could no longer trust anyone. Even the men with whom he had worked so closely-yes, even his old friend Daugherty-had now become suspicious of him. They thought he was weak and might talk. And they were men, he said, who would stop at nothing . . .

Smith and his former wife went to Columbus, Ohio, to attend a dance, but Smith urged that they return to Washington Court House while it was still afternoon.

"Let's go home before dark," he said.

On the train back to Washington Court House, Smith handed Roxy Stinson his brief case, which was bulging with documents and papers. "Carry them," he said, "I don't want to carry them." When they were in a taxi driving away from the Washington

Court House station, Smith kept glancing nervously out the rear window. Finally, Roxy Stinson told him, "Don't you do that again." "All right," replied Smith with a weak smile.

They drove on in silence for a while. Then Smith said, "They are going to get me, they are going to get me."

"No, they won't."

"They passed it to me."

"Oh, don't," said Roxy Stinson. "You are all right. You are all right."

"You better destroy any letters and papers."

Roxy Stinson placed her hand on his. "Tell me all about it, Jess," she said. "I know so much."

"No, no, no," said Smith. "Just cheer me up, just cheer me up." The final thing Smith told Roxy Stinson before leaving Washington Court House to return to the Capitol was not to go out by herself after dark and never to drive alone.

"The man was afraid," she said later. "The man was afraid."

It was the last time that Roxy Stinson saw Jesse Smith.

Shortly before dawn on May 30, 1923, Jesse Smith was found dead in the suite that he shared with Attorney General Daugherty at the Wardman Park Hotel in Washington, D. C. He was lying on the floor with a bullet in his head, and in his outstretched hand was a revolver.

The coroner's verdict was suicide. William J. Burns, chief of the Bureau of Investigation, took charge of the body.

No autopsy was performed before the burial.

Attorney General Daugherty was not present when Smith's body was discovered. He had spent the night at the White House.

"The act," stated Daugherty regarding the death of his old friend, "could be accounted for only on the ground of a complete mental collapse." Smith, he added, had suffered severely from diabetes. "This insidious disease plays sad tricks with the brain . . . It has made many suicides. It has broken down the moral fibre of character. I shall always remember my friend before his illness when he was himself, kindly, helpful, loyal, generous." The Attorney General was conspicuously absent from Jesse

The Attorney General was conspicuously absent from Jesse Smith's funeral.

### 4. Sudden Death

Jesse Smith was not the only man prominently associated with the Harding Administration to break under the strain of criminal intrigue and the dread of exposure, and to die under unusual or mysterious circumstances. There were a number of others.

Among them was President Harding himself.

By early 1923 an extraordinary change had taken place in Harding's personality and appearance. He was no longer the handsome, affable personage who had been sworn in as President in March, 1921. He had aged shockingly. His face, now haggard, lined and sallow, wore a haunted look. Occasionally, when he made a public appearance, his features twisted into a grotesque grimace—he was attempting to smile. His hands shook uncontrollably. He could not sleep at night. Great dark pouches lay under his eyes, which seemed to stare fearfully at the world about him.

As the various Senate investigations moved relentlessly ahead, and the whole scandal of his Administration threatened to flare into the open, Harding periodically asked the few newspapermen he still trusted what a President should do "whose friends have betrayed him" . . .

In June, 1923, traveling in his private railroad car, the "Superb," President Harding set out from Washington for a tour of the west coast and Alaska. The tour was never to be completed.

Returning by boat from Alaska in the latter part of July, Harding was stricken with what was at first reported to be an attack of ptomaine poisoning. On his arrival in San Francisco, he was confined to bed at the Palace Hotel, his illness now being diagnosed as pneumonia. A few days later, the President's physicians announced that Harding was "resting comfortably" and was safely on the way to recovery.

Then, suddenly, on the evening of August 2, the startled nation was informed that President Harding was dead. "Death," stated an official bulletin signed by Harding's physicians, "was apparently due to some brain evolvement, probably an apoplexy."

In the early morning hours of August 3, by the flickering light of an oil lamp in the living room of his family's farmhouse at Plymouth Notch, Vermont, Calvin Coolidge was sworn in by his aged father, a justice of the peace, as the new President of the United States.

Various strange circumstances surrounded President Harding's final illness and death.

The food-poisoning from which Harding had supposedly first fallen ill was said to have come from eating crab meat on the boat from Alaska. Crab meat, however, was not among the supplies listed in the steward's pantry. Furthermore, no other member of the presidential party was affected by "ptomaine poisoning."

During the first few hours following the President's death, newspapermen were officially informed that no physician was present when Harding died and that Mrs. Harding had been alone with her husband at the time. This report was then altered to specify that the President's chief physician, Brigadier General Charles E. Sawyer, had been in Harding's bedroom when death came. On August 5, three days after Harding's death, the New York Times reported:

There have been several versions of the incidents surrounding the death of President Harding . . . It was told by some of those in the vicinity that Mrs. Harding rushed to the door of the bedroom and called for help from her husband's physicians . . . People with nerves on edge or stunned by the tragedy were unable to give any coherent account of what took place . . . The official bulletin was in error . . .

Several of the physicians who had been attending President Harding urged that an autopsy be held. On Mrs. Harding's insistence, however, Harding was buried without an autopsy.\*

In 1930, in his book, *The Strange Death of President Harding*, Gaston B. Means, who had been in close touch with the White House while a Justice Department agent, clearly intimated that Mrs. Harding, in connivance with Dr. Charles E. Sawyer, had murdered her husband and that she had later practically admitted this to him, Means.

"Both the suicide theory and the Means story are very plausible," writes Frederick Lewis Allen in Only Yesterday.

Oswald Garrison Villard, in Fighting Years, states: "I am of those who lean to the belief that there was foul play in his death . . ."

Some commentators on the period are of the opinion that there was nothing mysterious about Harding's death and that he died from natural causes. "There was no mystery," observes Samuel Hopkins Adams in *Incredible Era*, "other than that conjured up by excited minds, or concocted and commercialized by Gaston B. Means."

But whatever the real cause of President Harding's demise, there were in addition to his death and that of Jesse W. Smith, a strangely coincidental

<sup>\*</sup> Various theories were subsequently advanced in explanation of President Harding's death. One was that, facing imminent catastrophe from exposure of the corruption and crime within his Administration, Harding had committed suicide. Another theory held that Mrs. Harding had poisoned her husband, either because she had discovered the details of his affair with Nan Britton or because she wished to avert national disgrace for him from the mounting scandals in the Administration.

"If I could write one sentence upon his monument," said Bishop William Manning a few days after President Harding's death, in a sermon delivered at the Cathedral of St. John the Divine in New York City, "it would be this, 'He taught us the power of brotherliness.' It is the greatest lesson any man can teach us. May God ever give our country leaders as faithful, as wise, as noble in spirit, as the one whom we now mourn."

But Warren Harding was not long in his grave before the nation was getting a climpse of what had been transpiring behind the scenes during his Administration.

On October 23, 1923, in a large caucus room in the Senate Office Building, the Senate Committee on Public Lands opened public number of other sudden deaths and "suicides" of persons who had been closely connected with the Harding Administration.

On March 14, 1923, Charles F. Cramer, Colonel Forbes' former aide and chief counsel of the War Veterans' Bureau, was found dead in his bathtub at his Washington residence. A bullet had been fired through his brain. The coroner's verdict was suicide.

On September 23, 1924, Brigadier General Charles Sawyer, Harding's former personal physician, who was said to have been with the President at the time of his deuth, was found dead at his home, White Oaks Farm, at Marion, Ohio. The New York Times reported: "General Sawyer's death was almost identical with the manner of death of the late Warren G. Harding . . . Mrs. Harding was at White Oaks Farm when General Sawyer was found dead. Members of his family had no intimation of the seriousness of the General's condition up to the moment he expired."

On March 12, 1926, Thomas B. Felder, a lawyer who had been closely associated with Attorney General Daugherty in Justice Department intrigues and had later been sentenced to jail along with Gaston B. Means, died at Savannah, Georgia. His death was reported due to a "heart attack" and "alcohol poisoning." The New York Times stated that shortly before Felder died he had announced his intention to "publish the complete records of the case in a Georgia paper he intended to buy in order to vindicate himself." On May 13, 1926, John T. King, the former Republican National Commit-

On May 13, 1926, John T. King, the former Republican National Committeeman who had been involved in the American Metals Company scandal died of "pneumonia." Shortly before his death, King had been indicted on the charge of conspiracy to defraud the U. S. Government in the American Metals case. The New York Times reported that the Government had "expected to use Mr. King as a witness to prove the alleged payments of \$391,000 ... to Col. Miller, the late Jesse W. Smith, friend of Mr. Daugherty, and himself."

On May 3, 1926, J. W. Thompson, partner in the Thompson-Black Construction Company, who had been sentenced to jail along with Colonel Forbes, died of a "heart attack" in St. Louis, Missouri.

On February 16, 1928, while under indictment on conspiracy charges for his part in the bribing of Secretary Fall, Edward L. Doheny, Jr., was murdered by his secretary, who then committed suicide. hearings on the Government leases to the naval oil reserves at Teapot Dome and Elk Hills.

The first witness at the Senate hearings was ex-Secretary Fall himself. Verbose, arrogant and blusteringly evasive, Fall angrily denied there had been anything remotely improper about his conduct in office. In making the oil leases, as at all other times, declared Fall, he had been motivated by patriotism of the highest order.

Fall's testimony was supported by that of Harry Sinclair, who emphatically stated that in his dealings with the Secretary of Interior the latter had received no "benefits or profits, directly or indirectly, in any manner whatsoever." Edward L. Doheny told the Senate Committee, in a voice vibrant with emotion, that he was deeply shocked by the disgraceful accusations that had been leveled against his old friend, Albert Fall. "I want this record to show," said Doheny, "that I felt very badly about it; in fact, felt outraged by it."

But during the ensuing weeks, as dozens of geologists, naval officers, oil experts, government officials and other witnesses appeared before the Committee, one incriminating fact after another came into the open; and slowly but inexorably the pieces of the complex jigsaw of criminal intrigue, venality and fraud fell into place.

By the beginning of 1924, leading oil circles in the United States were infected with a mood of feverish anxiety. The rumor spread that the Senate Committee was about to subpoena a number of leading figures in the oil industry. Overnight, there was a sudden exodus from America of oil tycoons.

On January 16, Harry Sinclair sailed for France aboard the S.S. Paris, with his name discreetly missing from the passenger list. In February, James O'Neil, president of the Prairie Oil and Gas Company, and Henry Blackmer, president of the Midwest Refining Company, after resigning from their respective posts, also sailed for Europe. Colonel Robert W. Stewart, chairman of the board of Standard Oil of Indiana, abruptly departed for Mexico and South America. H. S. Osler, head of the dummy Continental Trading Company, went to Africa "to hunt lions." \*

<sup>\*</sup> The Continental Trading Co. was a dummy company incorporated under Canadian law late in 1921 by Harry Sinclair, James O'Neil, Colonel Robert W. Stewart, and Henry M. Blackmer. Operating through this company, the four associates secretly arranged to buy more than 30,000,000 barrels of oil from a large new oil field in Mexia, Texas. The price they paid was \$1.50 a barrel. Continental Trading Co. then resold the oil at \$1.75 a barrel to the

On his return to the United States in the summer of 1924, Harry Sinclair was again summoned before the Senate Committee. This time, on the constitutional grounds that his answers might tend to incriminate him, Sinclair refused to answer any questions. He was indicted by a federal grand jury on charges of contempt of the Senate.

On June 30, 1924, Albert Fall, Harry Sinclair, Edward Doheny and Edward Doheny, Jr., were all indicted by a special federal grand jury on charges of conspiracy and bribery.

The federal indictments of Fall, Sinclair, Doheny and his son, were followed by months and months of protracted court action, with a battery of high-priced lawyers employed by the oil magnates resorting to every conceivable device to delay and frustrate the process of the law.

Not until March 1927, was Sinclair finally tried on the Senate contempt charge, found guilty and sentenced to three months, imprisonment and a \$1000 fine.

In the fall of 1927, Fall and Sinclair went on trial on charges of criminal conspiracy to defraud the Government. On the first day of the trial it was disclosed by the prosecution that jurors and witnesses were being trailed and intimidated by operatives of the William Burns Detective Agency and that Sinclair was paying the Agency for these services. It was also revealed that attempts had been made to bribe a number of jurors. The judge declared a mistrial.

American companies headed by Continental's promoters. The profits to Sinclair and his colleagues from this deal would have exceeded \$8,000,000-and would have cost the stockholders in their American firms the same amountif these oil magnates had not turned in these profits to their respective companies after the deal was exposed by Senate investigators.

There was no direct connection between the Teapot Dome and Continental deals; but Sinclair received some of Continental's profits in Liberty bonds, and later turned over a portion of these bonds to Secretary Fall at the time of the leasing of Teapot Dome. It was through tracing these bonds that Senate investigators discovered the Continental Co. arrangements.

After hurriedly departing from the United States in 1924, the oil magnates connected with the Continental deal straggled back to the country during the following months, with the exception of Henry Blackmer. He remained in France until September 1949. After agreeing to pay the U. S. Government \$3,671,065 in back taxes and \$60,000 penalties, he returned to the United States. It was then reported that the Government had removed blocks on frozen assets of Blackmer amounting to some ten million dollars. Five criminal charges against Blackmer were dismissed, after he paid \$20,000 in final settlement for income tax evasion.

Sinclair and William J. Burns, the former chief of the Bureau of Investigation, and several of their accomplices were subsequently tried for seeking "to bribe, intimidate and influence" jurors. Found guilty, Sinclair was sentenced to six months in jail and Burns to fifteen days. Burns was exonerated on appeal, but Sinclair served concurrently three months for contempt of the Senate, and six months for intimidation and influencing of jurors.

When Fall and Sinclair were tried a second time on charges of conspiring to defraud the Government, both men were acquitted...

In October 1929 Fall was tried on the charge of accepting a bribe from Edward L. Doheny. The former Secretary of Interior was found guilty, fined \$100,000 and given a one-year prison term.

Five months after Fall was convicted of accepting a bribe from Doheny, the California oil tycoon was tried on charges of giving the bribe. Doheny was acquitted.

the bribe. Doheny was acquitted. "We ought to pass a law," Senator George W. Norris of Nebraska commented bitterly, "that no man worth \$100,000,000 should be tried for a crime. That at least would make us consistent."

The intrigues of Sinclair, Doheny and Fall were not the only ugly secrets of the Harding Administration to come to light after Harding's death.

In the spring of 1924 a Senate Select Committee began public hearings on an investigation of the activities of Attorney General Harry M. Daugherty.

Republican Party leaders, apprehensive over the possible harm to their cause in the Presidential election that fall, decided that Daugherty must resign immediately. Daugherty angrily refused to do so. The Senate investigation, he said, was the work of "Communist agents and their tools," and Senator Burton K. Wheeler, who was conductng the inquiry, was "no more a Democrat than Stalin, his comrade in Moscow."

Only after President Coolidge sent the Attorney General a written request for his resignation did Daugherty resentfully resign ... One of the first witnesses before the Senate Select Committee was

One of the first witnesses before the Senate Select Committee was Jesse Smith's former wife, Roxy Stinson. She not only told the Committee what she had learned through Smith about the criminal conspiracies in the Justice Department, but also revealed she had been repeatedly threatened in an effort to prevent her from testifying. "I am not Jess Smith," said Roxy Stinson, "and there is not going to be a convenient bullet in my head." \*

Another of the numerous witnesses to appear before the Senate Select Committee was Gaston B. Means. In copious, uninhibited detail, and not without a certain pride, Means described his criminal operations as an agent of the Bureau of Investigation. Among other disclosures, Means revealed how various Senators had been secretly investigated by Justice Department operatives, in an effort to forestall the Teapot Dome probe and other senatorial investigations.

"You also investigated Senator LaFollette, did you not?" asked Senator Wheeler.

"Yes," replied Means.

"And you went through his offices here, did you not, in the Capitol?"

"I saw that it was done . . . I would just as soon investigate a tramp as anybody else . . . The man is a number. I never ask who he is . . . Thousands of people have been investigated. Bishops have been investigated. And clergymen—"

The Chairman of the Senate Committee, Senator Smith Brookhart, interrupted. "When did this terrific spy system start in the United States," he asked, "by what authority, if you know?"

"I never saw a candidate that loomed up . . . that they did not go out and make an inquiry about him . . . The financial crowd finance and get investigations."

"You mean the financial interests investigate everyone who is a candidate for office to get something on him," asked Senator Brookhart, "so they can control him, is that the idea?"

"Well, yes, that would be my interpretation . . ."

"And that gang . . ." said Senator Brookhart, "is the same gang that I have denominated as the non-partisan league in Wall Street? Is that the crowd?"

Means nodded. "I think that President Wilson gave them the best designation, 'invisible government.' " †

\* One of the witnesses who testified at the Senate hearings was Mrs. W. O. Duckstein, former secretary to William J. Burns. The day after she had given her testimony she received a letter from J. Edgar Hoover, then Acting Director of the Bureau of Investigation, peremptorily dismissing her from her job in the Justice Department.

<sup>†</sup>Gaston B. Means died in 1938 in a federal penitentiary. He was then serving a term for defrauding Mrs. Edward B. McClean of \$100,000 in 1932 on the pretext that this sum would enable him to get back the kidnapped child of Ann and Charles Lindbergh. Daugherty flatly refused to testify at the hearings. When Committee investigators sought to examine his accounts at the two banks in Washington Court House, Ohio, his brother, Mal Daugherty, who headed both banks, would not permit an inspection of the records. It was later learned that all the records had been destroyed.

Despite the extensive evidence of his malfeasance as Attorney General, Daugherty appeared in court to answer for only one of the many conspiracies with which his name had been associated, while he was in office. In 1926, together with the former Alien Property Custodian, Colonel Thomas W. Miller, Daugherty was tried on charges of conspiracy to defraud the Government and receiving bribes in connection with the settlement of the American Metal Corporation case.

Daugherty again refused to testify on the ground that his testimony might tend to incriminate him. Colonel Miller was found guilty, fined \$5000 and given a year-and-a-half sentence. The jury reported they could not reach an agreement on the guilt of Daugherty, and he was acquitted . . .

To the bitter end, Harry Daugherty insisted he was the victim of a sinister international plot which had its fountainhead at the Kremlin in Moscow. "I was the first official," he charged in his memoirs, "to be thrown to the wolves by the Red borers of America. Their ultimate success in my case was intended to intimidate every man who succeeded me, and make the American Republic thereafter cower under a reign of terror."

But the actual menace to the American Republic during 1920-1932 was of quite a different nature from that indicated by former Attorney General Daugherty. As Karl Schriftgeisser states in *This Was Normalcy:* 

... Fall and Daugherty, Forbes and Jess Smith, and all the rest of the gangsters of this truly "incredible era," were in reality merely symbols of a greater corruption which overtook the country during the next twelve disastrous years. They cannot be ignored by the historians, but their thefts and violences and the sounds of their revelry ... were only coincidental to the abdication of the democratic spirit that was the fundamental crime perpetrated upon the people in these years.

# Chapter VI

## THE GOLDEN AGE

It is one thing to commit crimes *against* property, and a vastly different thing to commit crimes *in behalf* of property.

Gustavus Myers, History of the Great American Fortunes

### I. "Aren't We All Rich Now?"

IT COULD not be claimed that, in terms of their political-economic beliefs, there were striking differences between the Presidential candidates of the two major parties in 1924.

The Democratic Party candidate was the handsome, soft-spoken, Wall Street attorney, John W. Davis, former U. S. Solicitor General and one-time Ambassador to Great Britain, whom the King of England had characterized as "one of the most perfect gentlemen I have ever met." Once regarded as an outstanding liberal, Davisnow a director in the United States Rubber Company, the National Bank of Commerce, the Santa Fe Railroad and other such concerns -had this to say of himself:

I have a fine list of clients. What lawyer wouldn't want them? I have J. P. Morgan & Company, the Erie Railroad, the Guaranty Trust Company, the Standard Oil Company, and other foremost American concerns on my list. I am proud of them. They are big institutions and as long as they ask for my service for honest work, I am pleased to work for them. Big Business has made this country what it is. We want Big Business . . .

Calvin Coolidge, the Republican candidate, characteristically expressed the same thought in more succinct language. "The business of America," said Coolidge, "is business."

While the campaigns of both candidates were generously subsidized by big-moneyed interests, the leading industrialists and financiers were more sympathetically inclined toward Coolidge's candidacy. Their feelings were summed up by Henry Ford: "The country is perfectly safe with Calvin Coolidge. Why change?"

Not a few Americans, however, regarded both candidates with a jaundiced eye.

Members of the Farmer Labor Party and the Conference for Progressive Political Action vigorously denounced the tweedledumtweedledee character of the Republican and Democratic Parties and the ever-growing Government control by giant trusts and monopolies. Their candidate for President was Robert M. La Follette, popularly known as "Fighting Bob," the shaggy-haired, elderly, deeply courageous if somewhat quixotic senator from Wisconsin, who tirelessly crusaded against the mounting "encroachment of the powerful few upon the rights of the many."

Few political wiseacres gave Senator La Follette a chance of being elected. But his words were sufficiently far-reaching and his following large enough to cause considerable alarm in the inner circles of both major parties, and an intensive, lavishly financed campaign of slander and vilification was organized to discredit La Follette and his running mate, Senator Burton K. Wheeler of Montana.\* Leading Republicans and Democrats alike accused the two senators of being the "tools of Bolshevik agents," and charged that "Moscow gold" was swelling their campaign funds. Newspaper advertisements championing the candidacy of "Silent Cal" featured the slogan, "I like Silence and Success better than Socialism and Sovietism." †

If Coolidge was silent, money talked. Subsequent estimates of the Republican campaign expenditures ranged from \$15,000,000 to \$30,000,000.

The dour, pinch-faced Republican candidate, whose thoughts were as sparse as his mode of speech, was returned to office by an overwhelming majority of the votes.

Far more surprising than Coolidge's victory was the number of votes cast for Senator La Follette. Despite the propaganda drive against LaFollette, a badly mismanaged and meagerly financed cam-

<sup>\*</sup>At the time, Senator Wheeler was an outspoken foe of monopoly and reaction In later years, Wheeler himself became one of the most reactionary members of the Senate. See page 221. † Actually, the Communist Party did not support La Follette, but ran its own presidential candidate, William Z. Foster.

paign and the fact his name was not even on the ballot in a number of states, approximately one out of every six persons who went to the polls voted for "Fighting Bob." La Follette's total vote was 4,822,000.

Impressive as was this demonstration of widespread opposition to the Government's postwar policies, it failed to divert the statesmen and financiers from the disastrous course upon which they had embarked.

"I am sure that Coolidge would make a good President. I think he would make a great one . . . ," Dwight W. Morrow, partner in the firm of J. P. Morgan & Company had written in a letter to a friend as early as 1920.

There was nothing in Coolidge's conduct as President to diminish Dwight Morrow's high regard for him ...

A dominant theme in President Coolidge's public utterances was the "Power of the Moral Law." "We do not need a more material development, we need a more spiritual development," Coolidge emphasized. "We do not need more intellectual power, we need more moral power..."

At the same time, the President showed a statesmanlike flexibility in the application of his Moral Law by dismissing the Teapot Dome and other unsavory Harding scandals as "errors of judgment"...\*

\* The only change Coolidge made in the Cabinet after Harding's death was in the replacement of Attorney General Harry M. Daugherty by Harlan Fiske Stone, former dean of the Columbia Law School.

As Attorney General, Stone effected an extensive shake-up in the Justice Department. The shake-up, however, did not eliminate all of those officials who had been prominently involved in the Palmer raids and other post-war machinations of the Justice Department. While William J. Burns, chief of the Bureau of Investigation, was removed from office, his place was taken by his former assistant and ex-head of the Bureau's General Intelligence Division, J. Edgar Hoover.

In a statement reprimanding the Bureau of Investigation for its "anti-radical" operations, Attorney General Stone declared shortly after taking office: "The Bureau of Investigation is not concerned with political or other opinions of individuals. It is concerned only with such conduct as is forbidden by the laws of the United States. When a police system goes beyond these limits it is dangerous to the proper administration of justice, and to human liberty..."

Dexterously setting his sails to the new wind, J. Edgar Hoover acknowledged in a memorandum to Assistant Attorney General William J. Donovan on October 18, 1924: "It is, of course, to be remembered that the activities of Communists and other ultra-radicals have not up to the present time constituted a violation of the federal statutes, and, consequently, the Department President Coolidge's views on labor problems remained what they had been when, as a member of the Massachusetts State Senate, he described strike leaders as "socialists and anarchists" who "do not want anybody to work for wages," and stated: "If any man is out of a job it's his own fault . . . The State is not warranted in furnishing employment for anybody so that persons may work."

With Dwight Morrow and another Morgan partner, Thomas Cochran, among the President's most intimate advisers, the Coolidge Administration sedulously cultivated the growth of trusts and monopolies. In the words of William E. Humphries, a newly appointed member of the Federal Trade Commission:

The Interstate Commerce Commission has become the bulwark instead of the oppressor of the railways . . .

The President, instead of scoffing at big business, does not hesitate to say that he purposes to protect the American investor wherever he may rightfully be.

The Secretary of Commerce [Herbert Hoover], far from appealing to Congress for legislation regulatory of business, allies himself with the great trade associations and the powerful corporations.

The foreign policy of the Coolidge Administration was defined in unusually frank language by Secretary of the Navy Curtis Wilbur, during a speech before the Connecticut Chamber of Commerce:

Americans have over twenty millons of tons of merchant shipping to carry the commerce of the world, worth three billion dollars. We have loans and property abroad, exclusive of government loans, of over ten billions of dollars. If we add to this the volume of exports and imports for a single year-about ten billion dollars-we have an amount almost equal to the entire property of the United States in 1868 and if we add to this the eight billion dollars due us from foreign governments, we have a total of \$31,000,000,000, being about equal to the total wealth of the nation in 1878... These vast interests must be considered when we talk of defending the flag... We fought not because Germany invaded or threatened to invade America but because she struck at our commerce on the North Sea... To defend America we must be prepared to defend its interests and our flag in every corner of the globe...

of Justice, theoretically, has no right to investigate such activities as there has been no violation of federal laws."

It was a bitter pill for J. Edgar Hoover to swallow; but he was willing to bide his time and await a more propitious day when he might resume his old "anti-radical" activities. See Books Three and Four for data on Hoover's subsequent operations.

To further such American "interests," hundreds of millions of dollars in public and private loans were streaming across the Atlantic into the vaults of German industrialists and bankers who were secretly rearming the Reich and subsidizing Hitler's rapidly growing National Socialist Party. American-owned auto, electrical equipment, aircraft and other plants were springing up throughout Europe. General Electric was assuming the dominant interest in the German electrical combine, A.E.G., one of the major contributors to the Nazi Party fund. Standard Oil was concluding cartel agreements with I. G. Farbenindustrie. General Motors was negotiating for control of the German auto firm of Adam Opel, A. G. Enormous sums were being advanced to Il Duce's Italy, and large investments made in White Guard dictatorships in Poland, Hungary, Bulgaria, Finland and Roumania.

The golden threads of Wall Street webbed the world. By 1926, Commerce and Finance was able to make the impressive claim that the United States had "a mortgage on the lives of both the living and the unborn in practically every nation of Europe, except Russia." \*

\* The Dawes Plan in 1924 and the Young Plan in 1929 arranged for huge loans to Germany. A large portion of the funds thus obtained were used by German industrialists to finance their secret rearmament program, and to build the Hitler movement.

The Dawes Plan was drawn up by a committee of experts established by the Allied Reparations Commission. The committee functioned under the supervision of General Charles G. Dawes, Chicago financier, director of the budget under Harding, and vice-president during Coolidge's second term. A leading member of the committee of experts was Owen D. Young, chairman of the board of the Morgan-controlled General Electric Company. More than \$200,000,000 of the international gold loan borrowed by Germany under the Dawes Plan was floated in the United States by Morgan and his associates.

Dawes Plan was noated in the United States by Morgan and his associates. The second international committee of experts, which drafted the Young Plan in 1929 to replace the Dawes Plan, operated under the chairmanship of Owen D. Young and included J. P. Morgan himself as an associate. Other Americans who played an important role in projecting the Dawes and Young Plans were Herbert Hoover; the Wall Street lawyer, John Foster Dulles; and the banker, W. Averell Harriman. The chief negotiator for Germany was Hjalmar Schacht, then head of the Reichsbank and later Hitler's Minister of Feanamies Minister of Economics.

In channeling funds from the United States into Germany (during 1924-1929 Wall Street sank approximately four billion dollars into Germany), a leading role was played by the Wall Street banking firm of Dillon Read and Company, among whose directors were William F. Draper and James V. Forrestal.

For similar operations on the part of Herbert Hoover, John Foster Dulles, W. Averell Harriman and James V. Forrestal after the Second World War, see Book Four.

In the opinion of many American statesmen and business leaders, mankind was entering an era of American world domination. Reflecting this viewpoint, Ludwell Denny, chief editorial writer of the Scripps-Howard Newspaper Alliance, wrote in his book, *America Conquers Britain*:

The "feeling" of victory is on America's side. It is America's "day." The devastating "will to win" so characteristic of youth, and the energy and daring which flow from it, drive America forward. The sense of "manifest destiny" is contagious . . .

The "Americanization" of Europe and the far places of the earth advances... We were Britain's colony once. She will be our colony before she is done, not in name but in fact. Machines gave Britain power over the world. Now better machines are giving America power over the world.

What chance has Britain against America? Or what chance has the world?

At home business boomed as never before. Radios, electrical appliances, cars, clothing, furniture, cosmetics, refrigerators and other goods poured in an unending torrent from the nation's machines. New factories and office buildings mushroomed on every side. "Coolidge Prosperity" was the slogan of the day . . .

Not everyone, of course, had the money to buy what he wanted; but nearly everyone bought. They purchased on credit, and paid the "easy way," on "easy terms." In 1926, more than one-sixth of the 40 billion sales volume in America was installment buying.

Mammon was king and the mores were those of the stock market. The American people, wrote Senator George Norris in his autobiography, *Fighting Liberal*, had been "brought . . . to their knees in worship at the shrine of private business and industry." A Mellon, Hoover, Rockefeller, Dawes or Morgan was regarded as oracle, sage, scientist, dreamer-of-great-dreams, doer-of-great-deeds and statesman, all rolled into one. The businessman had become, in Stuart Chase's phrase, "the dictator of our destinies."

Stuart Chase's phrase, "the dictator of our destinies." A billboard in New York City read: "Come to Church. Christian Worship Increases Your Efficiency." A pamphlet issued by the Metropolitan Insurance Company, entitled Moses, Persuader of Men, portrayed the Israelite leader as "one of the greatest salesmen and real-estate promoters that ever lived." One of the leading bestsellers, Bruce Barton's The Man Nobody Knows, described how Jesus Christ had picked up twelve men from the bottom ranks of business and forged them into an organization that conquered the world . . . Nowhere is there such a startling example of executive success as the way in which that organization was brought together . . . [Jesus] was the founder of modern business.

With profits seemingly limitless, and stocks rocketing to astronomical new heights, the millenium of capitalism appeared to have arrived.

"The great wealth created by our enterprise and industry, and saved by our economy," proudly declared President Coolidge, "has had the widest distribution among our people, and gone out in a steady stream to serve the charity and business of the world."

In an article published in *Colliers* magazine, the well-known journalist and Ford publicist, Samuel Crowther, exulted:

That there is no poverty other than voluntary or due to accident or disease, and this is negligible.

That we are, excepting in a few sections, solidly prosperous, with a buying power beyond comprehension.

That the standard of living is very high, but without a leaning toward extravagance . . .

That those who complain of hard times are those who fail to adjust themselves to a new order of things in retailing, manufacturing or agriculture.

That there is nothing of what we used to call radicalism.

That nothing can wreck our ship excepting ingeniously bad management in government or in industry.

Samuel Crowther's article was entitled: "Aren't We All Rich Now?" \*

\* Actually, for the great majority of Americans "Coolidge Prosperity" was a cruelly elusive mirage.

There was widespread poverty in the rural areas, with bankruptcies and foreclosures mounting among the farmers. The number of unemployed in the land hovered between two and four million. In 1929, at the peak of "prosperity" some 28,000,000 Americans failed to earn enough money to provide them with a minimum decent standard of living; and in four southern states Negro workers had an average income of less than \$300.

"At 1929 prices," reported the Brookings Institute, "a family income of \$2,000 may perhaps be regarded as sufficient to supply only basic necessities." And these, according to the Brookings Institute, were the incomes of American families that year:

Nearly 6 million families, or more than 21 per cent of the total, had incomes less than \$1,000.

About 12 million families, or more than 42 per cent, had incomes less than \$1,500.

Nearly 20 million families, or 71 per cent, had incomes less than \$2,500. The economist, Professor Paul Henry Nystrom of Columbia University, In 1929 the Federal budget totaled four and a half billion dollars. That same year, according to Wade H. Ellis, former Assistant U.S. Attorney General and head of the American Bar Association, the nation's crime budget was thirteen billion dollars.

Crime had become a leading business in the United States.

In an article in the North American Review entitled "Our Biggest Business-Crime," the retired New York Police Commissioner, Richard E. Enright, wrote:

The inescapable truth is that the annual total of the country's criminals, of whom 400,000 are in cells and a million at liberty is the most disturbing feature of our social order, the gravest problem confronting America.

In 1928 alone, stated Enright, some 12,000 Americans had been killed by criminals, a number equalling ten per cent of the nation's total losses in the Great War...

The trades of mayhem, arson, vandalism and murder were being widely pursued on a practical cash basis. *Collier's* magazine noted editorially:

Commercial rates have been fixed, for bombers and gunmen. A simple bombing in some cities can be had for as little as \$50, a cold-blooded murder by machine-gunners may bring \$10,000.

From bootlegging, gambling, prostitution and dope peddling, the nation's racketeers had branched out into almost every field of business. The New York World reported in the late twenties that some 250 industries in New York City were partially or completely controlled by gangsters; the yearly "take" of these gangsters was estimated at between \$200,000,000 and \$600,000,000. "It would appear . . . ," observed Thomas Crain, New York County District Attorney, "that they have their hands in everything from the cradle to the grave, from baby's milk to funeral coaches."

"We're big business without high hats," Dion O'Banion, Chicago gang Czar known to millions as the mobster who loved flowers, told a newsman shortly before being shot down by rival gangsters. His funeral was attended by thousands of citizens; there were twentyfive truckloads of floral wreaths; and his coffin cost \$10,000...

estimated in his book, *Economic Principles of Consumption*, that with the Boom at its zenith, 1,000,000 Americans were public charges; another 1,000,000, broken in health and spirit, were "unemployable"; a minimum of 7,000,000 were living under such circumstances that the least emergency meant for them a choice between starving or accepting charity; and the incomes of another 12,000,000 provided them with a "bare subsistence." Of Al Capone, the squat, scar-faced former pimp who had become absolute monarch of a criminal empire grossing \$100,000,000 a year, it was afterwards reported by *Life* magazine: "he wholly or largely controlled the municipal governments of Chicago, Cicero, Burnham and Stickney, Ill."

"Men like Al Capone and Arnold Rothstein and Bugs Moran," wrote Louis Adamic, "are figures of national prominence, 'big men' in the same sense that Henry Ford and Charles Schwab are big men."

Like other "big men" in America, Al Capone was deeply disturbed by radical social trends. At his headquarters in the Lexington Hotel in Chicago, Capone solemnly warned Cornelius Vanderbilt, Jr., who was interviewing him for *Liberty* magazine:

Bolshevism is knocking at our gates. We can't afford to let it in. We have got to organize ourselves against it, and put our shoulders together and hold fast.

We must keep America whole and safe and unspoiled. We must keep the worker away from the red literature and red ruses; we must see that his mind remains healthy.

"The people know," declared Walter Lippmann, "that they are beset by organized criminals who operate on a scale that has horrified the world. They know that unless they master this evil it will master them."

Lippmann was referring to the "established institution of racketeering" of the "criminal underworld." But during the era of postwar prosperity, the American nation was wracked by a far more deeply entenched and pernicious form of crime.

## 2. The Profits of Crime

During the first week of April 1927, Juan Leguia, the twentyone year old son of President Augusto Leguia of Peru, slipped quietly into New York City on a highly confidential mission.

Although young Leguia was considered good newspaper copy because of his periodic mad escapades and international reputation as a polo player, no New York paper mentioned his presence in the city. The son of the Peruvian dictator was travelling incognito, and all other necessary precautions had been taken to avoid the publicity jusually attending his movements.

Juan Leguia had come north to conclude a secret multi-milli. dollar deal with a small group of Wall Street financiers. Shortly after he had established himself in a luxurious apartmer' at the Ritz Towers hotel, Leguia conferred privately with repre-sentatives of the banking firm of J. W. Seligman & Company. The subject under discussion was the size of a bribe Leguia was to receive for his "personal services" in facilitating a loan by an American banking syndicate to the Government of Peru.

According to the terms of the agreement reached between Leguia and the Seligman executives, Leguia was to get the major portion of all commissions on loans to Peru floated in the United States by Seligman and their associates. A special account in the name of Juan Leguia was opened on the books of Seligman & Company. It was mutually understood that the details of the "gentlemen's agreement" were not to be publicized; and no record of them was made in writing.

During the following months, Seligman & Company deposited to Leguia's account "commissions" totaling \$415,000 . . .

According to a subsequent statement by Frederick J. Lisman, head of Lisman & Company, one of the firms in the banking syndi-cate arranging the Peruvian loan, the money turned over to Leguia was not a "bribe." It was paid to him, said Lisman, for his "nuisance value." Seligman representatives in Peru had reported that young Leguia made a practice of obstructing deals between his father and American financiers who failed to take his personal interests into consideration.

The confidential arrangement made with Juan Leguia was not the only significant item omitted from the circular prospectuses and other promotional material used by the members of the banking syndicate to stimulate the sale of Peruvian bonds in the United States. The Wall Street concerns also refrained from mentioning that the Leguia Government was in desperate financial straits, that Peru's natural resources were being systematically drained from the country by absentee American owners, and that President Leguia was maintaining his rule over the impoverished Peruvian population by imprisoning, exiling or murdering political oppo-nents, and by savage coercive measures against the people as a whole.

By the end of 1928, the Wall Street bankers had sold \$90,000,000 worth of Peruvian bonds to the American public ...

en the summer of 1930 the Leguian dictatorship was overthrown 'a popular revolt; ex-President Leguia and his sons were implisoned by a revolutionary tribunal; and the value of Peruvian bonds on the American market dropped from their original price 'of \$91.00 to \$4.00 apiece.

The directors of Seligman & Company were not greatly disturbed by these developments. The gross profit to their firm from the sale of Peruvian bonds had amounted to \$5,475,000 ...

When the banker, Frederick J. Lisman, was called before the Senate Committee on Finance in 1932, he was asked by Senator Hiram Johnson regarding the bribing of Juan Leguia: "Do you run across that sort of thing often in Latin American countries?"

"I had heard of it quite often, yes," said Lisman. He added: "Bankers do not knowingly float bad loans. But the purpose is to do a good business at a profit."

There were numerous instances among leading American banking houses of such "good business at a profit" during the Prosperity Years.

From 1926-1930 the Chase Securities Corporation, an affiliate of the Rockefeller-controlled Chase National Bank, sold \$20,000,000 worth of Cuban "public works securities" and \$40,000,000 worth of Cuban bonds to the American public. Most of the funds went directly into the private coffers of President Gerardo Machado, the murderous despot and former cattle-thief who had come to power in 1925 aided by a million-dollar campaign fund from American financial and industrial interests, and who then had smashed the Cuban trade union movement, used hired gunmen to assassinate his political enemies, and established a brutal military dictatorship.

Like Seligman & Company, the Chase National Bank found bribery useful in its Latin American ventures. President Machado's son-in-law, Jose Emilio Obregon y Blanco was appointed "joint manager" of the bank's Havana branch at a yearly salary of \$19,000, and, in addition, given a "commission" of \$500,000 when the Cuban bond issue was floated. "As we know, from any business standpoint he is perfectly useless," James Bruce of the Chase National Bank wrote regarding Obregon y Blanco in a letter to another Chase official.

In promoting the sale of Cuban "securities" in the United States, the Chase National Bank refrained from mentioning the despotic nature of the Machado regime and the extremely precarious condition of Cuba's economy.

When the seething discontent of the Cuban masses threatened to end Machado's dictatorship in the late twenties, U.S. Stare Department and War Department officials, who were in close friendly touch with the Chase National Bank, privately informed the Cuban tyrant that American armed intervention could be counted upon in the suppression of any revolt . . .

In August 1933, when Machado could no longer afford to pay the salaries of his gangsters and army officers, and the advent of the Roosevelt Administration had made unfeasible American armed intervention, the dictator was overthrown by a furious uprising of the Cuban people. Machado fled the country with a price on his head.

Following Machado's downfall, the Cuban bonds which the Chase National Bank had sold in the United States—at a profit to the bank of approximately one and a half million dollars—were declared illegal by the new Cuban government and were defaulted ...

During 1925-1929, Kuhn, Loeb & Company disposed of \$90,000,-000 worth of Chilean bonds on the American market. A military junto was ruling Chile at the time, but the Wall Street bankers were reluctant to mention the words "military council" in their Chilean bond prospectus. "Is it not correct," they cabled their agent in Chile, "to refer to the council as government council which we prefer instead of military council?" The firm's prospectus compromised by defining the Chilean government as a "governing council." By 1033, the Chilean bonds had been defaulted.

In a report issued in 1934, the Senate Committee on Banking and Currency had this to say about the practises pursued during the previous decade by American banking concerns in floating foreign securities in the United States:

The record of the activities of investment bankers in the flotation of foreign securities is one of the most scandalous chapters in the history of American investment banking. The sale of these foreign issues was characterized by practises and abuses which were violative of the most elementary principles of business ethics.

The predatory operations of American bankers during the 1920's were by no means limited to the flotation of foreign securities. Their exatest booty came from transactions in American stocks and ronds.

By unloading enormous amounts of wildly inflated or utterly worthless stocks on the market, by inducing tens of thousands of Americans to invest their savings in reckless speculation, by engineering market fluctuations, manipulating stock pools, misrepresenting the assets of enterprises they were promoting and employing an endless variety of other shady devices, American financiers plundered the public wealth with a thoroughness and on a scale which made the depredations of the Robber Barons of the nineteenth century seem petty in comparison. Typical, according to subsequent findings by the Senate Com-

Typical, according to subsequent findings by the Senate Committee on Banking and Currency, were the machinations of the National City Bank, the second largest commercial bank on the American continent. To circumvent legislation restricting the market activities of commercial banks and prohibiting them from trading in their own stock, the National City Bank operated through a securities affiliate called the National City Company. This affiliate company, which was actually nothing more than a giant brokerage firm with over 600 salesmen, engaged in the promotion of all manner of securities.

Among other securities sold by the National City Company to the American public were 1,950,000 shares of National City Bank stock at a total cost exceeding six hundred million dollars. In September the market price of National City Bank stock was \$579 a share; its book value at the time was \$70 a share.

Out of the fabulous profits accruing to the National City Bank, the officers of the bank and its securities affiliate, privately siphoned off immense bonuses for themselves through two special "Management Funds." Between 1921-1929 the total sum distributed among the bank's top executives from these Management Funds was \$19,000,000. The personal share of Charles E. Mitchell, president of the National City Bank until 1929 and then chairman of the board of directors, amounted to \$6,950,539.83.

"The industrial situation of the United States is absolutely sound and our credit situation is in no sense critical," stated Mitchell in the fall of 1929. His income that year exceeded \$4,000,000. Moreover, as he later explained before a Senate committee, he avoided paying income tax in 1929 through the expedient device of selling the multiple stocks he owned to his wife . . . Another well-known banker engaging in curious financial tra?<sup>In-</sup> actions was Albert H. Wiggin, chairman of the board of directod of the Chase National Bank. To simplify his own trading in Chase National Bank stock, and with the incidental objective of avoiding payment on income and inheritance taxes, Wiggin formed three family corporations called Clingston Company, Inc., Shermar Corporation, and Murlyn. The latter two were named after the banker's daughters. "There was," said Wiggin later, "a little sentiment about it." During 1928-1932 Wiggin's family corporations, whose value was not entirely sentimental, made a total profit of more than ten million dollars from trading in Chase National Bank stock.

In 1929 there were more than 400 stock-market pools foisting highly speculative securities upon the American public and juggling market prices so as to garner huge profits for the behind-thescenes manipulators. A typical pool in Sinclair Consolidated Oil stock, organized by Harry F. Sinclair of Teapot Dome fame in collusion with the Chase Securities Corporation and other banking concerns, netted a profit of \$12,200,109.41 for its operators, while causing losses of tens of millions of dollars to small investors.

Impressive newspaper advertisements, articles by "financial experts," radio programs and every other form of promotional technique and high-pressure salesmanship were employed to persuade the public of the easy money to be made in "sound" stocks and to stimulate widespread speculation on the market.

Exemplifying the methods of press agents and public relations counsel hired by stockbrokers, bankers and pool operators to boost the sale of certain securities were the activities of one David M. Lion, whose clients included such well-known concerns as Hayden, Stone & Company; Eastman, Dillon & Company; and Sinclair Oil Company.

As part of his promotional efforts, Lion founded an organization impressively entitled the McMahon Institute of Financial Research. The "Institute" consisted wholly of one man, William J. McMahon, an employee of Lion's who was featured on a weekly radio program as "the distinguished economist and President of the McMahon Institute of Financial Research." The "sound investments" recommended by McMahon to his radio audiences were, of course, stocks and bonds which Lion's clients wished to sell . . .

Another public relations counsel, A. Newton Plummer by name,

established an organization called the Institute of Economic Research, whose sole function was to place newspaper articles boosting securities for the brokerage firms which employed him. According to evidence later submitted to the Senate Committee on Banking and Currency by Representative Fiorello LaGuardia of New York, the recipients of checks from Plummer included financial writers on the *Wall Street Journal*, the *New York Times*, and the *New York Herald-Tribune* . . .

The Chicago brokerage firm of Halsey, Stuart & Company, which did a land-office business in the sale of stock in Samuel Insull's utilities holding-companies, sponsored a weekly coast-tocoast radio program featuring the "Old Counselor," who offered homely advice to his listeners as to what stocks represented the "best investments" for their savings.

The "Old Counselor" was a professor at Chicago University. "Of course, everything he delivered was written for him," Harold L. Stuart of the firm of Halsey, Stuart & Company subsequently related. "He was simply the deliverer of it . . . It was written in our office."

"While the brokers and pool operators were hiring press agents to purchase newspaper writers and radio artists for the boosting of their wares," writes M. R. Werner in his book, *Privileged Characters*, "the larger banking houses were employing more dignified means of gaining influence for their issues of securities and purchasing the goodwill of important personages. J. P. Morgan & Company had what the newspapers dubbed 'preferred lists'." The individuals on these "preferred lists" were offered stocks at special rates far below their market value. The lists, states Werner, included

the names of politicians, public officials, editors, lawyers, officers and directors of banks, trust companies, insurance companies, railroads and industrial corporations. There were rumors that King George of England, King Albert of Belgium, and Mussolini of Italy, were on the preferred list of the London and Paris house of Morgan for shares of the United Corporation, and also that leading politicians in France were allotted shares in that issue at the special bargain price at which J. P. Morgan had purchased them.

Among the influential personages whose names were on the preferred lists of large banking houses and who were thus enabled to buy stocks at special discounts were such individuals as Secretary of the Navy Charles F. Adams; former Secretary of War Newton D. Baker; John J. Rascob, chairman of the Democratic National Committee, and E. I. du Pont de Nemours and General Motors executive; Senator William G. McAdoo, former Secretary of the Treasury; William H. Woodin, later Secretary of the Treasury; Myron C. Taylor, chairman of the board of U.S. Steel; Bernard M. Baruch, market-speculator and financier; and Edgar Rickard, financial adviser to Herbert Hoover.\*

Some concept of the prodigious sums mulcted from the American public and turned over as "bonuses" to persons on the preferred lists of leading banking concerns may be derived from these facts: when Standard Brands stock was put on the market, 722,600 shares released at \$10 below the market price effected a bonus of \$7,226,-000 to the favored recipients; 600,000 shares of United Corporations stocks, distributed among persons on the preferred lists at \$24.00 below the market price, provided the privileged few with a bonus of \$14,400,000 . . .

"Implicit in the bestowal of favors on this magnificent scale," stated the 1934 report of the Senate's banking investigation, "is a persuasive assumption of power and privilege. Implicit in the acceptance is a recognition of that power and privilege. The 'preferred lists', with all their grave implications, cast a shadow over the entire financial scene."

### In America's 60 Families, Ferdinand Lundberg writes:

The ruinous speculative boom that collapsed in 1929 was engineered, from the first to the last, by the wealthy families, and for their personal account. At every stage of the game it was the richest, the most respectable, the most publicized, and the most influential persons who were the prime movers in unloading inflated securities upon a deluded public.

The unrestrained predatory operations of bankers and big businessmen during the Boom Years cost the American people, when the market collapse finally came, a sum estimated between twentyfive and thirty billion dollars. In addition to bringing financial ruin to millions of Americans, these operations helped to pave the way

<sup>\*</sup> After his term in office was over, Calvin Coolidge's name was placed on the preferred list of J. P. Morgan and Co.

for the years of mass unemployment, destitution and ineffable suffering of the whole nation during the Great Depression.

Despite the voluminous evidence gathered by congressional committees which later investigated the machinations of American financiers during the Boom Years, none of the major culprits went to jail for these crimes committed at such a fearful cost to the country.

American courts of law, however, were not completely inactive at the time.

### 3. "Those anarchistic bastards"

The case of Sacco and Vanzetti spanned the period of the Harding and Coolidge Administrations. It began with the arrest of the two Italian workers on May 5, 1920, and ended seven years, three months and eighteen days later, with the execution of the two men on August 23, 1927.

It was, in the words of Professor Felix Frankfurter of Harvard University, "no ordinary case of robbery and murder" and involved "more issues . . . than the lives of two men."

Before the case reached its tragic climax, it had become a prism through which were refracted all the dark and brilliant colors of the fiercely contending social elements in the postwar world.

Nicola Sacco at the time of his arrest was a twenty-nine year old Italian immigrant, skilled shoe-worker and devoted family man with a passionate love of nature. He was described by Michael Kelley, the owner of the factory where Sacco worked, as a "man who is in his garden at 4 o'clock in the morning, and at the factory at 7 o'clock, and in his garden again after supper until nine and ten at night, carrying water and raising vegetables beyond his own needs which he would bring to me to give to the poor."

Bartolomeo Vanzetti was a thirty-two-year old İtalian immigrant, migrant worker and fish peddler, a brilliant, self-educated, widely read student of literature, history and philosophy. He numbered among his favorite authors Kropotkin, Gorky, Marx, Renan, Darwin, Zola, Hugo, Tolstoy.

Both men were philosophic anarchists, and both had been active in strikes and other labor struggles. The two men were close friends. Arrested at the frenzied peak of the Palmer raids, Vanzetti was accused of involvement in two crimes, and Sacco in one. Vanzetti was charged with participation in an unsuccessful attempt to steal the payroll of the L. Q. White Shoe Company in Bridgewater, Massachusetts; and he and Sacco were both charged with participating in a payroll robbery at the Slater and Norrill Shoe Factory at South Braintree, Massachusetts, during which the robbers had shot down and killed the paymaster Frederick Parmenter and the guard Alessandro Berardelli.\*

From the outset, the Justice Department took a special interest in the case. Not only were the names of Sacco and Vanzetti on the list of "dangerous radicals" which had been compiled by J. Edgar Hoover's General Intelligence Division of the Bureau of Investigation. More important, both men had displayed a disturbing curiosity about the strange death of Andrea Salsedo, an Italian anarchist printer who, after being held illegally for eight weeks and tortured by Justice Department agents at the Park Row building in New York City, had plunged from a fourteen-floor window on the night of May 3, 1920.

The Justice Department's special concern with the fate of Sacco and Vanzetti was subsequently revealed by Fred J. Weygand, one of the Federal agents assigned to the case, who stated in a sworn affidavit:

I am thoroughly convinced and always have been, and I believe that ... it has been the opinion of such Boston agents of the Department of Justice as had any knowledge of the subject, that these men [Sacco and Vanzetti] have nothing whatsoever to do with the Braintree murders, and that their conviction is the result of cooperation between the Boston agents of the Department of Justice and the District Attorney.

"Facts have been disclosed, and not denied by the prosecution," wrote Felix Frankfurter in his treatise, *The Case of Sacco and Vanzetti*, "to show that the case against Sacco and Vanzetti for murder was part of a collusive effort between the district attorney and agents of the Department of Justice to rid the country of these Italians because of their Red activities."

On June 22, 1920, Vanzetti went on trial in the Superior Court

<sup>\*</sup> Despite the eagerness of the authorities to pin both crimes on the same "gang," Sacco had a foolproof alibi to prevent his being charged with the Bridgewater crime; he had been working at his job at the 3K shoe factory in Stoughton at the time the attempted hold-up occurred ...

at Plymouth, Massachusetts, on charges of assault with intent to rob and assault with intent to murder, in connection with the attempted hold-up at Bridgewater. Wizened, elderly Judge Webster Thayer of Worcester occupied the bench. Prosecuting the case was District Attorney Frederick G. Katzmann.

Despite the testimony of more than twenty witnesses that the defendant was miles from Bridgewater at the time of the crime, Vanzetti was found guilty on both charges and was sentenced by Judge Thayer to a prison term of twelve to fifteen years.

The evidence on the basis of which Vanzetti was convicted was evaluated by Felix Frankfurter in these words:

The evidence of identification of Vanzetti in the Bridgewater case bordered on the frivolous, reaching its climax in the testimony of a little newsboy who, from behind the telephone pole to which he had run for refuge during the shooting, had caught a glimpse of the criminal and "knew by the way he ran he was a foreigner." Vanzetti was a foreigner, so of course it was Vanzetti!

Judge Thayer's charge to the jury had included such comments as "This man, although he may not actually have committed the crime attributed to him, is nevertheless morally culpable, because he is the enemy of our existing institutions." The full text of the judge's highly biased charge became unavailable shortly after the trial, when fifteen pages of the court record mysteriously disappeared and were never found.\*

With the state prosecution now advantageously able to charge that one of the accused men was already a convicted felon, Sacco and Vanzetti were indicted on the charge of murdering Alessandro Berardelli and Frederick Parmenter during the South Braintree hold-up.

On May 31, 1921, with Judge Thayer again presiding and District Attorney Katzmann prosecuting the case, Sacco and Vanzetti went on trial.

The trial took place in the Norfolk County Superior Court at Dedham, Massachusetts, a residential suburb where well-to-do Bostonians made their homes. Like the rest of the country, Dedham was still gripped by the postwar anti-Red hysteria. The Dedham

<sup>\*</sup> In the summer of 1928, the ex-convict Frank Silva admitted in a sworn confession that he and several other gunmen had staged the Bridgewater holdup. Silva's confession was published, along with corroborative evidence, in the October 31, 1928 issue of the magazine, *Outlook and Independent*.

courthouse was under heavy police guard, and even newsmen were frisked for concealed weapons on entering the courtroom.

As G. Louis Joughin and Edmund M. Morgan observe in their exhaustive study of the case, The Legacy of Sacco and Vanzetti:

The defendants were tried before a jury drawn from a community and a people whose social mind was unfit to deal with any issue involving its hysterical passions. As far as the jury was concerned, it was inevitable that the quality of its verdict should be tainted. A sick society makes sick decisions.

During the early stages of the trial a friend of the jury foreman, Harry H. Ripley, told him it seemed unlikely that two men would rob a factory in broad daylight where one of them had worked and was well known. "Damn them," replied the jury foreman, "they ought to hang them anyway!"

One of the state's key "eye-witnesses," who testified to having seen Sacco and Vanzetti driving from the scene of the crime in the bandits' car, was a man who went by the name of Carlos E. Goodridge. Actually, the name was an alias. The witness "Goodridge" was an ex-convict, swindler and convicted perjurer, who had served two prison terms for theft, been implicated in an arson case with the intent to defraud an insurance company, and was, at the time he testified, a fugitive from a New York indictment for larceny. When the defense counsel sought to challenge the credibility of "Goodridge" by asking him whether he had a criminal record, District Attorney Katzmann objected to the question. The objection was promptly sustained by Judge Thayer.

The court interpreter at the trial was a man by the name of Joseph Ross. He was on close friendly terms with District Attorney Katzmann and also with Judge Thayer, after whom he had named his son, Webster Thayer Ross. Periodically during the trial, Vanzetti protested that Ross's translations were deliberately favorable to the prosecution. Judge Thayer summarily brushed aside Vanzetti's protests. Shortly after the trial, Ross was sent to prison for the attempted bribery of a judge in another case.

Among the Justice Department agents investigating Sacco and Vanzetti, and providing the prosecution with information about them, was an operative named Shaughnessy. Subsequently, Shaughnessy was arrested for highway robbery and sentenced to a twelveyear prison term. One of the leading state officials connected with the case was Attorney General Arthur K. Reading, who represented the Commonwealth at several hearings following the trial and kept in close touch with Governor Allan T. Fuller. In 1928, Reading was charged with having blackmailed, to the tune of \$25,000, a concern he was supposed to be investigating. He was impeached by the Massachusetts lower house, resigned from office and was later disbarred.

From the first day, the trial was permeated with bitter prejudice. Italian-Americans who appeared as defense witnesses were bullied by the prosecution and ridiculed for their unfamiliarity with the English language, as were Sacco and Vanzetti themselves. Objections by the defense counsel to such tactics were invariably overruled by Judge Thayer. In the words of Felix Frankfurter:

By systematic exploitation of the defendants' alien blood, their imperfect knowledge of English, their unpopular social views and their opposition to the war, the district attorney invoked against them a riot of political passion and patriotic sentiment; and the trial judge connived at—one had almost written, cooperated in—the process.

Both inside and outside the courtroom, Judge Thayer made no attempt to conceal his hostility toward the defendants. He treated Sacco and Vanzetti with open contempt and badgered the defense lawyers at every possible opportunity.

George U. Crooker, an acquaintance of Judge Thayer at the University Club in Boston, with whom the judge discussed the case on several occasions, later revealed:

He conveyed to me by his words and manner the distinct impression that he was bound to convict these men because they were "Reds." I remember Judge Thayer in substance said to me that we must stand together and protect ourselves against anarchists and "Reds."

On July 14, 1921, after a flagrantly prejudicial charge by Judge Thayer to the jury, Sacco and Vanzetti were found guilty of murder.

In the year that had elapsed since the arrest of Sacco and Vanzetti, a constantly growing section of the labor and progressive movement in the United States had rallied to the defense of the two Italian workers. With the Sacco-Vanzetti Defense Committee coordinating the campaign, talented left-wing journalists such as Art Shields publicizing the facts of the case, and impassioned champions of civil liberties like Elizabeth Gurley Flynn, Ella Reeve Bloor, Carlo Tresca and Fred Biedenkapp addressing meetings in every state, a fervent crusade to free the two men had been organized on a national scale.

Now, with the verdict of guilty, the case of Sacco and Vanzetti became an international cause celebre.

Throughout the following months there were mass protest meetings in every part of Europe. Tens of thousands of men and women demonstrated before American legations. Famous writers and scientists, statesmen and philosophers, jurists and labor leaders on every continent joined in the worldwide campaign to save the lives of Sacco and Vanzetti.

"All over Europe, apparently," scoffed the New York Times, "the various congeners of the Bolsheviki are going to howl against a fictitious injustice" . . .

Between July 1921 and October 1924 the defense counsel for Sacco and Vanzetti submitted to Judge Thayer a series of motions for a new trial, based on the uncovering of fresh evidence, proof of collusion between the prosecuting attorney and state witnesses, and the admission of prosecution witnesses that their testimony had been falsified. The motions were accompanied by voluminous docu-mentation, and hundreds of pages of sworn testimony, indicating the innocence of Sacco and Vanzetti.

On October 1, 1924, Judge Thayer denied all of the motions.

The following month Judge Thayer elatedly told Professor James P. Richardson of Dartmouth College, "Did you see what I did with those anarchistic bastards the other day! I guess that will hold them for a while . . . Let them go to the Supreme Court and see what they can get out of them!" The Supreme Judicial Court of Massachusetts held: "Exceptions

overruled. Verdict to stand."

On November 18, 1925, there came a sensational new development in the case. On that day, a signed note was delivered to Sacco from another prisoner in the Dedham jail, Celestino F. Madeiros, a young Portuguese criminal who was under death sentence for killing a cashier in a bank robbery. The note from Madeiros read: "I hear by confess to being in the south Braintree shoe company crime and Sacco and Vanzetti were not in said crime." Shortly before his confession, Celestino Madeiros had appealed his conviction of murder in the first degree; and there was a possibility he might not be executed. Even so, Madeiros admitted his participation in the crime at South Braintree. "I seen Sacco's wife come here with the kids," Madeiros explained, "and I felt sorry for the kids"...

Sacco turned Madeiros' confession over to William G. Thompson, the distinguished Boston attorney who had replaced the wellknown labor lawyer, Fred Moore, as chief counsel for Sacco and Vanzetti in the late fall of 1924. Thompson immediately began a painstaking investigation of all the facts connected with Madeiros' confession. In the following weeks, Thompson unearthed copious evidence substantiating Madeiros' admission that he and five other members of the notorious Morelli gang of Providence, Rhode Island, had staged the hold-up and committed the murders at South Braintree.

On May 26, 1926, Thompson submitted the results of his findings to Judge Thayer in a motion for a new trial.

Five months later, in a fifty-five page decision, Judge Thayer denied the motion. Regarding Judge Thayer's lengthy opinion, Professor Frankfurter wrote:

... I assert with deep regret but without the slightest fear of disproof, that certainly in modern times Judge Thayer's opinion stands unmatched, happily, for discrepancies between what the record discloses and the opinion conveys. His 25,000-word document cannot accurately be described otherwise than as a farrago of misquotations, misrepresentations, suppressions, and mutilations.

The Massachusetts Supreme Judicial Court upheld Judge Thayer's ruling.

On April 9, 1927, after seven years of imprisonment, Sacco and Vanzetti were brought before Judge Thayer for sentencing.

"Have you anything to say," asked the clerk of court, "why sentence of death should not be passed upon you?"

"Yes, sir," said Sacco. "I never knew, never heard, never read in history anything so cruel as this court."

Vanzetti spoke. "What we have suffered during these seven years," he told Judge Thayer, "no human tongue can say, and yet you see me before you, not trembling, not changing color, you see me looking in your eyes straight; not blushing, not ashamed or in fear."

Concluding, Vanzetti said;

This is what I say: I would not wish to a dog or to a snake, to the most low or misfortunate creature of the earth-I would not wish to any of them what I have had to suffer for things that I am not guilty of. But my conviction is that I have suffered for things that I am guilty of. I am suffering because I was an Italian, and indeed I am an Italian; I have suffered more for my family and for my beloved than for myself; but I am so convinced to be right that if you could execute me two times, if I could be reborn two other times, I would live again to do what I have done already.

I have finished. Thank you.

Judge Thayer sentenced Sacco and Vanzetti to die in the electric chair on July 10, 1927.

As Thayer hurried from the courtroom, he met a group of newspaper reporters. "Well, boys, how did it go?" he asked. The newsmen remained silent. "Boys," said the judge, "you know I've often been good to you. Now see what you can do for me."

During the next four and a half months, as the date set for the execution of the two men was postponed first to August 10 and then to August 22, protests against the sentence and pleas for executive clemency poured into the U.S. State Department and the Massachusetts state capital in a growing avalanche from every part of the world. In Paris, Madrid and Mexico City, London and Havana, Basle and Buenos Aires, and scores of other cities in every land, great mass demonstrations took place. There were protest strikes of workers in Denmark, Australia, South Africa, throughout Central and South America. Albert Einstein, Romain Rolland, Martin Andersen Nexo, George Bernard Shaw, John Galsworthy, and many other world-renowned figures added their voices, in impassioned pleas for clemency, to those of the millions . . .

But as Robert Lincoln O'Brien, millionaire owner of the Boston Herald and the Boston Traveller, later observed in a privately published document called My Personal Relations to the Sacco Vanzetti Case: "The momentum of the established order required the execution of Sacco and Vanzetti . . ."

"If this were the South," a Boston newspaperman told the author and *Daily Worker* reporter, Michael Gold, early that August, "the respectable mob would be storming the Charleston jail to lynch the two Italian workers."

On August 3, Governor Fuller denied a plea for elemency from Vanzetti. Four days later a special Advisory Committee which had been appointed by the Governor to study the case reported it had found that the trial of Sacco and Vanzetti was "fairly conducted," that there was no subsequent evidence warranting a new trial, and that they were "convinced beyond reasonable doubt that Sacco and Vanzetti were guilty of the murder". . .\*

As the dreaded day of the execution drew near, an almost unbearable tension gripped the nation. There were protest rallies from coast to coast and strikes in nearly every state. The Charlestown Penitentiary, where Sacco and Vanzetti were now confined, bristled with machine guns and was guarded day and night by more than 700 heavily armed city and state police officers. Government agents were stationed at Federal buildings in principal cities with orders "to shoot first and ask questions afterwards" if trouble started. In Washington, D.C., army detachments were mobilized in readiness "to defend the Capitol."

Shortly before the date set for his electrocution, Vanzetti told Philip Duffield Strong of the American Newspaper Alliance, "If it had not been for this thing I might have lived out my life among scorning men. I might have died unmarked, unknown, a failure. This is our career and our triumph. Never in our full life can we hope to do such work for tolerance, for justice, for man's understanding of man, as now we do by an accident.

"Our words-our lives-our pains-nothing! The taking of our lives-lives of a good shoemaker and a poor fish peddler-all!

<sup>\*</sup> The Advisory Committee was composed of A. Lawrence Lowell, President of Harvard University; Samuel W. Stratton, President of the Massachusetts Institute of Technology; and Robert Grant, a retired probate judge. The proceedings of the Committee, which was commonly known as the Lowell Committee, were dominated throughout by the wealthy, autocratic Harvard President. "He was," write Joughin and Morgan in *The Legacy of Sacco and Vanzetti* "widely regarded as a perfect specimen of the New England snob, dominated by the sense of *noblesse oblige* . . ." One of his "private prejudices," add these authors, "a dislike of Jews-is in the process of being supported as the passage of years releases collections of private documents." Joughin and Morgan imply that this particular prejudice may have influenced Lowell in his consideration of Professor Frankfurter's findings. In any case, Lowell, like other members of his set, felt nothing but bitter hostility toward Sacco and Vanzetti, and saw to it that the proceedings of the Committee were prejudiced against them from beginning to end.

"The moment that you think of belongs to us-that last agony is our triumph!"

On August 23, 1927, the case which had begun at Plymouth, Massachusetts, where the Pilgrims had established the first permanent settlement of Europeans in New England, ended in the Charlestown Penitentiary near Bunker Hill, where the first major battle of the American Revolution had been fought. A few minutes after midnight, the lights of the prison flickered and grew dim as Nicola Sacco and Bartolomeo Vanzetti were killed in the electric chair.

When word was flashed to the country that Sacco and Vanzetti were dead, men and women who had congregated in every city in the desperate hope of a last-minute reprieve wept agonizingly in the streets. This is how the New York World described the scene in Union Square, where a great crowd had assembled:

The crowd responded with a giant sob. Women fainted in fifteen or twenty places. Others, too overcome, dropped to the curbs and buried their heads in their hands. Men leaned on one another's shoulders and wept. There was a sudden movement in the street to the east of Union Square. Men began to run around aimlessly, tearing at their clothes and ripping their straw hats, and women ripped their dresses in anguish.

In France, a few hours after the execution, the famous novelist, Romain Rolland wrote: "I am not an American; but I love America. And I accuse of high treason against America the men who have soiled her with this judicial crime before the eyes of the world."

On August 27, 1927, four days later, the Boston Herald editorialized:

Let us get back to business and the ordinary concerns of life, in the confident belief that the agencies of law have performed their duties with fairness as well as justice . . . Now let us go forward to the responsibilities of the common day with a renewed determination to maintain our present form of government, and our existing social order.

The Herald editorial was headed: "Back to Normalcy."

### Chapter VII

## END OF AN ERA

### 1. Debacle

ON AUGUST 2, 1927, President Calvin Coolidge released to the nation his famous terse pronouncement: "I do not choose to run for President in 1928."

To Coolidge's consternation, the Republican Party took him at his word.\* The following June, in the oppressive heat of Kansas City, the listless perspiring delegates to the Republican National Convention nominated Herbert Clark Hoover on the first ballot as their Presidential candidate. The former Secretary of Commerce was elected on November 6, 1928.

In the opinion of the iconoclastic author, H. L. Mencken, Hoover was simply a "fat Coolidge." William Allen White summed up Hoover as an "adding machine." Ferdinand Lundberg portrayed him as an "erstwhile vendor of shady mining stocks who before the war had been reprimanded by an English court for his role in a promotional swindle."

While there was undeniable truth in each of these characteriza-

<sup>\*</sup> Describing President Coolidge's reaction when the Republican National Convention in 1928 failed to make any attempt to draft him for another term, Irwin H. ("Ike") Hoover, chief usher at the White House, wrote in his memoirs:

<sup>&</sup>quot;There was dismay at the White House... The President was not long in vacating the Executive Office. He came to the White House visibly distressed. He was a changed man ... "He threw himself across the bed continuing on indefinitely to lay there.

<sup>&</sup>quot;He threw himself across the bed continuing on indefinitely to lay there. He took no lunch and only that the physician came out a couple of times to inquire, at the suggestion of the President, for word of the Convention doings, was it known, the drift of his thoughts. In this room he continued on to remain through the rest of the day and night, not emerging therefrom until nearly eleven o'clock the next (Monday) morning. Even then it was a different President we knew.... That night he left for Wisconsin."

tions, none of them did full justice to the Thirtieth President of the United States.

It was not merely in terms of physical girth that Hoover was a bigger man than his taciturn predecessor. Whereas Coolidge had hewed to the precepts of Wall Street with the respectful obedience of a grateful employee, Hoover was a millionaire in his own right, moved on an easy, gracious footing with renowned financiers and was, in fact, himself accepted as a leading figure in big business circles.

As the *Wall Street Journal* had observed after Hoover's nomination as the Republican Party candidate:

Never before, here or anywhere else, has a Government been so completely fused with business. There can be no doubt that Hoover as President would be a dynamic business President. He would be the first business, as distinguished from political, president, the country has ever had...

Hoover would serve the public by serving business . . .

Such a statesman, for all his preoccupation with business statistics, precise commercial graphs and stock market evaluations, was not to be dismissed as a mere "adding machine," a mechanism wholly lacking in the knack of self-enrichment.

Nor were Hoover's promotional talents by any means limited to the field of dubious mining ventures. No President before him had been so gifted in the art of self-promotion. Despite his never having shone in the engineering profession and the fact he had made his fortune through organizing stock companies to exploit gold, timber, ore and other concessions in Czarist Russia, Australia, China and other backward regions, Hoover had sold himself to the American public as "The Great Engineer"; despite his systematic use of food as a political weapon to sustain savage White Guard regimes and suppress the democratic upsurgence in postwar Europe, Hoover was widely known in the United States as "The Great Humanitarian"; and despite his complete preoccupation with business matters and the accumulation of material wealth, there were millions of Americans who had been taught to think of Hoover as "The Great Idealist."

As Drew Pearson and Robert S. Allen wrote in their book, Washington Merry-Go-Round, "Every possible trick, every new device, known or capable of being invented by skilled publicity agents had been invoked to make Hoover the Superman, the Great Executive . . ." \*

With Hoover in the White House, the stock market soared to fabulous new heights and scores of new investment houses were incorporated. In January 1929, over a billion dollars worth of new securities were floated. In every major city throughout the land, brokerage offices were jammed with eager buyers, their eyes hypnotically glued to lighted screens across which moved a rapid procession of symbols and numbers recording the ever-mounting prices on the New York Stock Exchange.

"We in America," opined Herbert Hoover, "are nearer to the final triumph over poverty than ever before in the history of any land . . . the outlook for the world today is for the greatest era of commercial expansion in history." The United States, the President proclaimed in his inaugural address, had "reached a higher degree of comfort than ever existed before in the history of the world . . . In no nation are the fruits of accomplishment more secure."

Eight months later, America was overwhelmed by the most catastrophic economic crisis in all history.

\* For twenty years prior to his appointment as U. S. Food Administrator in 1917, Herbert Hoover had lived abroad, rarely visiting the United States. In the spring of 1897, at the age of twenty-two, Herbert Hoover had left San Francisco to seek his fortune in the goldfields of West Australia. As a representative of British gold mine owners in Australia, the youthful Hoover soon won a reputation, as Rose Wilder Lane writes in The Making of Herbert Hoover, "as a hard and ruthless man . . . whose ruthlessness was known from Perth to the farthest reaches of the back country."

During the early 1900's, acting as an agent for various British mining con-cerns and financial syndicates, Hoover became widely known for his ability to organize and promote stock companies to exploit the resources of backward colonial areas. By 1910 Hoover himself had large holdings in a number of these stock enterprises, including eleven oil companies in Czarist Russia. Around this time, Hoover became associated with the British multimillionaire Leslie Urquart in three companies which had been set up to exploit timber and mineral concessions in the Urals and Siberia; and, soon afterwards, in the Russo-Asiatic Corporation, which was floated by Urquart and obtained con-cessions from the Czarist regime to properties in Russia whose total value was estimated at \$1,000,000,000.

Late in 1914, with the backing of the Belgian financier, Emile Francqui, with whom he had been associated in the Chinese Engineering and Mining Company, Hoover became Chairman of the Commission for Relief in Belgium. This post was used by Hoover as a stepping-stone to the far more important position of Director of the U. S. Food Administration.

In the last week of October 1929, the bottom dropped out of the stock market.

During the preceding weeks, prices on the Exchange had fol-lowed a continuous downward trend without causing much apprehension: the Big Bull market had sagged before, only to surge back to spectacular new peaks and bigger profits for the pool operators. By the middle of the month, however, alarm spread as the decline

in prices rapidly picked up momentum. On October 23, with ticker tapes in brokerage offices running almost two hours behind market transactions, more than 6,000,000 shares exchanged hands; and the New York Times averages for fifty leading industrial and railroad stocks recorded a loss of 18.24 points.

Then on Thursday, October 24, the deluge really got underway.

That day the volume of sales was nearly 13,000,000 shares. Within the first hour of trading, as prices plunged downward at a fantastic rate, thousands of speculators were wiped out in an avalanche of selling. There was pandemonium in the great hall of the New York Stock Exchange; shouting, madly gesticulating brokers rushed to and fro, their faces contorted with fear and dismay. Brokerage firms in every major city were jammed with disheveled clients, frantically trying to dispose of their holdings before they were completely ruined . . .

Shortly after noon, Charles E. Mitchell of the National City Bank, Albert H. Wiggin of the Chase National Bank, and two other lead-ing bankers hurried into the J. P. Morgan & Company building and closeted themselves in the office of Thomas W. Lamont. Within a few minutes they had agreed to put up \$20,000,000 apiece, to-gether with one other financier, to form a buying pool of two hundred and forty million dollars to slow the cataract of sales and bring a semblance of order to the chaos at the Exchange. From the White House, President Hoover, who had been in

constant touch with Thomas Lamont by long distance telephone, proclaimed to the nation: "The fundamental business of our country, that is, production and distribution of commodities, is on a sound and prosperous basis."

But neither multi-million dollar bankers' pools nor sanguine Pres-idential proclamations could halt the debacle. The catastrophic collapse in market prices continued unabated. On October 29, with more hundreds of millions of dollars of "values" abruptly vanishing into thin air, the volume of sales on the Exchange reached the phenomenal all-time high of 16,410,030 shares.

And as the whole crazy cardhouse structure of credit, speculation, paper values and stock market pools crumbled in a thousand pieces, wild rumors multiplied on every side: All the banks have collapsed! The exchanges are being shut down by Government decree! Twenty bankers have committed suicide! Angry mobs are marching on Wall Street!

The Great Panic was on.

"The present week," declared the November 2, 1929, issue of the *Commercial and Financial Chronicle*, "has witnessed the greatest stock market catastrophe of the ages."

But what was happening was far more than a gigantic stock market catastrophe. It was a world catastrophe. The era of spurious postwar stability and prosperity had ended. An economic crisis of unprecedented severity had begun which would swiftly engulf the globe . . .

On December 18, 1930, Benito Mussolini summed up the effects of the World Crisis on Europe:

The situation in Italy was satisfactory until the fall of 1929, when the American market crash exploded suddenly like a bomb. For us poor European provincials it was a great surprise . . . Suddenly the beautiful scene collapsed and we had a series of bad days. Stocks lost thirty, forty and fifty per cent of their value. The crisis grew deeper . . . From that day we were again pushed into the high seas, and from that day navigation has become extremely difficult for us.

Unemployment, hunger, mass demoralization and destitution went hand in hand with the economic crash which swept like a hurricane across America, Europe and Asia. Great financial and industrial corporations collapsed in ruins; millions of small investors were wiped out; workers were turned out into the streets. While the masses starved, fruit was dumped into the sea; wheat rotted in the crammed silos; coffee was used for stoking furnaces; cattle were slaughtered and buried in ditches. The nations could no longer pay for the plethora of commodities they had produced. An entire system of economic distribution had broken down.

Early in 1932, former U.S. Secretary of the Treasury Andrew Mellon, who had been appointed American Ambassador to England by President Herbert Hoover, told a Pilgrim's dinner in London: "I do not believe there is any quick or spectacular remedy for the ills from which the world is suffering, nor do I share the belief that there is anything fundamentally wrong with the social system."

The famous American steel magnate, Charles M. Schwab, expressed a sentiment more widely prevalent in business circles. "I am afraid," he said. "Every man is afraid."

### 2. Days of Reckoning

During the second year of the Great Depression, the famous American author, Theodore Dreiser wrote in his book, *Tragic* America:

I had heard much and studied much of present-day living conditions, but I also wanted to see for myself certain definite examples of life under our present economic regime . . . I visited the western Pennsylvania miners' zone . . . and there I found unbelievable misery. Miners receiving wages of but \$14 to \$24 for two weeks' work . . . Their food was of the poorest; I studied their menus. One of their main foods at that time was dandelion weeds.

I chose to visit Passaic, New Jersey, because I believe it to be a fairly representative small industrial city . . . A local minister told me of instances of eight and ten persons living in one or two rooms . . . The minister also told me of many cases of unemployment for over a year; in particular he mentioned one woman who, trying to earn a living for her family (the husband out of work) by making artificial flowers at the rate of 15 cents for 24 flowers, could not possibly earn more than 90 cents a day . . .

... on January 3, 1931, James Golden, aged 50, an unemployed tin-smith, went into a bakery at 247 Monroe Street, and asked for something to eat. As Rosenberg, the proprietor, reached for a loaf of bread, Golden fell to the floor and died ... Then there was John Pitak, 43, of 183 High Avenue, who committed suicide, leaving a wife and three children, because he could not find work ...

Describing the plight of Pennsylvania miners in 1931 who had been evicted from their company-owned houses after losing a desperate, futile strike for living wages, the writer Jonathan Norton Leonard related:

Reporters . . . found thousands of them huddled on the mountainsides, crowded three or four families together in one-room shacks, living on dandelions and wild weed-roots. Half of them were sick, but no local doctor would care for the evicted strikers. All of them were hungry and many were dying of those providential diseases which enable welfare authorities to claim that no one has starved. Louise V. Armstrong, in her book, We Too Are the People, recorded this scene in downtown Chicago:

We saw a crowd of some fifty men fighting over a barrel of garbage which had been set outside the back door of a restaurant. American citizens fighting for scraps of food like animals!

By 1932, hungry destitute masses of Americans were spread in a great dark tide across the land. Tens of thousands of ragged homeless children roamed the countryside. The number of unemployed was estimated at between thirteen and seventeen million.

American cities swarmed with beggars and hordes of gaunt hollow-eyed men and women who huddled at night in doorways, alleys and cellars, and ransacked garbage heaps for maggoty scraps of food. Everywhere, there were lengthening bread lines, silent crowds gathered in front of employment agencies and before closed factory gates, haggard men and women standing beside pitiful applestands, and countless workers walking from house to house, from shop to shop, in an endless desperate search for jobs, of any sort, at any wage, to enable them to feed their starving families.

And in every state, like ugly festering sores across the body of the land, there appeared squalid settlements of makeshift shacks and hovels, built of tar paper, packing boxes, tin and scrap iron, in which thousands of dispossessed and poverty-stricken American families now made their homes. These man-dump heaps were known to the nation as "Hoovervilles."

President Hoover petulantly regarded the Depression as a personal challenge to his reputation as the Great Executive. Failing in an initial attempt to persuade the American people that the crisis was simply a fleeting mirage and that "prosperity was just around the corner," Hoover issued a series of pontifical declarations belittling the disaster that gripped the nation.

On December 14, 1929, Hoover announced it was apparent from statistics he had studied on the volume of shopping that American business was "back to normal." In March 1930 he declared that "the worst effect of the crash on unemployment will have been passed during the next sixty days." The sixty days having elapsed, he told the nation on May 2:

We have been passing through one of those great economic storms which periodically bring suffering and hardship to our people. I am convinced that we have passed the worst and with continued unity of effort we shall rapidly recover.

That July the well-known attorney, Amos Pinchot, and a group of businessmen visited the White House to urge the President to take immediate emergency measures to relieve the rapidly growing unemployment. Hoover listened to their plea with marked impatience. "Gentlemen," he then truculently told the delegation, "you are six weeks late. The crisis is over."

Throughout the balance of his term in office, while granting huge Government loans to relieve the difficulties of banks, railroads and large industrial concerns, President Hoover obdurately balked at the idea of Federal relief for the mounting millions of homeless, jobless and famished Americans. Federal relief, asserted Hoover, would be nothing more than "dole" and would harm "the "character of Americans" by undermining their "rugged individualism."

Senator Robert M. LaFollette, Jr., protested, "The relief of human suffering in this emergency should take precedence over the consideration of the interests of wealthy income-tax payers."

"Demagogy!" scoffed Hoover in reply ...

While the people's anguish grew, President Hoover compiled elaborate statistics and charts on the economic state of affairs, formed commissions to "study" unemployment and industrial production, and periodically called conferences of mayors, governors and business executives to discuss diverse aspects of the crisis.

A typical White House conference on unemployment, attended by a group of governors, was described shorty afterwards in a private conversation by Governor Franklin D. Roosevelt of New York in these words:

We were to gather for dinner, and Mrs. Roosevelt went with me. We stood rigid around an immense table waiting for the President to come in. He was late, and we remained standing, silently, like stone images. Nothing at Buckingham Palace could compare with this formality. Mrs. Pinchot came around to my side of the table and said everybody would understand if I sat down at my place. A gold-braided aide whispered to her to please return to her place and stand until the President entered. When the President sat down the conversation was conducted in whispers.

After dinner the men were asked to go to the Red Room and the ladies to the Blue Room. The President and his wife softly padded in and greeted our party individually with a fleeting touch of the hand and whispers. We were then herded into the music room like prize cattle and sat on rickety chairs which undertakers use when they run out of seats. Beyond a wide expanse of polished floor nervous fiddlers played, with eyes cocked apprehensively on the aides with the epaulettes.

As we were leaving, Mrs. Roosevelt recognized one of the musicians and spoke to me above a whisper for the first time since we entered the White House. From out of nowhere another aide with shivering epaulettes was at her elbow. He whispered to her that if she wished to greet the musician, he would have to arrange it near the door-way as we walked out. The musician greeted Mrs. Roosevelt in fear and trembling. We left in a daze. I cannot remember what was discussed about unemployment.

Abandoned by their Government, living in deepening poverty, misery and despair, more and more Americans began taking matters into their own hands.

One state capital after another was beseiged by hunger marchers. In city after city, angry men and women banded together to prevent evictions of their impoverished friends and neighbors. Auctioneers conducting forced sales of farms repeatedly found themselves surrounded by grim-faced farmers who kept outsiders from bidding, bought the property under sale for a few dollars and then promptly returned it to its original owners. Throughout the country, unemployed councils formed by the Trade Union Unity League, organized demonstrations demanding food, clothing and work or adequate relief.

Furious measures were employed by the Federal, state and local authorities to suppress the mounting rebellion of the people. Demonstrations of famished and jobless Americans were bloodily dispersed by armed troops and police. Describing typical police tactics used to break up an unemployment demonstration in New York City, a New York World reporter told of:

... women struck in the face with blackjacks, boys beaten by gangs of seven and eight policemen, and an old man backed into a doorway and knocked down time after time, only to be dragged to his feet and struck with fist and club.

. . . detectives, some wearing reporters' cards in hat bands, many wearing no badges, running wildly through the crowd, screaming as they beat those who looked like Communists.

... men with blood streaming down their faces dragged into the temporary police headquarters and flung down to await the patrol wagons to cart them away.

But neither the savage violence of law-enforcement agencies, nor the horrified outcry that "Communist agents" were agitating the unemployed, nor congressmen calling for the immediate imprisonment or deportation of all "Reds" \* could dispel the gathering storm of anger and revolt.

Across the land, the slogan spread: Don't Starve-Fight!

### 3. March on Washington

During the second week of May, 1932, two hundred unemployed World War veterans in Portland, Oregon, hastily packed together a few of their meager belongings and set out on a 3,000-mile transcontinental journey to Washington, D.C. "to petition Congress for the immediate payment of veterans bonuses." Their departure heralded the beginning of one of the most extraordinary, spontaneous popular demonstrations in American history: the Veterans March on Washington . . .

After two and a half grim years of joblessness and destitution, the smoldering resentment of American ex-servicemen had flared into a nationwide demand that Congress enact legislation providing for immediate payment of funds still due on veterans' bonus certificates.<sup>†</sup>

With the scheduled adjournment of Congress only a few weeks away, the veterans began converging on Washington to present their "petition on boots."

The veterans came singly, in small bands and caravans of hundreds, many bringing their wives and children with them. They halted trains and compelled conductors to allow them to travel as non-paying passengers. They hitchhiked, jammed old jalopies, rode freight cars. One small group trekked down from Alaska and across the continent, a distance of more than 4,000 miles. Three veterans sailed as stowaways aboard a ship from Hawaii.

Throughout the hot summer days and nights, the ex-servicemen

<sup>\*</sup> The most active congressional committee crusading against "Reds" in America was, at the time, the House Special Committee to Investigate Communist Propaganda. The committee was headed by Representative Hamilton Fish of New York.

<sup>†</sup> Officially titled the Adjusted Service Certificate, the Bonus was an additional payment to veterans of one dollar for every day served in the Armed Forces at home and a dollar twenty-five cents for every day spent overseas. The Bonus award had been passed by Congress in 1923 for payment in 1945. In 1930 veterans were permitted to borrow one-half their bonus money at 4½ percent interest. The Bonus Marchers sought to obtain the right to borrow the remainder of the money immediately.

streamed endlessly along the highways of the land, across deserts, plains and mountains, through villages and towns, toward the nation's capital. Scarcely a day passed without the press announcing the departure of new detachments: 900 from Chicago; 600 from New Orleans; 1,000 from Ohio; 700 from Philadelphia and Camden; 200 elected as delegates by the patients in the National Soldiers Home at Johnson City, Tennessee . . .

State and federal authorities, and railroad executives, sought desperately to halt the Bonus Marchers and to force them to return home. Police officials forbade them to enter certain towns. Secretary of War Patrick J. Hurley announced that veterans reaching Washington would be given no sleeping bags by the War Department. The Washington Chief of Police, General Pelham Glassford, dispatched frantic wires urging governors to turn the veterans back. A vice-president of the Baltimore & Ohio Railroad proclaimed his determination "to protect the interests of the railroad in the impending war". . .

And still the veterans came.

And, in the communities through which they passed, tens of thousands of sympathetic Americans greeted them with great public demonstrations, provided them with clothing, food, lodging and gave other assistance to help them on their way . . .\*

By June, more than 20,000 Bonus Marchers had poured into Washington.

The ex-servicemen, who thirteen years before had been hailed as national heroes on their return from Europe's battlefields, were not now treated as such by their Government. Congressmen visited by veterans' delegations smilingly agreed to support the bonus legislation—and did nothing. President Herbert Hoover coldly refused

<sup>\*</sup> In Cheyenne, Wyoming, a group of veterans arriving at midnight was welcomed by more than 5,000 townspeople, who staged a torchlight parade and feted the travelers at a great banquet. In Cleveland, 50,000 citizens congregated to support the demand of Bonus Marchers that they be given railroad cars by local authorities. In McKeesport, Pennsylvania, after frustrating the mayor's efforts to prevent veterans from passing through the town, the townspeople halted a train for the ex-servicemen. Following a futile attempt by police and troops to prevent Bonus Marchers from boarding trains in East St. Louis, Illinois, the local sheriff reported: "When it looked like trouble, it wasn't the veterans I was concerned about, but the sympathizers. There was a crowd of several thousand along the B & O tracks, and they were all yelling and cheering the former soldiers . . ."

to grant an audience to any representatives of the Bonus Marchers. A heavy military guard patrolled the White House.

Some of the Bonus Expeditionary Force, as the veterans now called themselves, established makeshift living quarters in empty lots and vacant government buildings in Washington. The great majority, however were directed to an encampment on the Anacostia Flats, a dust-ridden, low-lying stretch of land bordering the Potomac River across from the nation's capital. Here, unprotected from the broiling sun and from tepid rains which converted the Flats into a muddy morass, there mushroomed a jungle-like city of tents, dugouts, crude shacks, and caves in the river's bluff.

Lacking the most elementary sanitation facilities, and with hopelessly inadequate food supplies provided by the Washington authorities, the ex-servicemen and their families were soon beset by widespread sickness. Within a short time, several of the veterans' children had died from intestinal disorders and malnutrition . . .

Every possible device was employed to discredit the Bonus Marchers, disrupt their ranks and force them to leave Washington. Newspapers reported that the Bonus Army was infested with "communist agents" seeking to set up "soviets in the nation's capital." Police Chief Glassford threatened to invoke an evacuation order; and when the veterans refused to move until Congress granted their demands, Glassford, who was in charge of all food provisions for the veterans, announced a "food shortage" and drastically reduced the veterans' already skimpy rations.

The Bonus Expeditionary Force, moreover, was riddled with Federal agents, police spies, paid informers and *agents-provocateurs*. W. W. Waters, the dapper, smartly uniformed autocratic "commander" of the BEF, was himself in constant communication with General Glassford and was actually getting orders from the Police Chief. According to Glassford's own subsequent account, the "Military Police Corps" which Waters had organized to "keep order" among the veterans "worked intimately with the Metropolitan Police under my command." \*

<sup>\*</sup>Waters' political inclinations and personal ambitions became clear some time later when, after forming an organization called the Khaki Shirts, he declared: "Inevitably such an organization brings up comparison with the Fascisti of Italy and the Nazis of Germany. For five years Hitler was lampooned and derided. But today he controls Germany. Mussolini before the war was a tramp printer, driven from Italy because of his political views. But today he is a world figure."

"If we find any Red agitators in the group," Waters informed Washington police, "we'll take care of them."

New arrivals at Anacostia Flats were warned by "Commander" Waters against the "red activities" of the Workers Ex-Servicemen's League, a left-wing veterans group which had played a major role in mobilizing the Bonus March, and were made to take an oath against Communism. A number of the League's leaders were kidnapped, brutally beaten and ordered out of Washington. The battered bodies of two veterans suspected of being Communists were found floating in the Potomac.

But for all the efforts to terrorize them and split their ranks, the vast majority of the veterans stubbornly remained where they had settled and continued to agitate for payment of their bonuses . . .

On the morning of July 17, after a hasty final session, Congress adjourned without having taken any action on the bill. By nightfall most of the Representatives and Senators had scurried out of Washington.

The careful preparations made by Government authorities for imminent developments were afterwards disclosed by General Pelham Glassford:

... troops were in training for just such a climax as early as June.... both officers and men at Army and Marine posts adjacent to Washington were being held in readiness without leave for a long period ... these troops were receiving special training in the use of tear gas and in maneuvers incident to dispersing crowds.

Matters came to a head on July 28, a date subsequently named "Bloody Thursday." That morning a large police contingent attempted to evict several hundred veterans from two abandoned Government buildings at Third Street and Pennsylvania Avenue. When the veterans refused to leave, the police charged the buildings, hurling tear gas bombs at their occupants. The veterans fought back. Enraged, the police drew their guns and fired. A number of veterans dropped, two of them mortally wounded . . .

President Hoover promptly ordered General Douglas A. Mac-Arthur, Army Chief of Staff, to assume command of the evacuation of the Bonus Expeditionary Force from Washington and to employ the army "to put an end to this rioting and defiance of civil authority."

Around four o'clock in the afternoon, the troops arrived. Describing ensuing events, the New York Times reported: Down Pennsylvania Avenue . . . the regulars came, the cavalry leading the way, and after them the tanks, the machinegunners and the infantry . . .

There was a wait for maybe half an hour while the Army officers talked it over with the police and the bonus marchers should defiance. They wanted action and they got it.

Twenty steel-helmeted soldiers led the way with revolvers in their hands until about 200 were in position in front of the "bonus fort." Then the mounted men joined. They rode downstreet clearing the path with their sabres, striking those within reach with the flat of their blades.

The action was precise, well-executed from a military standpoint, but not pretty to the thoughtful in the crowd. There were those who resisted the troops, fought back, cursed and kicked at the horses . . .

Amidst scenes reminiscent of the mopping-up of a town in the World War, Federal troops . . . drove the army of bonus seekers from the shanty village near Pennsylvania Avenue.

The troops then set fire to the veterans' shacks.

Every detail of the operation had been planned with methodical care by General MacArthur, and fire engines were on hand to prevent the flames from spreading . . .

Wearing gas masks, and lobbing tear gas bombs, infantrymen pursued the fleeing veterans, who sought desperately to shield their wives and children. Scores of calvalrymen, swinging sabres, joined in the chase. Civilian onlookers were gassed, bludgeoned to the ground, and trampled on by horses . . .

"The mob was a bad-looking one," General MacArthur told newsmen regarding the veterans. "It was one marked by signs of revolution. The gentleness and consideration with which they had been treated they had mistaken for weakness."

That night MacArthur's troops stormed the Anacostia encampment. With giant floodlights blazing across the mud flats, the steelhelmeted soldiers advanced, flinging tear gas bombs, setting fire to the ramshackle huts and tents, and driving before them the veterans and their families. By midnight, the Washington sky glowed as though a great forest were ablaze. Many veterans and their wives and childern were overcome by gas fumes. One infant died.

Dawn found the Government undisputed master of the field. The Anacostia Flats were littered with smoking debris. Miles off, along the roads and highways of Virginia and Maryland, thousands of veterans and their families were hurrying away from the nation's capital, some weeping and cursing, others silent and dazed ... A challenge to the authority of the United States had been met swiftly and firmly," President Hoover declared in a statement to the press. "After months of patient indulgence, the government met overt lawlessness as it always must be met . . . The first obligation of my office is to uphold and defend the Constitution and the authority of the law. This I propose always to do." But whatever few illusions the American people might still have

But whatever few illusions the American people might still have retained about the Great Humanitarian had vanished in the flames that consumed the pitiful hovels at Anacostia Flats. The nation would soon send another man to the White House.

That fall, with the presidential campaign underway, the editor and publisher of the *New York Graphic*, Emile Gauvreau, had an off-the-record interview at the New York state capital of Albany with the Democratic candidate, Governor Franklin D. Roosevelt.

As Roosevelt and Gauvreau lunched together in a small room, telephones kept up an incessant jangling in the Governor's adjoining office. Reports of campaign developments were coming in from all parts of the country. Periodically, the conversation between the two men was interruped as long distance calls of special importance were brought in to the Governor on telephone cord extensions. Roosevelt was in an optimistic mood. There was no doubt in

Roosevelt was in an optimistic mood. There was no doubt in his mind that he would be the next President of the United States. Confidently, the Governor told Gauvreau some of his plans for the nation.

"We need a direct contact with the people," said Roosevelt. "Now is the time for the human hand to reach out to help... So you liked my 'forgotten man' speech? That describes millions of our people. And the forgotten man represents four in each family that he supports as the good provider. If fourteen million people are out of work, multiply that by four to know the number actually in want. Something will have to be done about that ... To keep the people happy, give the people work—that's the job."

The Governor drew deeply on his cigarette and slowly exhaled a cloud of smoke. "Now in Russia—," he began, and deliberated before continuing, "I'm going to recognize Russia. I am going to send people there to see what the Russians are doing . . ." The subject seemed to hold a special fascination for him. "Russia . . . Russia, a strange land, and their ideas may seem strange—I shall send people to study Russia." Abruptly, Roosevelt sat bolt upright in his chair. "There is work to be done," he declared. "Our people will have to be put back on their feet."

Another telephone call was brought in. Roosevelt listened for a few moments, then laughed jovially. "Good work!" he said. "Three more states! Fine, Jim."

Returning to his conversation with Gauvreau, Roosevelt told the editor. "We will help the people yet." Momentarily, his face clouded. "It will have to be soon. They are getting restless. Coming back from the West last week, I talked to an old friend who runs a great western railroad. 'Fred,' I asked him, 'what are the people talking about out here?' I can hear him answer even now. 'Frank,' he replied, 'I'm sorry to say that men out here are talking revolution.'"

On November 8, 1932, carrying forty-two states, with a popular plurality of more than seven million votes, Franklin Delano Roosevelt was elected President of the United States.

# BOOK THREE: THE WAR WITHIN



### Chapter VIII

## NEW DEAL

"A great man is great not because his personal qualities give individual features to great historical events, but because he possesses qualities which make him most capable of serving the great social needs of his time. A great man is precisely a beginner because he sees *further* than others, and desires things *more strongly* than others. . . . he points to the new social needs created by the preceding development of social relationships; he takes the initiative in satisfying these needs. He is a hero. But he is not a hero in the sense that he can stop, or change, the natural course of things, but in the sense that his activities are the conscious and free expression of this inevitable and unconscious course."

> From George Plekhanov's essay, The Role of the Individual in History, published in 1898.

"My anchor is democracy-and more democracy."

President Franklin D. Roosevelt August 18, 1937.

#### 1. F.D.R.

"I PLEDGE you, I pledge myself, to a new deal for the American people . . . This is more than a political campaign; it is a call to arms. Give me your help, not to win votes alone, but to win in this crusade to restore America to its own people."

With these words Franklin Delano Roosevelt had accepted the Democratic nomination for President on July 2, 1932, and heralded the beginning of an historic era in America which would be known to the nation and to the world as the New Deal.

The New Deal was to be a period of profound and sweeping democratic reforms affecting every phase of American life. But it was to be more than that. Complex, protean and often paradoxical, the New Deal derived its predominant character and assumed its form in the matrix of two epochal conflicts involving great masses of humanity: the revolt of millions of Americans against the ineffable suffering, want and human waste of the Great Depression; and the momentous struggle of the freedom-loving peoples of the world against barbaric conquest and enslavement by the Fascist Counterrevolution.\*

On the morning of January 30, 1933, almost exactly one month before President Roosevelt's inauguration, the ex-Reichswehr spy Adolf Hitler was appointed Chancellor of the Reich by the senile President of the German Republic, Field Marshal Paul von Hindenburg. On February 27, five days before Roosevelt entered the White House, the Nazis set fire to the Reichstag, blamed the act of arson on the Communists, and Hitler, declaring a state of emergency, seized supreme power in Germany.

On February 27 also, British Foreign Minister Sir John Simon told the House of Commons that the British Government was imposing an arms embargo against both China and Japan—a year and a half after Japan had invaded Manchuria, and at a time when the embattled Chinese armies were in desperate need of British arms...

A very different definition of the New Deal is offered by playwright Robert Sherwood in his intimate study, *Roosevelt and Hopkins*. "It was, in fact, as Roosevelt conceived it and conducted it," states Sherwood, "a revolution of the Right, rising up to fight in its own defense."

While certainly not lacking in bloody violence and extreme turbulence-Hacker and Kendrick to the contrary notwithstanding-, the period of the New Deal did not encompass a revolution of the workers and the lower middle class; at no time during 1933-1945 was there any transfer of actual control of the economic-political life of the nation from American financecapitalists to another class.

On the other hand, despite the authoritative tone of Sherwood's observation, the New Deal, for all its contradictions, by no means constituted a "revolution of the Right"—or rightest counterrevolution; never before in American history had there been a more fruitful upsurgence of popular and progressive forces in the land.

Both definitions, like many contemporary evaluations of the New Deal, overlook the decisive impact of the international anti-fascist struggle in the shaping of the New Deal.

<sup>\* &</sup>quot;The New Deal," Louis M. Hacker and Benjamin B. Kendrick write in their history, *The United States Since 1865*, "has been described as a revolution and, although it showed none of the violence and turbulence associated with revolutionary overthrow, it did represent a shift in political power-from big industrialists, investment bankers, and the larger farmers to the lower middle classes and the workers."

Already, over the continents of Europe and Asia loomed dark presagements of the Second World War.

In America, too, crucial days were at hand. Millions were destitute and without work. Millions were homeless or living in dreadful hovels. Millions were frantically searching for food for their children. Fear stalked the land.

On Saturday, March 4, the day of the Presidential inauguration, the banks closed down throughout America, and the entire banking system of the richest country in the world ceased to function . . .

And this, in part, was what President Franklin D. Roosevelt told the stricken nation in his inaugural address:

This great nation will endure as it has endured, will revive and prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself-nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance . . .

Plenty is at our doorstep, but a generous use of it languishes in the very sight of the supply. Primarily this is because the rulers of the exchange of mankind's goods have failed through their own stubbornness and their own incompetence, have admitted their failure, and have abdicated. Practises of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men . . . The money changers have fled from their high seats in the temple of our civilization . . .

We do not distrust the future of essential democracy. The people of the United States have not failed. In their need they have registered a mandate that they want direct, vigorous action. They have asked for discipline and direction under leadership. They have made me the present instrument of their wishes. In the spirit of the gift I take it.

Like all great statesmen, Franklin Delano Roosevelt was shaped by the events and currents of his time no less than he helped shape them. When Roosevelt began his first term as President at the age of fifty-one, he was an unusually erudite, dynamic and astute politician, a man of remarkable eloquence and great personal magnetism, whose liberalism was, in Karl Schriftgeisser's words, "little, if any, advanced over that which had animated his predecessor [Governor Alfred E. Smith] in Albany." Walter Lippmann regarded this scion of American aristocracy and wealth as "not the dangerous enemy of anything," and had offered this trenchment comment on Governor Roosevelt's Presidential campaign: The Roosevelt bandwagon would seem to be moving in two opposite directions . . .

The art of carrying water on both shoulders is highly developed in American politics, and Mr. Roosevelt has learned it. His message to the Legislature, or at least that part of it devoted to his Presidential candidacy, is an almost perfect specimen of the balanced antithesis . . .

The message is so constructed that a left-wing progressive can read it and find just enough of his own phrases in it to satisfy himself that Franklin D. Roosevelt's heart is in the right place. He will find an echo of Governor La Follette's recent remark about the loss of "economic liberty." He will find an echo of Governor La Follette's impressive discussion about the increasing concentration of wealth . . . On the other hand, there are all necessary assurances to the conservatives. "We should not seek in any way to destroy or tear down"; our system is "everlasting"; we must insist "on the permanence of our fundamental institutions."

More significantly, Lippmann remarked that "it is impossible he can continue to be such different things to such different men" ...

When Franklin Delano Roosevelt died twelve years later, after shattering all precedent by being elected four times as President of the United States, there remained little that was equivocal about his position in the affairs of the nation and the world. Roosevelt stood among the titans of modern times. He had emerged as one of the outstanding if not the most outstanding of all American Presidents —as a great architect of American democracy, an historic champion of the rights of the little people and the underprivileged, and a world leader in the struggle against fascism and for lasting peace among the nations.

The initials, "F.D.R." were spoken with familiarity and affection by millions on every continent. Roosevelt's indomitable courage and confidence, Roosevelt's speeches, Roosevelt's personality—his debonair smile, his intimate, compelling voice, his way of cocking his head, the angle at which he held his cigarette-holder—were world famed. Roosevelt's unforgettable phrases—"Economic Royalists," "Quarantine the Aggressor," "Good Neighbor Policy," "Arsenal of Democracy," "Four Freedoms"—had become an integral part of all languages.

"There was a bond between Roosevelt and the ordinary men and women of the country," Frances Perkins, Secretary of Labor in the Roosevelt Administration, writes in her book, *The Roosevelt I Knew*, "and beyond that, between the ordinary men and women of the world." Never before was a President so widely beloved by the American people. The profound personal affection America's millions came to feel for Franklin D. Roosevelt was later vividly portrayed in the following recollection by the Columbia Broadcasting System correspondent, Bob Trout, who accompanied Roosevelt on many trips in the United States:

Often in the middle of the night, speeding through open farm country, or perhaps through the desert, some of the reporters aboard the train who stayed up late would look out the window—and there, almost always, over the miles and through the days, were the silent crowds: farmers, shop-keepers, miners, fishermen, factory-workers . . . ; they rode in their battered cars or drove their horses or walked, no one knows for how many hours, to stand beside the tracks in the middle of the dark night and watch the President's train speed by. It seemed to satisfy them . . . just to stand there and look, or perhaps wave a handkerchief or a hat.

Once, in the rugged country of Idaho, we had roared along in the train for many miles without seeing a house or a man. Suddenly the train raced out from between the tall trees, and ran beside a quiet mountain lake. There, on a tiny home-made pier, beside his log cabin, stood a man-a trapper or a fisherman or a hunter perhaps-standing on his little pier, between two large American flags he had rigged up, standing at attention, with his hand in a military salute at his forehead as the train sped past. He had made his arrangements, put up his decorations, and he greeted the train for the few minutes it was visible to him.

From the outset, the members of President Roosevelt's so-called "Brain Trust," and his other aides and assistants contrasted sharply with the millionaires, politicos, rascals or embezzlers who had formed the entourages of the previous three Presidents. Some leading New Dealers, it was true, like the loquacious blustering General Hugh S. Johnson, head of the National Recovery Administration, were bureaucratic and dictatorial; some, like the smart young Columbia teacher, Adolph Berle, were later to become cynical and embittered; but almost without exception the individuals around Roosevelt were men of intelligence, energy, resourcefulness and social awareness. Among them were Secretary of the Interior Harold L. Ickes, blunt-spoken and short-tempered, a liberal Republican and former "Bull Mooser"; Secretary of Agriculture, and later Vice-President, Henry A. Wallace, lean-faced and idealistic, an affluent and eminent agronomist; Secretary of Labor Frances "Ma" Perkins, primly-dressed first woman cabinet member,

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a protege of the famous social worker Jane Addams; brilliant, plump, gentle-featured Judge Samuel Rosenman, holding no official Government post but known to be one of Roosevelt's most trusted advisers; Robert Sherwood, the towering solemn-faced playwright; Assistant Secretary of Labor Rexford Guy Tugwell, strikingly handsome former college professor; Archibald MacLeish, the wellknown poet.

Closest of all President Roosevelt's aides and intimates was the ailing former social worker, Harry L. Hopkins, son of a harnessmaker and one-time Socialist, a man of swift intelligence and deep humaneness, with a passionate love for the poetry of John Keats. After serving as Federal Relief Administrator and Secretary of Commerce, Hopkins came to be regarded during the war yearsto quote the words of a British official to playwright Robert Sherwood—as "Roosevelt's own, personal Foreign Office." Summing up much of Harry Hopkins' character was his own statement as Federal Relief Administrator: "Hunger is not debatable."

### 2. First Term

In his first inaugural address, President Roosevelt had promised action; and action there was, from the start-bold, hectic, intense, electrifying and sometimes confused and confusing action, action on a scale never before witnessed by the American people.

Within his first ten days in office, Roosevelt called Congress into special session, and demanded and received special emergency powers-seventy-five distinct grants of sweeping power-such as no peacetime president had ever had. He decreed a national bank holiday; drafted the National Economy Act; prohibited the export of gold and all dealing in foreign exchange; slashed Federal expenses; asked Congress to legalize beer; reopened the banks; and, as the opening week of his Administration ended, addressed the nation in the first of his famous, informal and warmly intimate Fireside Chats.

Within Roosevelt's first three months in the White House, these were some of the pieces of legislation rushed through Congress:

> National Industrial Recovery Act Economy Act Emergency Banking Act Tennessee Valley Authority Act Civilian Conservation Corps Act

Agricultural Adjustment Act A \$500,000 Emergency Relief Act Home Owner's Loan Act 3.2 Beer Act Glass-Steagal Bank Act Wagner Employment Exchange Act Gold Clause Resolution Railroad Co-ordinator Act Securities Act

And, as the feverish activity continued during the following months, as a vast program of Public Works was projected and the country blossomed forth with ubiquitous NRA Blue Eagle insignia and the slogan, "We Do Our Part," sudden hope surged through the land. It was as if for three dark years the nation had held its breath in fear and now, all at once, the nation breathed again ...

Reviewing Roosevelt's accomplishments during the first year of his Administration, Walter Lippmann wrote early in 1934:

When Mr. Roosevelt was inaugurated, the question in all men's minds was whether the nation could "recover"... Panic, misery, rebellion, and despair were convulsing the people and destroying confidence not merely in business enterprise but in the American way of life. No man can say into what we should have drifted had we drifted another twelve months... Today there are still grave problems. But there is no overwhelmingly dangerous crisis. The mass of the people have recovered their courage and their hope.

But even as Lippmann wrote these words, the nation's mood was undergoing a deep and disturbing transformation. The "New Deal Honeymoon," when big business and organized labor had joined in a tenuous unity in support of Roosevelt's emergency measures, was ending in widespread discontent and rapidly mounting unrest. Roosevelt's observation that the "money changers" had "fled their high seats in the temple" was proving more poetic than profound, and disillusioning compromises and contradictions marked the policies of the new Administration.

As Frederick Lewis Allen later wrote in The Lords of Creation:

Close observers of the New Deal noticed an increasing tendency to announce new programs with a blare of trumpets and then, as opposition developed, to moderate them . . . The NRA gradually stood revealed as a governmental arm which protected groups of businessmen in organizing to maintain themselves against new competitors and against the reduction of prices to the consumer; as an agency which accelerated and only partially controlled that process of concentration which the government in earlier reform periods had so earnestly opposed! The Wall Street publication, *The Annalist*, stated at the time: "The large aggregates of financial capital stand to benefit in the long run from the new regime—the elimination of competitive methods, closer welding together of the private banking with the governmental financial apparatus, the increase of control and coordination—all are elements of the strength of the future of financial capitalism." \*

\* Expressing a more outspoken viewpoint, E. F. Brown, Associate Editor of the *Current History Magazine* of the *New York Times* had written as early as July, 1933, "The new America will not be capitalist in the old sense, nor will it be Socialist. If at the moment the trend is towards Fascism, it will be an American Fascism, embodying the experience, the traditions and the hopes of a great middle-class nation."

One of the most ominous anti-democratic developments during this early stage of the New Deal-a development receiving scant attention in commentaries on the period-was the rapid growth of a government secret police apparatus. It was at this time that the Federal Bureau of Investigation mushroomed into a government agency of extensive power and that FBI chief, J. Edgar Hoover, began his climb to national fame.

The criminal underworld faced hard times in 1933. The repeal of Prohibition had dealt a death blow to the multi-million dollar business of bootlegging; and, as an increasing number of criminals turned to less lucrative and more desperate trades, there was a wave of kidnappings and bank robberies. The FBI had done nothing to interfere with the vast depredations of gangsters during Prohibition; but now, with the children and property of even the most prominent and wealthy citizens menaced, there was a sudden demand for federal action. Congress enacted laws extending the jurisdiction of the FBI to cover bank robberies, kidnappings and various other crimes.

J. Edgar Hoover was quick to exploit the situation. Before long, the daredevil exploits of his Special Agents, popularly known as "G-men," were the talk of the country; and press, radio and motion pictures were chronicling blood-curdling battles between the G-men and bank robbers, kidnappers and escaped convicts. Overnight, the FBI became a household word.

"Five years ago, J. Edgar Hoover was practically an unknown as far as the general public was concerned," Courtney Ryley Cooper, an FBI publicist who also specialized in writing articles on circus life and jungle animals, stated in his introduction to Hoover's book, *Persons in Hiding*, in 1938. "Today he heads our best known group of man-hunters-the G-men. The small boy is rare indeed who does not look upon its director as his ideal ..."

Through the indefatigable efforts of his large publicity staff, Hoover's views on "scientific crime detection," "child delinquency" and kindred topics reached the nation in a torrent of articles, press releases, public speeches, newspaper interviews and radio broadcasts.

"He's the greatest publicity hound on the American continent," snorted Senator George Norris regarding Hoover. "Unless we do something to stop this furor of adulation and omnipotent praise, we will have an organization of the FBI that, instead of protecting the government from criminals, will direct the government itself."

In Hoover's Washington office there hung a framed statement, entitled "The Penalty of Leadership," which read: "In every field of human endeavor, While observing those NIRA regulations they found advantageous, many employers were brazenly violating sections of the codes supposedly designed to benefit employees. "For God's sake," a worker told the journalist George R. Leighton, who was investigating NIRA achievements in the fall 1933, "don't tell anybody that you've been here. There are men in cement plants near here who have complained and now they're out in the cold." In *Harper's Magazine* Leighton reported that "the spirit and intent of the National Industrial Recovery Act and the codes are being frustrated, openly and in secret."

Workers began calling the NRA the "National Run Around" ...

Even so, during 1934-1935, growing numbers of restive workers were aggressively taking at its face value Section 7a of the NIRA, which stated that "employees shall have the right to organize and bargain collectively."

"The law is on our side!" boomed John L. Lewis, the histrionic beetle-browed President of the United Mine Workers, and staking

Year by year, subsidized by constantly increasing congressional appropriations, the FBI grew in size and complexity. With much fanfare, Hoover established a Crime Laboratory and founded, in 1935, an FBI National Police Academy in Washington to serve "as a university of police methods" for training police officials from all parts of the country. According to Hoover, the fingerprints in his "Identification Division" numbered in the millions by the mid-thirties. "They come from the crossroads of America," said Hoover, "from the villages, from the towns, cities and metropolitan centers, to be concentrated in Washington, and there to form a vast cross-index ..."

The one-man dictatorship which Hoover had established within the FBI itself was described as early as August 1933 by Ray Tucker in an editorial in Collier's magazine in these words: "Under him [Hoover] the Bureau was run in a Prussian style; it became a personal and political machine. More inaccessible than Presidents, he kept his agents in fear and awe by firing and shifting them at whim; no other government office had such a turnover of personnel ... He always opposed Civil Service qualifications for his men ... He was a law and czar unto himself."

According to Ray Tucker, Hoover "carried on and enlarged the best-or worst-traditions of what amounts to a system of secret police":

"... the bureau's shadows frequently had under surveillance such dignitaries as prospective Cabinet members, government officials, publishers, newspaper reporters, clerics, college professors, liberals, certain classes of the intelligentsia, alleged Communists, labor leaders—and some criminals . .."

Under Hoover's direction, said Tucker, the FBI by 1933 had become "a miniature American Cheka."

In the years immediately ensuing, the FBI outgrew the "miniature" classification. (For additional details on the FBI, see Book Four.)

he that is first must perpetually live in the white light of publicity ... When a man's work becomes a standard for the whole world, it also becomes a target for the shafts of the envious few."

his union's whole treasury in an organizational drive tripled the union's membership in four months. Twelve thousand Pacific Coast longshoremen headed by the militant rank-and-file leader, Harry R. Bridges, striking in May, 1934, together with maritime workers, brought shipping to a standstill from San Diego to Seattle; and in mid-July, after strikers had been killed by police, the entire city of San Francisco was tied up for four days by a general strike. In 1935 more than 40,000 National Guardsmen in nineteen states were called out to suppress strikes. From one end of the country to the other, industry fermented with bitter labor struggles, grim strikes and union organizational campaigns.

In November, 1935, in a revolt headed by John L. Lewis against the die-hard policies of the Old Guard in the AFL, the leaders of eight AFL internationals founded the Committee for Industrial Organization to build industrial unions and organize the unorganized....\*

Meanwhile, the rich had grown even more disgruntled than the poor with the New Deal. "The year 1933," Lammot du Pont, president of the giant chemical concern of E.I. du Pont de Nemours & Company, declared in January 1934, "has witnessed an adven-turous attack by the Administration upon the political, social and economic ills of the country." Other leading industrialists and financiers, who had at first smilingly accepted Roosevelt's "radical" utterances as not unprecedented demogogy, reached the furious conclusion that the President actually meant much of what he said about the excesses of the "privileged few," the "humane ideals of democracy," the right of the workers to organize and of the "unfortunate-to call upon the government for aid." As the New Deal, responding to popular pressure, expanded its relief and public works program, and as the trade union movement swelled in size, big businessmen acrimoniously branded Roosevelt as a "traitor to his class" and launched a virulent propaganda campaign against "that Red in the White House" and his whole Administration. By the spring of 1935, Kiplinger's Washington Newsletter estimated that eighty percent of the businessmen in the country were opposed to the New Deal.

<sup>\*</sup> In September 1936 the Committee for Industrial Organization was suspended with its adherents from the AFL by the AFL executive council. The CIO held its first convention at Pittsburgh in November 1938, changed its name to Congress of Industrial Organizations, and elected John L. Lewis president.

The bitter hostility of big business toward the New Deal was not lessened when, following a sweeping Democratic victory in the November 1934 congressional elections, President Roosevelt told the opening session of Congress on January 4, 1935:

We have ... a clear mandate from the people, that Americans must forswear that conception of the acquisition of wealth which, through excessive profits, creates undue private power over private affairs and, to our misfortune, over public affairs as well.

In Washington the "political deputies of wealth" prepared to sabotage future New Deal legislation. According to a report in the *New York Times* on February 24, a "Committee of 100" had been formed in the House of Representatives "to hold secret meetings" to map out anti-Administration strategy.

The Times observed editorially:

.... we have a President with a nominal majority of two-thirds in both houses of Congress, faced and thwarted every day by divisions within his own ranks and threats of a spreading revolt against his most important policies.

In the mid-summer of 1935, the New Deal crossed the Rubicon. On May 27, the United States Supreme Court invalidated the NIRA. The opinion supporting the decision, in the words of Charles and Mary Beard, "seemed to block every loophole for the regulation of procedures, hours and wages in industry by Federal law."

At a White House press conference of more than two hundred newspapermen, President Roosevelt declared that the Court decision was "more important than any decision probably since the Dred Scott case." The President read excerpts from a few of the thousands of telegrams he had received asking him whether there was nothing he could do to "save the people."

"The big issue," said Roosevelt, "is this: Does this decision mean that the United States Government has no control over any economic problem?"

Roosevelt was determined this was not to be the case.

One month later, on June 27, Congress passed the National Labor Relations Act. Deriving its legal sanction from the power of Congress to regulate interstate commerce, the Act established a permanent National Labor Relations Board to investigate complaints and issue "cease and desist" orders prohibiting interference by employers in the collective bargaining of their employees, maintenance of company-financed unions, discrimination against union members in employment and other unfair labor practises.

The battle lines were now sharply drawn, and President Roosevelt made clear to the American people on which side he stood. In his first Fireside Chat of 1936, the President declared:

We insist that labor is entitled to as much respect as property. But our workers with hand and brain deserve more than respect for their labor. They deserve practical protection in the opportunity to use their labor at a return adequate to support them at a decent and constantly rising standard of living, and to accumulate a margin of security against the inevitable vicissitudes of life...

Roosevelt continued:

There are those who fail to read both the signs of the times and those of American history. They would try to refuse the worker any effective power to bargain collectively, to earn a decent living and to acquire security. It is these short-sighted ones, not labor, who threaten this country with that class dissension which in other countries has led to dictatorship and the establishment of fear and hatred as the dominant emotions in life.

Throughout the 1930's the nation was to be rent by a bitter conflict instigated by the "short-sighted ones" of whom Roosevelt spoke.

The nature of this conflict had been prophetically described by Theodore Dreiser in 1931 in these words: "the great quarrel today in America is between wealth and poverty—whether an individual, however small and poor, shall retain his self-respect and his life, or whether a commercial oligarchy shall at last and finally take charge and tell all the others—some 125,000,000 strong now—how they shall do and what they shall think and how little (not how much) they may live on, the while a few others (the strong and cunning) exercise their will and their pleasure as they choose. That is the war that is coming!"

## Chapter IX

# FORCE AND VIOLENCE

It is one of our proudest boasts that the American working class has, generally speaking, the highest standard of living of any working class in the world. How did our workingmen achieve this position? Only through struggle, intense struggle against bitter opposition, and especially through the struggle of organized labor.

#### From a speech by Rockwell Kent, September 1948

Those who call for violence against radicals, strikers and Negroes go scot-free. Not a conviction, not a prosecution in fifteen years. . . But the reactionaries not only incite violence; they practice it . . . It is plain . . . that those who defend majority prejudice or property rights may not only advocate but practice violence against their enemies without fear of prosecution.

#### American Civil Liberties Union Report, 1936

I understand sixty or seventy-five shots were fired in Wednesday's fight. If this is true, there are thirty or thirty-five of the bullets accounted for. I think the officers are damned good marksmen. If I ever organize an army they can have jobs with me. I read that the death of each soldier in the World War consumed more than five tones of lead. Here we have less than five pounds and these casualties. A good average, I call it.

> R. W. Baldwin, president of the Marion Manufacturing Company, as quoted in the "Asheville Citizen" after the killing of six unarmed strikers at his plant and the wounding of eighteen by deputies on October 1, 1929

### 1. King of the Strikebreakers

IN JANUARY 1935, Fortune magazine featured an article describing the remarkable career of an American millionaire whose fame and fortune had been, according to the magazine's editors, "in a business that is permitted to exist nowhere except in the U.S." The millionaire's name was Pearl L. Bergoff. His business was professional strikebreaking.

The opening sentences of the *Fortune* article posed this hypothetical problem to the reader:

You are the president. It says so on your office door. A week ago your workers—your "boys" as you used to fondly refer to them served notice on you that you had just seven days in which to make up your mind to raise their pay from \$4.00 to \$4.50 a day. Either that or else ... You are within some twelve hours of the deadline ... your head has not stopped aching for four days and four nights.

How much did that guy say he wanted? For fifty thousand dollars he'd give you an absolute guarantee that he would break the strike, smash the union, and leave you undisputed master of your plant. For fifty thousand dollars and how many broken heads?

The article went on:

The foregoing is meant to convey some slight idea of the mental confusion into which the average executive falls when he is confronted with the appalling crisis of a strike . . . if, at last, he decides to face the issue and fight it through, the probabilities are that he will rise up and telephone one Mr. Pearl L. Bergoff, of Bergoff Service, in New York City. For Mr. Bergoff is the oldest, toughest, hardest-boiled practitioner in the field of professional strikebreaking. There is nothing indecisive about Mr. Bergoff.

For more than two decades, Pearl Bergoff had enjoyed national fame. Newspapers throughout America referred familiarly to the redheaded strikebreaker as "The Red Demon." Thousands of professional gunmen and petty racketeers respectfully called him "The General." Bergoff's own preference in titles was one which he himself had coined—"King of the Strikebreakers."

There had been other widely known strikebreakers before Pearl Bergoff, and he had a number of eminently successful contemporaries. But for the ruthless smashing of major strikes, for unrestrained bloody violence and for distinguished clients, there was no strikebreaker in America in the early 1930's to equal Bergoff's record. It was Pearl Bergoff who put strikebreaking in the United States on a modern, mass production basis.

"Money is my sole aim," stated Bergoff when, as a tough, bullnecked, quick-witted young man he arrived in New York City at the turn of the century, opened up a detective agency and began offering his services as personal bodyguard to wealthy New Yorkers. In 1907 he decided that there was, in his own words, "more money in industrial work." By "industrial work" Bergoff meant strikebreaking.

With the country entering a period of depression and intense labor strife, there was an immediate widespread demand among employers for the "industrial services" of the Bergoff Detective Bureau. In the words of *Fortune* magazine: "An exquisitely profitable decade stood ahead of him."...

As his reputation for effective strikebreaking grew during the next years, and more offers of work than he could handle poured into his office, Bergoff became extremely particular about the jobs he accepted. Sometimes, as a personal favor for some important concern, Bergoff agreed to break a small strike, provided of course that the fee was adequate. But ordinarily, Bergoff specialized in breaking major strikes in key industries. "Others may break a button-hole makers' strike," said Bergoff. "When it's a steel strike they call on me."

These were some of the numerous American firms which employed Bergoff's services during 1907-1935:

Pressed Steel Car Company	Interborough Rapid Transit of
Erie Railroad	New York City
Munson Steamship Line	Standard Oil of New York
Holland-American Line	Standard Oil of New Jersey
Postal Telegraph-Cable Company	Wells Fargo Express Company
Baltimore and Ohio Railroad	Trenton Street Railway
Baldwin Locomotive Works	Morgan Steamship Line
Southern Pacific Railroad	Wilson Steamship Line
Pennsylvania Railroad	Havana-American Steamship Line
New York Central Railroad	American Smelting and Refining
	Company

The fees that Bergoff received for breaking strikes were commensurate with the prominence of his clients in the business world. By 1925, the net profits of Bergoff's firm had totaled \$10,000,000. His own income at the time was \$100,000 a year in salary, plus several hundred thousand dollars in dividends and bonuses. His personal fortune was then estimated at \$4,000,000.\*

<sup>\*</sup> In 1925, following a sharp unexpected decline in his business, Pearl Bergoff went into temporary retirement. "I closed the office," he subsequently related, "and went to Florida . . . and took a flier in real estate."

After dropping \$2,000,000 in Florida land speculations, Bergoff returned to

"The preparation for breaking a strike," Pearl Bergoff told a journalist in 1934, "resembles the mobilization of a small army for actual warfare."

To aid in mobilizing his strikebreaking army and directing its operations in the field, Bergoff hired as special aides a group of hand-picked ruffians, most of whom had prison records and all of whom were adept in the use of fists, guns, knives and blackjacks. Bergoff called these aides his "nobles."

For his "army reserves," as he termed them, Bergoff relied chiefly on derelicts, hoodlums, petty criminals and professional strikebreakers. Their function was to fill the jobs of striking workers, and, if not actually to work themselves, to give at least the appearance of active production by such devices as keeping smoke pouring from factory chimneys. These men were known as Bergoff's "finks."

It was understood that the few dollars a day which Bergoff's finks were paid did not represent their full remuneration and was to be supplemented by whatever tools, factory equipment, clothing and other goods they could steal while on the job. "Bergoff's finks," wrote Edward Levinson in 1935 in his book *I Break Strikes! The Technique of Pearl L. Bergoff*, "have stolen everything from plumbing fixtures to \$50,000 worth of furs."

Classifying them according to "training and experience," Bergoff maintained a huge list of the "finks" and "nobles" he had employed throughout his years of strikebreaking. "This list," he said, "is my most priceless stock in trade, the core of my business, and could not be duplicated or retraced because it is the product of time primarily, combined with the exercise of discrimination and grilling experience."

New York City and reorganized his strikebreaking firm under the name, Bergoff Service Bureau.

Bergoff's new headquarters occupied four rooms on the fourteenth floor of the Fred F. French Building at 551 Fifth Avenue. In the sparsely furnished reception room there hung a sign which read: "No loud noise or profanity." Before being admitted to the inner office, visitors were carefully scrutinized through an iron-grilled peephole. Bergoff's own private office was adorned with framed newspaper clippings of his exploits and testimonial letters from leading business executives.

Following the stock market crash of 1929, the Bergoff Service Bureau, together with other outstanding business concerns, temporarily encountered difficult times. Said Bergoff later, "Business was so rotten we had to sell our arsenal. Conditions were terrible. I'm not blaming Mr. Hoover, y'understand."

Here are the names and records of typical "nobles" on Bergoff's list:

- James Francis O'Donnell, alias Two-Gun Jim O'Donnell: Grand larceny, 1917, New York City, term at Blackwell's Island; manslaughter, 1926, Dumont, N.J., sentenced to eight years in New Jersey State Prison.
- James Weiler, alias Joe Spanish: manslaughter, 1919, New York City, term at Dannemora Prison; assault, 1925, New York City; felonious assault, 1934, discharged.
- John B. Baron, alias Jesse Mandel: Petty larceny, 1903, New York City; petty larceny, 1905, New York City, sent to Reformatory; grand larceny, 1909, New York City, sent to Elmira Reformatory; grand larceny, 1910, New York City, sentenced to five years in Sing Sing.
- James Tadlock: drug addiction, 1921, Philadelphia, Pa., two years and six months confinement; impairing morals of a minor, 1934, New York City, penitentiary term.
- William Stern, alias Kid Steinie: petty larceny, 1911, New York City, three months sentence; homicide, 1920, New York City, ten to twenty years in Sing Sing.
- Joseph Cohen, alias Joe Pullman: robbery, 1924, Cleveland, Ohio, pleaded guilty to assault and battery, fined; assault and battery, 1930, Cleveland, Ohio, discharged; carrying concealed weapons, 1930, Cleveland, Ohio, discharged; violation of Harrison Narcotic Act, 1931, sixty days in jail; assault, 1932, no disposition recorded; assault, 1932, St. Louis, Mo., no disposition recorded; disorderly person, 1934, Jersey City, N.J., ninety days in jail.

"When we put a man on strike duty as a guard," stated Bergoff, "we want a man of good habits. At the same time we cannot have any Sunday School teachers working for us."

Violence and bloodshed invariably accompanied Bergoff's strikebreaking activities. "Injuries and fatalities," reported *Fortune*, "were of only minor concern to him. His aim was psychological."

Since local law enforcement agencies usually worked in collusion with the powerful corporations which employed Bergoff, his strikebreakers committed innumerable crimes with impunity. His armies of derelicts and gunmen descended on city after city, like hordes of medieval mercenaries, robbing and terrorizing whole populations, and leaving in their bloody wake a mounting toll of injured and dead.

The deliberate provocation of violence was a regular practise with Bergoff. A Bergoff gunman, "Frenchy" Joe, told the *Collier's* writer, John Craige, during one strikebreaking operation: "You give me twenty-five good guards with clubs and guns, and put 'em in wagons, and give me a couple of stool-pigeons with guns to run through the crowds and fire at the wagons to give us a chance to start, and we'd run through the crowds in this town in a day . . . We'd gentle 'em. We'd give 'em such a taming they'd run every time they saw an express wagon, or else they'd get down on their knees and say their prayers. And look at the things we could shake out of this town if the thing worked right."

"For those who preferred the unexpected," relates Edward Levinson in his biography of Bergoff, "there were the two Bergoff lunatics, Francis W. Magstadt and Joe Schultz,—one escaped from an asylum and the other on his way to one. Turned loose among a group of unsuspecting strikers, they could be counted upon to slug and shoot, unfettered by the cramping bonds of sanity." \*

On October 24 and 25, 1934, in a series of two signed articles in the New York Post, entitled "I Break Strikes," Bergoff reviewed

"The first day of the strike two of our men were killed," Bergoff subsequently related. "I buried one of them at our own expense. He was a man with a family."

The journalist, John Craige, who was in Philadelphia during the strike, reported in an article in *Collier's*: "Never before were there such systematic, wilful, brutal, unprovoked assaults upon an unoffending populace in an American city. There has never been such wholesale pilfering and looting. If you gave the strikebreaking conductor a coin you got no change. If you protested you were thrown off the car and clubbed, and if you resisted you ran a fine chance of being shot. I will never forget the sight of a mother with a child in her arms . . . staggering along, blood pouring from three jagged cuts in her head, administered by one of these guards."

The Philadelphia police made no attempt to prevent the outrages committed by Bergoff's strikebreakers.

During the two months taken by Bergoff to break the Philadelphia Rapid Transit strike, sixteen men, women and children were killed.

Fatalities frequently accompanied Bergoff's strikebreaking activities. For example, in his attempt to smash a strike at The Pressed Car Steel Works at McKees Rocks, Pennsylvania, in 1909–a venture which first gained Bergoff national repute—there were twenty-two deaths. Among the dead were two Bergoff gunmen. "We paid four or five thousand dollars for each of our men killed," said Bergoff afterwards. "The income was so large that this expense made no difference."

<sup>\*</sup> A typical if early Bergoff campaign was that which took place when the Philadelphia Rapid Transit Company hired him in 1910 to break a strike of 5000 motormen and conductors seeking an increase in their 21 cent an hour wage. For weeks a reign of terror gripped Philadelphia. Bergoff's strikebreakers robbed shops, broke into private homes and shot strikers and other Philadelphia citizens. On one occasion a gang of drunken Bergoff strikebreakers piled into two trolley cars, and took them on a mad rampage of the city, shooting wildly at people in the streets and wounding about a dozen people, including a sleeping infant.

his record as a strikebreaker with the pride of an eminently successful self-made businessman.

"Strikebreaking is my profession," wrote Bergoff. "I have been a leader in the field for more then thirty years, almost without interruption. I have mobilized small armies on a few hours' notice answering the call of railroads, traction and steamship companies in scores of cities . . ."

According to Bergoff, the basic techniques of strikebreaking had changed very little since he first entered the profession. The chief objective was still to undermine the morale of the strikers and "persuade" them of the hopelessness of their cause. There had, it was true, been some developments in the instruments of persuasion:

In the old days we maintained an arsenal. We had 2,500 rifles with plenty of ammunition. A couple of thousand nightsticks and clubs were always on hand. Today we keep pace with the modern requirements. We sent tear gas to Georgia in the recent textile strike ...\*

Noting that the net income derived from any business enterprise was the ultimate test of its success, Bergoff observed: "The profits of strikebreaking have been large." But success could not, of course, be measured in financial terms alone. He had other causes for gratification:

... I have come to look upon the services rendered by my organization to commerce and industry as basically similar to those of the physician to the ailing individual. I believe there is an academic or collegiate degree of "Doctor of Economics" but I feel that I can justly lay claim to that of "Doctor of Practical Economics," without exposing myself to undue criticism."

There were others in America who had come to share Bergoff's own estimate of his importance as an American citizen. Newspapers in the early 1930's quoted the millionaire strikebreaker's views on national and international affairs. Financial journals commented on

<sup>\*</sup> The article on Pearl Bergoff in *Fortune* magazine had this to say about his arsenal: "He values his current arsenal at \$14,500 and replenishes it from time to time as fresh bargains come along. Tear gas he buys from Federal Laboratories, Inc. in Pittsburgh. [For data on Federal Laboratories, Inc. see pages 145 ff.] Night sticks he buys by the gross from police supply houses, of which there are many in Chicago and New York, with Cahn-Walter Co. of Lafayette Street, Manhattan, getting the bulk of Bergoff orders. Brass knuckles are available from numerous sources. As to machine guns: a recent federal statute requires that owners of them be registered—but a considerable bootleg traffic goes on in them nonetheless, and they can usually be had by anyone who puts his mind to it."

the phenomenal success of the Bergoff Service Bureau. A grand jury investigating riots connected with one of Bergoff's strikebreaking operations extended a vote of thanks to him "for saving the city from disaster."

Among Bergoff's friends and social acquaintances were wellknown politicians and prominent businessmen. Bergoff played golf at fashionable country clubs, donated impressive sums to charity, and joined the Catholic Church. In Bayonne, New Jersey, where he had settled with his family, Bergoff financed the construction of an office building with his initials, "P.L.B.," carved in gothic letters on the facade ...

In December 1934, after twenty-seven years of transporting armies of desperadoes about the countryside, terrorizing whole cities and causing the deaths of scores of citizens, Pearl Bergoff finally appeared in a court of law. The charges against him were brought not by any state or federal agency, but by a group of ex-convicts and professional strikebreakers. Their complaint was that Bergoff had hired them to help break a strike and then failed to reimburse them for their services. They were suing Bergoff for wages and traveling expenses.

The trial took place in the Municipal Court of the City of New York, with Justice Keyes Winter presiding.

Bergoff's attorney sought to discredit the testimony of his client's former employees by challenging their credibility as witnesses. "Were you ever convicted of a crime?" he asked Harry Borak, a swarthy young man wearing spats.

Borak turned indignantly to Judge Winter. "Judge, I'm not a stickup man," he protested. "I was going with a girl. She wouldn't marry me and I shot her. I was a young man and I was in love."

When another of the plaintiffs, Bennie Mann, took the witness stand, Judge Winter leaned forward, staring at a prominent bulge in one of the man's pockets. The judge asked Mann, "Have you a gun on you?"

"Sure," said Mann.

"And why do you come into this court with a gun?" demanded Judge Winter.

"I was expecting to go to work this morning," Mann explained. When Bergoff testified, he proudly informed the court, "I've served American industry, north, south, east and west. I've been thirty years in harness to American industry. I've shipped armies of men to Cuba and Canada. Railroad strikes, dock strikes, transit strikes and textile strikes, I've broken them all in my time, and there's still plenty of demand for my services . . ."

The charges against him, snapped Bergoff, darting venomous glances at his accusers, were absolutely false. His professional ethics, he declared, were highly esteemed among business leaders. "Railroad presidents, I know them all and they've all used me," Bergoff told the judge. "In the history of my campaigns I've never cheated a man out of a penny. I'm the best known of any strikebreaker in the country."

Notwithstanding Bergoff's eloquent plea, the decision of the court went against him. Judge Winter ruled that Bergoff must pay the strikebreakers the wages and expenses that were due them.

The blow to Bergoff's prestige was mitigated by the wording of the court's decision. In it, Judge Winter spoke of Bergoff as "the active genius of his profession" and made flattering reference to his "fame as a leader in Industrial Service... his masterly activities on behalf of large corporations..."

Bergoff's "masterly activities," however, were drawing to a close.

With the rapid growth of the trade union movement, the passage of the National Labor Relations Act, and the enactment of federal legislation forbidding the transport of strikebreakers across state lines, the bonanza days of Bergoff's profession were over.

In 1936 Pearl Bergoff, self-styled King of the Strikebreakers, closed his office and went into permanent retirement.\*

### 2. Blackguards and Blacklists

"We see no reflection in any way in the employment of detectives," an attorney representing the Michigan Manufacturers Asso-

<sup>\*</sup> On August 11, 1947, Pearl L. Bergoff died in the St. Vincent's Hospital in New York City. The hospital records reveal a final gesture of vanity: on entering the hospital a week before his death, Bergoff had claimed to be eight years younger than he actually was. "I knew him a long time," wrote Westbrook Pegler in his syndicated column

<sup>&</sup>quot;I knew him a long time," wrote Westbrook Pegler in his syndicated column in the Hearst press. "Pearl Bergoff was never on the Communist side. He was a law and order man. Pearl was a wonderful strikebreaker . . . I think he was cleaner and more honest than any union boss in the U. S. A. Breaking strikes was a straight business with him. He never rumbled about democracy or human rights."

ciation told the members of the Senate Civil Liberties Committee in 1937. "'Detective' and 'spy' are two names that are used in a derogatory sense, but even a spy has a necessary place in time of war."

In the war against trade unionism in America, labor espionage had long been regarded by big business as a weapon of vital importance. For more than half a century, secret battalions of professional labor spies, detectives, *agents-provocateurs* and paid informers had been waging clandestine warfare against the labor movement. But it was not until the advent of the New Deal, and the outmoding of the crude strikebreaking tactics of the Bergoff era, that labor espionage operations reached their peak offensive.

By 1936 there were more than 200 labor espionage agencies doing a land office business in the United States.

Three of the largest and most successful of these agencies, with branch offices functioning in dozens of cities, were the Pinkerton's National Detective Agency, the Railway Audit and Inspection Company and the Corporations Auxiliary Company.

Among the approximately 500 clients serviced by Corporations Auxiliary Company during 1934-1936 were these concerns:

Aluminum Co. of America Chrysler Corp. (23 plants) Diamond Match Company Dixie Greyhound Lines Firestone Tire and Rubber Co. General Motors Corp. (13 plants) International Shoe Co. Kellogg Co. Kelvinator Corp. Midland Steel Products Co. New York Edison Co. Radio Corp. of America Standard Oil Co. Statler Hotels, Inc.

Here is a partial list of the firms with which the Pinkerton Agency had accounts:

Bethlehem Steel Co. Campbell Soup Co. Curtis Publishing Co. General Motors Corp. Libbey-Owens Ford Glass Co. National Cash Register Co. Montgomery Ward & Co. Pennsylvania R.R. Co. Shell Petroleum Corp. Sinclair Refining Co.

The Railway Audit and Inspection Company included these companies among its clients:

Borden Milk Co. Carnegie-Illinois Steel Corp. H. C. Frick Coal and Coke Co. Consolidated Gas Co. of New York Frigidaire Corp. Pennsylvania Greyhound Bus Co. Western Union Western Electric & Mfg. Co. "The known total of business firms receiving spy services from these [labor espionage] agencies is approximately 2,500," the Senate La Follette Committee investigating violations of free speech and rights of labor reported in December 1937. "The list as a whole reads like a bluebook of American industry."

The labor espionage expenditures of General Motors alone amounted to approximately \$1,000,000 from January 1934 to July 1936.

According to statistics compiled in 1936 by Heber Blankenhorn, industrial economist on the National Labor Relations Board, the total operating costs for that year of labor espionage agencies in the United States exceeded \$80,000,000.

"The main purpose of industrial espionage," writes Leo Huberman in *The Labor Spy Racket*, "is union-prevention and unionsmashing."

To accomplish these aims, labor espionage agencies depended chiefly on the systematic promotion of disunity and dissension among employees, particularly through the use of Red-baiting; the widespread distribution of anti-union propaganda; and the compilation of extensive blacklists of union members and sympathizers.

As privately advertised by Robert J. Foster of the Foster Industrial and Detective Bureau, these were the services offered by his firm:

FIRST:-I will say that if we are employed before any union or organization is formed by the employees, there will be no strike and no disturbance. This does not say that there will be no unions formed, but it does say that we will control the activities of the union and direct its policies provided we are allowed a free hand by our clients.

SECOND:--If a union is already formed . . . although we are not in the same position as we would be in the above case, we could-and I believe with success-carry on an intrigue which would result in factions, disagreement, resignations of officers and a general decrease in membership.

A more genteel approach in the solicitation of business was used by the Corporations Auxiliary Company:

We start on every operation with the idea of making our operative a power in his little circle for good, and, as his acquaintance grows, the circle of his influence enlarges . . .

Wherever our system has been in operation for a reasonable length of time . . . the result has been that union membership has not increased, if our clients wished otherwise. A number of local unions have been disbanded. We eliminate the agitator and the organizer quietly, and with little or no friction.

Some of the duties of labor spies were outlined in these instructions from the Railway Audit and Inspection Company to one of its hundreds of undercover agents:

It will be necessary that you mingle with the employees so that you can win their confidence to such an extent that the men will confide in you, as to just what they are doing, etc.

It will be necessary that you render a good, detailed, lengthy report each and every day covering conditions as you find them, reporting in detail the conversations you hold, those you overhear, etc.

Report . . . whether there is any union agitation, etc.

On Sundays and when not working in the plant it will be necessary that you render a report, and in order to do so, so that the client can be billed for the day, it will be essential that you associate with some of the employees, i.e., visit them, so that you will be able to obtain from some of the employees information that you may be able to secure in no other way, for much information of value to the client is gained in this way.

Of all information gathered by labor spies, the identification of active trade unionists was generally considered most important. Each week lengthy lists of such employees were compiled by labor espionage agencies and turned over to their clients. Employees thus designated were promptly fired and their names added to confidential blacklists. Describing a typical instance of the use of such blacklists, Edwin S. Smith, a member of the National Labor Relations Board, stated:

I have never listened to anything more tragically un-American than stories of the discharged employees of the Fruehauf Trailer Co., victims of a labor spy. Man after man in the prime of life, of obvious character and courage, came before us to tell of the blows that had fallen on him for his crime of having joined a union. Here they werefamily men with wives and children-on public relief, blacklisted from employment, so they claimed, in the city of Detroit, citizens whose only offense was that they had ventured in the land of the free to organize as employees to improve their working conditions. Their reward, as workers who had given their best to their employer, was to be hunted down by a hired spy like the lowest of criminals and thereafter tossed like useless metal on the scrap heap.

Another service featured by labor espionage agencies was the forming of company unions. Created with the aim of preventing employees from joining bona-fide unions, and secretly controlled and financed by the employers themselves, these company unions were frequently officered by professional labor spies. "Where it is desired that company unions be formed," stated a

"Where it is desired that company unions be formed," stated a brochure published by the labor-espionage Butler System of Industrial Survey, "we first sell the idea to the workers and thereafter promote its development into completion. Hundreds of such organizations have been formed to date."

By 1935, according to a survey conducted by the Twentieth Century Fund, approximately 2,500,000 workers in the United States were covered by company union plans ...

In addition, labor espionage agencies made a special effort to get their operatives placed as leading officials in bona-fide unions.

Posing as diligent trade unionists and sedulously cultivating popularity among their "fellow workers," scores of labor spies maneuvered their way into executive positions in the CIO, AFL and Railroad Brotherhoods. Once in these posts, they vigorously applied themselves to the task of undermining the unions through a variety of disruptive devices.

So successful were the efforts of one Corporation Auxiliary agent, who managed in 1935 to get elected as secretary of an AFL Typewriter Workers Local in Hartford, Connecticut, that the local was reduced from 2500 to 75 members within less than a year. In Flint, Michigan, another local with labor spies among its officers dropped from 26,000 members in 1935 to 122 members in 1936.

"It is very effective," reported the Pinkerton agent, Lawrence Baker, regarding the labor espionage campaign for General Motors at the Fisher Body factory in Lansing, Michigan. "One time at Lansing-Fisher they were almost 100 per cent organized. And finally it went down to where there were only five officers left."

In its preliminary report to the U. S. Senate on February 8, 1937, the La Follette Committee investigating violations of free speech and rights of labor stated:

It is clear that espionage has become the habit of American management. Until it is stamped out the rights of labor to organize, freedom of speech, freedom of assembly will be meaningless phrases. Men cannot meet freely to discuss their grievances or organize for economic betterment; they may not even express opinions on politics or religion so long as the machinery of espionage pervades their daily life ... The report added:

That private persons or interests should be allowed to maintain arsenals is surprising enough. That industry should be permitted to arm unscrupulous men under their own pay, gravely wearing the badge of the law is startling. That there is allowed to flourish a gigantic commercial enterprise in which employers collaborate with professional spies in assaulting citizens because they exert their lawful right to organize for collective bargaining, is shocking to any true defender of constitutional government.

# 3. Gas and Guns

"Labor difficulties are in the making all over the country," wrote Barker H. Bailey, vice-president of the Federal Laboratories, Inc., of Pittsburgh, Pennsylvania, in a letter to one of the company's traveling salesmen in the spring of 1934. "The man who has a territory with any appreciable amount of manufacturing . . . certainly should be on the look-out for advantageous outlets for the protective devices which we have. It looks to me like the year 1934 may be a very beautiful one for all of our men."

The Federal Laboratories "protective devices" to which Vice-President Barker referred in his letter consisted of machine guns, submachine guns, revolvers, automatic pistols, shot-guns, rifles, armored cars, gas guns, gas ejectors, gas mortars, ammunition, bulletproof vests, tear and sickening gas, gas projectiles, gas masks and similar supplies.

Federal Laboratories, Inc. was one of the leading firms in the United States engaged in the unique American business of selling arms, ammunition, and other military supplies to private industry, strikebreaking and labor espionage agencies, vigilante groups, state and municipal law-enforcement bodies.\*

Among the hundreds of clients serviced by Federal Laboratories were such concerns as:

<sup>\*</sup> The three principal concerns engaged in this business were Federal Laboratories, Inc., the Lake Erie Chemical Company, and the Manville Manufacturing Company. During 1933-1936, the income of these three companies from the sale of gas and gas equipment amounted to \$1,040,621.14. This figure was exclusive of income from the sale of machine guns, revolvers, rifles, ammunition and other such equipment which grossed an additional several million dollars.

It should be noted that the name Federal Laboratories, Inc. was only a trade name, and that the concern had no official connection with any Government agency.

American Hawaiian Steams	hip Goodyear Tire and Rubber Co.
Co.	Jones and Laughlin Steel Corp.
Bendix Corp.	L. A. Railway Corp.
Bethlehem Ŝteel Co.	Pacific R & H Chemical Corp.
Carnegie Steel Co.	Pontiac Motor Car Co.
Chevrolet Motor Co.	Sears Roebuck Co.
Chicago & Eastern Illinois Ra	ail- Six Companies, Inc.
road Co.	Standard Oil, Inc.
Chicago Tribune	Tennessee Coal, Iron and Railroad
General Motors Corp.	Co.

One of the largest stockholders in Federal Laboratories, Inc., was the Atlas Powder Company of Wilmington, Delaware, whose interests were closely affiliated with those of the great chemical firm, E. I. du Pont de Nemours and Company.

Since the operations of Federal Laboratories, Inc. often skirted on the edge of the law, discretion and ingenuity were constantly required of the firm's representatives. Illustrative of this fact were certain negotiations conducted by Federal Laboratories in San Francisco during the general strike in that city, in 1934.

A Federal Laboratories salesman had secured from the San Francisco chief of police an order for more than thirteen thousand dollars' worth of gas and gas equipment. But difficulties in filling the order, according to a subsequent account by Federal Laboratories Vice-President Bailey H. Barker, arose because of "the refusal of certain officers of the city to honor the chief's request that he have the shipment made." Barker himself hurried to San Francisco to straighten matters out.

After a private conference with several representatives of west coast steamship concerns, Barker wrote a letter to the Bank of America which read in part as follows:

Bank of America N.T. & S.A. Market New Montgomery Office San Francisco, Calif. Gentlemen:

We are handing you herewith a sealed envelope which we are asking you to deliver on payment to you of \$13,809.12.

When these funds are received by you then remit them to my parent organization, the Federal Laboratories, Inc., 185-51st Street, Pittsburgh, Penn.

> Yours very truly, Federal Laboratories, Inc. by B. H. Barker, Vice-Pres.

The "sealed envelope" delivered by Barker to the Bank of America contained Federal Laboratories' invoice for the gas and gas equipment ordered by the San Francisco chief of police. In exchange, Barker received a cashier's check for \$13,809.12. The gas equipment, paid for by persons whose names were never made public, was shipped to the San Francisco Police Department.

"We will not forget, I assure you, the peculiar tangle that we found ourselves in," wrote Barker, on his return to Pittsburgh, in a warmly appreciative letter to Ashfield Stow of the American-Hawaiian Steamship Company, "and to find you not only willing to advise, but ready to protect the activities of the people who, in good faith, had been dealing with us, will remain in our memory long after other things are forgotten."

Later that year, John W. Young, President of Federal Laboratories, Inc., circulated among the company's agents a memorandum summarizing the firm's accomplishments during the previous months. Young's memorandum began:

Gentlemen: We have been experiencing some very eventful dayshistory-making days-not only in this business but in the destiny of our country. Class struggle has become more defined and more pronounced.

Sales exceeded the million dollar mark by a healthy margin the first six months of this year.

Indicating the international scope of his firm's operations, Young reported:

Two car loads of gas have been shipped to Cuba and twenty-two armored cars for police use all made by Federal Laboratories. Police are being instructed in the use of this equipment and hardly a week goes by but what gas is used in one or more cases . . .

But it was in the United States itself that business had been most satisfactory. "Approximately \$7,500.00 worth of Federal Gas was shipped into Toledo for their trouble," wrote Young. "\$20,000.00 worth into Youngstown, \$25,000.00 to Pittsburgh, \$10,000.00 to Wisconsin and \$5,000.00 to Seattle."

The President of Federal Laboratories concluded:

You have probably noticed that in the newspaper accounts there are many items where tear gas has been effective. The reason for this is that police departments are becoming better educated in how to use the gas. They use plenty of it and in checking back we find they have been using Federal Gas in the majority of cases.

I want to especially compliment Baxter, Roush, Baum, Grieg, Fisher,

Richardson and those boys who have given their personal services to direct the activities of the police in the use of this equipment during times of emergency.

Joseph M. Roush, one of the Federal Laboratories agents singled out for special commendation in President Young's letter, had been dispatched to California by the Pittsburgh office early in 1934. With labor strife intensifying all along the west coast, Federal Laboratories executives wanted one of their most capable representatives on the spot. Their confidence in Roush was not misplaced . . .

After a preliminary survey of the California situation, Roush reported in a letter to Bailey H. Barker, the vice-president of Federal Laboratories, that business prospects were exceedingly promising.

"One reaction that was practically universal throughout the whole state," wrote Roush, "is that this year will witness the worst strikes and riots in the history of our country . . . Next month should be a good one. Another strike is expected in the Imperial Valley . . ."

A number of other "nice, juicy strikes" were in the offing, added Roush, and there was every reason to anticipate a "healthy demand" in the near future for machine guns and other firearms, and particularly for tear gas products, in California.

In subsequent reports, Roush informed his superiors that he was making a special effort to push the sale of a new piece of Federal Laboratories merchandise. Technically known as *Diphenylamine-chlorarsine* (DM) and more colloquially referred to as Sickening Gas, this product was described in Federal Laboratories promotional literature as follows:

The liquid chemical is used for lachrymating purposes. It also causes nausea, severe headache, vomiting, etc. A severe dose will incapacitate a person for six to eight hours. While it is also considered as a toxic gas in closed quarters, no reports of fatalities have ever been reported from its use in the field.

"I hope all the Reds get sickening gas in L. A.," wrote Roush in one letter. "I will do what I can about it up here" ...

Like most traveling salesmen, Roush carried in his sales kit various promotional material designed to stimulate the sale of his merchandise. When soliciting business he was rarely without a copy of *The Red Network* by Elizabeth Dilling, the anti-Communist propagandist who was later to be tried on charges of conspiring with Nazi Germany against the U. S. Government.\* Dilling's book was used by Roush to indicate to prospective customers the extent to which "Red agents" had infiltrated American society and the desirability of using Federal Laboratories equipment as a "protection" against them. Roush also usually had on hand, for distribution among potential buyers and regular clients, a pamphlet entitled *The Red Line of Crime and Civil Disorder.*<sup>†</sup>

During the early summer months, Roush encountered unexpected difficulties in the sale of his tear gas products. Potential customers were plentiful, but, as Roush notified Bailey H. Barker, certain state legislation was creating a really serious problem.

The State Tear Gas Law certainly played heck with my business ... You will remember the trouble we had during the Meat Strike about permits, well the City absolutely refuses to issue permits for any more private companies. How do you like that ...

Showing a sympathetic understanding of Roush's plight, Barker wrote in reply, "If this cannot be corrected locally, I don't suppose there is a thing we can do from here, and the disappointment will just have to be swallowed, in the hopes that other types of business ... can be secured."

Roush, however, whose sales commissions depended largely on

On July 24, 1934, in a bulletin addressed "To all Federal Agents," Federal Laboratories President John W. Young notified his representatives that he was sending them copies of Elizabeth Dilling's *The Red Network* as an indication of "the danger of revolution" in this country. "We are heading for plenty of trouble and it is time for all of the American patriotism you can manifest," declared Young. "Whatever you do, read this book when you get the time. Carry it with you and get every police chief and sheriff you talk to to buy one; get each industrial leader to buy one. We would be glad to fill these orders at cost . . . in an effort to stir up the American public to prepare for the things that are facing us."

Another communication from Young addressed To All Agents read in part: "The Third International . . . at their convention in Moscow this month manifested a change in policy. They are no longer secretly planning revolution. They came out and openly boasted of the progress they are making in various countries, especially the United States." In concluding this communication, Young observed: "The most attractive order of the week was one for 12 Thompson submachine guns from the city of Detroit, through George Grieg."

<sup>\*</sup> Elizabeth Dilling, and the twenty-nine other alleged pro-Nazi seditionists tried with her in 1944, were never convicted. A mistrial was declared after the death of the judge during the trial, and the defendants were never again placed on trial.

<sup>&</sup>lt;sup>†</sup>Anti-Communist propaganda material was regularly supplied by Federal Laboratories to all salesmen and field representatives for promotional purposes.

tear gas orders, was stubbornly determined not to lose this business. He made a point of cultivating the acquaintance of Clarence Morrill, the Chief of the State Division of Criminal Identification and Investigation. Morrill had the authority to approve or deny permits for the sale of gas and machine guns throughout California.

One day, Roush called Barker in Pittsburgh by long distance telephone. Would Barker agree, asked Roush, to giving Morrill the exclusive right to handle Federal Laboratories sales in Alaska?

Barker promptly answered in the affirmative.

Thereafter, no difficulties were encountered in getting permits for the sale of gas and machine guns throughout California.

In a lengthy letter to Barker on July 22, 1934, two days after the end of the general strike in San Francisco, Roush gave a jubilant account of how his business had "picked up":

The evening of July 2, Sergeant McInerney and Officer Myron Gernea . . . asked me if I would go with them in the Headquarters' car the next morning and take some of my gas equipment. They said they expected considerable rioting and would appreciate my experience in the use of gas . . . We started out to do battle with (gas) equipment and two shotguns. We did not have long to wait. The first riot started early in the morning and we went in with short range shells and grenades.

When some of the "rioters"—striking longshoremen who were peacefully picketing the San Francisco waterfront—began picking up the gas grenades and hurling them back at the police, Roush recommended that "long range shells" be used by the police. "Believe me," he wrote, "they solved the problem. From then on each riot was a victory for us . . . It was most interesting as well as educational. . . ."

The gas shells achieved such "remarkable results" on the waterfront, related Roush, that not only the San Francisco Police Department but numerous other customers started placing large orders for Federal Laboratories equipment:

It was a landslide of business for us. Immediately following the business from San Francisco came orders for gas and machine guns from the surrounding territory . . . Naturally I was in seventh heaven.

As it was unsafe to leave our stock in the warehouse, I moved it into the San Francisco Police Department vault . . . No one could have received more courtesies than were extended to m: by the Berkeley Police Department, the Oakland Police Department and the District Attorney's office and the San Francisco Police Department. The company and myself certainly owe them a debt of gratitude . . . The Berkeley Department furnished us office space, telephone service, and even gasoline when it was impossible to obtain any throughout the city.

Roush said he was obtaining photographs of the waterfront "riots" which he would forward to the home office. "I might mention," he added, "that during one of the riots, I shot a long range projectile into a group, a shell hitting one man and causing a fracture of the skull, from which he has since died. As he was a Communist, I have had no feeling in the matter and I am sorry that I did not get more."

Roush's letter concluded:

Now let me at this time thank you from the bottom of my heart for the very wonderful cooperation that you gave me. No words can express the feelings I have on the matter . . . Please convey my thanks to all the members of the company that made this business possible for us. I can think of no greater inspiration to get out and get more business than the knowledge of how firmly the factory and its personnel are behind me . . .

I shall make San Francisco my permanent headquarters . . . I find it so practical and pleasant I shall continue to live here . . .

With best personal regards to you and the rest of the company, I remain,

#### Sincerely yours, JOSEPH M. ROUSH.\*

As Bridges emerged during and following the San Francisco strike of 1934 as one of the outstanding and most militant labor leaders in the country (in 1937 Bridges became President of the International Longshoremen's and Warehousemen's Union), an extraordinary campaign was launched to deport him as a "Communist" seeking to overthrow the U. S. Government "by force and violence." At the same time, Bridges' own efforts to become a citizen were systematically obstructed.

Prompted by big business interests, the Labor Department conducted an exhaustive investigation of Bridges; but in 1936 a Department memorandum stated the investigation had failed to uncover "any legal grounds" for deporting him. Even so, in March 1938, the Department issued a deportation warrant against Bridges, charging him with being a Communist.

In 1939 a deportation hearing lasting eleven weeks was held before James M. Landis, dean of the Harvard Law School. Dean Landis ruled that the Government had failed to prove Bridges a Communist and that there were no grounds for his deportation. The deportation warrant was cancelled and the proceedings were dropped. In June 1940 a bill passed the House of Representatives, with the stated

purpose of deporting Bridges; the bill died in the Senate. Immediately there-

<sup>\*</sup> Despite the exultant tone of Roush's letter, West Coast corporations were faced with certain problems which could not be solved with gas and machine guns. Not the least of these problems was the Australian-born labor leader, Harry Bridges.

In later years, the Congress of Industrial Organizations, with its 6,000,000 members, was to be almost universally recognized as a vital and integral part of American society. But in the mid-thirties, those laboring men and women who set out to build the CIO were often treated as common criminals, were widely branded as "Communist conspirators" and traitors to their country, repeatedly jailed, driven from town after town, and blacklisted in every major industry.

During 1935-1937, more than 47,000 workers were arrested while participating in trade union struggles in America . . .

Frequently union organizers carried on their work at the risk of their lives. Time and again they were kidnapped by companyhired gunmen and vigilante gangs, mercilessly beaten and brutally tortured. Not a few were murdered in cold blood.

after, the Lower House amended the Immigration Act, with the aim of making "constitutional" Bridges' deportation.

In 1941 a second deportation warrant was issued; and after a hearing, Presiding Inspector Charles Sears held that the warrant should stand . . .

Here is how Dean Landis had characterized some of the Government witnesses and FBI informers who had testified against Bridges at the first hearing: Major Laurence A. Milner-"a self-confessed liar"; Harper L. Knowles of the American Legion-"he lied when he dared to"; John R. Davis-"arrested in Indiana on a warrant charging him with grand larceny . . . Charged with leaving a shortage of \$1,800 in his accounts with his union, he was found guilty as charged"; Richard A. St. Clair-"(his) repeated convictions for drunkenness are at least a circumstance." Another witness against Bridges at the Landis hearing was William C. McCuiston, who had been arrested eight times and twice convicted of assault, and who was later tried (and acquitted) on charges of murdering an official of the National Maritime Union.

Among the Government witnesses against Bridges at the Seares hearing were Peter J. Innes, a labor spy who had been expelled from his union for theft and who was later sentenced to jail for attempted rape of a small child; and John Oliver Thompson, who had previously stabbed his wife to death, pleaded guilty of manslaughter and been sentenced to 2 to 5 years imprisonment.

guilty of manslaughter and been sentenced to 2 to 5 years imprisonment. In June 1945, after protracted proceedings in the lower courts, the U. S. Supreme Court ruled that the warrant of deportation against Bridges was unlawful. That September, Bridges took the oath of American citizenship.

"The record in this case," stated Justice Frank Murphy of the Supreme Court, "will stand forever as a monument of man's intolerance of man. Seldom if ever in the history of this nation has there been such a concentrated effort to deport an individual because he dared to exercize the freedom that belongs to him as a human being and that is guaranteed him by the constitution." Four years after the end of World War II, in May 1949, Bridges was in-

Four years after the end of World War II, in May 1949, Bridges was indicted by the Justice Department on the charge of conspiracy and perjury in connection with his naturalization, and the Department filed suit to cancel his citizenship and to deport him to Australia. See footnote page 282 for further details. One graphic, personal account of the sort of ordeal often experienced by these organizers appeared on August 28, 1935, in the *New Republic*. It was written by Blaine Owen, an organizer in the steel industry in Birmingham, Alabama.

Here is the story Blaine Owen told:

"There are names which should be put in parentheses after the name Birmingham: TCI, Republic Steel, Schloss-Sheffield. And the greatest of these is TCI. TCI is Tennessee Coal and Iron-United States Steel, the House of Morgan.

"In the company houses they have established a rule that workers with gardens must not grow corn or anything as high as a man's head. Lights burn in the spaces between the houses all night. Don't be found in the streets after nine-thirty. But somehow the meetings go on, somehow no terror can stop these meetings. Although it means jail and beating, leaflets appear miraculously on doorsteps overnight, calling for organization and struggle.

"It was on my way home that a police car went by slowly, two uniformed men in the front seat. One drove, the other swung the spotlight full on me. Across the street stood a dark sedan, men standing about it, smoking. I walked on around the corner. They closed in, and the Ford sedan quietly rolled in front of us, the doors already open . . .

"Held firmly between them in the back of the car, we shot past the traffic light and between the rows of quiet buildings. No one said a word. The windows were closed tight and we all sweated slowly, out of breath from the tussle, panting . . .

"Smash! It came—though I had known it would come—as a surprise. My lip was numb as I took a deep breath and tried to double as it came again. This time it caught me on the cheek . . .

"There was a salt taste to the thick blood, and I sucked it in with my breath. A sharp knee dug into my stomach and I gasped, straining to free my arms. I thought I would never again get air into my lungs, they felt crushed and splattered all over inside me. Somehow I forgot my face. It was in my lap, maybe, maybe in his lap, a trip hammer pounding on it, but it was no longer part of me ... Suddenly the blows had stopped. The realization startled me and I opened my eyes, but only the right one would open ...

"The tall, gaunt one stood in the shadow with the dull gleam of a revolver at his side, and asked me quick, short questions. Each time he would pause long enough for the younger one with the straight, dark brows and the rolling lips to slam me in the face. 'He won't talk,' he said. Smash! 'Hasn't said a God-damn word.' Smash!... "Keep your mouth shut," I said to myself over and over, "keep your mouth shut, because they're going to finish you anyway, and the more you say, the more they'll pound you before they finish you off.

"'Throw him in the river,' the fair young one said, and from somewhere a rope was brought... the rope cut down across my shoulders, with a high, crying swish from a sharp slap. I felt hands rip off the shirt, strip by strip, yanking it off the places where blood had begun to dry and stick. Someone was ripping my trousers with a knife ...

"The whipping stopped, and a boot crashed into my ribs. I rolled over and slumped back on my face. There was a slight pause before it began again . . .

"I don't know when it stopped. I only know I could think of nothing except the great necessity of keeping my mouth shut and lying as still as possible. I recall more questions coming out of the shadows . . .

"Vaguely I realized that it had stopped, heard the car door slam, and tried to lift my head as the tires dug into the soft dirt and the car spun away . . .

"I let my face drop forward again, and hugged the earth, not wanting to slip off into sleep, wanting now to go, somehow, back to Birmingham, back to the workers there.

"Workers kept an armed vigil at my bedside. One metal worker, who had been a member of the Klan only a few years ago, brought his little eight year old boy to me. He asked me to sit up in bed, and he bared the cuts and slashes that crisscrossed my body, back and face before the child's eyes.

"'Look at that, sonny,' he said. "That's the company. That's what you got to learn to hate-and fight agin."

As millions of workers in the mid-thirties sought to put into practice the rights guaranteed them by their Government in the Wagner Labor Act, and as the trade union movement gathered momentum throughout the land, acts of savage violence against labor organizers and trade union members became daily occurrences in America. These are a few typical instances of the anti-labor violence during 1935-1938:

Alabama: In August 1935, the cottonpickers of Lowndes County went on strike. The local sheriff organized a gang of vigilantes who roved the countryside, breaking into strikers' homes, kidnapping strikers and subjecting them to merciless beatings. On August 22, the vigilantes kidnapped and killed a striker named James Merriweather. Mrs. Merriweather later related:

"We had heard about the lynch mob whipping the hands on the Bell place . . . About half the mob came on to the house where I was . . . They started tearing up the place looking for leaflets. They found the leaflets under a mattress . . . I said I didn't know about the meeting because I had been working . . . Vaughn Ryles started doubling the rope and told me to pull off all my clothes. He said, 'Lay down across the chair, I want naked meat this morning.' I lay down across the chair and Ralph McQuire held my head for Ryles to beat me . . . He was beating me from my hips on down, and he hit me across the head. They said, 'Now see if you can tell us what you know.' They were all cussing . . . Ryles put a loop in the rope . . . He threw the rope over the rafters . . . drew me up about two feet from the floor . . . I heard guns firing . . . They told me about my husband being shot . . . They were lynching him then . . ."

Arkansas: Describing violence in this state, Howard Kester, an organizer for the Southern Tenant Farmers Union, wrote in the New York Post of February 10, 1936:

"At night deputy sheriffs and masked men ride the roads, on the lookout for secret meetings of the union . . . Beatings are frequent and killings are not uncommon . . . Planters even organized a Fascist band wearing green shirts and carrying the swastika as its symbol . . . Hundreds of our members have been beaten and scores of families have been driven from their homes by terror . . . At least ten of our members have been killed.

"Just a few weeks ago, at Earle, Ark., armed vigilantes broke up a meeting in a Negro church—and shot two men . . . The next day, while I was addressing 450 white and Negro members of the union in a Methodist church, about fifteen armed planters and deputies came into the meeting house.

"I was dragged from the platform and thrown into my automobile by three men while the others began beating members of the union, men, women and children. The interior of the church was wrecked."

Michigan: Vigilantes including American Legion members and National Guardsmen in mufti called out by Mayor Daniel Knagge of Monroe on the night of June 10, 1937, hurled tear and vomit gas bombs at strikers' picket lines at the Newton Steel Co. After beating strikers with baseball bats, the advocates of "law and order" dragged sympathizers from their homes, beat them, burned a tent used as picket headquarters and wrecked a dozen strikers' automobiles. Texas: During a pecan shellers strike toward the end of 1937 over 700 workers were arrested in San Antonio for claiming the right to picket. Both men and women strikers were beaten, clubbed and kicked. Pickets, including women, children and mothers with babies in their arms, were lined up by the police who suddenly shot tear gas into their midst. Scores were held in jail without any charges placed against them.

California: Local 283 of the International Union of Mine, Mill and Smelter Workers led a strike of gold miners in Nevada County for recognition of the union early in 1938. A vigilante mob led by the local sheriff and by members of the California State Highway Patrol on January 20 attacked strikers at the Murchie mine. Later, a band of 300 vigilantes, armed with riot guns and clubs, attacked a picket line of 60 strikers. The next evening 12 pickets were sent to the hospital and the union headquarters were smashed. Union officers were threatened with lynching. More than 100 miners with their families were driven out of the county.

*Mississippi*: On April 15, 1938, in Tupelo, Charles F. Cox, a 27-yearold CIO organizer, was forced into an automobile by a group of men, driven about 20 miles, stripped naked and beaten with leather belts by 11 men. Left barely conscious, he crawled back to town. Cox was an important witness for the labor board in cases against mill owners resulting from a local strike in 1937. Organizations investigating the case charged Cox had been kidnapped to prevent his testifying against the company.

But nation-wide company-organized violence and intimidation, vigilante terror, and strikebreaking by National Guardsmen and municipal police failed to accomplish their purpose.

Spurred on by the hardship and misery of the depression years, by the pro-labor policies of the New Deal and by union victories in mining, West Coast maritime and other industries, American workers continued their mass influx into trade unions and intensified their fight for higher wages and better working conditions.

Early in 1936 the leaders of the CIO unions raised a "war chest" and pooled their forces to assist organization in rubber, auto, steel, aluminum, radio and other major industries. Newspaper men, chemists and technicians, retail and office workers, government employees, lumbermen, seamen, shoe, fur and oil workers joined the swelling army of organized labor.

In February 1936 10,000 Goodyear Tire and Rubber Workers at Akron, demanding recognition of the CIO Rubber Workers Union, occupied the Goodyear factory buildings in the nation's first sit-down strike. After four weeks, the company yielded to the workers' demands. In November 1936, the United Auto Workers called a strike at General Motors, the nation's largest industrial corporation. After three months of bitter struggle involving 125,000 workers and tying up GM plants in a score of cities, the company signed a contract with the union. Two months later, Chrysler recognized the UAW as the bargaining agent for its employees.

The crucial struggle was in the steel industry. "If Lewis wins in steel," commented *Business Week* on June 13, 1936, "no industry will be safe . . ." By the year's end, 100,000 workers had been organized by Phil Murray's Steel Workers Organization. On March 2, 1937, in the CIO's greatest single victory, the new steel union signed up U.S. Steel and its subsidiaries.

# 5. "Lest We Forget"

The date was May 30, 1937, Memorial Day, the national holiday in honor of American soldiers fallen in battle. The place was a large open field adjoining the Republic Steel plant in South Chicago.

By mid-afternoon, almost a thousand men, women and children had gathered at one end of the field. They were striking Republic Steel workers and their families, workers from other industries, friends and sympathizers. They had come to parade past the Republic Steel factory as a demonstration to protest the company's anti-labor policies.

"I won't have a contract, verbal or written," Tom Girdler, the truculent round-faced president of Republic Steel, had declared, "with an irresponsible, racketeering, communistic body like the CIO."

Republic Steel was the only major steel corporation which was still unorganized by the CIO.

It was a pleasant warm Sunday, and a gay spirit prevailed among the demonstrators. Waiting for the march to begin, they congregated in small groups, chatting animatedly, laughing, singing, the women wearing light summer dresses and most of the men in shirt sleeves. In the middle of the crowd two American flags flapped indolently in the slight breeze.

There was one seemingly incongruous note to the scene. Midway across the field, between the demonstrators and the Republic Steel plant, stood several hundred uniformed policemen with riot clubs hanging from their hands. Most of the police officers were loosely grouped in rows stretching across a dirt road that traversed the field. Behind these rows were clusters of reinforcements and a number of patrol wagons . . .

Shortly after four o'clock, about three hundred of the demonstrators started to parade down the dirt road and across the field, in a long straggling line led by two men carrying American flags. The marchers chanted slogans as they came and held up banners and placards reading *Join the CIO*, *Republic vs. the People*, and *Republic Steel Violates the Labor Act*.

Halfway across the field, their way barred by the police, the marchers slowed to a halt. A young man standing between the two flagbearers began urging some of the police officials to allow the parade to continue. The paraders closed up, forming a crowd around the young man, listening intently to his words.

Several of the demonstrators called out that they had been given a municipal permit to march. The police, they said, had no right to interfere with the parade.

The police stirred nervously, hitching up their belts, fingering their riot clubs.

An ominous tension had settled over the field.

Suddenly, without warning, acting as if by some prearranged signal, a number of police drew back their arms and hurled tear gas bombs into the crowd. At the same instant, with terrifying unexpectedness, a volley of pistol shots rang out.

Dozens of men and women among the demonstrators plunged to the ground. The remainder of the crowd, aghast and panicstricken, scattered in headlong flight. After them charged the police, savagely flailing the fugitives with clubs.

Amid the intermittent crackle of pistol shots and the screams of the injured, one person after another was cornered and clubbed to the ground. Groups of policemen stood over fallen victims hammering them with riot sticks. Men and women with blood-stained faces staggered drunkenly across the field, desperately striving to elude the clubs of their pursuers.

Such was the beginning of the Memorial Day massacre.

A Reverend Charles B. Fiske who had come to the demonstration as an observer for a group of Chicago ministers investigating violations of civil liberties, and who had with him a motion picture camera, subsequently related: I got my camera up to my eyes and I could see where the tear gas was breaking out near the crowd, and I could see the people at the very head of the column go down, dozens and scores of them falling to the ground . . .

I noticed, out of the corner of my left eye, a young fellow standing thirty or forty feet behind me . . . He was standing still for a time and then he dropped. I took pictures of him lying with his face on the ground. I could tell he had been shot by the bloodstains on the back of his shirt . . .

Very close to me, not more than forty yards away, I saw two policemen chasing one young fellow, who was running as fast as he could go, and shouting over his shoulder, "I'm going, I'm going, I'm doing what you told me to. I'm going as fast as I can." He . . . stumbled and these two policemen coming up on him simultaneously struck him down behind a little clump of bushes and then stood there for a couple of minutes slugging him. I have pictures of them standing over him, hitting him with their clubs five or six times after he was down and apparently unconscious . . .

Another witness of the Memorial Day massacre was Mrs. Lupe Marshall, a social worker associated with Hull House in Chicago. Mrs. Marshall, who was trapped in the melee when the police charged the demonstrators, was clubbed to the ground and then flung into a patrol wagon.

She later stated:

When the policemen started to pick up those men that had been lying approximately where I had been standing when the thing started, they started bringing them in by their feet and hands, half dragging them and half picking them up. None of the men that were in the wagon were able to sit up. They [the police] piled them up one on top of the other. There were some men that had their heads underneath others. Some had their arms all twisted up, and their legs all twisted . . .

Describing the nightmarish ride to the hospital, Mrs. Marshall related: "It was ages before we got there, and every time the patrol wagon jolted, these men would go up about a foot or so, and fall on top of each other, and there was the most terrible screaming, groaning and going on in that wagon . . ."

When the patrol wagon reached the hospital, the policemen dragged the wounded and unconscious out of the vehicle, hauled them into the building by their hands and feet, and dropped them roughly on the floor. A detective, suddenly appearing on the scene, pointed toward the bodies, and shouted angrily at the policemen, "Who the hell ordered this goddam shooting?" One of the policemen replied, "Shut your mug!" Jerking his thumb toward Mrs. Marshall, he added, "They're not all dead yet."

By far the most horrifying record of the Memorial Day Massacre was contained in a Paramount news reel of the entire episode. The film was never exhibited publicly; Paramount executives said that public showing might lead to "riots."

A few days after the film was developed, it was privately shown to a small audience composed of Senator Robert M. La Follette Jr., Senator Elbert D. Thomas and a few staff members of the La Follette Civil Liberties Committee.

An extraordinary account of this private showing of the film subsequently appeared in the St. Louis Post-Dispatch. The following are excerpts from the Post-Dispatch article:

... suddenly, without apparent warning, there is a terrific roar of pistol shots, and men in the front ranks of the marchers go down like grass before a scythe ... Instantly the police charge on the marchers with riot sticks flying ...

In a manner which is appallingly businesslike, groups of policemen close in on isolated individuals, and go to work on them with their clubs. In several instances, from two to four policemen are seen beating one man. One strikes him across the face, using his club as he would wield a baseball bat. Another crashes it down on the top of his head, and still another is whipping him across the back.

CIO officers report that when one of the victims was delivered at an undertaking establishment, it was found that his brains literally had been beaten out, his skull crushed by blows . . .

The account continued:

A man shot through the back is paralyzed from the waist. Two policemen try to make him stand up, to get him into a patrol wagon, but when they let him go his legs crumple, and he falls with his face in the dirt, almost under the rear step of the wagon. He moves his head and arms but his legs are limp. He raises his head like a turtle and claws the ground . . .

The article in the Post-Dispatch concluded:

The camera shifts back to the central scene. Here and there is a body sprawled in what appears to be the grotesque indifference of death... A policeman, somewhat disheveled, his coat open, a scowl on his face, approaches another who is standing in front of the camera. He is sweaty and tired. He says something indistinguishable. Then his face breaks into a sudden grin, he makes a motion of dusting off his hands, and strides away. The film ends. Ten men were killed and scores seriously injured in the Memorial Day massacre.

The massacre was justified by Chicago police officials on the grounds that the steel strikers' demonstration was a "Communist plot" to invade the Republic Steel plant and "murder" its occupants. According to these police officials, "two or three hundred lives" were saved by the "disciplined police action."

The following are excerpts from testimony given before the Senate La Follette Committee on June 30, 1937, by Captain James L. Mooney of the Chicago Police Force:

SENATOR THOMAS: Then you think the disturbance on the 30th was a fight between the police and the Communists?

CAPTAIN MOONEY: It was brought on over there by Red agitators . . . their real object was to get into the plant . . . They would have accomplished killing a lot of people in there.

SENATOR THOMAS: Do you think that all people you call Communists want to kill people, that that is one of their objectives?

CAPTAIN MOONEY: Not all of them, but all that I have met . . .

Later in his testimony, Captain Mooney asked, "Could I make a recommendation that would clarify the mind of the Senate Committee?"

Senator Thomas said yes.

"Deport every one of those Communists and all of those Reds out of the country," said Captain Mooney, "and then we will get along."

"Where would you send them?" asked Senator Thomas.

"Back to Russia; go over there with Lenin."

"You actually think they were paid agents of Russia?"

"The reason I think so, down in the fifty district some of those way up in the Communist Party left for Russia to get further instructions."

"Do you know what part of Russia they went to?"

"They went to the capital."

"Where is that?"

Captain Mooney hesitated a moment and then replied. "Well, where Lenin is."

### 6. The General Staff

Once each year during the turbulent New Deal era, a small group of immensely powerful American millionaires gathered with great secrecy in Room 3115 at 30 Rockefeller Plaza in New York City. The group called itself the "Special Conference Committee."

The cryptic inscription on the door of Room 3115 at 30 Rockefeller Plaza—"Edward S. Cowdrick, Consultant in Industrial Relations"—offered no clue to the business that the Special Conference Committee conducted at this office. The Committee was not listed in the telephone directory; its name appeared on no letterheads; and all Committee minutes, records and communications were marked *Strictly Confidential*.

Edward S. Cowdrick, who was the secretary of the Special Conference Committee, never mentioned the Committee by name when corresponding with persons who were not among its members; he referred to the organization simply as "my associates" or "the group by which I am employed."

The Special Conference Committee was composed of men whose names were legendary in industrial and financial circles throughout the world.

These were some of the men attending Committee meetings or participating in its general activities:

Walter S. Gifford: President of American Telephone and Telegraph Company

Lammot du Pont: President of E. I. du Pont de Nemours Company Alfred P. Sloan, Jr.: President of the General Motors Corporation

- Harry W. Anderson: Labor Relations Director of General Motors Corporation
- Owen D. Young: Chairman of the Board of General Electric Company
- Edward R. Stettinius, Jr.: Vice President of United States Steel Corporation
- F. W. Abrams: President of Standard Oil Company of New Jersey
- Cyrus S. Ching: Director of Industrial and Public Relations of United States Rubber Company
- Edgar S. Bloom: President of Western Electric Company
- Eugene G. Grace: President of Bethlehem Steel Company
- J. M. Larkin: Vice President of Bethlehem Steel Company
- Frank A. Merrick: President of Westinghouse Electric & Manufacturing Company
- Harry E. Ward: President of Irving Trust Company
- Northrop Holbrook: Vice President of Irving Trust Company
- E. J. Thomas: General Superintendent of Goodyear Tire and Rubber Company

The special interest groups represented in the Special Conference Committee were as follows:

- Morgan Group: United States Steel Corporation (America's largest industrial corporation); General Electric Company; American Telephone & Telegraph Company
- Du Pont Group: General Motors Corporation (America's 3rd largest industrial corporation); E. I. du Pont de Nemours Company (America's 4th largest industrial corporation); United States Rubber Company

Rockefeller Group: Standard Oil Company of New Jersey (America's 2nd largest industrial corporation)

Mellon Group: Westinghouse Electric & Manufacturing Company Chicago Group: International Harvester Company Cleveland Group: Goodyear Tire and Rubber Company

The Special Conference Committee was the secret General Staff which planned the strategy and tactics, and directed the major campaigns of the incessant war being waged during the 1930's by American big business against organized labor and the New Deal.\*

While the principals of the Special Conference Committee met only once a year, there were frequent interim meetings among their representatives and subordinates; and, in numerous memoranda, reports and other communications, Secretary Cowdrick kept leading Committee members constantly informed of all pertinent developments on the industrial front.

The first year of the New Deal was an especially busy one for the Committee. "In numbers of meetings," J. M. Larkin, vice-president of Bethlehem Steel and chairman of the Special Conference Committee, reported early in 1934, "in variety and importance of subjects considered, and in the multiplicity of demands made upon its members by their companies and their industries, 1933 established an all-time high record."

Expressing gratification with the Committee's record during this troubled time, Larkin stated, "The companies which by their interest and support have maintained the Special Conference Committee . . . were in a position to call upon the experience and counsel of the Committee in grappling with the labor problems and perplexities growing out of the recovery program."

However, added Larkin in his report, there were still vexing

<sup>\*</sup> The Special Conference Committee had been formed in 1919 during the period of industrial strife following World War I; but it was not until the advent of the New Deal era that the Committee began to function on a fulltime, systematically organized basis.

problems which remained to be solved. Outstanding among these was the fact that, "We are facing right now a drive against the open shop"...

During the initial stages of the Roosevelt Administration, the Special Conference Committee, by utilizing its vastly influential connections, was able to do much to shape government policy in various domestic affairs. When the U.S. Department of Commerce established a Business and Advisory Planning Council in August, 1933, Gerard Swope, president of General Electric, and Walter C. Teagle, president of Standard Oil of New Jersey—both of whose firms were represented in the Special Conference Committee—were named respectively chairman of the Council and chairman of the Council's Industrial Relations Committee. Swope and Teagle thereupon appointed leading members of the Special Conference Committee to the Industrial Relations Committee and made Edward Cowdrick its secretary.

In a confidential letter to W. A. Griffin, president of the American Telephone and Telegraph Company, Cowdrick gave this explanation of the status of Special Conference Committee members on the government agency:

Each member is invited as an individual not as a representative of his company, and the name of the Special Conference Committee will not be used . . . The work of the new committee [the Industrial Relations Committee] will supplement and broaden-not supplant-that of the Special Conference Committee. Probably special meetings will not be needed since the necessary guidance for the Industrial Relation Committee's work can be given at our regular sessions.

But as the pro-labor policies of the New Deal crystallized and the gap widened between the Roosevelt Administration and big business interests, it became increasingly clear to the Special Conference Committee that its members could not continue to operate with adequate effectiveness within the Government itself. What had now become essential, in the opinion of the Committee, was an all-out drive directed both against Roosevelt and the trade union movement . . .

Public relations experts and specialists in the field of industrial relations were summoned for consultation. Detailed analyses of pending pro-labor legislation were prepared under Cowdrick's supervision, and distributed for careful study among Committee members. At the suggestion of Cyrus Ching of United States Rubber, the Committee's "informational service" was greatly expanded.\*

Maintaining its policy of operating behind the scenes, and using the facilities of sympathetically inclined business organizations, the Committee initiated an elaborate propaganda campaign against trade unionism and for the maintenance of the open shop. In a memorandum commenting on the organizational cooperation the Committee was receiving in this campaign, Cowdrick noted:

I have had very useful contacts with individuals and organizations, including the National Association of Manufacturers, United States Chamber of Commerce, the National Automobile Chamber of Commerce and the Washington offices of some of the Special Conference Committee companies. For the most part I have dealt through these acquaintances rather than directly with government officials, as it seemed to me best to avoid making myself too conspicuous or doing anything to give the impression I am lobbying.

The NAM and the U.S. Chamber of Commerce, stated Cowdrick in his memorandum, were being "extremely friendly and accommodating-which is not strange in view of the fact that most of the Special Conference Committee companies are heavy contributors to both organizations" . . .

The passage of the National Labor Relations Act, despite the intense efforts of the Committee to defeat the bill, created a host of new problems for the Committee. As the Committee's annual report of 1936 stated, after reviewing the work of the Committee since its formation in 1010:

Of all these eighteen years, none has been more difficult than 1936 ... the difficulties of labor administration were increased by continued governmental legislation and by the aggressive pressure of union leaders ... The Special Conference Committee was unusually active in 1936 ...

The drastically changed situation necessitated the use of new anti-labor tactics. One such tactic recommended in Committee memoranda was that of enlisting the support of "community" and vigilante groups to back up the efforts of large corporations to maintain the open shop. In a memorandum commenting on the Goodyear Rubber Company's use of this technique during a strike at Akron, Cowdrick wrote:

<sup>\*</sup> On August 7, 1947, Cyrus Ching was appointed by President Harry Truman to the post of Director of the Federal Mediation and Conciliation Service, with the responsibility of acting as chief arbitrator in major disputes between labor and management.

Sunday afternoon C. Nelson Sparks, a former Mayor of Akron, accepted leadership of a law and order league... He made a radio speech in which he warned outside agitators to leave town. In the meantime, fresh pressure is being brought to bear upon the Governor to send state troops to preserve order.

At the same time, the Special Conference Committee undertook an extensive study of various American fascist organizations, whose services might be employed in breaking strikes and carrying on other anti-labor activities. Among such groups discussed in Committee memoranda were the Constitutional Educational League, the Crusaders, the Sentinels of the Republic, and the Men of America.

On June 1, 1936, Cowdrick wrote H. W. Anderson, General Motors Labor Relations Director and assistant to William S. Knudsen, asking the GM executive for his opinion of the anti-Semitic and pro-Nazi Sentinels of the Republic. A few days later Anderson replied:

With reference to your letter of June 1 regarding the Sentinels of the Republic, I have never heard of the organization. Maybe you could use a little Black Legion down in your country. It might help.\*

A further indication of the Committee's interest in fascist antilabor techniques was contained in a Committee memorandum drawn up by Cowdrick at the suggestion of A. H. Young, Vice-President of U. S. Steel Corporation. The memorandum included a detailed analysis, for the consideration of Committee members, of an unusual piece of labor legislation. The labor legislation in question contained this clause:

The leader of the enterprise makes the decision for the employees and laborers in all matters concerning the enterprise . . . He is responsible for the well-being of the employees and the laborers. The employees and the laborers owe him faithfulness according to the principles of the factory community.

In a letter to Cowdrick, A. H. Young explained that he had obtained this piece of legislation "from an officer of the German government."

The law was Adolf Hitler's Act for the Organization of National Labor.

<sup>\*</sup> The Black Legion was a secret terrorist society which operated in Michiigan, Ohio, Illinois and Indiana during the mid-1030's. Arson, bombing, torture and murder were among the Legion's anti-labor techniques. For a detailed account of the Legion's operations, see pages 204 ff.

But despite the elaborate schemings of the members of the Special Conference Committee, and notwithstanding their far-reaching influence and immense resources, they were unable to stem the tidal wave of trade unionism surging through America's factories, mines and mills.

In the six months between March and September 1937, the CIOgrew from 1,804,000 to 3,718,000 members. By the end of 1938, the total number of organized workers in the United States was at the all-time peak of 7,700,000.

"In a little more than a year's existence," wrote CIO editor Len de Caux in Union News Service early in 1938, "the CIO has put about \$1,000,000,000 in increased annual wages in workers' pay envelopes, through its organizing activities in the steel, auto, rubber and other previously unorganized mass-production industries—not to mention the resulting indirect benefits in other industries."

Only one great industrial concern in America remained unorganized by labor. That concern was the Ford Motor Company.

### Chapter x

# **INSIDE FORD'S EMPIRE**

Ford has directly created and distributed more wealth than any other man since the beginning of time. None of his wealth and consequent employment was at the expense of any one or anything.

> From "Way to Wealth," an article by Samuel Crowther published in the Saturday Evening Post on May 17, 1930.

Maybe we were endowed by our creator
With certain inalienable rights including
The right to assemble in peace and petition...
Maybe God Almighty wrote it out
We could shoot off our mouths where we pleased and with what and no Thank-yous
But try it at River Rouge with the Ford militia.
Try it if Mister Ford's opinions are otherwise.
Try it and see where you land with your back broken...

From Land of the Free, by Archibald MacLeish.

#### 1. Man and Myth

"WE'LL never recognize the United Automobile Workers or any other union," declared Henry Ford after all other leading auto manufacturers had signed contracts with the UAW. "Labor unions are the worst thing that ever struck the earth."

No other American industrialist had waged so ruthlessly effective a fight as Henry Ford against trade unions; and the passage of the Wagner Labor Act had by no means diminished his determination to see that his employees remained unorganized. Ford had long regarded himself as above the laws of the land. In the three and a half decades that had elapsed since Ford first experimented in an empty stable in Detroit with a strangelooking contraption resembling a large perambulator with a motor in the back, the once obscure mechanic had become one of the richest and most powerful men in the world.

Ford's vast private empire sprawled across six continents. Ford had factories and offices in China, Egypt, Argentina, Mexico, Hungary, Japan, Germany and a dozen other countries. His domain included oil wells in California; hundreds of thousands of acres of coal and timberlands in Kentucky, West Virginia and northern Michigan; 2,225,000 acres of rubber plantations in Para, Brazil. He controlled almost a quarter of the glass produced in the United States. He owned banks, railroads, airlines and steamship lines. Among the commodities produced by Ford factories were cars, trucks, tractors, electric locomotives, airplanes, steam turbines, generators, steel, cement, textiles, paper. Despite his frequent fulminations against "international financiers," Ford's own enterprises were closely linked with chemical, munition, steel and rubber cartels in Europe and Asia.

The capital of the Ford empire was the River Rouge plant at Dearborn, Michigan. The largest industrial unit in the world, covering an area of more than a thousand acres, the River Rouge plant was a city in itself. It contained over 100 miles of railroad tracks; a mile and a half of docks, capable of accommodating ocean-going vessels; an elaborate network of paved thoroughfares and broad canals. Its giant, manifold structures included office buildings, foundries, steel mills, assembly plants, press shops, a paper mill, tire, glass and cement plants. When operating at full speed and capacity, the plant employed 85,000 workers.

By 1940, the Ford Motor Company had produced more than 30,000,000 cars. The firm's yearly income amounted to approximately one billion dollars.

According to the legend that had been assiduously woven around the name of Henry Ford by his own highly-paid publicists and by those devotees for whom he epitomized the virtues of free enterprise, the world-famed auto manufacturer was a great humanitarian, philanthropist and sage, motivated by a desire for the advancement of mankind in general and the welfare of his own employees in particular. Actually, the mechanical genius of the tall, spare, slightly stooping multi-millionaire was coupled with intellectual sterility, fierce bigotry and an intense phobia for social progress.\*

In Ford factories throughout the world, the use of the most modern industrial techniques and the lavish care of mechanical equipment contrasted sharply with the backward and brutal treatment of the human beings in Ford's employ.

Nowhere was this contrast more pronounced than at the Ford River Rouge plant at Dearborn, Michigan.

When a worker passed through the carefully guarded gates to the River Rouge plant, it was as if he had entered an autonomous fascist state within America—a state which maintained, in the words of the National Labor Relations Board, "a regime of terror and violence directed against its employees."

If the dictator of this state was Henry Ford, its dreaded and allpowerful chief of secret police was Harry Herbert Bennett.

### 2. The Little Fellow

Throughout Ford's fabulous career, strange and often sinister adventurers had played a major role in shaping his policies and executing his commands. His entourage invariably included such personalities as Major-General Count Z. Cherep-Spirodovitch, a fanatical anti-Semite and ex-Czarist officer, who helped persuade Ford to finance the international distribution of the infamous Jew-baiting forgery, The Protocols of Zion; Dr. Harris Houghton, a former member of the United States Military Intelligence, who in the early 1920's headed the Ford Detective Service, which secretly compiled dossiers on prominent American liberals; Ernest Gustav Liebold, an enigmatic Germanophile who, while holding no executive title in the Ford Company, had constant access to Ford's office and was for a time reputed to be the second most powerful in the company; and William J. Cameron, who, first as editor of Ford's Dearborn Independent and later as head of the anti-democratic Anglo-Saxon Federation, conducted nationwide anti-Semitic propaganda campaigns.

<sup>\*</sup> It was more symbolic than paradoxical that Ford—who had done perhaps more than any other man of his time to revolutionize methods of industrial production—should surround himself with antiques, stage periodic square dances, sternly forbid subordinates to smoke in his presence and, in the early 1930's, declare that if Prohibition were repealed he would never manufacture another car.

But of all Ford's aides, advisors, and associates, the most sinister and extraordinary was Harry Herbert Bennett.

Harry Bennett's official title was Personnel Director of the Ford Motor Company. When asked about his exact job, Bennett liked to answer, "Me? I'm just Mr. Ford's personal man." The answer was deceptively modest. By the mid-thirties, many shared the view expressed by *Look* magazine that Bennett was "absolute boss of the company."

"A nod from Bennett may make or break a man in the Ford empire," wrote Spencer R. McColloch in an article in the *St. Louis Post Dispatch.* "Major executives who antagonize him may find it advisible to 'resign.' Others have been known to roam the buildings without an office for months at a stretch in explation for some breach in Bennett's discipline."

In the opinion of Ford himself, Harry Bennett was capable of directing even larger enterprises than the Ford Motor Company. "Harry Bennett," asserted Ford, "should be President of the United States."

Bennett's own lieutenants usually referred to him as "The Little Fellow." A small, tight-lipped, dapper man, who invariably wore a bow tie because an assailant had once almost strangled him by jerking his four-in-hand tie against his neck, Bennett had served several years in the U. S. Navy and fought for a time as a lightweight boxer under the name of "Sailor Reese" prior to his employment by Ford in 1916.\*

Tough, quick-witted and resourceful, Bennett had risen rapidly in the Ford organization. Given the task of forming a bodyguard to protect Ford's grandchildren from possible kidnapping, Bennett won the auto magnate's personal esteem by his efficient handling of the assignment. In 1926, at the age of thirty-four, Bennett was appointed head of the Ford Service Department.

The purported function of the Service Department was to protect company property against theft. But its real purpose, as was commonly known, was to guard Henry Ford not against robbery but against the unionization of his employees. The Service Department was the anti-union and labor-espionage division of the Ford Motor Company.

<sup>\*</sup> According to Bennett's own various, somewhat ungrammatical accounts of his youth, he had been at different times a musician, painter, draftsman, cartoonist, football player, champion prizefighter and deep-sea diver.

Under Bennett's leadership, the Service Department expanded into a huge apparatus whose devious ramifications reached far beyond the confines of Ford's factories. By the early 1930's, its network not only covered the cities of Dearborn and Detroit, but extended throughout the country, reaching into every phase of public and private life. Among its ubiquitous paid agents and secret allies were labor spies, gangsters, gunmen and ex-convicts; detectives, police chiefs and judges; lawyers, educators, editors and merchants; municipal, state and Federal officials.

Describing the Service Department's far-reaching influence, Malcolm M. Bingay of the Detroit Free Press later wrote:

Candidates for Governor, Senate, Congress, Mayor, Common Council, the judiciary, trembled in fear as to whether "Bennett's gang" would be for or against them. Even regents of the University of Michigan waited word from him on the conduct of that ancient institution.

According to conservative estimates, there were more than 3000 Service Department agents operating in the River Rouge plant by 1937. Most of them were spies, disguised as regular workers, janitors, sweepers and window cleaners. The operations of the Service Department outside the plant were subsequently described by one of the Department's key agents, Ralph Rimar, in these words:

Our spy network covered Dearborn and the city of Detroit, reaching into the home of every worker and into the private offices of the highest state and city officials. Years of espionage had provided the Company with accumulated files of all the activities of every Ford employee. We also had catalogues of the private lives of public officials, Governors and Government men who might be of value to the Company ...

My own agents reported back to me conversations in grocery stores, meat markets, restaurants, gambling joints, beer gardens, social groups, boys' clubs and even churches. Women waiting in markets to buy something might discuss their husbands' jobs and activities; if they did, I soon heard what they had said. Children talked of their fathers' lives ... Nick Torres, one of our Servicemen, was boxing instructor at a boys' club in Dearborn. His information helped me to secure the dismissal of many men ...

Periodically, Rimar submitted to Service Department headquarters lengthy lists of union members and workers suspected of union sympathies. In a sworn statement to National Labor Relations Board investigators, Rimar later declared:

Prior to 1937 and the rise of the CIO, I once estimated that I was responsible for the firing of close to 1500 men. During the year 1940 alone I turned in lists of over 1000 sympathizers, and they were all fired as a result of my reports.

An intimate working relationship existed between the Ford Service Department and the criminal underworld. The Detroit gang leader, Chet LaMare, up until the time of his murder by rival gangsters, shared in the concession which prepared and distributed the lunch boxes at the River Rouge Plant. Joe Adonis, the notorious Brooklyn racket chief, had exclusive rights to the trucking of all cars at the Ford plant at Edgewater, New Jersey. Members of the Purple Gang, the Bloody Gang, and other Detroit and Dearborn gangs, frequented the River Rouge Plant, where they received various favors.\*

The gangsters, for their part, mobilized support for Ford-endorsed politicians, provided the Service Department with reinforcements from their own ranks, and beat and tortured active trade unionists. More than one labor organizer was found dead in Dearborn with a bullet in his back.

Bennett made no secret of his own close acquaintanceship with underworld celebrities.

"Several times," wrote Spencer McColloch of the St. Louis Post Dispatch after interviewing Bennett, "he alluded to friendly chats with Al Capone."

Following a visit to the River Rouge Plant, J. Killgallen of the International News Service reported:

Bennett admitted he has a wide acquaintanceship in the underworld. He said he makes it his business to know thugs and racketeers personally.

<sup>\*</sup> Houses of prostitution and gambling places in Dearborn, most of which were controlled by the Bloody Gang, made payments for the privilege of operating to the Dearborn Chief of Police, Carl A. Brooks. Chief Brooks was himself a secret agent of the Ford Service Department and had been placed on the Dearborn police force at Bennett's personal request. Under Brooks' protection, the vice ring in Dearborn reaped an estimated

<sup>\$500,000</sup> a year.

Indicted in May 1941 on charges of selling police protection to gamblers and brothel operators, Brooks never came to trial. He was found dead in his car, shortly after his indictment; he was reported to have died from a "heart attack."

Inspector Charles A. Slamer, who had turned state's witness in the Brooks' case, was also found dead soon after the indictment. An autopsy revealed that Slamer had died from the effects of a drug.

On one occasion, a gangster bearing a grudge against Bennett rashly took a shot at the Ford Service Chief, wounding him in the stomach. Soon afterwards, Bennett received in the mail a photograph of the gangster's bullet-ridden body. On the picture was scrawled the anonymous inscription: "He won't bother you no more, Harry."

"I ain't afraid of anything," Bennett told the newspaperman, Spencer McColloch. "If I get mine-well, I'll get it, that's all."

Even so, Bennett took few needless chances. Powerful bodyguards accompanied him at all times. Trusted Service Department men were stationed near his office in the basement of the Administration Building at the River Rouge Plant, and the door to the office was controlled by a button on Bennett's desk. Day and night, armed guards vigilantly patrolled Bennett's luxurious estate, "The Castle," overlooking the Huron River, and after dusk the grounds were lit up by an elaborate flood-lighting system.

# 3. "Bennett's Pets"

Among the feverishly active workers at the River Rouge Plant, there were always a number of conspicuously idle men. Muscular hulking fellows, with broken noses, cauliflower ears and scarred faces, they sauntered up and down the busy assembly lines, stood beside the doorways to the various shops, and hovered near the gates leading into the plant. They were members of the Service Department's strong-arm unit. Ford workers called them "Bennett's pets."

The strong-arm unit of the Service Department was composed largely of former prize-fighters, discharged police officials, ex-convicts, gangsters and gunmen. A typical member of the strong-arm unit, and one of Bennett's favorites, was Kid McCoy, a former boxing champion who had served a term of imprisonment at San Quentin for murdering his wife ...

Bennett was in a highly advantageous position to augment the number of criminals on the payroll of the Ford Service Department. He not only had his numerous personal contacts in the criminal underworld; he also was a member of the Michigan Parole Board.

These are a few of the criminals who were paroled from Michigan jails to enter the employment of the Ford Motor Company: MURDER, 2ND DEGREE James B. Soldan Charles Stover

RAPE Anthony Cevette Joseph Laborn

MANSLAUGHTER Tom Kaschuk Samuel S. Smith

INDECENT LIBERTIES Herlon Carver

GROSS INDECENCY Frank Gage

FELONIOUS ASSAULT Melvin Campbell George King Geo. Mald, alias Mallo, Leo Pimpinalli

ASSAULT TO ROB Arthur Fodov Chas. Foster

GRAND LARCENY Ramon Cotter

LARCENY Frank Ditzek Archie Forgach Henry Jones Robert Paul Lawson Harry Douglas Alex Guba Steve Paley ROBBERY, ARMED Willard Cleary Robert Cook Dennis Coughlin Gilbert Cunningham John Doe (Frank Korvcinski) Stanley M. Edwards Gerald Fahndrick Trevor Falkner Albert Gazie Stanley Heay Taft Hicks Kenneth Hilliard George Kalburn Peter Poppy (alias Popy) William Thomas Unice Thompson Marion Williams Leo Waller

BURGLARY Ray Carney

BREAKING AND ENTERING Walter Hatbowy Harold R. Harrison Jefferson D. Haskins William G. Crane Francis Dolson Ernest Martin Leo Mazzarello Morris Nadorozny

EMBEZZLEMENT Roy D. Jones

VIOLATION DRUG LAW Lorenzo Sachez

BANK ROBBERY Floyd E. Drennan

FORGERY Louis F. Randall

"We don't tolerate rough stuff or thugs in the Ford organization," Bennett once told a newspaperman visiting the River Rouge Plant. Pointing to a group of bulky Service Department men standing nearby, Bennett added, "These fellows thugs? Why, it's to laugh! They have nice families and homes in Detroit." Such genteel qualities, however, were not reflected in the practises of the strong arm unit . . .

A typical instance of the strongarm unit's mode of operation occurred on March 26, 1937. On that day, having previously obtained a permit from the Dearborn City authorities, members of the United Automobile Workers went to distribute union leaflets at the gates of the River Rouge Plant. At the top of the stairway of an overpass leading to the plant, the union men found a group of Ford Servicemen barring their passage.

"This is Ford property," said one of the Servicemen. "Get the hell off of here!"

As the union men turned, they were suddenly attacked from behind by the Ford Servicemen.

The Reverend Raymond P. Sanford, a Chicago minister who was acting as an observer for the Conference for the Protection of Civil Rights, later gave this description of the assault on Richard Frankensteen, the director of the UAW Ford Organizing Committee:

A separate individual grabbed him by each foot, by each hand and his legs were spread apart and his body was twisted over to my left, and then other men proceeded to kick him in the crotch and groin and left kidney and around the head and also to gore him with their heels in the abdomen or the general region of his solar plexus.

While members of the Dearborn police force stood by and watched, union men distributing leaflets near the overpass, and not on Ford property, were assaulted with equal ferocity. One of the UAW members, William Merriweather, was clubbed to the ground and stomped upon by Ford Servicemen shouting: "Kill him . . . Bash his face in . . . Kick his brains out . . ." Doctors who later examined Merriweather found that the Servicemen had broken his back.

Women distributing union leaflets were also attacked. Ford Servicemen grabbed them, twisted their arms to make them drop the leaflets, and beat them mercilessly. Reverend Sanford subsequently related:

The girls were at a loss to know, apparently, what to do, and then one girl near me was kicked in the stomach and vomited at my feet, right at the end of the steps there, and I finally shot an imploring glance at one of the mounted policemen, to whom I had previously spoken, and he dashed over on horseback to the west side of the fence, and in a rather pleading tone . . . said: "You mustn't hurt those women; you mustn't hurt those women." . . . he seemed to speak as one not having authority in the situation and seemed to be pleading, rather, not to injure the women.

Next day, Harry Bennett released a statement to the press. The Ford Motor Company, he said, was in no way responsible for what had happened. "The union men were beaten by regular Ford employees," stated Bennett. "The employees of the Ford plant want to be left alone by CIO organizers so they can do their work here in peace . . ."

## 4. The Dallas Affair

In the spring of 1937, Harry Bennett was informed through a report from one of his undercover agents that the International Union of the United Automobile Workers of America was about to launch an organizational drive among the workers at the Ford assembly plant at Dallas, Texas.

The Dallas plant was one of sixteen Ford assembly plants in the United States.\* Since the unionization of any one of them would establish a precedent for the others, Bennett dispatched one of his most dependable aides, a man named Warren Worley, to Dallas to help forestall the anticipated union drive.

As soon as Worley arrived at the Dallas plant, Rudolf F. Rutland, general body foreman and head of the Dallas branch of the Service Department, summoned the key servicemen in the plant to his office to confer with Bennett's emissary. Worley and Rutland outlined a plan of action against UAWA organizers. "We don't want any of them rats in the plant," declared Rutland....

"Fats" Perry, a massive thug and onetime wrestler weighing 230 pounds, was placed in charge of a special strong-arm squad. He chose as his chief aides a former pugilist, "Sailor" Barto Hill, and a violent, sadistic ex-convict, "Buster" Bevill. The squad as a whole was composed of about forty criminals, gunmen and professional thugs.

A large and varied arsenal of weapons, including blackjacks, whips, brass knuckles, steel rods and clubs, was maintained for the use of the strong-arm squad. "The boys got their own guns," stated "Fats" Perry later, "and the blackjacks, they were made in the maintenance department."

<sup>\*</sup> Ford motors, rear ends, body pieces and other car parts were shipped from Dearborn, Michigan, to these assembly plants.

Perry also kept on hand a supply of lengths of leaded rubber hose which he called "persuaders." They were for use on reticent union men. In Perry's words: "We persuaded them to talk by applying the rubber to them."

Under Perry's supervision, special cruising detachments were organized to keep a constant watch in all parts of Dallas for any union activity, and to check at bus stations, train depots and hotels for the possible arrival of union organizers. The vigil soon extended to Fort Worth, Houston, Beaumont and other neighboring cities. "We knew if they got into those cities," explained "Buster" Bevill afterwards, "they'd be in Dallas next, and so we went after them."

As soon as the cruising detachments located a union man, they got in touch with "Fats" Perry. Then the strong-arm squad went into action . . .

On June 23, 1937, a UAWA official named Baron De Louis arrived in Dallas with Leonard Guempelheim, a member of the executive committee of the union's Kansas City Local. Even before they registered at the New Dallas Hotel, "Fats" Perry knew of their presence in town.

Later that same day the two union representatives were eating lunch in a drug store when Perry and a group of his thugs strolled up to them.

"You're a union organizer, aren't you?" Perry asked De Louis.

"If you call it that," De Louis replied. "I'm trying to line some of the boys up."

Without warning, Perry smashed his fist into De Louis' face, knocking him backwards over the soda fountain. At the same time, the other Ford thugs attacked the two union men with fists and blackjacks. Breaking away, De Louis ran from the drugstore. Guempelheim was less fortunate. He was dragged to a nearby schoolyard, knocked down, kicked and repeatedly lifted to his feet and battered to the ground again. Finally, the beating stopped.

"Now you get the hell out of town," Perry told Guempelheim, "and take that other CIO son-of-a-bitch with you and never come back to Dallas."

His face covered with blood and several of his ribs broken, Guempelheim staggered down the street and made his way back to the New Dallas Hotel.

The brutal assault, which had been witnessed by a number of

bystanders, was promptly reported to the Dallas Police Department. No arrests were made . . .

To guard against possible infiltration of the Dallas plant by union organizers, every applicant for a job was carefully questioned. Those suspected of "union leanings" were given the "third-degree" by the strong-arm squad. "We would whip them," Perry later related, "some with fists, some with blackjacks, some with lashes made out of windshield cord."

If workers were so badly injured that the local authorities had to make inquiries, members of the strong-arm squad temporarily left Dallas. As Perry put it: "When things got too hot for the boys, they beat it out of town for a while." Traveling expenses for these hasty trips were ordinarily advanced by the Ford office.

As these expenses mounted, and there was also the occasional necessity of paying fines and fees to bondsmen and attorneys, the Dallas Service Department chief, Rudolf Rutland, declared to have the workers in the plant help defray the costs. A glass jar was placed every pay-day on a stand which workers had to pass after receiving their pay checks. Members of the strong-arm squad stood nearby and told the workers to "hit the jar." After each pay-day's collection, Perry took the jar to the office of W. A. Abbott, the plant superintendent. The money was turned over to Abbott's secretary, Leon Armstrong, who had opened in his own name a special account for the "fighting fund" at the Grand Avenue State Bank of Dallas . . .

On August 7, 1937, Rutland received a telephone call from the Dallas Police Department advising him that an official of the United Hatters, Cap and Millinery Workers International Union named George Baer had arrived in Dallas for the purpose of organizing the millinery workers in the city. The police inspector recommended that "Perry's boys go after him." Two days later, Baer was kidnapped by some of "Fats" Perry's

Two days later, Baer was kidnapped by some of "Fats" Perry's men and taken to the Sportatorium, a stadium on the outskirts of the city.

Shortly afterwards, the Ford thugs telephoned "Fats" Perry from the stadium. "You better come down and look at Baer," Perry was told. "He's in pretty bad shape."

Together with "Buster" Bevill, Perry drove to the Sportatorium. The car containing Baer and his captors was parked in back of the stadium. Baer was lying on the floor. Blood covered his disfigured face. His nose was smashed and most of his teeth had been knocked out. One eye was hanging from its socket.

"Well, you better get rid of him," said Perry. "You better put him somewhere."

"Buster" Bevill pulled Baer out of the car and let him fall on the ground. "Let's take the son-of-a-bitch," said Bevill, "and throw him in the river."

The Ford thugs put Baer back in the car, drove along the highway for a few miles and threw him out into a field.

As the strong-arm squad was driving back to Dallas, Bevill said, "We better call the McKamy Cambell Funeral Home and have them pick him up."

But despite the fearful punishment he had received, George Baer did not die. In a semi-conscious state, he crawled out to the highway, was picked up by a passing motorist and taken to a hospital. Ten days later, Baer was well enough to leave the hospital. He was, however, totally blind in one eye.

Within six months after the arrival at the Dallas plant of Bennett's aide, Warren Worley, approximately fifty union members, "suspects" and organizers had been assaulted by "Fats" Perry's strong-arm squad on the streets of Dallas, or kidnapped and taken to the outskirts of the city, where they were flogged, blackjacked, tarred and feathered, and tortured. A mood of suspicion and fear permeated the plant. Not knowing who might be a company spy, the workers were now afraid even to mention the subject of unions. The UAWA efforts to organize the Dallas plant were at a standstill.

An expression of the management's satisfaction with the antiunion drive was contained in a letter sent by the Plant Superintendent, W. A. Abbott, to "Fats" Perry, the day before Christmas, on December 24, 1937. The letter read:

#### Dear "Fats":

"RING OUT THE OLD, RING IN THE NEW"

That statement covers a lot of territory, and it means that you personally have taken many steps, so to speak, since last December 25th.

For your various steps toward better cooperation, a better understanding among your coworkers, and the best organization in the company, I wish to express sincere appreciation from the writer and from the Company.

I know that you have on many occasions tackled problems that 180

seemed difficult to solve-but you made the grade. Though you may not have realized it, your efforts and ability to carry on enabled the Dallas Branch to pass another milestone and hang up the sign "PRODUCTION NOT INTERRUPTED." That too covers a lot of territory.

I thank you for your genuine loyalty to the Company and for your individual accomplishments to maintain harmony and efficiency . . . You kept the Dallas Branch ahead another year, in more ways than one. LET'S CARRY ON.

With best regards, and the Season's Greetings, I am,

Sincerely yours,

s/ W. A. Abbott, Superintendent.

Early in 1940, after many months of preliminary investigation and painstaking collation of evidence, the National Labor Relations Board charged the Ford Motor Company with violation of the Wagner Labor Act at its Dallas plant.

At an extraordinary Board hearing held in Dallas from February 26 to March 28, 1940 there unfolded the whole appalling story of the anti-union campaign waged by the Ford Management at the Dallas plant. Among the numerous witnesses who testified concerning the machinations of the Ford espionage apparatus and the gruesome operations of Perry's strong-arm squad were former company spies, ex-members of the strong-arm squad, and union organizers and "suspects" who had been beaten and tortured by the Ford thugs. The total testimony filled 4,258 closely-typed pages.

The most comprehensive and damning testimony against the Ford Company came from "Fats" Perry himself, who had turned state's evidence and who described in full detail his activities as head of the strong-arm squad. Here is an excerpt from Perry's testimony relating how "union suspects" were "taken for a ride":

- Q. What would you do then?
- A. Well, the first thing we would do, we would search them and find out if they had any identification belonging to a union of any kind, or where they were from, or what they belonged to, and give them a good talk, and worked over some of them, ones that we had under suspicion of being a union man or if they had cards on them.
- Q. What do you mean "gave them a working over"?
- A. We would whip them, beat them up.
- Q. With what?
- A. Put the fear of God in them as they call it.
- Q. What would you whip them with?

- A. Some with fists, some with blackjacks.
- Q. Anything else?
- A. One or two of them we whipped with a regular whip we had made out of rubber wind cord and some of them—one of them was whipped according to whether we thought he could take it or not with brushes off of trees, limbs.

Through such beatings, it was revealed at the hearing, Ford thugs had crippled thirty-five men, blinded one, and mutilated and seriously injured dozens of others.

One of the most shocking revelations at the hearing came during the testimony of Archie C. Lewis, a salesman of fire-fighting equipment in Dallas, whose outspoken pro-union views had incurred the enmity of members of the Ford Service Department. Lewis related how Ford thugs, mistaking his twin brother for himself, had brutally attacked his brother, beating him unconscious with blackjack blows on the head and kicks in the stomach. After the beating, his brother hovered between life and death for several months. Shortly before he finally died, he told Archie Lewis: "You know they killed me, mistaking me for you."

Ford attorneys offered a singular defense. They introduced witnesses who solemnly declared that the Ford workers "feared" union organizers were going to "invade" the Dallas plant, and had therefore organized gangs to "protect" themselves.

The Ford counsel, Neth L. Leachman, summed up this line of defense with the statement: "The things these people were protecting was their lunch baskets and they did not want to be molested in their happy conditions."

The evidence against Ford was overwhelming.

"No case within the history of this board," stated Trial Examiner Robert Denham in his report, "is known to the undersigned in which an employer had deliberately called and carried into execution a program of brutal beatings, whippings and other manifestations of physical violence comparable to that shown by the uncontradicted and wholly credible evidence on which the findings are based."

The Board found the Ford Motor Company guilty of flagrant violations of the Wagner Labor Act, and ordered the company to cease these practices and to rehire those employees who had been discharged because of their union activities. It was the eleventh decision of the National Labor Relations Board against the Ford Motor Company.\*

#### 5. Boring From Within

Notwithstanding the virtual impunity with which Ford continued to violate the Wagner Labor Act, a serious challenge had arisen to the auto magnate's despotic rule over the workers in his factories. The challenge came from the United Automobile Workers Union.

Following the victorious sit-down strikes of 1937, the UAW had grown with phenomenal rapidity. As some 400,000 auto workers poured into its ranks within a matter of months, the UAW became the third largest union in the CIO.

Aware of the wage increases and improved working conditions won in auto plants organized by the UAW, Ford workers began growing increasingly restive . . .

Harry Bennett was quick to recognize the gravity of the situation. When it came to handling an adversary as powerful as the UAW had suddenly become, Bennett's past methods were clearly outdated. Effective as violence, terror and intimidation had previously been, their future value had obvious limitations . . .

As Bennett saw it, since the UAW had apparently come to stay and since the union would undoubtedly make inroads among Ford employees, certain basic revisions were necessary in Ford's labor policy. Bennett decided not only to permit but to encourage the formation of a union at River Rouge—with this single qualification:

When the author of this book was collecting material for a series of articles on Ford in 1939, which were subsequently published in *Friday* magazine, he learned that a considerable amount of Ford data uncovered by Dallas reporters had never been printed by their newspapers but had, instead, been filed away in the newspaper "morgues." Among such material, which the author managed to obtain, were photographs of trade unionists after they had been beaten and tortured by "Fats" Perry's strong-arm squad.

<sup>\*</sup> Other NLRB hearings had been held in connection with the company's anti-labor operations at River Rouge and Ford branch plants, located in Chicago, Buffalo, St. Louis, Kansas City, Somerville (Mass.), and Richmond and Long Beach, California.

In all of these cases, the American public was kept largely unaware of the sensational findings by the NLRB. The Dallas hearing, for example, was covered by only one major newspaper, the *New York Times*. Otherwise, with the exception of the leftwing and labor press, the extraordinary revelations at the hearing were almost entirely suppressed by the nation's press.

the leaders of the union would be secret agents of Bennett's Service Department and the union itself would be completely under his domination . . .

Well aware that his own overt sponsorship of any union would be a sure way to keep Ford workers from joining, Bennett enlisted the assistance of an old friend, with unusual promotional facilities at his disposal. The friend was Father Charles E. Coughlin.\*

\* The relationship between Harry Bennett and Father Coughlin was only one instance of a close alliance that had existed for many years between the Ford Motor Company and fascist elements not only in the United States but throughout the world.

Shortly after World War I, Henry Ford's name had been connected with the rapidly growing Nazi movement in Europe. According to the February 8, 1923, edition of the *New York Times*, Vice-President Auer of the Bavarian Diet had publicly declared, "The Bavarian Diet has long had information that the Hitler movement was partly financed by an American anti-Semitic chief, who is Henry Ford... Herr Hitler openly boasts of Mr. Ford's support and praises Mr. Ford not as a great individualist but as a great anti-Semite."

In March 1923 Adolf Hitler declared: "We look on Heinrich Ford as the leader of the growing Fascisti movement in America. We admire particularly his anti-Jewish policy which is the Bavarian Fascisti platform. We have just had his anti-Jewish articles translated and published. The book is being currently circulated to millions throughout Germany."

A number of German agents who came to America during the 1920's and 1930's to build a Nazi fifth column in the United States were in close touch with the Ford Motor Company. Heinz Spanknoebel, the Nazi agent who founded the Friends of New Germany, and Fritz Kuhn, the Nazi agent who organized the German-American Bund, were both on the payroll of the Ford Motor Company while they were openly carrying on their Nazi organizational activity.

Up to, and even after, the outbreak of the World War II, Ford plants throughout the world were centers of fascist intrigue. The managers and officials of Ford's factories in Germany, Austria and Hungary cooperated closely with the Nazi Party. Gaston Bergery, Ford's personal and business representative in Paris, was one of the key Nazi agents in France and was described by the New York Sunday Times of August 11, 1940, as the "coming man" in Hitler's schemes for the Nazification of France. Julio Brunet, General Manager of the Ford Motor Company in Mexico City, was associated with the Nazi-supported General Nicholas Rodriguez, organizer of the Fascist Gold Shirts, who sought to overthrow the Cardenas Government in 1936. Lord Perry, head of the Ford Motor Company, Ltd., of England, which until 1934 controlled Fordwerke, A.G., in Germany, was on intimate terms with members of the notorious pro-Nazi Lmk organization.

In August 1938 Henry Ford became the first American to be awarded the Grand Cross of the German Eagle by the Government of Nazi Germany ...

Pro-fascist groups and individuals in the United States were in constant touch with the Ford Motor Company.

John Koos, a close associate of Harry Bennett's at the Ford River Rouge Plant, was a leading spokesman for the American branch of the fascist Ukrainian Hetman Society, which had its headquarters in Berlin. On SeptemLate in 1937, the formation of the Workers Council for Social Justice, Inc., an "independent body" to "organize and benefit" Ford employees, was publicly announced. A series of articles, urging Ford workers to join the Council, started appearing in Coughlin's *Social Justice*, and the publication was distributed in mass quantities throughout the River Rouge Plant by Ford foremen and Service Department agents. "Bennett bought about 30,000 copies a week," the Service Department agent, Ralph Rimar, subsequently related. "This sort of helped Coughlin in a financial way too."

Even so, only a handful of Ford workers joined the Council. The vast majority wanted nothing to do with any movement with which Coughlin's name was connected.

After two more abortive attempts to establish an effective company union among the workers at River Rouge, Bennett embarked upon his boldest and most ambitious undertaking in the field of trade unionism. The grandiose aim of Bennett's new scheme was to capture control of the United Automobile Workers Union.

Since 1936, the UAW president had been an egoistic, youthful former college track star and ex-Baptist minister named Homer Martin. An impassioned orator of the revivalist school, who had

The top man in the Michigan Ku Klux Klan, Charles E. Spare, worked for a "detective agency" which subsisted by providing labor spies for the Ford Service Department.

Harry Bennett periodically made sizeable financial contributions to Gerald L. K. Smith, ex-Silver Shirter No. 3223 and head of the fascist America First Party. Smith's confidential adviser William E. Nowell, was a Ford man. . . .

Late in 1943, the author of this book wrote an article disclosing these and other facts about the relationship existing between the Ford Motor Company and fifth column elements in the United States. The author sent documentation of this material to the Attorney General and suggested he verify these facts by sending an agent of the Department of Justice to interview Harry Bennett.

Shortly afterwards, John S. Bugas, director of FBI operations in the Michigan area, went to the River Rouge Plant-although not exactly in the manner this author had recommended. Bugas resigned from his job with the FBI and went onto the Ford payroll as an assistant to Harry Bennett. In 1946, Bugas became Ford vice-president in charge of labor relations.

ber 30, 1938, Koos sent a congratulatory cable to Adolf Hitler praising him for his "history-making efforts in the adjustment of minority rights." Parker Sage, the head of the fascist National Workers League in Detroit,

Parker Sage, the head of the fascist National Workers League in Detroit, which was partly financed with funds received from the Nazi spy Dr. Fred Thomas, held meetings on Dearborn property, was permitted to recruit members for his organization in the River Rouge Plant, and referred to Henry Ford as "the greatest living American" who "knows that the Jews got us into this war."

won a large mass following during the chaotic days of the sit-down strikes, Martin deeply resented any questioning of his autocratic decisions and accused critical UAW officials of being "Reds" secretly plotting against his leadership.

Bennett arranged for a private conference with Homer Martin. Henry Ford, Bennett told the union chief, was now willing to have his workers organized but he still had one serious objection against Martin's union—Ford wanted all "Commies" out of the union leadership . . .

The head of the Ford Service Department and the UAW president began meeting with increasing frequency. Describing these negotiations, the Service Department agent Ralph Rimar subsequently related:

... Bennett handled Martin with kid gloves. Martin was having a tough time with the union. The bunch opposing him was getting stronger. He needed dough. Bennett said he'd like to help—for the "good of the union." Homer swallowed the bait. The money was to be considered as a loan. It was to be paid back as soon as Martin got things straightened out in the union... I don't know how much he got in all, but I was told that an account was opened in Martin's name on a New York bank and that the first two checks drawn were for \$10,000 and \$15,000 ...

Meanwhile, Bennett's agents in the UAW were instructed to use the rift in the leadership as means of promoting dissension throughout the union. "We were told to split the union into two camps," Ralph Rimar later revealed. "We were also told to spread the word that the bunch opposing Martin were Reds . . ."

By the fall of 1938 the UAW was torn by bitter factional strife. Acrimonious charges and counter-charges filled the pages of UAW publications. Violent arguments, and not infrequently fistfights, disrupted one union meeting after another.

"Here these guys have been talking about organizing Ford, and now they're knocking one another off!" Bennett exultantly told one of his Service Department aides. "The whole damn union's falling apart! Is that a hot one?"

But Bennett's elation was premature. Resentment against Martin's dictatorial conduct was rapidly mounting among the UAW rankand-file. When Martin summarily suspended five members of the UAW Executive Board, widespread indignation within the union forced him to reinstate them. Soon afterwards, Martin suspended fifteen Board members. The fifteen union officials, who comprised the majority of the Board, promptly issued a statement to the effect that Martin no longer represented the union membership and that they were suspending him from the presidency of the union . . .

Alarmed at this unexpected turn of events, Bennett hurriedly called a press conference and announced that the Ford Company was entering into union negotiations with Martin. Following a widely publicized meeting between Bennett and Martin, newspapers proclaimed that complete agreement had been reached between the Ford Motor Company and "Homer Martin, President of the United Automobile Workers Union,"

But far from being favorably impressed by the hasty agreement, the vast majority of the UAW membership regarded it as conclusive proof of collusion between Martin and the hated chief of the Ford Service Department. An angry demand for the expulsion of Martin swept through the UAW.

In January 1939, the UAW Executive Board expelled Martin from membership in the union.

It was the end of Homer Martin's brief, stormy career as a trade union leader. Not long afterwards, the former UAW president moved his headquarters to the River Rouge Plant.

### 6. Final Drive

With Homer Martin's disruptive influence eliminated, and with R. J. Thomas as the new UAW president, the union began intensive preparations for an all-out drive to organize the River Rouge Plant. A special Ford Organizing Committee was set up. The Executive Board of the CIO and the UAW each allocated \$50,000 to the campaign fund.

By the fall of 1940, the drive was well under way.

So enthusiastic was the response of the Ford workers to the campaign that Bennett himself soon admitted in a newspaper interview that an NLRB election at River Rouge would probably result in a victory for the UAW. If this occurred, added Bennett, he would meet with representatives of the union and "bargain until hell freezes over and give the union nothing."

Using every possible device to forestall the NLRB election,

Bennett ordered the wholesale firing of UAW members at the River Rouge Plant; but this measure only served to intensify the rebellious spirit mounting among Ford workers . . .

On April 1, 1941, the revolt in the Ford empire reached its climax. Late in the afternoon, in protest against the dismissal of the members of their UAW bargaining committee, 10,000 workers in the rolling mill at the River Rouge Plant left their machines. As word of the work-stoppage spread through the great plant, workers poured out of the pressed steel, tool and die, open hearth, and motor buildings. In a great tide, tens of thousands of workers streamed through the plant gates. By midnight, every building at River Rouge had ceased to operate.

Daybreak found an extraordiary spectacle at River Rouge. All roads leading to the plant were being picketed, and blockades of cars backed up the picket kines. Thousands of Ford workers on the morning shift, who had not yet been informed of the strike, were arriving by streetcar, bus and automobile. For miles, the highways were clogged with densely packed vehicles.

Within a few hours, there was an enormous picket line reaching all the way around the huge plant. Marching four abreast, waving hastily constructed placards, singing and shouting slogans, the pickets soon numbered more than 10,000 men.

For the first time in its thirty-five years of existence, the Ford Motor Company was shut down by a strike.

In a statement to the press, Harry Bennett declared that under no circumstances would he or any other Ford executive meet to discuss terms with representatives of the UAW. "It's all a Communist plot," he said, "and is a move to create a revolutionary situation so that the Communists can have the conditions necessary for the setting up of a dictatorship of the proletariat."

During the next twenty-four hours, Bennett embarked on a desperate scheme to break the strike. With the aim of fomenting race riots at the River Rouge Plant and discrediting the strike in the eyes of the public, Bennett began smuggling Negro strikebreakers into the plant. They were encouraged to manufacture knives and other murderous weapons in the shops of the plant. Then, Service Department agents began agitating the strikebreakers to attack white workers on the picket lines. A tragic catastrophe was averted only by quick, far-sighted action on the part of the UAW leadership and the Negro community in Detroit. Instructions were issued to all pickets not to be provoked into fighting with the strikebreakers. Prominent Negro citizens hurried to River Rouge and, addressing the strikebreakers through loudspeakers in UAW sound cars, exhorted them to leave the plant. Thousands of Negro workers marching on the picket lines urged the strikebreakers to come out and join them.

Gradually, the strikebreakers straggled out . . .

The River Rouge Plant was like a deserted city. Its huge buildings stood silent and empty. Not a railroad car moved on the miles of track. Ford ships lay idle at their docks.

Hourly, the gigantic human chain encircling the six square miles of the River Rouge Plant grew in numbers. Workers from General Motors, Chrysler and other auto plants in the Detroit area came, after working hours, to take their places on the picket lines. By the third day of the strike, a total of 35,000 men and women, operating in three shifts, were picketing the plant.

On April 4, the Ford Company announced it was closing down its sixteen assembly plants throughout the country, because of parts shortages caused by the strike at the River Rouge Plant. Eighteen other Ford plants simultaneously ceased operations.

On April 8, with all hope of breaking the strike ended, Harry Bennett entered into negotiations with CIO President Philip Murray and the UAW leaders.

Three days later, after lengthy parleys between Ford executives and union officials, the Ford Motor Company agreed to bring its wages into line with those of other major automobile manufacturers, to recognize the UAW as the spokesman for its members in Ford employ, and to permit the holding of an NLRB election.

On June 21, after the union had won a resounding victory in an NLRB election at the River Rouge Plant, the Ford Motor Company signed a contract with the United Auto Workers.

The settlement of the prolonged and bitter conflict at America's largest defense plant came none too soon.

Five and a half months later, the United States was at war.

### Chapter XI

# DANGEROUS AMERICANS

There are also American citizens, many of them in high places, who, unwittingly in most cases, are aiding these [Axis] agents.

#### President Franklin D. Roosevelt, December 29, 1940.

In the United States we have many of our compatriots and even more friends among the citizens of the United States who are favorably disposed toward us. Many of the latter hold important positions in political and economic life.

> From a speech delivered in Berlin in 1940 by Reichsminister R. Walter Darré.

#### 1. Secret Offensive

THE Axis war against America did not begin on December 7, 1941, with the Japanese attack on Pearl Harbor. The momentous events of that morning climaxed a secret war that the German, Japanese and Italian General Staffs had been waging against the United States for almost a decade. The major battles of this undeclared war were fought on American soil.

During the 1930's a huge fifth column apparatus of Axis-inspired organizations, pro-Nazi propaganda centers, military-espionage and racist terrorist cells, ramified through every phase of American life. When Hitler's mechanized legions swept into Poland on September 1, 1939, and launched the Second World War, there were already more than 700 fascist organizations operating in the United States.

These were a few of the openly pro-Axis or native fascist organizations which functioned in America during 1933-41: American Destiny Party Italian Fascist Clubs American Guards Japanese Imperial Comradeship American White Guards League Military Servicemen's Japanese Ausland-Organization der N.S.D.A.P. (Overseas Branch of League Ku Klux Klan the Nazi Party) A.V. Jugendschaft (Hitler Youth) Kyffbaeuser Bund (German Vet-Black Dragon League erans League) National Copperheads Black Legion National Workers League ODWU (Organization for the Blackshirts Christian Front Rebirth of the Ukraine) Christian Mobilizers Ordnungsdienst (Order Service-Bund Deutscher Krieger von Nord-Amerika (German Storm Troops) Soldiers League of North America) Patriots of the Republic Russian Fascist National Revolu-Ethiopian-Pacific League tionary Party Falangists German-American Bund Silver Shirts Social Justice Clubs Gray Shirts Stablbelm (Steel Helmets) Hetman Hindenburg Youth Association White Russian Fascists

Cooperating with or directly supervised by the Axis Propaganda Ministries and Military Intelligence Agencies, such organizations flooded America with anti-democratic and anti-labor publications, openly fomented racial antagonisms, denounced the Roosevelt Administration, or called for the establishment of a fascist regime in America. At mass rallies and clandestine conferences, on the radio and by mail, in industrial centers and small towns, in factories, farms, schools, churches and army training posts, the fifth column network conducted ceaseless hostilities against the American nation.

The major objectives of the fascist fifth column were these: to disrupt and disunite the American people; to undermine public confidence in Roosevelt; to convince Americans they were menaced not by Fascism but by Communism; to hamstring U.S. defense preparations; and to isolate America from its anti-fascist allies abroad.

Extraordinarily enough, the fascist fifth columnists were allowed to pursue these pernicious aims in America, with practically no interference whatsoever from the Department of Justice and the Federal Bureau of Investigation.

And, from the beginning, the machinations of the fifth columnists were directly aided by some of the wealthiest and most powerful men in the United States.\*

<sup>\*</sup> The organization most vividly exemplifying the amazing impunity with

"It becomes more apparent every day that there is a sinister movement in this country that seeks to super-impose on our free American institutions a system of hateful fascism," declared Secretary of Interior Harold L. Ickes in a speech at Altoona, Pennsyl-

which the Axis fifth column was permitted to operate in the United States was the German-American Bund, which functioned under the command of Nazi agents trained at Dr. Goebbel's Propaganda Ministry and German Military Intelligence espionage-sabotage schools.

By the time of the outbreak of the Second World War in Europe, seventyone branches of the German-American Bund were active in key cities throughout the United States; four official Bund newspapers were being issued in New York, Chicago, Philadelphia and Los Angeles; and the Bund membership and that of its affiliates was estimated at 200,000. Thousands of goosestepping, brown-shirted Bund Storm Troops, complete with swastika armbands and rubber truncheons, were staging public Nazi demonstrations in American cities and openly *heiling* Hitler.

Bund members, all of whom had to take an oath of allegiance to Hitler and Nazi Germany, held jobs in vital defense plants, on railroads and steamship lines, and in every major industry, and moved in large numbers into the U. S. Army . . .

From the outset, the German-American Bund served as a recruiting agency for the German Military Intelligence, and enlisted and trained spies and saboteurs. Almost every major spy trial in the United States during the Second World War involved Bund members. Figures issued by the Federal Bureau of Investigation revealed that during 1940-41 the Bund was responsible for smuggling into the United States and protecting "at least 200 key Nazi agents."

Most astounding of all was the fact that the Bund's army of trained Nazi spies and propagandists continued to operate unmolested on American soil for seven months after Nazi Germany had formally declared war on the United States. Not until July 1942 did U. S. authorities finally get around to arresting twenty-nine of the top Bund leaders and begin rounding up other Bundists on charges of conspiring to obstruct the Selective Service Act. Only a few hundred of the many thousands of active Bundists were arrested and imprisoned or interned for the duration of the war. Officially disbanded in the summer of 1942, the Bund continued to operate during the war years through affiliate societies and various other channels.

The only possible explanation for the amazingly temperate attitude of the Justice Department and the FBI toward the German-American Bund was the fact that these Government agencies were traditionally far less concerned about fascist machinations than about labor, progressive and left-wing activities in the United States. Moreover, much of the Bund's program-such as its "anti-Communist" and anti-labor agitation-was not exactly sharply divergent from the general orientation of the Justice Department and the FBI.

In this respect, the Bund was not an exceptional case. Leniency toward fascist conspiratorial operations in America has been a consistent policy with the Justice Department and FBI. When editor of *The Hour*, the author of this book repeatedly called to the FBI's attention cases of Axis and native fascist intrigue in America, and was almost invariably unable to effect action by the FBI.

vania, in 1935. "This group is composed of, or at least has the active support of, those who have grown tremendously rich and powerful through the exploitation not only of natural resources, but of men, women and children of America. Having stopped at nothing to acquire the wealth that they possess, they will stop at nothing to hold onto that wealth and add to it."

Secretary Ickes added:

Stimulating us to a patriotic fervor by pretending that a Communist uprising threatens in this country, these gentry are attempting to line us up in support of a facist coup d'état.

In the movement to which Ickes referred, a leading role was being played by an organization headed by a group of America's outstanding industrialists and financiers. The organization was called, rather euphemistically, the American Liberty League . . .

In August 1934, the American Liberty League had been officially incorporated with the proclaimed intention "to combat radicalism," and "defend and uphold the Constitution of the United States."

The dominant influence in the Liberty League came from du Pont-Morgan interests. On the League's national executive committee and advisory council sat Pierre S. du Pont, Irenee du Pont, and John J. Raskob, respectively Chairman of the board, Vicechairman of the board and Vice-President of E. I. du Pont de Nemours & Co.

Among the other members of the national executive or advisory council were:

John W. Davis, former presidential candidate, counsel for the House of Morgan, director in Morgan's Guaranty Trust Company and of the Morgan-dominated American Telephone and Telegraph Company

Sewell L. Avery, president and chairman of the board of the Morgancontrolled Montgomery Ward & Co.

Alfred P. Sloan, chairman of the board of General Motors Corp.

William S. Knudsen, president of General Motors Corp.

Cornelius F. Kelley, president of the Anaconda Copper Co.

Colby M. Chester, chairman of the National Association of Manufacturers and of the board of General Foods Corp.

Ernest T. Weir, chairman of the board of National Steel Corp. and president of Midwest Steel Corp.

Alvan Macauley, president of Packard Motor Car Co.

Herbert L. Pratt, chairman of the board of Socony-Vacuum Co.

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In a lavishly financed promotional campaign, the Liberty League was presented to the American public as a patriotic society dedicated to championing "the rights of the American citizen." The extent to which the League actually reflected the interests of average Americans was indicated in a United Press dispatch on January 9, 1935, which read in part:

The American Liberty League, a non-partisan society created to oppose "radical" movements in the national government, was shown today to be under control of a group representing industrial and financial organizations possessing assets of more than \$37,000,000.

League directors were shown to have affiliations with such organizations as the United States Steel Corp., General Motors, Standard Oil Co., Chase National Bank, Goodyear Tire and Rubber Co., Baltimore and Ohio Railroad, the Mutual Life Insurance Co. and scores of others.

The writer Herbert Harris had this to say about the underlying aims of the American Liberty League:

... the only liberty the League fosters is the liberty to water stock, rig the market, manipulate paper, and pyramid holding companies to the stratosphere ... It is the liberty to pay starvation wages and break strikes with hired thugs ... It is the liberty to warp the minds and bodies of children in textile mills and on "share-cropping" farms. It is the liberty to buy opinions of the pulpit and the press. It is the liberty which leads to death.

While publicly proclaiming the Liberty League's concern for the nation's welfare, the leaders of the League were privately spending huge sums in an intensive effort to discredit the Roosevelt Administration, impugn New Deal social reforms, and incite hostility against the organized labor movement. To help promote these aims, League members created or subsidized a number of anti-democratic auxiliaries. These were the names of some of them:

American Federation of Utility	National Economy League
Investors	New York State Economic Coun-
American Taxpayers League	cil
Crusaders	Sentinels of the Republic
Farmers Independence Council	Southern Committee to Uphold
League for Industrial Rights	the Constitution
Minute Men and Women of To-	Women Investors in America, Inc.
day	

On April 18, 1936, the New York Post reported:

The brood of anti-New Deal organizations spawned by the Liberty League are in turn spawning fascism.

One of the first fascistic organizations to be formed under Liberty League sponsorship was the Southern Committee to Uphold the Constitution.\*

The Southern Committee concentrated on two main objectives: splitting the Democratic vote of the South away from Roosevelt; and stirring up anti-Negro sentiment, to prevent white and colored workers from uniting in trade unions. "This is a hybrid organization," commented the *Baltimore Sun* regarding the Southern Committee, "financed by northern money, but playing on the Ku Klux Klan prejudices of the South. When Raskob, a Roman Catholic, contributed \$5,000, he was told his money would be used to stir up the KKK and also to finance a venomous attack on Mrs. Roosevelt."

The chairman of the Southern Committee was John Henry Kirby, former NAM President, Texas oil magnate and one of the wealthiest lumbermen in America. Acting as Kirby's right-hand lieutenant in the Committee was a self-styled "public relations counsel" named Vance Muse, editor of *The Christian American* and specialist in the promotion of "Christian" and "anti-Communist" organizations. "From now on," said Vance Muse regarding the New Deal labor policies, "white women and white men will be forced into organizations with black African apes whom they will have to call 'brother' or lose their jobs.". . .

Another fascist organization financed by Liberty League members was the Sentinels of the Republic. The National Chairman of the Sentinels was Raymond Pitcairn, President of the Pitcairn Company; and the total contribution of the Pitcairn family to the Sentinels amounted to more than \$100,000.† Other large contributors were Atwater Kent, President of the Atwater Kent Manufacturing Company; Horatio Lloyd, banker and Morgan partner;

<sup>\*</sup>League members contributing most heavily to the financial support of the Southern Committee included Lammot du Pont, President of du Pont de Nemours and Chairman of the board of General Motors Corporation; Pierre S. du Pont; Alfred P. Sloan; and John J. Raskob, Vice-President of the du Pont firm.

<sup>&</sup>lt;sup>†</sup> According to the findings of the Temporary National Economic Committee in 1941, the Pitcairn family of Pennsylvania had holdings in industrial corporations amounting to \$65,576,000 and ranked tenth among the nation's richest families with industrial holdings. The largest holdings of the Pitcairn family were in the Pittsburgh Plate Glass Company.

J. Howard Pew, President of the Sun Oil Company; and Bernard Kroger, banker and grocery tycoon.

Like official Nazi propaganda, the literature disseminated by the Sentinels of the Republic stressed "the Jewish-Communist" menace of the New Deal. In 1936 the Senate Black Committee investigating lobbying activities made public certain revealing correspondence found in the files of the Sentinels. The correspondence consisted of an exchange of letters between Alexander Lincoln, the Boston investment banker who was President of the Sentinels, and W. Cleveland Runyon of Plainfield, New Jersey. Runyon's first letter to Lincoln excoriated "the Jewish brigade Roosevelt took to Washington" and went on to say:

The fight for Western Christian civilization can be won; but only if we recognize that the enemy is world-wide and that it is Jewish in origin. All we need here is money . . . The time is getting short. Can you not do something?

To which the President of the Sentinels, Lincoln, replied:

I am doing what I can as an officer of the Sentinels. I think, as you say, that the Jewish threat is a real one. My hope is in the election next autumn, and I believe that our real opportunity lies in accomplishing the defeat of Roosevelt.

#### Runyon then wrote back:

The people are crying for leadership and we are not getting it. Our leaders are asleep. The Sentinels should really lead on the outstanding issue. The old-line Americans of \$1,000 a year want a Hitler.

The concept of an American dictator was not new. As early as September 1932 the magazine *Current History* had reported:

For a good while, certain powerful elements have been toying with the idea that the way out of our troubles lies through the establishment of some form of economic and political dictatorship, and meetings of important personages are known to have been held in New York and Chicago, at which sentiment was tested out and possibilities discussed.

Returning from a visit to Europe in 1933, William S. Knudsen, President of General Motors, told a *New York Times* reporter that Hitler's Germany was "the miracle of the twentieth century."

If such a miracle could occur in Germany, why not in the United States?

One of the men being seriously considered in the early 1930's for the role of American *Fuehrer* was Major General Smedley Butler of the United States Marines.

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### 2. Abortive Putsch

Major General Smedley Darlington Butler, wearer of two congressional medals of honor, was a colorful hard-bitten soldier who had served thirty-three years in the Marine Corps before his habit of blunt speaking involved him in an international incident that brought about his enforced retirement. In 1931, in a public speech delivered in Philadelphia, General Butler had described Benito Mussolini as "a mad dog about to break loose in Europe." The General had also related how Il Duce while speeding in his car through an Italian town had run over a child, driven on without slowing down and told an American journalist with him at the time, "Never look backward. What is one life in the affairs of state?" When the Italian Ambassador furiously protested against Butler's remarks, and President Hoover issued an order to the Secretary of the Navy that the General withdraw his remarks or face court-martial, Butler stubbornly refused to recant. Shortly afterwards, the Italian government, embarrassed by the mounting publicity and reluctant to have more of the facts aired, requested the case be dropped. The court-martial proceedings against General Butler were discontinued, and the General was retired from active service.

Far from diminishing General Butler's widespread popularity, the episode had considerably increased the number of his enthusiastic admirers—a fact not unnoted by certain influential circles then privately discussing potential candidates for the role of America's "man on the white horse"...

In July 1933, General Butler was visited at his home in Newton Square, Pennsylvania, by two prominent American Legion officials, Gerald C. MacGuire and William Doyle. They proceeded to urge Butler to make a bid for the post of American Legion National Commander at the Legion convention which was scheduled to take place that October in Chicago. The General, said MacGuire, was just the man to lead a rank-and-file movement to oust the Legion's autocratic leadership.

The General said he liked the idea of "unseating the royal family ... because they've been selling out the common soldier in this Legion for years." But he didn't see how rank-and-file support could be rallied for his candidacy. What average veteran, he asked, could afford to go to the Chicago convention? MacGuire reached into his pocket and took out a bank deposit book. He pointed to two entries—one for \$42,000, and the other for \$64,000. Rank-and-file delegates, said MacGuire, would be brought to the convention from all parts of the country . . .

Up to this point in the discussion, General Butler had felt there was something strange about the proposition being made to him. Now he was certain. "Soldiers don't have that kind of money," said Butler later.

The General decided not to let his visitors know his suspicions had been aroused. In his own words, "I wanted to get to the bottom of this thing and not scare them off."

He would need time, General Butler told the two men, to think the whole thing over. He proposed they meet again in the near future . . .\*

At a second meeting, MacGuire and Doyle presented General Butler with a typewritten "draft" of a speech which they suggested he deliver at the Legion convention. Among other things, the speech recommended the convention adopt a resolution urging that the United States return to the gold standard. "We want to see the soldiers' bonus paid in gold," said MacGuire. "We don't want the soldiers to have rubber money or paper money."

When General Butler bluntly asked who was going to foot the cost of the campaign to make him Legion Commander, MacGuire replied that nine very wealthy men were putting up the necessary funds. One of them was the well-known Wall Street broker, Colonel Grayson M.-P. Murphy. "I work for him," said MacGuire. "I'm in his office."

"What has Murphy got to do with this?" Butler inquired.

"Well, he's the man who underwrote the formation of the American Legion for \$125,000," MacGuire answered. "He paid for the field work of organizing it and has not gotten all of it back yet."

"That is the reason he makes kings, is it?" said Butler. "He has still got a club over their heads."

"He's on our side," MacGuire insisted. "He wants to see the soldiers cared for." †

<sup>\*</sup> The description of this meeting, and the dialogue quoted, is taken from testimony given by General Smedley Butler in November 1934 before the Special House Committee investigating Nazi Propaganda Activities, as is the balance of the material in this section, except where specifically indicated.

<sup>†</sup> Grayson M.-P. Murphy-who besides heading his own brokerage firm, held directorships in the Anaconda Copper Company, Goodyear Tire Com-

General Butler said that before discussing the matter any further, he wanted to meet some of "the principals" who were putting up the money. MacGuire said this would be arranged . . .

Not long afterwards, a Wall Street broker named Robert Sterling Clark came to see General Butler at his home. He was, he told Butler, one of the men who were interested in seeing the General take over the leadership of the Legion.

During the conversation that followed, General Butler mentioned the speech that MacGuire and Doyle had given him. "They wrote a hell of a good speech," said Butler.

"Did those fellows say that they wrote that speech?" asked Clark.

"Yes, they did."

The broker chuckled. "That speech cost a lot of money," he said.

General Butler spoke of the resolution calling for a return to the gold standard. "It looks to me as if it were a big business speech. There is something funny about that speech, Mr. Clark."

"I've got thirty million dollars," Clark quietly told the General. "I don't want to lose it. I am willing to spend half of the thirty million to save the other half. If you get out and make that speech in Chicago, I am sure that they will adopt the resolution and that will be one step toward the return to gold, to have the soldiers stand up for it . . ."

When General Butler said he wanted no part in such a project, Clark politely asked if he might use the General's telephone. Calling Gerald MacGuire by long distance, the broker told him that Butler would not be coming to the convention. "You've got forty-five thousand dollars," said Clark to MacGuire. "You'll have to do it that way."

Clark then took his leave of General Butler.

pany, Bethlehem Steel Company and several Morgan banks-was a man of considerable experience in political-financial intrigues.

In the early 1900's, after visiting Panama on a confidential mission as a lieutenant in the U. S. Army, Murphy had sought to interest J. P. Morgan and Company in financing a military *putsch* in that country.

Following World War I, Murphy headed the Red Cross Mission to France and, later to Italy. Like Herbert Hoover, Murphy saw to it that food and other supplies were used as a weapon against the postwar revolutionary upsurgence in Europe. Subsequently, Murphy was decorated by Mussolini and made a Commander of the Crown of Italy.

That October, the gold standard resolution was passed at the Legion convention in Chicago.

In the spring of 1934, Gerald MacGuire traveled to Europe. The purported reason for his trip was "business." Actually, MacGuire was being sent to conduct a private survey of the role played by war veterans in the Nazi Party in Germany, the *Fascisti* in Italy and the *Croix de Feu* movement in France.

In a letter from Paris, MacGuire reported to the broker, Robert Sterling Clark:

The Croix de Feu is getting a great number of recruits, and I recently attended a meeting of this organization and was quite impressed with the type of men belonging. These fellows are interested only in the salvation of France, and I feel sure that the country could not be in better hands ... and that if a crucial test ever comes to the Republic these men will be the bulwark upon which France will be saved ...

Returning to America that summer, MacGuire rendered a personal account to his "principals" in New York City of his findings on the European continent.

Soon afterwards, MacGuire again went to see General Butler. The proposition MacGuire now made to the General was more startling than his original one. What was needed in America, MacGuire told Butler, was a complete change of government to save the nation from the "communist menace." Such a change, said MacGuire, could be brought about by a militant veterans' organization, like the Croix de Feu in France, which would stage a *coup d'état* in the United States. The financial details were already arranged. "We have three million dollars to start with on the line," said MacGuire, "and we can get three million more if we need it." And the ideal person to head the projected "militantly patriotic" veterans' organization and to lead "a march on Washington," Mac-Guire emphatically stated, was General Smedley Butler . . .

General Butler subsequently related:

To be perfectly fair to Mr. MacGuire, he didn't seem bloodthirsty. He felt such a show of force in Washington would probably result in a peaceful overthrow of the government. He suggested that "we might even go along with Roosevelt and do with him what Mussolini did with the King of Italy."...

Mr. MacGuire proposed that the Secretary of State and Vice-President would be made to resign, by force, if necessary, and that President Roosevelt would probably allow MacGuire's group to appoint a Secretary of State. Then, if President Roosevelt was "willing to go along," he could remain as President. But if he were not in sympathy with the Fascist movement, he would be forced to resign, whereupon, under the Constitution the President succession would place the Secretary of State in the White House . . .

He told me he believed that at least half of the American Legion and Veterans of Foreign Wars would follow me.

"Is there anything stirring about yet?" General Butler asked MacGuire.

"Yes, you watch," MacGuire replied. "In two or three weeks, you will see it come out in the papers. There will be big fellows in it. This is to be the background of it."

MacGuire did not reveal the specific nature of the development to which he was referring, and the discussion ended with MacGuire urging the General to give the entire matter very careful consideration.

A fortnight later, the formation of the American Liberty League was publicly announced. Named as Treasurer of the Liberty League was MacGuire's employer, the Wall Street financier, Grayson M.-P. Murphy . . .

Amazed at the audacity of the scheme of which he had learned, General Butler immediately contacted Paul Comly French, an enterprising journalist on the *Philadelphia Record*, with whom he was acquainted. The General enlisted the services of the newspaperman to help him uncover the full details of the plot. "The whole affair smacked of treason to me," said Butler later.

On September 13, 1934, Paul French visited MacGuire at his office at the brokerage firm of Grayson M.-P. Murphy Company in New York City. Pretending a sympathetic interest in the proposition made to General Butler, French won MacGuire's confidence.

MacGuire then told the journalist, as French later revealed, "substantially the same story as related by the General."

"The whole movement is patriotic," said MacGuire, "because the Communists will wreck the nation unless the soldiers save it through Fascism. All General Butler would have to do to get a million men would be to announce the formation of the organization and tell them it would cost a dollar a year to join."

The chief financial support of the movement, however, was to come from other sources. French subsequently related: He [MacGuire] said he could go to John W. Davis or Perkins of the National City Bank, and any number of persons and get it [financial backing] . . .

Later we discussed the question of arms and equipment, and he suggested that they could be obtained from the Remington Arms Company on credit through the du Ponts. I do not think at that time he mentioned the connection of du Pont with the American Liberty League, but he skirted all around the idea that that was the back door, and that this was the front door.

To indicate to French the progress already made toward securing support from American veterans groups for the projected movement, MacGuire held up a letter. "It's from Louis Johnson, the former National Commander of the American Legion," he said.

Then, according to French's account:

He [MacGuire] said that he had discussed the matter with him [Johnson] along the lines of what we were now discussing, and I took it to mean that he had discussed this Fascist proposition with Johnson, and Johnson was in sympathy with it.\*

Both General Butler and Paul French were now convinced they had unearthed sufficient evidence to warrant a full-scale Government investigation of the plot for a fascist *coup d'état*. Contacting the McCormack-Dickstein Congressional Committee then investigating Nazi and other propaganda in America, Butler asked to testify at one of its hearings.

On November 20, at a private session of the McCormack-Dickstein Committee, General Butler gave a detailed account of the manner in which he had been asked to lead a fascist *putsch* against the U.S. Government. If the committee wanted to get at the bottom of the conspiracy, said Butler at the conclusion of his testimony, it should call for questioning Grayson M.-P. Murphy, General Douglas MacArthur, ex-American Legion Commander Hanford MacNider and various members of the American Liberty League.†

Among other witnesses to testify before the Committee were

<sup>\*</sup> When Louis Johnson was National Commander of the American Legion, Gerald MacGuire had served on his staff as chairman of the League's distinguished-guest committee.

On March 28, 1949, Louis Johnson was appointed U. S. Secretary of Defense by President Harry S. Truman.

For further details on Johnson, see footnote page 250.

<sup>+</sup> In his testimony, Butler had related that he had been told by MacGuire that General MacArthur and Hanford MacNider were also being considered as potential leaders of the fascist *putsch*.

James Van Zandt, commander of the Veterans of Foreign Wars, who admitted knowledge of the whole plot and corroborated General Butler's story; and Gerald MacGuire, who admitted to having met periodically with General Butler but asserted that he had been "misunderstood," by the General . . .

An exclusive news-story by Paul French revealing the content of General Butler's testimony before the McCormack-Dickstein Committee appeared in the Philadelphia Record, the New York Post and two papers in New Jersey.

Immediately, General Butler's story became a national sensation.

But the startling disclosures by General Butler and Paul French did not accomplish what they had anticipated. With the exception of a handful of liberal and left-wing newspapers, the nation's press rallied to the defense of the powerful interests involved in the conspiracy, suppressed the most incriminating portions of General Butler's testimony, and ridiculed his story as a whole. The New York Times casually reported that the "so-called plot of Wall Street interests" had "failed to emerge in any alarming proportion." Time magazine mockingly dismissed the affair as a "plot without plotters."

The broker Grayson M.-P. Murphy's statement to the press flatly denying all knowledge of the plot and characterizing General Butler's story as "a joke-a publicity stunt," was more prominently featured by most newspapers than the General's charges.

Soon, all references to the sensational case vanished from the newspapers.

No Government investigation of the conspiracy took place.

The McCormack-Dickstein Committee never summoned as witnesses any of the prominent persons named by General Butler; and when the Committee finally made public the General's testimony, many of his most startling charges, including the names of various Wall Street figures and all mention of the American Liberty League, had been deleted from the report on the hearing.

Even so, the Committee report stated:

There is no question that these attempts [of a fascist *putsch*] were discussed, were planned, and might have been placed in execution when and if the financial backers deemed it expedient. . . . . . . . . your committee was able to verify all the pertinent statements

made by General Butler, with the exception of the direct statement suggesting the creation of the [fascist] organization. This, however, was corroborated in the correspondence of MacGuire with his principal, Robert Sterling Clark, of New York City, while MacGuire was abroad studying the various forms of veterans' organizations of Fascist character.

Following the publication of the Committee's report, the head of the Civil Liberties Union, Roger Baldwin, made this observation:

The Congressional Committee investigating un-American activities has just reported that the Fascist plot to seize the government . . . was proved; yet not a single participant will be prosecuted under the perfectly plain language of the federal conspiracy act making this a high crime. Imagine the action if such a plot were discovered among Communists!

Which is, of course, only to emphasize the nature of our government as representative of the interests of the controllers of property. Violence, even to the seizure of the government, is excusable on the part of those whose lofty motive is to preserve the profit system ...

### 3. Murder in the Middle West

Of the myriad fascist organizations that mushroomed in the United States during the 1930's, none practised greater violence or perpetrated more appalling crimes than the Black Legion. A secret society, whose night-riding members wore black robes with slitted hoods adorned with skull and crossbones, the Black Legion maintained a reign of terror from 1932 to 1936 in Michigan, Indiana, Ohio and other midwestern states. In its wake, the Legion left a grisly trail of burned-down homes, bombed union halls, fearstricken communities, and dead and crippled human beings.

"What gave it [the Black Legion] significance," record A. B. Magil and Henry Stevens in their book *The Peril of Fascism*, "was the peculiarly violent character of its activities, its penetration into police departments and high places in city, county and state government, its connections with the Republican Party, and the fact that it was interwoven with the espionage systems and company unions of the automobile corporations."

The conspiratorial apparatus of the Black Legion was organizedalong military lines. Its members, most of whom were required to possess firearms, were grouped into "divisions" which operated under the direction of "colonels" and "captains." For performing such tasks as breaking up labor meetings, dynamiting or burning down buildings, flogging or killing trade unionists, there were special "anti-Communist squads" or "arson squads", "bombing squads", and "punishment" or "execution squads." Members were sworn to blind obedience and utter secrecy. The penalty for insubordination or failure to perform an assignment was torture or death.

Initiation ceremonies were conducted at night in the macabre atmosphere of unlighted cellars or dark, secluded woods. Each new recruit was commanded to kneel within a circle of black-robed Legionnaires. With a loaded pistol pressed against his chest, he repeated the Black Legion oath of allegiance. Among the Black Legion "secrets" then revealed to the new recruits was this one:

We regard as enemies of ourselves and our country all aliens, Negroes, Jews and cults and creeds believing in racial equality and owing allegiance to any foreign potentate.

Once initiated, new members were given a .38 calibre bullet. They were told that should they ever betray the Legion's secret, they would receive "another bullet". . .

The Black Legion's stronghold was in Michigan, where the percentage of unemployment was at a national peak during the depression years and every industrial center was simmering with social unrest. By 1935 Legion members in Michigan numbered in the tens of thousands, and its secret apparatus reached like a hidden cancerous growth throughout the industrial and political life of the state.

Factories were honeycombed with Black Legion terrorist cells. The upper echelons of the Black Legion included city councilmen and state legislators, judges and police chiefs, prominent businessmen, sheriffs, mayors and officers of the National Guard. As Will Lissner of the *New York Times* later reported:

An important section of the membership consisted of substantial citizens. Campaign funds were raised at meetings in at least two churches in Detroit. Scores of politicians joined the organization, hoping to win its votes.

To accomplish some of its aims, particularly in the field of politics, the Legion operated through various front organizations. One of these was called the Wolverine Republican League. The League, whose leadership was composed largely of Black Legionnaires, was used to muster votes for Legion members and sympathizers running for political office.

The headquarters of the Wolverine Republican League were

located at Room 2120 in the Union Guardian Building in Detroit. This room also served as the office of the Republican attorney, Harry Z. Marx, former head of the Americanization Committee of the American Legion and counsel for Detroit's Chief of Police, Heinrich Pickert. Marx himself was one of the directors of the Wolverine Republican League and Chairman of its Delegate Committee.

An indication of the political influence of the Wolverine Republican League was the fact that when former Governor Wilbur M. Brucker was running as a candidate for the United States Senate in May 1936, he delivered his opening campaign address at a meeting sponsored by the League.

On the night after ex-Governor Brucker had delivered this speech, five of the leading members of the Wolverine Republican League, who were also Black Legionnaires, participated in the murder of a WPA worker named Charles Poole<sup>\*</sup>...

The anti-labor terrorist activities of the Black Legion, like those of other fascist organizations in America, were generally carried on in the name of combatting the "Communist menace." After investigating Black Legion operations in Oakland County, Michigan, a Grand Jury reported:

Communist activities had engaged the Oakland County members from the first . . .

A member spy was directed to join the Communist Party in Pontiac and report to Col. Pierce (Police Sergeant) relative to the activities of this group . . .

Anti-Communist prejudice was constantly inflamed by the superiors . . .

For the purpose of more direct "anti-Communist" action, Black Legion leaders compiled an "execution list" of "Reds" and "Party sympathizers."

Among the names on the Legion execution list was that of the well-known labor attorney, Maurice Sugar, who in the spring of 1935 was a candidate for the office of Recorders Judge. A Black Legion member named Dayton Dean was given the assignment of bombing Sugar's apartment. Dean rented an apartment in the build-

<sup>\*</sup> When Charles Poole's murderers were arrested and brought to trial, their defense attorney was Harry Z. Marx. For further details on Poole's murder, see page 209.

ing where Sugar lived, but failed to go through with the assignment. "I got cold feet," Dean explained later, "because too many people would have been killed."

Ordinarily, such qualms did not hinder the work of the Legion's "bombing squads." In one town after another, homes of trade unionists were dynamited or burned down by the black Legionnaires. During a strike at the Motor Products Company, Legion members dynamited the union headquarters and the homes of a number of the strike leaders. On other occasions, Legionnaires in Detroit bombed the Hall of the Ukrainian Educational Society, the Workers' Bookshop and the offices of the Communist Party . . .

A typical Black Legion note, delivered to a small businessman who had allowed his shop to be used as a meeting place for union organizers, read as follows:

One more meeting of the Communist Party in this joint and out of business you go and you won't be on earth to know what business means.

Such threats were not infrequently followed by death.

One of the first murder victims of the Black Legion was George Marchuk, a Communist who was Secretary of the Auto Workers Union in Lincoln Park, Wayne County, Michigan. Marchuk had received several warnings from the Black Legion to cease his "Red" activities in organizing workers at the Ford plant or "suffer the consequences." When Marchuk continued his trade union work, he was visited by a one-legged Black Legionnaire and former policeman named Isaac, or "Peg-Leg," White. White gave the Auto Workers' Secretary a final warning. On December 22, 1933, Marchuk was found dead in an empty lot with a bullet through his head.

A few weeks later, on March 15, 1934, the body of John Bielak, who had been an A.F.L. organizer in the Hudson plant, was found riddled with bullets beside a lonely country road on the outskirts of Monroe, Michigan. Like Marchuk, Bielak had been "visited" shortly before his death by the Black Legionnaire, "Peg-Leg" White.\*

<sup>\*</sup> In 1932, the ex-policeman "Peg-Leg" White had been a member of a vigilante "Citizens Committee", which was established with the aid of Harry Bennett's Service Department at the Ford plant. White also worked closely with the labor espionage departments of other auto factories. Describing how

Sometimes, Black Legion members committed murder for the sheer "thrill" of killing. Describing one such murder which took place in May 1935, Black Legionnaire Dayton Dean later related:

... Harvey Davis [a Black Legion leader] came in one day and we were talking and he wanted to know if I could get a colored guy for him.

He said they were going to have a party out to the lake and they wanted to have a little excitment. They wanted to have a colored fellow, didn't make any difference where he came from so long as he was black. They wanted to take him out and kill him. Colonel Davis said he wanted to know what it felt like to shoot a Negro.

So I got hold of Charlie Rouse and Charlie said he had just the right man, he had one working for him, so we made arrangements with Davis . . .

The Negro selected as "just the right man" to be killed was a 42-year old veteran and laborer named Silas Coleman. On the pretext he was to be paid some back wages he was owed by his employer, Coleman was lured at night to a summer cottage on the outskirts of Detroit, where Harvey Davis and several other Black Legionnaires were having a drinking party, together with their wives. When the unsuspecting Coleman arrived, the Legion members drove with him to a nearby swamp, parked their car and got out. Here, in Dayton's words, is what then happened:

... the colored fellow came around to the rear of the car, wondering to see what we was doing around there, and just as he came around and faced up, Davis took his .38 and he shot first and then the others shot. The colored fellow went to say something and the bullet seemed

The interview with the *News* reporter was published at a time when some of the shocking facts about the Black Legion were finally being brought to light; and there was widespread demand that White be questioned by the police authorities in connection with the Marchuk and Bielak murders and other outrages perpetrated by the Black Legion.

Not long after his indiscreet remarks to the *News* reporter, White was arrested. Five days after his arrest, he was reported to have died of "pneumonia."

he had drawn up lists of "Communist" labor organizers for the auto companies, White told a *Detroit News* reporter in June, 1936:

<sup>&</sup>quot;... I called on all the plants of Detroit. Once or twice I turned in a bunch of names to the Hudson Motor Car Company. How many I don't remember but there were several typewritten sheets ... I took some to Ford's, some to Budd Wheel, in fact to all the plants that had strikes or threats of strikes ... the personnel departments of the plants were always glad to get information about the Communists and they thanked us. It was merely a courtesy proposition."

to pierce his lung or something and he couldn't talk and he made a kind of "a-h-h-h" gurgle in his throat or something kind of so.

He run like a deer down there and when he started running they say "Don't let him get away" and ran after him emptying their guns after him.

We went back to our cars and drove back to the cottage. They gave Charlie Rouse and I a shot of liquor and a bottle of beer and we drove back to Detroit but they stayed there and continued the party.

Silas Coleman's body was later found, riddled with bullets, lying in the woods . . .

These were some other murders traced to the Black Legion:

Paul Avery: died April 14, 1935, as a result of a flogging he had received from Black Legion members

Oliver Hurkett: found dead in his car on April 25, 1935; he himself had close connections with the Black Legion and was said to have been killed as a "disciplinary measure"

Rudolph Anderson: found dead on a street in Detroit on December 16, 1935, with a bullet wound in his chest from a high-powered rifle Charles A. Poole: found shot to death, his body lying in a ditch beside a road on the outskirts of Detroit, on May 13, 1936

Roy V. Pidcock: found hanging on Fighting Island, Detroit River, on May 29, 1936; an active trade unionist, he had been previously flogged by Black Legion members.

Most of the killings carried out by the Black Legion, however, were never officially blamed on the secret terrorist society. The murders were listed in police records simply as "unsolved" crimes. According to subsequent testimony by Captain Ira H. Marmon of the Michigan State Police, at least fifty unexplained "suicides" in Michigan during the years 1933-1936 were the work of the Black Legion . . .

In the summer of 1936, after a series of particularly bloodcurdling and brazen Black Legion crimes, public clamor forced Michigan state and municipal authorities to initiate investigations of the Legion's activities. Eleven Legionnaires were arrested in connection with the murder of Charles Poole, tried and sentenced to life imprisonment. Some fifty other Black Legion members were rounded up and indicted on charges of murder, kidnapping, arson and other crimes.

Trade unions, civic organizations and other public-spirited groups urged that the Department of Justice conduct a thorough probe of Black Legion operations throughout the Middle West. "It is only a Federal investigating Bureau that can coordinate the clues from all these areas . . . ," a group of Michigan citizens stated in a report submitted to the Justice Department. "Local authorities are hampered by fears of witnesses . . . Detroit newspapers have indicated how the Black Legion dominates even upper circles of officialdom."

In Washington, Senator Elmer A. Benson of Minnesota introduced a resolution in the Senate calling for a Federal investigation of the Black Legion.

On May 28, 1936, Attorney General Homer S. Cummings stated that the Justice Department had "known of the Black Legion for about a year," but that action by the Department was impossible because "no federal law had been violated."

The local investigations of the Black Legion concealed many more facts than they revealed.

Few disclosures ever got beyond the court-room of the one-man grand jury, Judge E. Chenot. "I have control of the proceedings in this court," said Judge Chenot, at the opening session of the hearing. "Anyone who violates the secrecy of the grand jury will go to jail."

A Detroit lawyer, Duncan McCrea, was the Wayne County Prosecutor in charge of investigating Black Legion activities. Mc-Crea's Chief Investigator was a man named Charles Spare. Unknown to the public, Spare was himself a leading member of the Ku Klux Klan, the Michigan branch of which he had helped to incorporate.

At the height of the Wayne County investigation, the Detroit Times published a photograph of a Black Legion application card bearing the name of Prosecutor Duncan McCrea. McCrea did not deny that the signature was his. It was possible, he said, that he "might have signed the card"—after all, like other politicians, he was "a joiner"...

Commenting at the time on the criminal conspiratorial activities of the Black Legion, Governor George H. Earle of Pennsylvania declared:

I charge that this organization is the direct result of the campaign of subversive propaganda subsidized by the Grand Dukes of the Duchy of Delaware, the du Ponts, and the munition princes of the American Liberty League.

I was United States Minister to Austria in 1933-34. I saw for myself how fascism and Nazism are born furtively, in the dark, how they develop through just such organizations as the Black Legion . . . I say to you that the money changers and the great industrialists behind the Republican Party leadership cannot escape responsibility for this creature . . . The Black Legion is the first fruit of their campaign for fascism.

## 4. Fifth Column in Congress

In August 1936 an extraordinary national convocation attended by American fascist and anti-Semitic propagandists took place at Asheville, North Carolina. The gathering, which was called the National Conference of Clergymen and Laymen, had been arranged with the assistance of the prominent Liberty Leaguer and lumber king, John Henry Kirby, and his aide, Vance Muse, who together had organized the fascist Southern Committee to Uphold the Constitution.

Among those present at the Asheville assembly, whose promoters had the avowed purpose of making anti-Semitism a key issue in the 1936 Presidential campaign, were William Dudley Pelley, Silver Shirt chief and Nazi collaborator; James True, pro-Axis propagandist and inventor of a patented blackjack called the "kikekiller"; and George Deatherage, head of the "official Fascist Party," the American Nationalist Confederation, who was later to attend a World Congress of anti-Semites held in Erfurt, Germany, and there deliver a speech entitled, "Will America be the Jews' Waterloo?"

One of the main addresses at the Asheville conference was delivered by a stocky round-faced man with short-cropped hair whose name was Edward F. Sullivan. His remarks, according to the Asheville press, were "what Hitler would have said had he been speaking"...

Edward F. Sullivan had first become associated with the fascist movement in 1933, shortly after Hitler's rise to power in Germany. Nazi agents were already swarming over the globe to organize fifth columns within the democracies, particularly among national groups and minorities. There were one million Ukrainian-Americans in the United States, and, under expert Nazi supervision, a pro-Axis fifth column soon mushroomed among them. When a publicity man was needed to help rally mass support for the movement, several of the Ukrainian-American fascist leaders recommended Edward F. Sullivan for the job. Sullivan was then an impecunious young newspaperman in Boston who, according to the records of the Senate Civil Liberties Committee, had been employed for a time by the labor-espionage Railway Audit and Inspection Company. Approached by the Ukrainian-Americans, Sullivan readily went to work for them.

By 1936, when he attended the Asheville conference, Sullivan was already regarded in fifth column circles as one of the more promising anti-democratic propagandists in the country.

Even so, under ordinary circumstances there would have been little to distinguish Sullivan from numerous such agitators then operating in the United States. But an event was soon to occur which would place Sullivan in a very special category . . . In the summer of 1938 a Special Congressional Committee was

In the summer of 1938 a Special Congressional Committee was formed, under the chairmanship of Representative Martin Dies of Texas, to investigate un-American activities in the United States.

The first Chief Investigator appointed by the Dies Committee was-Edward F. Sullivan.

American taxpayers who paid Sullivan's salary while he was Chief Investigator for the Un-American Activities Committee were unaware of his anti-democratic previous activities. They might also have been interested in Sullivan's police record. Here it is:

Offense	Place of Offense	Date	Disposition
Drunkenness	Charleston, Mass.	9/7/20	Released
Driving so as to endanger	Roxbury	12/18/23	Fined \$25
Driving without license	Suffolk	2/11/24	Fined \$25
Driving so as to endanger	Suffolk	6/27/24	Placed on file 6 mo.
Larceny	Malden		House of Correc- tion; appealed
Larceny	Middlesex Superior Court	4/12/32	Nolle prossed
Operating after license sus- pended	Lowell	2/11/32	Filed
Violation of Section 690 of the penal law (Sodomy)	New York City	55	Acquitted
Arrested on charges of im- personating FBI officer	Pittsburgh	12/11/39	Charges dropped

After supervising the initial "investigations" conducted by the Un-American Activities Committee, Edward Sullivan was reluctantly dropped as Chief Investigator by Congressman Dies. "For reasons of economy," said Dies. Actually, liberal American organizations had uncovered certain details about Sullivan's unsavory record; and Dies, with an eye to a new appropriation for his Committee, wanted to avoid a public scandal.

Sullivan's place as chief investigator for the Un-American Activities Committee was taken by J. B. Matthews, an embittered renegade radical who, like his predecessor, was held in high esteem by Axis agencies and their fifth column allies. Matthew's diffuse autobiography, Odyssey of a Fellow Traveler-dedicated to Martin Dies, J. Parnell Thomas, and other members of the Un-American Activities Committee and published by John Cecil, head of an anti-Semitic organization called the American Immigration Conference Board-was widely distributed in American fascist circles. The Nazi Propaganda Ministry warmly recommended Matthew's writings, and articles by him were printed in Contra-Komintern, an official organ of the German Foreign Office. . . .\*

The alleged purpose for which the Un-American Activities Committee was established on May 26, 1938, was to gather information on "the diffusion within the United States of subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin that attacks the principle of the form of government as guaranteed by the Constitution."

Instead, from its inception, the Un-American Activities Committee itself served as a fountainhead of virulently anti-democratic propaganda and as an agency seeking to undermine basic tenets of the Constitution.

As The New World, official organ of the Chicago diocese of the Catholic Church, stated editorially six months after the formation of the Committee:

If it is really a committee to investigate "un-American activities," it really should begin with an investigation of itself.

Week after week, in the marble-columned caucus room in the old House Office Building, an endless macabre procession of exconvicts, labor spies, foreign agents, racketeers, fascist propagandists or political renegades were solemnly paraded before the Committee

<sup>\*</sup> In directing the "investigatory" operations of the Un-American Activities Committee, both Edward F. Sullivan and J. B. Matthews were assisted by a lean, sleek, pale-faced southerner named Robert E. Stripling who in 1943 became Chief Investigator of the Committee.

to testify as "expert witnesses" on "communist activities" in the United States.

One of the first witnesses to appear before the Committee was a man by the name of Alvin I. Halpern. On the second day of Halpern's testimony, a District of Columbia court sentenced him to serve a prison term of one to two years for the crime of larceny.

Nevertheless, Halpern's testimony was included, without any reference to his criminal record, in the official published reports of the Un-American Activities Committee. . .

These were some of the other "expert witnesses" to appear before the Committee:

- Peter J. Innes: a labor spy who had been expelled from the National Maritime Union for stealing \$500 from the union treasury; he was subsequently sentenced to eight years imprisonment for attempted rape of a small child.
- William C. McCuiston: an organizer of strong-arm squads for attacking trade unionists; he testified before the Committee while under indictment for the murder of Philip Carey, a labor leader who was shot and clubbed to death in New Orleans; subsequently acquitted on murder charge.
- William T. Gernaey: a labor spy, exposed by the LaFollette Committee as agent No. 0273 employed by the notorious labor espionage agency, Corporations Auxiliary.
- Edwin Perry Banta: a pro-Axis propagandist, member of the Christian Front and collaborator with Nazi agents; he died in jail on November 8, 1945, while serving a three year sentence for conspiracy to commit a felony.
- John Koos: a former leading spokesman for the American branch of a fascist Ukrainian organization called the Hetman, which had its headquarters in Berlin during the Nazi regime and operated under the direction of the German Military Intelligence; on September 30, 1938, he sent a congratulatory cable to Adolf Hitler praising him for his "history-making efforts in the adjustment of minority rights."
- Richard Krebs, alias Jan Valtin: a renegade German Communist who served thirty-nine months in San Quentin penitentiary; and who, in his book, Out of the Night, explained his former membership in the Nazi Gestapo on the grounds that he was combatting its activities.
- Walter S. Steele: editor of the National Republic, a pro-Coughlin magazine; and one of the American sponsors of a book entitled Communism in Germany, which was the first official Nazi propaganda document to be distributed in the United States and which was prefaced with a quotation from Adolf Hitler.

These individuals did not appear before the Un-American Activities Committee as the accused. They were the accusers. Under the pretext of exposing "Communist activities" in the United States, they vilified outstanding American liberals, slandered progressive organizations, and calumniated the organized labor movement. The torrent of character assassination and abuse which flowed from their lips filled dozens of volumes published by the Government Printing Office and was widely quoted in the nation's press.

None of the groups or persons thus publicly denounced had the opportunity to confront their defamers. The Committee permitted no cross examination of its "expert witnesses."

"We can say anything we please about people and they have no recourse," declared Representative John J. Dempsey, a member of the Committee . . .

While these hearings were being held, an elaborate espionage apparatus of secret agents was organized by the Committee to spy upon American citizens, plant dictaphones, seize private records, and compile extensive blacklists of liberals, anti-fascists and active trade unionists.

According to the Committee's own claims, its files soon contained the names of "more than one million subversive Americans."

"And how did they get those names?" asked Representative John J. Cochran of Missouri. "They confiscated mailing lists of so-called subversive organizations. . . . Undoubtedly my name is on the list; and so is yours."

After learning that his name was included on the Committee's blacklists, Professor Clyde R. Miller of Teachers College, Columbia University, paid a visit to the Committee's office in Washington, D. C. He said he wanted to know why the Committee had listed him as a "dangerous American."

A Committee investigator named Chester Nickolas told Professor Miller that, according to the Committee's records, he had been a member of several organizations combatting anti-Semitism. "You're just a college professor," said Nickolas. "You should know, Professor, that all these groups fighting anti-Semitism are Communist transmission belts."

Then Investigator Nickolas added:

"You better go back and tell your Jewish friends that the Jews in Germany stuck their necks out too far and Hitler took care of them, and the same thing is going to happen here unless they watch their step. . . ." On February 11, 1941, Congressman Samuel Dickstein of New York made a startling accusation against the Un-American Activities Committee. Speaking on the floor of the House of Representatives, Dickstein charged:

One hundred and ten fascist organizations in the United States have had, and have now the key to the back door of the Un-American Activities Committee!

In the crucial years immediately preceding Pearl Harbor, with the Axis fifth column in America feverishly endeavoring to undermine national morale and hamstring U. S. defense preparations, the Un-American Activities Committee not only failed to combat these machinations; it actually worked in collusion with German and Japanese agents and their American accomplices.

One of the largest and most menacing of the pre-war fifth column organizations in America was the Christian Front. Its members, operating under the supervision of Nazi agents, ran into the tens of thousands; its secret stormtroop cells were armed and drilling in every major city; and its leader, Father Charles E. Coughlin, by means of his radio program and his publication, *Social Justice*, was disseminating copious quantities of propaganda received directly from the Nazi Propaganda Ministry.

The Un-American Activities Committee never investigated Father Coughlin and his vast fascist apparatus. On the contrary, a secret understanding existed between the Committee and the pro-Nazi priest, who periodically provided Chairman Martin Dies with lists of "Communists" and various propaganda material.

In 1939, Father Coughlin issued these instructions to his stormtroopers:

In your appreciation of the work accomplished by Dies, employ some of your leisure moments to write him a letter of encouragement. In fact, a million letters brought to his desk would be an answer to those who are bent on destroying him and the legislative body he represents.

On December 8, 1939, the German-American Bund leader and Nazi spy, Fritz Kuhn, was asked by newspapermen what he thought of the Un-American Activities Committee. "I am in favor of it being appointed again," Kuhn replied, "and I wish them to get more money."

Here are other typical comments by leading fifth columnists or fascist propagandists on the work of the Un-American Activities Committee: "I have the highest respect for the Committee and sympathize with its program."-George Sylvester Viereck, Nazi agent sentenced on February 21, 1942, to serve eight months to two years in prison.

"I founded the Silver Legion in 1933... to propagandize exactly the same principles."—William Dudley Pelley, former head of the pro-Nazi Silver Shirts, sentenced on August 13, 1942, to 15 years imprisonment for criminal sedition.

"[The Committee's] program . . . so closely parallels the program of the Klan that there is no distinguishable difference between them." -James Colescott, Imperial Wizard of the Ku Klux Klan.

"... the Committee of One Million carried a petition bearing more than 400,000 names to Washington calling for the continuation of the investigation."-Gerald L. K. Smith, ex-Silver Shirter No. 3223, National Chairman of the fascist Committee of One Million.\*

### 5. America First

The members of the Un-American Activities Committee were not the only U. S. congressmen involved in the secret war the Axis was waging against America in the days before Pearl Harbor. There were other Representatives and Senators who, wittingly or unwittingly, proved extremely useful to Axis agents operating in the United States.

There was, for example, Senator Ernest Lundeen of Minnesota. On June 19, 1940, Lundeen delivered on the floor of the Senate a lengthy speech attacking Lord Lothian, then British Ambassador to the United States. Lundeen's speech was widely distributed by American fifth column organizations after being reprinted by a publishing house called Flanders Hall, Inc.

It happened that the firm of Flanders Hall had been founded and was financed by the ace Nazi agent, George Sylvester Viereck. It also happened that Viereck had written Senator Lundeen's speech for him. For the most part, the speech was a compilation of material

<sup>\*</sup> After America's entry into the war, the Un-American Activities Committee carried on a continuous propaganda campaign which closely paralleled that of the Axis, violently attacking the Roosevelt Administration, charging that U. S. Government agencies were riddled with "Reds," and denouncing America's fighting allies. These charges were repeatedly picked up and repeated by the Axis Propaganda Ministries. A report made by the Federal Communications Commission on Axis short-wave broadcasts to this hemisphere stated: "Representative Dies received as many favorable references in Axis propaganda in this country as any living American public figure. His opinions were quoted by the Axis without criticism at any time."

Viereck had acquired at the German Embassy in Washington . . .

Two other American politicians who were in close touch with Flanders Hall were Representative Stephen A. Day of Illinois and ex-Senator Rush D. Holt of West Virginia.

In the summer of 1941, Representative Day turned over to Siegfried Hauck, President of Flanders Hall, a manuscript savagely attacking the domestic and foreign policies of the Roosevelt Administration. After various editorial revisions by Nazi agent Viereck, the manuscript was published as a book called *We Must Save the Republic*.

Ex-Senator Holt, following conferences at his Washington house with Hauck and Viereck, wrote for Flanders Hall a manuscript entitled *Who's Who Among the War Mongers*. Holt's book was never published, but the manuscript went on an interesting journey. It was mailed by Viereck to the German Ambassador in Portugal, who was to forward it for inspection to Berlin. The manuscript, however, never reached its destination. It was intercepted at Bermuda by the British censors.

Viereck, who was later characterized by an Assistant U. S. Attorney General as "the head and brains" of the Nazi propaganda network in America, had frequent urgent business in the nation's capitol during 1940-1941. As Hitler's legions overran Europe and then plunged eastward into Russia, and as Axis plans were readied for the open military assault on America, the Fascist Powers placed increasing importance on sabotaging Lend-Lease aid and U. S. defense legislation. To further these aims, Viereck established a special propaganda apparatus in Washington.

The headquarters of Viereck's Washington propaganda machine was in Room 1424 in the House Office Building. Room 1424 was the office of Congressman Hamilton Fish of New York, an arch exponent of isolationism and appeasement.\*

Representative Fish's secretary, George Hill, was one of Viereck's key assistants. After being introduced to Viereck by the Congress-

<sup>\*</sup> In the fall of 1939 Representative Fish traveled to Nazi Germany. There, immediately prior to the outbreak of war, the Congressman conferred with Joachim von Ribbentrop, Nazi Foreign Minister; Count Galeazzo Ciano, Italian Foreign Minister; and other Axis leaders. In a private plane placed at his disposal by the Nazi authorities, Fish toured Europe urging the smaller nations to accede to Germany's demands. In Berlin, Fish told American newspapermen, "Germany's claims are just."

man, Hill became-as Special Assistant Attorney General William P. Maloney later declared-"an important cog in . . . a [propaganda] machine so diabolically clever that it was able to reach in and use the halls of our own Congress to spread its lies and half truths to try to conquer and divide us as they did France and other conquered nations."

Another of Viereck's Washington aides was an isolationist publicist named Prescott Dennett. With Dennett acting as his front man, Viereck set up a special propaganda "committee" in Washington which arranged to have isolationist propaganda inserted in the Congressional Record and then mailed throughout the country, under the congressional frank, mass quantities of reprints of this material in the Record. The Chairman of this propaganda committee was Senator Ernest Lundeen. Honorary Chairman was Senator Robert R. Reynolds of North Carolina, the Chairman of the Senate Military Affairs Committee. Representative Martin L. Sweeney of Ohio acted as Vice-Chairman. Prescott Dennett was Secretary-Treasurer.

Here is a list of congressmen whose franking privilege was used, whether or not all of them were aware of it, by the Viereck-Dennett Committee:

Senators: D. Worth Clark, Rush D. Holt, E. C. Johnson, Gerald

P. Nye, Robert R. Reynolds, and Burton K. Wheeler. Representatives: Philip Bennett, Stephen Day, Henry Dworshak, Ham-ilton Fish, Clare E. Hoffman, Bartel Jonkman, Harold Knutson, James C. Oliver, Dewey Short, William Stratton, Martin L. Sweeney, Jacob Thorkelson, George Holden Tinkham, and John M. Vorys.

But the most important agency used by George Sylvester Viereck for the distribution of his isolationist and pro-Axis material was not his own propaganda apparatus. It was the America First Committee.

The America First Committee appeared on the American political scene in September 1940. Operating on a national scale up until the day of Pearl Harbor, through the medium of the press, radio, mass rallies, street-corner meetings and every other kind of promotional device, the America First Committee spread a prodigious amount of anti-British, anti-Soviet and isolationist propaganda, and vigorously opposed the sending of Lend-Lease supplies to England and Russia.

The Committee was headed by the isolationist Chicago business-man General Robert E. Wood, who publicly stated that he was willing to hand Europe over to Hitler and, if necessary, all of South America "below the bulge." Other original America First leaders included Henry Ford, who as early as 1923 was reported to be an active supporter of the Nazi Party in Germany and was decorated by the Hitler Government in August 1938; Colonel Robert R. Mc-Cormick, publisher of the violently isolationist *Chicago Tribune*; Charles E. Lindbergh, who blamed the war danger to America on "the British the lews and the Boosevelt Administration" ad-"the British, the Jews and the Roosevelt Administration," advocated cooperation with Nazi Germany against Russia, and had accepted a medal from Hitler in October 1938; Senators Burton K. Wheeler, Gerald P. Nye and Robert Rice Reynolds, and Represen-tatives Hamilton Fish, Clare E. Hoffman and Stephen Day-all of whose franking privileges had been used for propaganda purposes by the Nazi agent Viereck.

From the start, the America First membership was riddled from top to bottom with German and Japanese agents, and with noto-rious American anti-Semitic agitators, fascist propagandists and fifth column leaders. The chief woman spokesman for the Committee was the ex-aviatrix and socialite Laura Ingalls; she was later con-victed on charges of having failed to register as a paid agent of the Third Reich. Werner C. von Clemm, subsequently jailed for smug-gling diamonds into the United States in collusion with the German High Command, served as an anonymous strategist and financial supporter of the New York branch of the America First Committee. Frank B. Burch, later convicted of having received \$10,000 from the Nazi Government for illegal propaganda services in the United States, was one of the founders of the Akron, Ohio, branch of the States, was one of the founders of the Akron, Ohio, branch of the Committee. The American journalist, Ralph Townsend, who was later given a prison sentence for having failed to register as a paid Japanese agent, was head of a West Coast branch of the Commit-tee and a member of the editorial board of the two leading America First propaganda organs, *Scribner's Commentator* and *The Herald*. Both of these journals regularly published Axis propaganda received via shortwave radio from Europe and Japan. Behind the scenes, the Nazi agent George Sylvester Viereck pre-pared much of the propaganda material which was distributed from coast to coast by the America First Committee . . . Via shortwave to America on Japuary 22, 1041. Dr. Paul Joseph

Via shortwave to America on January 22, 1941, Dr. Paul Joseph

Goebbels' Propaganda Ministry announced: "The America First Committee is truly American and truly patriotic!"

Not all of the prominent Americans who were associated with the America First Committee were publicly known as members of its executive bodies or appeared as speakers at America First mass rallies. There was, for instance, William R. Castle, the wealthy former Under-Secretary of State in the Hoover Administration. Several of the conferences at which the original plans for the Committe were drafted took place at Castle's palatial residence in Washington, D. C. Among the leading American advocates of isolatism and appeasement with whom Castle maintained close contact were Senator Burton K. Wheeler, General Robert E. Wood, Charles Lindbergh and former President Herbert Hoover.

Public statements by Herbert Hoover bitterly attacking the foreign policy of the Roosevelt Administration and condemning Lend-Lease, were enthusiastically reprinted and widely circulated by the America First Committee.

In a confidential cable sent from London by Harry Hopkins to President Roosevelt early in 1941, Hopkins reported:

"Last night I saw Wendell Willkie. He told me that he believes the opposition to Lend Lease is going to be vehemently expressed and it should not be underrated under any circumstances. It is his belief that the main campaign against the Bill will be directed from Chicago and heavily financed. As perhaps he told you it is his opinion that Herbert Hoover is the real brains behind this opposition."

William R. Castle was not the only old friend of Hoover's who was quietly cooperating with the America First Committee. Another was the Wall Street attorney, John Foster Dulles. A staunch exponent of appeasement, Dulles had delivered a speech before the Economic Club in March 1939 in which he spoke of the German, Japanese and Italians as "dynamic peoples determined . . . to take their destiny into their own hands." Dulles added:

There is no reason to believe that any of the totalitarian states either collectively or separately would attempt to attack the United States. Only hysteria entertains the idea that Germany, Italy or Japan contemplates war against us...

The incorporation papers of the New York Chapter of the

America First Committee were drawn up in the office of Dulles' law firm, Sullivan & Cromwell; and the records of the America First Committee listed both Mr. and Mrs. John Foster Dulles among the Committee's financial supporters.\*

In one respect, Dulles was perfectly justified in claiming not to be an isolationist. In the years between the two world wars, few Americans had been so constantly and deeply involved in international financial-political operations. "Imperialism and cartels," declared Senator Claude Pepper, "are the only economic theories Dulles knows."

In 1919, as the chief American counsel on the Paris Peace Conference Committees on reparations and financial matters, and as a member of the Supreme Economic Council, Dulles helped project the disastrous policies of the postwar period. During the 1920's, as a member of the law firm of Sullivan & Cromwell, Dulles assisted in drafting the Dawes and Young Plans and channeling American funds to reactionary European regimes, and in making cartel arrangements between great German and American trusts.

After Dulles had become senior partner of Sullivan & Cromwell, one of the world's wealthiest law firms (its partners sit on the boards of more than forty industrial corporations, utilities and banks), the concern represented such clients as these: J. H. Schroeder Banking Corp., whose parent banking house in London was described by *Time* magazine in 1939 as "an economic booster for the Rome-Berlin Axis"; the Bank of Spain, following fascist Generalissimo Franco's seizure of power; and Count Rene de Chambrun, son-in-law of the French traitor, Pierre Laval.

"It may be only coincidence, of course," stated the October 1947 issue of *Social Questions*, the bulletin of the Methodist Federation for Social Action, "that the firm (Sullivan & Cromwell) had such close relations with the Schroeder Bank, I. G. Farben, the famous German law firm of Albert & Westrick, etc., and that Mr. Dulles is listed as a director of the International Nickel Co. of Canada, which in 1946 was sued by the U. S. Government for having a cartel price-fixing alliance with I. G. Farben and giving illegitimate aid to German rearmament . . ."

On October 10, 1944, Senator Pepper declared: "One of Mr. Dulles' connections which I believe the American people are especially entitled to know is his relationship to the banking circles that rescued Adolf Hitler from the financial depths and set up his Nazi Party as a going concern...It... should in my opinion be one of the central points of a Senate investigation before entrusting the making of peace into the hands of any man with these past loyalties."

At the end of World War II, as a U.S. delegate to the San Francisco Conference, advisor to Secretary of State Byrnes and a U. S. delegate to the U. N. Assembly, Dulles became one of the chief architects of American foreign policy. (See Book Four.) On April 6, 1950, Dulles was appointed by President Harry Truman as top-ranking advisor and consultant to Secretary of State Dean Acheson.

<sup>\*</sup> In 1943, when Dulles was queried by newsmen about his former connections with the America First Committee, he was quoted as indignantly declaring: "No one who knows me and what I have done and stood for consistently over thirty-seven years of active life could reasonably think that I could be an isolationist or 'America Firster' in deed or spirit."

## Chapter XII

# THE WAR YEARS

We of the United Nations are not making all this sacrifice of human effort and human lives to return to the kind of world we had after the last World War.

We are fighting today for security, for progress, and for peace, not only for ourselves, but for all men, not only for one generation but for all generations. We are fighting to cleanse the world of ancient evils, ancient ills.

> From a radio address by President Franklin D. Roosevelt, October 12, 1942

They [corporations] cannot commit treason, nor be outlawed nor excommunicated, for they have no souls.

Sir Edward Coke, 1613

### I. Gold Internationale

IN THE EARLY SPRING OF 1940, a German emissary named Dr. Gerhardt Westrick arrived in the United States on a mission of the utmost importance. Officially, Dr. Westrick traveled as a Commercial Attache to the German Embassy in Washington. Unofficially, he was in America as a personal representative of the Nazi Foreign Minister, Joachim von Ribbentrop. Westrick's secret mission was to discuss certain confidential trade agreements with a number of leading American industrialists and financiers.

Westrick was well qualified for his assignment. For some years, he had been a familiar figure in international big business circles. As a partner in the prosperous German law firm of Albert & Westrick, which numbered among its clients such concerns as the colossal chemical trust, I. G. Farbenindustrie, Westrick had served as a counsel for the German subsidiaries of the Underwood ElliotFisher Company, Eastman Kodak Company, and other outstanding American firms. In addition Westrick was head of the Standard Elektrizitaets Gesellschaft, German subsidiary of the International Telephone and Telegraph Company.\*

Though accredited with the U.S. State Department as a diplomatic official attached to the German Embassy, Dr. Westrick spent little time in Washington following his arrival in the United States. He established himself in a sumptuous suite at the Hotel Waldorf-Astoria in New York City; made arrangements to receive his confidential mail at another New York hotel, where he was registered under an assumed name; and rented a secluded suburban estate at Scarsdale in Westchester County as a private headquarters for transacting the more vital business of his mission.

Handsome limousines driven by liveried chauffeurs were soon arriving at the Scarsdale estate. Among the first of Dr. Westrick's various distinguished visitors were Captain Torkild Rieber, Chairman of the Board of the Texas Company, one of America's largest oil concerns, and Philip D. Wagoner, President of the Underwood-Elliott Fisher Company.

For his own convenience in traveling to and from New York City, Westrick had at his disposal a car which belonged to Captain

In 1919, following a Senate investigation of German wartime espionagesabotage activities in the United States, Senator Knute Nelson characterized Dr. Albert as the "Machiavelli of the whole thing . . . the mildest mannered man that ever scuttled ship or cut throat."

The sabotage ring financed by Dr. Albert carried out such operations as blowing up American ships, infecting American cattle with disease germs, setting fire to American war plants and docks, and stirring up anti-Allied sentiment throughout the country. Through Albert's hands passed at least \$40,000,000 to subsidize sabotage, sedition and conspiracy in the United States. In 1917, Dr. Albert was finally forced to leave America and return to Germany.

During the 1920's and 1930's, as a member of the German General Staff and a representative of I. G. Farben, Dr. Albert helped train German "business agents" for espionage operations in the United States. He himself remained in Germany, running the law firm of Albert and Westrick with Dr. Gerhardt Westrick.

As of February 1945 Dr. Heinrich Albert still held, among other posts, that of Director of the Ford Motor Company, Cologne, Germany.

<sup>\*</sup> An interesting sidelight to Dr. Westrick's mission in the United States during World War II was the role that had been played by his law partner, Dr. Heinrich Albert, in America during World War I.

Prior to America's entry into the Great War, Dr. Albert was the German Commercial Attaché in Washington. He was also the secret paymaster of a German espionage and sabotage ring then operating in America.

Torkild Rieber. In applying for his auto license, Westrick gave the Texas Company as his business address . . .

On August 1, 1940, the New York Herald-Tribune featured a sensational front-page story headlined: "Hitler's Agent Ensconsed in Westchester—Dr. Westrick Traced to Secluded Headquarters on Scarsdale Estate." In this and two subsequent articles, the Herald-Tribune revealed a number of Westrick's mysterious, ex-officio activities in the United States.\*

Editorially, the Herald-Tribune commented:

It is desirable to know what those who have been dealing with him [Westrick] have been doing; it is even more desirable to get those who may have been dealing with him to stand up, to be counted and to explain themselves... The great danger to a democracy from its potential Petains and Lavals and Baudouins is that they exist in secret, pretending to support the majority until that critical moment when their sudden defection may paralyze the whole national will just when it is needed most.

Hurriedly returning to Nazi Germany after the *Herald-Tribune* expose, Dr. Westrick had at least the consolation of knowing that one of his distinguished American friends had come to his defense.

"I don't believe he has done anything wrong," John Foster Dulles told a *Herald-Tribune* reporter. "I knew him in the old days and have a high regard for his integrity."

Some years later, when questioned by American occupation authorities in Germany at the end of World War II, Dr. Westrick disclosed these facts about his visit to the United States in 1940:

My most important connection with American business was with International Telephone and Telegraph Co., whose president was Col. Sosthenes Behn. Behn was also a director of Standard Elektrizitaets Gessellschaft, which was affiliated with International Telephone and Telegraph Co. . . .

Among those I saw in the United States were Torkild Rieber of the Texas Co., Eberhard Faber of the Faber Co., James Mooney of General Motors, and Edsel and Henry Ford . . .

Motors, and Edsel and Henry Ford . . . I paid Mooney a visit and one day he came to visit me in the Waldorf-Astoria, and on his own initiative he told me that he and a group of other people had the intention of seeing the President and trying to convince the President that he should insist on normal political relations between the United States and Germany. This was after Germany had invaded France, Belgium and Norway.

<sup>\*</sup> The first stories exposing Dr. Gerhardt Westrick's mission in the United States appeared on April 6 and April 20, 1940, in the newsletter, *The Hour*, of which this author was then managing editor.

In the critical period of 1939-1941, as Hitler made his open bid for world conquest, there were not a few big businessmen in the United States who, like Dr. Westrick's American friends and associates, were eager to maintain "normal political relations" with Nazi Germany. Their viewpoint was reflected in a remarkable letter which Alfred P. Sloan, chairman of General Motors, wrote to a stockholder in the spring of 1939. Sloan's letter read in part:

General Motors is an international organization. It operates in practically every country in the world . . . many years ago, General Motors-before the present regime in Germany-invested a large amount of money in Adam Opel A.G. It has been a very profitable investment, and I think outside of the political phase, its future potentiality from the standpoint of development and profit, is equal to, if not greater than many other investments which the Corporation has made. It enjoys about 50% of the business in Germany-a little less than that to be exact. It employs German workers and consumes German materials . . .

Having attained the position which we have, through evolution, hard work, and, I believe, intelligent management, of approaching 50% of one of the most important industries in Germany, I feel that we must conduct ourselves as a German organization, involving German capital . . .\*

"By the time the present war broke out," Sims Carter, Assistant Chief of the Economic Warfare Section of the U.S. Department of Justice, told the Kilgore Committee in September 1944, "most of Germany's leading industrial, commercial and banking firms had American connections. Even after hostilities had begun, key figures continued to arrive in the United States and other parts of the hemisphere from Germany."

Most of the intimate, war-time dealings between American and German businessmen, however, were not transacted in the western hemisphere. A more convenient meeting place for their secret negotiations was the headquarters of the Bank of International Settlements at Basle, Switzerland.

On May 19, 1943, an article in the New York Times had this to say about the Bank at Basle:

Allied preparations for an invasion of the European continent make the Bank of International Settlements at Basle, Switzerland, look still

<sup>\*</sup> The operations of the great auto manufacturing firm of Adam Opel A.G. were no less valuable to the German Government than they were to General Motors Company. Opel was producing the major portion of the mobile equipment for the Nazi Wehrmacht . . .

more incongruous than it ever looked since the outbreak of the war in September, 1939. In the seclusion of a Swiss city, American, German, French, and Italian bankers, not to mention Swedish, Swiss and Netherland representatives, are still at work side by side and attend to common business . . .

Does it mean that, in this world of today, so hopelessly torn asunder, all belligerents are tacitly agreed to preserve a unique shelter for what was formerly called international finance—a shelter to be eventually used at will for the purpose of a policy of appeasement?

The directors of the Bank of International Settlements included three directors of the Bank of England; the powerful Nazi financiers—Baron K. F. von Schroeder of Cologne, Reichsbank President Walther Funk and Dr. Hermann Schmitz, President of I. G. Farben; and the American Wall Street banker, Thomas H. McKittrick, Director of the First National Bank of New York and President and General Manager of the Bank of International Settlements.

"It is German-controlled," Harry White, special adviser to the U.S. Treasury Department said regarding the International Bank of Settlements on November 23, 1943. "There's an American president doing business with the Germans while our boys are fighting Germans."

The American banker McKittrick informed a United Press correspondent in Switzerland in the summer of 1944: "We keep the machine ticking . . . because when the Armistice comes the formerly hostile powers will need an efficient instrument such as the BIS."

Two other important personages reported to be doing their part toward keeping the machine ticking in Basle, Switzerland, were von Ribbentrop's former personal emissary to the United States, Dr. Gerhardt Westrick, who made frequent trips during the war to the BIS headquarters; and Westrick's old friend, Allen Dulles, John Foster Dulles' brother, a member of the law firm of Sullivan & Cromwell, and a director of the Schroeder Banking Company. In 1942 Allen Dulles had been appointed as head of the Switzerland branch of the U.S. Office of Strategic Services. He remained in Switzerland until the fall of 1944...

On June 3, 1942, in a speech delivered before the Illinois Bar Association, Assistant U.S. Attorney General Thurmond Arnold had this to say about the international cartel agreements which leading American industrialists were still maintaining with their German counterparts: The small group of American businessmen who are parties to these international rings... still think of the war as a temporary recess from business-as-usual with a strong Germany. They expect to begin the game all over again after the war.

It is significant that these cartel leaders still talk and think as if the war would end in a stalemate, and that, therefore, they must be in a strong position to continue their arrangements with a strong Germany after the war. This is not shown by their speeches, but by the actual documents and memoranda of business policy which we find in their files.

Throughout the war years, most of the largest American corporations continued to collaborate with Nazi trusts through cartel arrangements, or were under agreement to resume business relations with their German partners as soon as hostilities ended. Within the single week of May 1942, the U.S. Department of Justice uncovered no less than 162 cartel agreements between the German I. G. Farben trust and American business firms. Cartels which remained operative during the war years, or were temporarily "suspended," covered chemicals, rubber, magnesium, zinc, aluminum and many other vital products. Some of these cartel contracts were legally valid until after 1960.

At least one great American company, Standard Oil of New Jersey, publicly refused to cancel postwar cartel deals with Germany. As Homer T. Bone, Chairman of the Senate Patents Committee, informed the Senate Military Affairs Committee on June 4, 1943:

The Standard Oil Company of New Jersey directors were asked by certain stockholders to cut off all relations with Farben after the war, but it was refused. One official said such a request was "an affront." There is clear indication that after this unpleasant interlude of war they will hold hands again and resume their very harmonious and beautiful arrangement with the cartels.

The sinister implications of cartel, patent and other such agreements were by no means limited to the period that would follow the war. As Drew Pearson later reported:

I. G. Farben's monopoly agreement with Standard Oil of New Jersey prevented the United States from developing synthetic rubber and kept the Americans without rubber tires for four years. The monopoly between Aluminum Corporation of America and I. G. Farben kept magnesium away from the American aircraft industry and retarded our production of airplanes. Bausch and Lomb's secret agreement with Carl Zeiss was extremely detrimental to the U.S. Navy on submarine sights . . .\*

There were other ways in which certain leading figures in American industrial and financial circles pursued a business-as-usual policy during the years of the Second World War.

### 2. "What price patriotism?"

In the middle of the crucial month of September 1942, as the German Sixth Army of some 330,000 men launched a ferocious,

\* These were some of the scores of American firms listed by the Senate Kilgore Committee as having entered into various cartel arrangements with Nazi trusts: Agfa Ansco Corp.; Aluminum Co. of America; American Cyanimid Co.; Bell and Howell Co.; Carbide and Carbon Chemical Corp.; National Aniline & Chemical Co.; Dow Chemical Co.; Eastman Kodak Co.; General Motors Research Corp.; Goodyear Tire and Rubber Co.; Procter and Gamble; Standard Oil Groups.

"Under our agreement," stated officials of Siemens-Halske, the great German electrical equipment producer, in a memorandum to the American firm, Bendix Aviation Co., on October 25, 1939, "your geographical contract territory includes the United States, its territories and Canada. A state of war exists at the present time between Canada and ourselves. Notwithstanding the war we are of course willing to live up to the agreement as far as possible." The Siemens executives went on to request that Bendix "supply no instruments, built under a license, if you know that they are destined for our enemies."

A Bendix official replied: "As regards the drawings sent over, you may rest assured. As regards fabrication . . . we will arrange to the best of our ability to keep within the orbit of domestic use."

Siemens maintained cartel and patent agreements with numerous other American concerns, including Westinghouse Mfg. Co.

After the war, it was established that Siemens had devised and manufactured the gas-chamber installations at Oswiecim and other Nazi death camps, and had a monopoly on gas-chamber electrical equipment. One of the devices patented by Siemens was a ventilating system for regulating the flow of gas with such efficiency that at Oswiecim 10,000 persons could be killed within twenty-four hours . . .

I. G. Farbenindustrie, the gigantic chemical combine, maintained cartel arrangements with more American firms than any other German trust. Among these American firms were Standard Oil of New Jersey, duPont de Nemours, and Ethyl Gasoline Corp., which was half-owned by General Motors.

I. G. Farben was Hitler's largest financial backer and reaped the greatest profits in Germany from the Nazi war effort. At the Nurnberg trial of Nazi war criminals, moreover, it was established that I. G. Farben conducted many wartime "experiments," with chemicals and drugs, using concentration camp inmates as guinea pigs. In one typical case, Farben bought 150 women from the Oswiecim camp, for approximately \$70.00 apiece, "in contemplation of experiments of a new soporific drug."

Later a Farben memorandum reported: "Received the order of 150 women. Despite their emaciated condition, they were found satisfactory . . . The tests were made. All subjects died. We shall contact you shortly on the subject of a new load." all-out assault against Stalingrad, and as American marines and warships battled furiously to hold the Pacific island of Guadalcanal, the resolutions committee of the National Association of Manufacturers held a private meeting at the Hotel Pennsylvania in New York City. The purpose of the meeting was to prepare a 1943 program for presentation at the December NAM convention.

Some of the more patriotic members of the resolutions committee urged that the NAM program concentrate on one issue, winning the war. James D. Cunningham, president of Republic Flow Meters Company, pointed out that "if we don't win the war, there won't be a postwar."

Lammot du Pont, chairman of the Board of du Pont de Nemours & Co., spoke in reply. A respectful hush fell over the resolutions committee as he began his remarks.

"Deal with the government and the rest of the squawkers the way you deal with a buyer in a seller's market!" du Pont said. "If the buyer wants to buy, he has to meet your price. Nineteen hundred and twenty-nine to 1942 was the buyer's market—we had to sell on their terms. When the war is over, it will be a buyer's market again. But this is a seller's market. They want what we've got. Good. Make them pay the right price for it. The price isn't unfair or unreasonable. And if they don't like the price, why don't they think it over?"

As his audience listened intently du Pont asked, "Are there common denominators for winning the war and the peace? If there are, then, we should deal with both in 1943. What are they?" The famous industrialist proceeded to answer his own question:

We will win the war (a) by reducing taxes on corporations, high income brackets, and increasing taxes on lower incomes; (b) by removing the unions from any power to tell industry how to produce, how to deal with their employees, or anything else; (c) by destroying any and all government agencies that stand in the way of free enterprise.

The majority of the members of the NAM resolutions committee were in hearty agreement with the views expressed by Lammot du Pont. So were certain other big businessmen.

From the inception of the U.S. defense program in the summer of 1940 many leading American industrialists had stubbornly refused to manufacture weapons of war except on terms which they themselves dictated. Failing at first to get agreement from the Administration on exorbitant profits, special tax privileges and other concessions they demanded, these industrialists staged what came to be known as the "sitdown strike" of American capital.

"In the great capital sitdown strike of 1940, which delayed the signature of defense contracts and the start of them from May 1940, until the beginning of October," I. F. Stone writes in his book, *Business as Usual*, "the aviation industry was used as a front for the rest of business in its fight for special tax privileges on defense contracts."

The Temporary National Economic Committee investigating Concentration of Economic Power in the United States gave this description of the dilemma with which the Roosevelt Administration was confronted in getting war supplies manufactured:

Speaking bluntly, the Government and the public are "over a barrel" when it comes to dealing with business in time of war or other crisis. Business refuses to work, except on terms which it dictates. It controls the natural resources, the liquid assets, the strategic position in the country's economic structure, and its technical equipment and knowledge of processes. The experience of the [First] World War, now apparently being repeated, indicates that business will use this control only if it is "paid properly." In effect, this is blackmail . . .

#### The TNEC report added:

Business apparently is not unwilling to threaten the very foundations of government in fixing the terms on which it will work. It is in such a situation that the question arises: What price patriotism?

The attack on Pearl Harbor and the fact that the American nation was now engaged in a desperate struggle for survival did little to alter the attitude of many American big businessmen toward the war. Profit, not patriotism, remained their paramount concern.

"The present grave lack of steel is the responsibility of the large steel companies which have sought to perpetuate their monopolies," Senator Harry S. Truman, then Chairman of the Senate Committee Investigating National Defense declared early in 1942. "Even after we were in the war, Standard Oil of New Jersey was putting forth every effort to protect the control of the German government over a vital war material . . . Yes, it is treason. You cannot translate it any other way."

Among the prices paid to secure the cooperation of big business-

men in the American war effort was that of turning over to them almost absolute control of Government war production agencies.

The extent to which these agencies were dominated by big business interests made a profoundly disturbing impression on William Allen White when he visited the nation's capital in the summer of 1943. "One cannot move about Washington without bumping into the fact that we are running two wars—a foreign war and a domestic war," wrote the dean of American journalists in his *Emporia Gazette*. White continued:

The domestic war is in the various war boards. Every great commodity industry in this country is organized nationally and many of them, perhaps most of them, are parts of great international organizations, cartels, agreements, which function on both sides of the battle front.

One is surprised to find men representing great commodity trusts or agreements or syndicates planted in the various war boards. It is silly to say New Dealers run this show. It's run largely by absentee owners of amalgamated industrial wealth, men, who either directly or through their employers control small minority blocks, closely organized, that manipulate the physical plants of these trusts.

These "managerial magnates," declared William Allen White, were determined at all costs "to come out of this war victorious for their stockholders" . . .

Here are a few of the "managerial magnates" and the posts they occupied in the U.S. war agencies:

- William S. Knudsen, President of General Motors: Chairman of the War Production Board \*
- Edward J. Stettinius, Jr., Chairman of the Board of U.S. Steel: Chairman of the War Resources Board
- James V. Forrestal, President of the Dillon, Read & Co., Investment Bankers: Under Secretary, and then Secretary of the Navy
- William H. Harrison, Vice-President of American Telegraph and Telephone Company: Director of Production, Office of Production Management
- Philip Reed, Chairman of the Board of General Electric Company: Director of the Consumer Goods Division, War Production Board

<sup>\*</sup> The political orientation of some General Motors executives was indicated by William S. Knudsen's comment in 1933 that in his opinion Hitler's Germany was "The miracle of the 20th century"; and by GM Vice-President James Mooney's acceptance in 1938 of a medal from Adolf Hitler. During the war, James Mooney acted as the liaison between General Motors and the U. S. Government, in connection with war contracts. General Motors received contracts aggregating almost 14 billion dollars, or approximately one-twelfth of the total contracts awarded.

- William M. Jeffers, President of the Union Pacific Railroad: Director of the Office of Rubber Production
- Ralph K. Davies, Director of Standard Oil Company of California: Deputy Petroleum Administrator
- Sam H. Husbands, Director of the Anglo-California National Bank: President of the Defense Plant Corporation of the Reconstruction Finance Corporation.
- Charles B. Henderson, Director of the Western Pacific RR: President of the Metals Resources Corporation of the RFC
- Donald M. Nelson, Executive Vice-President of Sears Roebuck & Co.: Chairman of the War Production Board
- Leo T. Crowley, Chairman of the Board, Standard Gas & Electric Co.: Administrator of the Foreign Economics Administration
- Charles E. Wilson, President of General Electric Co.: Executive Vice-Chairman, WPB
- William L. Batt, Chairman of the Board of American Management Association, President, SKF Industries: Asst. Vice-Chairman WPB

Donald D. Davis, President General Mills, Inc.: WPB Vice Chairman

T. P. Wright, Vice-President Curtiss-Wright Corp.: Aircraft Resources Control Office

Walter S. Gifford, President of the American Telephone & Telegraph Co.: Member War Resources Board and Chairman Industry Advisory Committee of Board of War Communications \*

Inevitably, with control of the armaments program in such hands, war production became overwhelmingly the monopoly of the few most powerful industrial concerns in the United States. So concentrated was this monopoly that, according to statistics later released by the Senate Smaller War Plants Committee the leading 100 corporations in America received approximately 70 per cent of all the war contracts.

By the summer of 1945, twenty-six billion dollars' worth of new industrial plants and equipment—mostly subsidized with government funds—had been added to the nation's manufacturing facilities. The interests which acquired ownership of these colossal new in-

<sup>\*</sup> As early as August 1941, Representative John M. Coffee read into the *Congressional Record* a list of the names of forty-two presidents of large corporations who were acting as important officials in the armament program. Throughout the war these business leaders and hundreds of lesser executives of their enterprises held key posts in all government bodies connected with planning war production and purchasing war supplies. A postwar study of the War Shipping Administration revealed that 186 of its 312 officials had been on the payroll of shipping and shipbuilding companies, and that many of the remainder had been employed in associated fields like marine insurance and naval architecture. The case of the WSA was typical rather than exceptional.

dustrial resources were indicated in a report of the War Assets Administration:

The 250 largest war manufacturing corporations operated during the war 79 percent of all new, privately operated plant facilities built with Federal funds . . . these companies have acquired 70 percent of total (surplus) disposals . . .

"It is quite conceivable," the Temporary National Economic Committee had prophetically stated before America's entry into the war, "that the democracies might attain a military victory over the aggressors only to find themselves under the domination of economic authority far more concentrated and influential than any which existed prior to the war."

And on April 29, 1938, in a message to the Congress, President Roosevelt had given this eloquent warning of the dangers inherent to American democracy in the concentration of such economic power in the hands of a few men:

Unhappy truths abroad have retaught us two simple truths about the liberty of a democratic people.

The first truth is that the liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than the democratic state itself. That, in its essence, is fascism—ownership of government by an individual, by a group, or by any other controlling private power . . .

Among us today a concentration of private power without equal in history is growing . . .

The Second World War resulted in an unprecedented acceleration of the concentration of private power in the United States.

The basic and most ominous paradox of the American war effort was the fact that while the nation was helping to destroy fascism abroad, the economic base for fascism was being laid at home.

### 3. People's War

In spite of the business-as-usual operations and voracious war profiteering of giant American corporations, their uninterrupted dealings with enemy cartel interests and their growing hold on the nation's economy, the American people had never before achieved such unity or engaged in such a prodigious democratic struggle as during the epochal days of the Second World War.

Following Pearl Harbor, the manpower and industrial might of the land were galvanized with lightning speed into a stupendous

war effort under the leadership of President Roosevelt. Within a matter of months, millions upon millions of American men and wo-men had been mobilized into the Armed Services and transported overseas, or were undergoing intensive training at huge army en-campments throughout America; supply lines totaling more than 56,000 miles, to ten fighting fronts, webbed the oceans and con-tinents of the earth; and the names of scores of far-off, hitherto unfamiliar places-Bataan, Midway, Guadalcanal, Okinawa, Anzio, Buna, Guam, Wake, Tarawa, Bizerte—had become every-day words designating battlefields where U. S. soldiers and sailors were carry-ing the offensive to the Axis enemy by land, sea and air. By the winter of 1942 American troops, convoyed 5,000 miles across the Atlantic Ocean, had landed in North Africa. Ten months

later Anglo-American armies forced Italy out of the war and drove the Germans back to the north of the Italian peninsula. On June 6, 1944, in Operation Overlord, a gigantic armada of 800 warships and 4,000 boats loaded with men and guns swarmed across the English Channel, debarked Allied troops in Normandy and opened up the long-awaited Second Front. "The history of wars," declared Marshal Joseph Stalin of this military achievement, "does not know any such undertaking so broad in conception and so grandiose in its scale and so masterly in its execution."

On the homefront, American men and women gave full meaning to Roosevelt's phrase—Arsenal of Democracy. One year after Pearl Harbor, America was producing as much war material as the combined industrial plants of the Axis powers. By V-J Day, almost fifty billion dollars' worth of Lend-Lease-military supplies, petroleum products, food, industrial materials and equipment-had been furnished by the United States to its allies . . .

Two weeks after America entered the war, the leaders of almost eleven million organized workers voluntarily relinquished their right to strike. Joint labor-management committees, which were set up in every industry to increase production and arbitrate labor-management differences, numbered almost 5,000 by 1944, included 50,000 committeemen and represented some 8,000,000 workers. "The contribution of the production front to America's success-ful offensives," Admiral Ernest T. King, Commander-in-Chief of

the U.S. Fleet, declared on May 15, 1944, three weeks before the invasion of France, "constitutes in itself a lasting tribute to the

American workman. He is doing more than I can tell you to help win the war."

Said General Dwight Eisenhower, Supreme Commander in the European Theatre of Operations, at the war's end:

When great emergency demanded special effort, time and again our unions loyally responded. American labor rightly shares in the laurels won by American troops on the battlefield.

The total membership of American trade unions grew from 8,-944,000 in 1940 to 14,796,000 in 1945 . . .

In marked contrast to the Great War of 1914-1918, the Second World War gave rise to a new democratic spirit in America. "During the war," the American Civil Liberties Union later reported, "national unity and necessary government controls resulted in protecting and even extending democratic liberties, and in a remarkable lack of hysteria and intolerance." \*

The Fair Employment Practices Committee was established by President Roosevelt to enforce Executive Order 8802 which stated that "there shall be no discrimination in the employment of workers in defense industries or Government because of race, creed, color, or national origin." Communists were officially recognized as part of the broad coalition supporting the American war effort. On February 5, 1944, Major General James A. Ulio, the Army Ad-

Jr., writes in Free Speech in the United States:

"On June 28, 1940, the Alien Registration Act became law. Its official title would make us expect a statute concerned only with finger-printing aliens and such administrative matters . . . Nor until months later did I for one realize that this statute contains the most drastic restrictions on freedom of speech ever enacted in the United States during peace. . . . the 1940 Act gives us a peace-time sedition law-for everybody, especially United States citizens. . . . "A. Mitchell Palmer is dead, but the Federal Sedition Act he so eagerly de-

sired is at last on the statute-books. The host of over forty alien and sedition bills in Congress in 1939 and 1940 recalls the similar situation exactly twenty years before . . ."

<sup>\*</sup> The American Civil Liberties Union was referring in its report to the period in which the United States was actively engaged in the war.

During the early stages of the war-the so-called phoney war phase, when Britain and France were still under the influence of the Chamberlain-Daladier appeasement policies-there were extensive curbs on civil liberties in America and widespread repressions against the progressive and labor movement, which strongly opposed any American involvement in the war which had not yet become a people's war. On the other hand, America First and other pro-fascist isolationist forces were permitted to operate with complete freedom. This was, in fact, the most reactionary period of the Roosevelt Administration. Regarding the Smith Act, which epitomized this period, Zechariah Chafee,

jutant General, circularized a directive authorizing the granting of army commissions to known members of the Communist Party. When the House Military Affairs Committee instituted an investigation of this directive, and twenty-three Communist officers were singled out by the die-hard *Chicago Tribune* for special attack, Major General Clayton Bissel, head of the U.S. Army Intelligence Corps, declared: "The Army files show the loyalty of these officers . . these officers have shown by their deeds that they are upholding the United States by force and violence." \*

Out of the global conflict between the armies of progressive mankind and the international forces of fascism, and in the suffering, sacrifice and bloodshed of battle, a new and unprecedented unity-symbolized in the United Nations Organization-was born among the democratic nations of the world. The most meaningful expression of this unity was in the friendly relations and fighting alliance established between the United States and the Soviet Union, the two greatest powers in the world. As one anti-Soviet propaganda lie after another was stripped bare by the grim realities of the war, Americans came to regard Russia as their most valuable fighting ally and learned much about the true stature of the Soviet nation,

Another Communist with a particularly distinguished record in the U. S. Army was Herman J. Bottcher, an anti-Nazi German who had fought with the International Brigade against Franco in Spain. After being promoted from sergeant to captain and decorated for bravery on the field of battle during the Buna campaign, Bottcher later became a major before he was killed in combat in the Philippines. In an article published in the Saturday Evening Post on August 13, 1949, Lieutenant-General Robert L. Eichelberger, former commander in the Buna campaign, wrote regarding Bottcher: "On my recommendation, the Allied commander commissioned Bottcher as a captain of infantry for bravery on the field of battle. He was one of the best Americans I have ever known... His combat experience was extremely useful at Buna, and his patriotism as a new American was vigorous and determined." According to General Eichelberger's article, Bottcher was "Buna's greatest hero."

<sup>\*</sup> Of the 15,000 Communists in the U. S. Armed Forces, a number received commendations and decorations for bravery in action and other exemplary services.

Among such soldiers was Robert Thompson, former vice-president of the Young Communist League and later member of the national board of the Communist Party, who was awarded the Distinguished Service Cross for heroism in the campaign at Buna, New Guinea. (In 1949 Thompson, together with ten other Communist leaders, was sentenced to prison for having allegedly conspired "to teach and advocate the overthrow and destruction of the Government of the United States by force and violence." For details of this case, see pages 332 ff.)

its leaders, its industry, its army and, in Secretary of State Cordell Hull's words, "the epic quality of their patriotic fervor." \*

More than that, the realization came to the American people that the achievement of their major war aims-security, progress and durable peace in the postwar world-depended primarily on the maintenance of friendship between the Soviet Union and the United States. As the New York Herald-Tribune stated on February 11, 1943:

There are but two choices before the democracies now. One is to cooperate with Russia in rebuilding the world—as there is an excellent chance of doing, if we believe in the strength of our own principles and prove it by applying them. The other is to get involved in intrigues with all the reactionary and anti-democratic forces in Europe, the only result of which will be to alienate the Kremlin.

"Today," wrote President Roosevelt in the draft of a speech during the early days of April 1945, on the eve of the San Fran-

"First, Russia is an effective society. It works. It has survival value. The record of Soviet resistance to Hitler has been proof enough for most of us, but I must admit in all frankness that I was not prepared to believe before I went to Russia what I now know about its strength as a going organization of men and women.

"Second, Russia is our ally in this war. The Russians, more sorely tested by Hitler's might even than the British, have met the test magnificently. Their hatred of Fascism and the Nazi system is real and deep and bitter . . .

"Third, we must work with Russia after the war. At least it seems to me that there can be no continued peace unless we learn to do so . . . Russia is a dynamic country, a vital new society, a force that cannot be bypassed in any future world."

Regarding the Soviet war effort, Winston Churchill declared in 1943: "No government ever formed among men has been capable of surviving injuries so grave and cruel as those inflicted by Hitler on Russia . . . Russia has not only survived and recovered from those frightful injuries but has inflicted, as no other force in the world could have inflicted, mortal damage on the German army machine."

Such statements by Churchill and numerous other Allied leaders are worth recalling in view of the postwar tendency in some quarters in America to belittle the Soviet war effort. The historical fact is that the Red Army engaged approximately 240 German divisions throughout four years of the war (during most of the war, German troops in the West did not exceed 50 divisions). Soviet military losses, in killed, prisoners and missing, were estimated at some 6,500,000-a number almost seven times as great as the combined casualties of the Anglo-American armies. This figure does not include the enormous casualties among the civilian population of Soviet regions occupied by the Germans.

<sup>\*</sup> In 1943 the former Republican presidential candidate Wendell L. Willkie, after a seven-weeks world-encircling tour by airplane, wrote a book entitled *One World*, in which he summed up his views on the Soviet Union as follows:

cisco Conference of the United Nations, "we are faced with the pre-eminent fact that, if civilization is to survive, we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together and work together in the same world, at peace. . . The work, my friends, is peace, more than an end to this war—an end to the beginnings of all wars, yes, an end, forever, to this impractical, unrealistic settlement of differences between governments by the mass killing of peoples."

Roosevelt concluded his speech with these words: "And to you, and to all Americans who dedicate themselves with us to the making of an abiding peace, I say: The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

The speech, which was scheduled to be broadcast as the President's Jefferson Day Address, was never delivered . . .

At 5:49 P.M., Eastern War Time, on April 12, a radio program being broadcast over the Columbia Broadcasting System was abruptly halted. "We interrupt this program to bring you a special news bulletin from CBS World News," stated the tense voice of a radio commentator. "A press association has just announced that President Roosevelt is dead . . ."

As the terrible and tragic news sped through the nation, men and women wept like children in the streets, and work stopped in the factories and on the farms. Grief, like a dark and sudden night, engulfed the land.

To millions of Americans the very world seemed suddenly to change, as if an elemental part of life itself were strangely, unbelievably and irrevocably lost : . .

And when the funeral train brought Roosevelt's body from Warm Springs to Washington and from Washington to Hyde Park, hundreds of thousands of mourning people stood along the many miles of track and clustered silently at railroad stations and crossings; and as the train went by, men bared their heads and women raised children in their arms, bidding their President a last farewell.

At Harmon Station on the Hudson River, as the funeral train passed through during the grey early morning, a man said to a stranger standing beside him, "I never voted for him. I should have but I never did. We're going to miss him, miss him terribly." A small boy asked his father, "Daddy, when Roosevelt died did he leave treasures in his house?"

The father answered, "Yes, he left a lot of treasures, but his house wasn't just the building where he lived, his house was all America, and the treasures he left belong to all of us"....

In every part of the world countless millions shared America's sorrow. Throughout the British Empire, the Union Jack was ordered to half-mast. Black-edged red flags were hoisted above the Kremlin in Moscow and in the city squares. In Nanking and Paris, in Warsaw and Manilla, in Prague, Mexico City, Bombay, Budapest, and hundreds of other cities and towns on every continent men and women grieved and wept.

Never before had the death of any American been so widely mourned among the peoples of the world.

On the evening of April 12, Vice-President Harry S. Truman was sworn in by Chief Justice Harlan Fiske Stone at the White House as President of the United States.

Three weeks after Roosevelt's death, armored troops of the Red Army stormed and captured Berlin. On May 8, 1945, Field Marshal Wilhelm Keitel of the German High Command, in the presence of American, British and Russian generals signed the final act of unconditional surrender of the forces of the Nazi Wehrmacht.

In mid-August the Government of Japan accepted the terms laid down in the Potsdam Declaration. On September 2, aboard the U. S. battleship Missouri in Tokyo Bay, the official instrument of surrender was signed by Foreign Minister Magoru Shigemitsu on behalf of the Japanese Emperor.

The Second World War was over.

# BOOK FOUR: THE NEW INQUISITION

Indeed, if such reaction should develop—if history were to repeat itself and we were to return to the so-called "normalcy" of the 1920s—then it is certain that even though we shall have conquered our enemies on the battlefields abroad, we shall have yielded to the spirit of Fascism here at home.

> President Franklin D. Roosevelt January 11, 1944

## Chapter XIII

# DEATH OF THE NEW DEAL

This war that I saw going on all around the world is, in Mr. Stalin's phrase, a war of liberation. It is to liberate some nations from the Nazi or the Japanese Army, and to liberate others from the threat of those armies. On this much we are agreed. Are we agreed that liberation means more than this? Specifically, are the thirty-one United Nations now fighting together agreed that our common job of liberation includes giving to *all* peoples freedom to govern themselves as soon as they are able, and the economic freedom on which all lasting self-government inevitably rests?...

Our very proclamations of what we are fighting for have rendered our own iniquities self-evident. When we talk of freedom and opportunity for all nations, the mocking paradoxes in our own society become so clear they can no longer be ignored. If we want to talk about freedom, we must mean freedom for others as well as ourselves, and we must mean freedom for everyone inside our frontiers as well as outside.

#### Wendell Willkie, One World, 1943

According to the London *Times*, the expression "iron curcurtain" was coined by von Krosigk, Hitler's Minister of Finance, and was used by Goebbels, in his propaganda for some years before Mr. Churchill adopted it.

Bartlett's Familiar Quotations, 1948 Edition

#### 1. War's Legacy

TWENTY MILLION MEN had died in battle. Tens of millions of men, women and children had perished by starvation and disease, and in concentration camps and death chambers. Great warehouses at Nazi extermination centers remained still crammed with the myriad possessions of the murdered dead, with clothing, children's toys and women's hair. Where cities world-famed for their beauty had once stood, there now stretched endless miles of gutted skeletons of buildings and mountainous piles of rubble. Countless human beings wandered destitute and homeless across the blood-soaked continents of Europe and Asia. In the wake of the war stalked famine, plague, misery and mass impoverishment.

And all of this ineffable suffering and loss had stemmed from the fierce Counterrevolution following the First World War, and from the savage measures of world reaction during the ensuing years to frustrate the democratic aspirations of the masses of mankind. It was this global conspiracy to protect the privileges of the few by the repression and enslavement of the many that had conjured Fascism into being. It was this treason against the people that had culminated inevitably in the Second World War.

Yet out of this dark and dreadful epoch of bloody terror, antidemocratic intrigue, treachery, fascism and total war, the peoples of the world had triumphantly emerged with greater power in their hands than ever before in history.

The monstrous prison-empire of the Axis lay in crumbled ruins, and the liberated millions were marching inexorably toward the achievement of their ancient goals. In Eastern Europe, great sections of the land were being divided up among the impoverished peasantry, and prodigious reconstruction programs had been swiftly begun. Indonesia, IndoChina, Palestine, Korea and other colonial and semi-colonial parts of the world were in a ferment of popular revolt. Across the great land mass of China, a people's revolution was gathering momentum like a vast and irresistible storm.

In every land the hearts of men and women were filled with hope for a new era of freedom, friendship among the nations and lasting peace on earth.

The cornerstone of world peace and security was the United Nations Organization; and the fruitful functioning of this body, all knew, depended essentially on the maintenance of the close alliance that had been forged during the war between the Western democracies and the Soviet Union.

But on both sides of the Atlantic there were powerful reactionary forces which had little interest in the maintenance of this alliance. Their primary concern, as after the First World War, was to protect their vested interests, dam the swelling tide of democratic revolt and prop up the archaic system of the past. And once again, linked with the struggle against world democracy, the counterrevolutionary cry for an international crusade against "Communism" was heard.

Barely six months after V-J Day, on the heels of the smashing defeat of his Tory Party in England and faced with a mounting crisis in the British Empire, Winston Churchill rediscovered the "menace of Bolshevism." In a widely publicized speech delivered in the United States on March 5, 1946, Churchill called for an anti-Soviet alliance between Great Britain and the United States against "the growing challenge and peril to Christian civilization" from Russian Communism.

Churchill's internationally sensational speech was delivered on the occasion of his being awarded an honorary degree by Westminster College in Fulton, Missouri. The little-known college was located approximately 150 miles from President Truman's hometown of Independence; and the President who had previously read Churchill's speech, was conspicuously present at the time of its delivery.

Following his inauguration, President Truman had fervently echoed Roosevelt's repeated warnings against disunity among the United Nations. But almost as soon as Truman took office, members of his Administration embarked upon a course which would inevitably create dissension within the United Nations . . .

The first serious split in the United Nations developed at the San Francisco Conference in the summer of 1945. The issue of dispute was whether or not Argentina should be invited to join the Conference and become a UN member. British and American delegates supported and secured Argentina's admission, against the opposition of the Soviet delegate, Vyacheslav Molotov. Some months later, the U.S. Government released an official

Some months later, the U.S. Government released an official report entitled *Blue Book on Argentina* which conclusively proved the "Nazi-Fascist character of the Argentine regime" and established that the Argentine "military government collaborated with enemy agents for important espionage and other purposes damaging to the war effort of the United Nations"...

The most basic aim of the United Nations was the complete extirpation of fascism in the world; but in forcing Argentina's admission to the San Francisco Conference, the American and British delegates had championed, not opposed, the cause of a fascist power. In this fashion, the Anglo-American Governments initiated the so-called "get-tough-with-Russia" policy.

During the months that followed, this policy was to become the dominant political orientation of the Governments of Great Britain and the United States.

Nowhere was the postwar betrayal of the fundamental principles of the United Nations more flagrantly demonstrated than in the policies pursued by the British and American Governments toward their recent arch-enemy, Germany.

Months after Germany's surrender, uniformed units of German troops totaling a force of almost half a million men were still intact in British-occupied German territory; and in the American zone of occupation, the U. S. Army was equipping and arming thousands of fascist Polish, Yugoslavian and Ukrainian troops to serve in "labor service companies" and as "guards." "Most members of these service companies," reported Raymond Daniell in a dispatch to the *New York Times* on February 3, 1946, "are as anti-Semitic and anti-Russian as any Nazi." Many of them, according to Daniell, had fought with the Nazi *Wehmacht* on the Eastern Front \* . . .

Following V-E Day, Senator Harley M. Kilgore, Chairman of the Sub-Committee of the Senate Military Affairs Committee, repeatedly warned that the German cartel apparatus, instead of being destroyed, was being deliberately rebuilt in the western zones of occupation. By the spring of 1946, I. G. Farben stock had risen on the Munich and Frankfurt Stock Exchanges from 68 to  $142\frac{1}{2}$ .

"It is still not clear to me whether Mr. Byrnes intends to scrap the Allied program of Quebec, Yalta and Potsdam . . . ," declared former Secretary of the Treasury Henry Morgenthau, Jr., in a radio address on May 1, 1946, denouncing the policy being pursued

<sup>\*</sup> On March 31, 1948, John O'Donnell reported in the Washington Times Herald: "... we are now about to make military sense in Germany. Despite denials from some sources, we have drawn up plans to reactivate some of those tough fighting German Panzer and SS divisions, give them plenty of food and first-rate American equipment... The Germans, always good soldiers, would rather fight against their historic enemies—the Mongol-Slavs of eastern Europe—than against their blood cousins to the west—Scandinavians, British, Americans and French... Years and years ago, we pointed out that FDR was backing the wrong horse in this war—that the continent of Europe, so far as sternly isolationist America was concerned was better off under Germanic rule than under Joe Stalin."

in Germany by Secretary of State James F. Byrnes. "If it is Mr. Byrnes' intention to scrap the Potsdam pact . . . then I prophesy we are simply repeating the fatal mistakes of Versailles, and laying the foundations of World War III."

On September 11, 1946, Edwin Hartrich of the New York Herald Tribune reported in a dispatch from Germany that "German businessmen and industrialists" were satisfied that "America and Britain have definitely decided to build up western Germany as a balance against the Russian zone."

The replacement of James F. Byrnes by General George C. Marshall as Secretary of State in January 1947 brought about no change in American foreign policy. Shortly afterwards, Undersecretary of State Dean Acheson declared:

We must push ahead with the reconstruction of those two great workshops of Europe and Asia-Germany and Japan . . . We must take whatever action is possible immediately, even without full Four Power agreement, for a larger measure of European, including German, recovery.\*

In the Far East, as in Europe, the American get-tough-with-Russia policy went hand in hand with the support of the militarists and reactionaries.

Following Japan's surrender, the American Army in China proceeded to train and equip forty Kuomintang divisions, numbering more than 700,000 men—a force twice as large as the American Army had trained and equipped during the entire Second World War. With Generalissimo Chiang Kai-shek desperately striving to keep his feudal corrupt regime in power, the Truman Administration granted the Kuomintang more than \$600,000,000 in loans for the purchase of American surplus arms from the Pacific Islands. By 1947 the total value of American war material and other aid given to Chiang Kai-shek exceeded four billion dollars.

As early as November 26, 1945, Congressman Hugh DeLacey of Washington had warned that Truman's Far Eastern policy represented—

the logic of American big businessmen, wanting unrestricted economic exploitation of Asia. It is the logic of dollar imperialism. It is the logic of a new world war, this time against the Soviet Union, launched from great bases in the Pacific, from a Japan whose militarists we have not yet rooted out, from anti-Communist bases in North China . . .

<sup>\*</sup> On January 7, 1949, Dean Acheson was appointed Secretary of State.

<sup>246</sup> 

The continuation of this policy, declared DeLacey, would make "civil war inevitable" in China . . .\*

On March 12, 1947, the get-tough-with-Russia policy reached an historic climax. On that day, President Truman appeared before a joint session of the United States Congress to deliver a momentous address requesting a loan of \$400,000,000 and military assistance for the Greek and Turkish Governments. The acknowledged purpose of the loan, although it was not specifically mentioned as such by Truman, was to halt "Soviet expansionism" and the spread of "Bolshevism" in Europe.

The Chicago Daily News characterized Truman's address as an "open invitation to war" with Soviet Russia.

"It is not a Greek crisis that we face, it is an American crisis . . .," former Vice-President Henry Wallace, who had been ousted as Secretary of Commerce because of his opposition to Truman's foreign policy, declared over a nationwide radio hook-up on the day after Truman's speech. "When President Truman proclaims the world-wide conflict between East and West, he is telling the Soviet leaders we are preparing for eventual war . . ."

While officially presented to the American public in terms of an anti-Communist crusade, the Truman Doctrine reflected other considerations of a more compelling, if unofficial, nature. As *Time* magazine reported on March 24, 1947:

\* By the summer of 1946, civil war was raging in China. At first the Communists, vastly outnumbered and confined to a few provinces in North China, suffered setbacks at the hands of Chiang Kai-shek's well-equipped troops Within two years, however, as increasing millions rallied to the support of the Communists, their armies assumed the offensive on one front after another. In October 1948, Mukden, chief city of industrial Manchuria, fell to the Chinese Red Army. In the following twelve months, in an extraordinary military campaign, the Communist armies swept across the vast expanse of China, with the Nationalist forces reeling before them. In rapid succession Peiping, Nanking, Shanghai, Canton and Chungking fell to Mao Tze-tung's victorious forces.

On December 9, 1949, Communist troops occupied Chengtu, the last Nationalist stronghold, and reached the Indo-Chinese border. Except for the island of Formosa, to which the nationalist remnants had fled, the entire nation of 470,000,000-almost one-fourth the population of the world-had been won by the Chinese Communists.

In August 1949, in a letter sent to the President along with a State Department White Paper on Sino-American relations, Secretary Acheson declared that "the ominous result of the Civil War in China was beyond the control of the government of the United States." Acheson added that "nothing ... was left undone" by America to prevent the outcome of the war. The loud talk was all of Greece and Turkey, but the whispers behind the talk were of the ocean of oil to the south.

As the U.S. prepared to make its historic move, a potent group of U.S. oil companies also came to an historic decision. With the tacit approval of the U.S. and British Governments, the companies concluded a series of deals-biggest ever made in the blue-chip game-to develop and put to full use this ocean of oil. . . Jersey Standard and its partners were going to spend upwards of \$300,000,000 in the stormy Middle East to bring out this oil.

The headlines of the feature article in *Business Week* on March 22 read: "New Democracy, New Business; U.S. Drive to Stop Communism Abroad Means Heavy Financial Outlays for Bases, Relief and Reconstruction. But in Return, American Business is Bound to Get New Markets Abroad."

"All of this," wrote Ralph Henderson, financial editor of the New York World-Telegram, "is a much safer and profitable state of affairs for investors. It is good news of a fundamental character."

At the same time, American big businessmen were finding equal cause for enthusiasm in the postwar domestic policies of the Truman Administration.

#### 2. Return of Herbert Hoover

Less than two months had elapsed since the death of Franklin D. Roosevelt when, on the morning of May 28, 1945, Herbert Hoover entered the White House for the first time in twelve years.

Hoover was a few minutes early for his appointment with President Truman, and, while waiting, he strolled slowly through some of the rooms he had not seen since March 1933. The former President was now seventy years old; his white hair was sparse, his face wrinkled and pudgy; but, as the journalist Sidney Shallet was to report a few months later, Hoover felt like "a new man"...

The conference between Truman and Hoover lasted for three quarters of an hour. The news photographers were then called in to take pictures of the two men shaking hands and smiling affably at each other.

As Hoover left the White House, newsmen crowded around him. "What did you discuss?" asked one of them.

Hoover's face crinkled into a smile. "The President of the United States," he said, "has the right to make his own announcement concerning anything he may have said to his visitors or what visitors may have said to him. I think that is all you will get from me at the present time."

But Truman's action in summoning the ex-President to the White House spoke for itself.

"The capital," reported *Time* magazine on June 4, "buzzed with rumors that Herbert Hoover . . . was to be put back into harness, if only as an adviser. Whatever the outcome, Harry Truman's invitation had been as shrewd as it was generous. In one master stroke, he had won the applause of Republicans . . . [and] had made it plain that he is not mad at anybody, an attitude which he further delineated by inviting both Thomas E. Dewey and Alfred Landon to confer with him 'any time they might be in Washington.'"

Two days after the conference between Truman and Hoover, an editorial in the *Wall Street Journal* enthusiastically observed:

"The crusading days of the New Deal as directed from the White House are over."

At the time of Hoover's visit to the White House, a number of New Dealers, including three former members of the Roosevelt cabinet, had already been dropped from office, and many more such changes were in the immediate offing.

"The Truman Cabinet appointments are regarded in Congressional circles as constituting a major alignment in Government policy," reported the official publication of the National Association of Manufacturers on July 7, 1945. "Quietly, the new President is removing the New Deal element from high authority and replacing it with men recognized as Democrats in the sense this word was used before 1932. The effect upon business will be a definite lessening of much of the sticky humidity which has prevailed for the last 12 years."

Among the "Democrats in the sense this word was used before 1932" and the non-Democrats, in any sense of the word, to assume key posts in the Truman Administration were the following individuals:

James V. Forrestal, Secretary of Defense: former president of the investment banking firm of Dillon, Read & Co., and ex-Secretary of the Navy. In the words of *Time*, Forrestal was "a lone wolf who came up the hard way." \*

<sup>\*</sup>During the 1920's Forrestal's firm, Dillon, Read & Co., floated several hundred million dollars in loans to German and Italian trusts, and to South

W. Averell Harriman, Secretary of Commerce: partner in the banking firm of Brown Brothers Harriman & Co.; chairman of the board of Union Pacific Railroad Co., and director in five other major railroads; director in Guaranty Trust Co., Western Union Telegraph Co., and other large concerns.

Arthur M. Hill, Chairman of the National Resources Board: president of the Atlantic Greyhound Corp.

Sidney W. Souers, Secretary of the National Security Council: former vice-president of the General American Life Insurance Corp.

Robert A. Lovett, Undersecretary of State: partner in the banking firm of Brown Brothers Harriman & Co.

Brigadier General Charles E. Saltzman, Assistant Secretary of State: former vice-president of the New York Stock Exchange

Lewis W. Douglas, Ambassador to Great Britain: former president of the Mutual Life Insurance Co., ex-vice president American Cyanamid Co., and director of General Motors

Archibald Wiggins, Undersecretary of the Treasury: former president of the Trust Company of South Carolina, and former president of the American Bankers Association

American dictatorships. (See page 81). At the same time, Dillon, Read was making major investments in the Stinnes' coal and iron interests and in the *Vereinigte Stablwerk* steel trust in Germany, two concerns which were helping finance the growing Nazi movement.

Regarding the Deutsche Bank and the Dresdner Bank, two German banking houses with which Dillon, Read & Co. was associated, the American Military Government's Weekly Information Bulletin reported on June 30, 1947: "They participated actively in building the Nazi war machine, and the exploitation of Europe . . . Certain top officials of the Dresdner Bank are facing indictment and trial at Nuernberg for crimes."

On Forrestal's resignation from the post of Secretary of Defense in March 1949, Louis A. Johnson was appointed as his successor. An affluent corporation lawyer and former Assistant Secretary of War, Johnson-like his predecessor-had for some time been a prominent figure in international financial circles. In March 1943, Johnson was appointed a director of Consolidated Vultee Corp., which had been heavily backed by the Anglo-German-American Schroeder banking interests. In April 1943, Johnson became a director of I. G. Farben's U.S. subsidiary, General Aniline and Film Co., and subsequently president of a General Aniline affiliate.

In the summer of 1949, Johnson's name was prominently connected with a major scandal involving large Government orders for B-36 bombers, after the Army had practically decided to abandon building this model bomber. On June 6, 1949, *Life* magazine stated: "Congressman Van Zandt . . . pointed out that Louis Johnson was formerly a director of Consolidated Vultee, which builds the B-36, and that Secretary of Air Stuart Symington is reported to be a frequent house guest at the California ranch of Floyd Odlum, the financier who now controls Consolidated Vultee. Odlum, according to gossip Van Zandt had heard, had helped Louis Johnson raise anywhere from \$1.5 to \$6.5 million for the Democratic campaign chest."

(See page 202, for data on Louis Johnson's alleged interest in the abortive fascist *putsch* exposed by General Smedley Butler in 1934.)

Thomas B. McCabe, Chairman of the Federal Reserve Board: president of the Scott Paper Co.

William M. Martin, Chairman of the Export-Import Bank: former president of the New York Stock Exchange

William S. Symington, Secretary of the Air Force: president of the Emerson Electrical Manufacturing Co.

Arthur Barrows, Undersecretary of the Air Force: former president of Sears, Roebuck & Co.

Cornelius Vanderbilt Whitney, Assistant Secretary of the Air Force: chairman of the board of Hudson Bay Mining and Smelting Company

Thomas H. Hargrave, Chairman of the Munitions Board: president of Eastman Kodak Corp.

Kenneth C. Royall, Secretary of the Army: Chairman of the Board of Mebane-Royall Co.

Major General William H. Draper, Undersecretary of the Army: former vice-president of the banking firm of Dillon, Read & Co.

Under the aegis of Secretary of State Marshall, a constantly growing number of professional soldiers joined the diplomatic corps and assumed key posts in the State Department. Before long, ten out of twenty of the Department's executive officers were military men, and the *Army and Navy Bulletin* could claim, "Today the Army has virtual control of foreign affairs" . . .

"Into the vacuum created by the exodus of the New Dealers," noted the *New Republic*, "two groups have moved—the Brass Hats and the Wall Streeters."

There was a third group. Washington correspondents dubbed it the Missouri Gang.

#### 3. Missouri Gang

The Missouri Gang was composed of old cronies of President Truman and buddies who had served with him in the First World War. They formed what soon came to be known as the President's "kitchen cabinet." \*

<sup>\*</sup> A one-time haberdasher in Independence, Missouri, whose business had failed in the early 1920's, Harry S. Truman had become involved in politics as a protegé of the notorious, corrupt Pendergast machine in Missouri. Boss Tom Pendergast obtained a county judgeship for Truman in 1922 and then backed Truman's election to the Senate in 1934, declaring he wanted "his own emissary" in the Senate.

During the following years, Truman maintained close connections with Pendergast and his political machine. When Pendergast was found guilty of tax evasion in 1939 and sent to jail, Truman remained a staunch supporter of

One of the most influential members of the Missouri Gang was Harry H. Vaughan, a burly coarse-humored former reserve corps colonel who had been Truman's secretary in the Senate. Truman and Vaughan had been close friends since the First World War, when both had served as officers in artillery batteries from Missouri. Immediately upon Truman's inauguration, Vaughan became the President's military aide and shortly afterwards was promoted to Major General. General Vaughan soon had his hands in the affairs of practically every important government agency and was using his newly acquired influence to benefit various acquaintances. "I'm considered in many circles to be very unethical, and I'm sure I will continue to be," the General publicly replied to critics of his conduct. "There are only two people I have to please -Mr. Truman and Mrs. Vaughan. As long as I please them, I'm satisfied."\*

Another of the Missouri Gang was James K. Vardaman, Jr., son of the late Senator James K. Vardaman who during World War I

his former political mentor. Later, as President, Truman removed from office the U.S. district attorney who had prosecuted Pendergast.

Truman's record in the Senate was undistinguished until in 1941 he was appointed chairman of the Senate Committee Investigating National Defense. Largely through the work of capable staff members, this committee achieved considerable prominence.

In 1944, Truman was selected at the Democratic National Convention as a compromise candidate for the vice-presidency, in order to prevent the bolting of the Southern Democrats and rightwingers who opposed the re-nomination of Henry A. Wallace as Roosevelt's running mate.

\* In the summer of 1949, acting on disclosures by the New York Herald Tribune a Senate Investigations Subcommittee began hearings on five percent "kickbacks" to leading officials for the awarding of government contracts. The hearings revealed that one of the central figures in such affairs was Major General Harry H. Vaughan.

In league with John Maragon, another personal friend of the President, and with Col. James V. Hunt, a former War Assets Administration consultant, Vaughan had arranged for the release of rationed building materials for race track construction, obtained special passports to Europe for a perfume manufacturer, and had directed Army contracts to firms for which Maragon was the Washington representative.

In one transaction, Vaughan had received gratis seven deep-freezer units, which he presented to leading Washington personalities, including Mrs. Truman and Supreme Court Justice Vinson. The New York Herald Tribune editorialized: "... the Washington aroma

The New York Herald Tribune editorialized: "... the Washington aroma rises from ... cronyism, the low tone of performance in public office, the apparent moral indifference. Everything is on a practical basis, resolved to the material simplicity of seeing the right party. From matchbooks and deep-freeze to racetracks and Army promotions, the guiding motivations are the same ... This nation needs relief from intellectual cheapness in the capital."

had led the fight for a Jim Crow policy in U. S. Government agen-cies. Like Vaughan, Vardaman had been an artillery officer in the Great War and was an old friend of Truman. A former St. Louis banker and shoe manufacturer, Vardaman had long had a hankering for the life of a sailor and as a young man had sought, unsuccess-fully, to qualify for entrance to the Annapolis Naval Academy. President Truman appointed Vardaman as his naval aide with the rank of Commodore. Subsequently made a Governor of the Federal Reserve Board Vardaman told businessmen, as Time put it, "what they like to hear."

Two other members of the Missouri Gang and "kitchen cabinet" were John W. Snyder and Dr. Wallace H. Graham, both personal friends of the President.

Nicknamed "Donald Duck" by Washington newsmen because of his waddling gait, John Snyder, a former artillery officer and St. Louis banker, was appointed Director of the Office of War Mobilization and Reconversion in July 1945. On taking office Snyder quickly rescinded the order limiting the use of building materials to priority housing and began lifting wartime controls in rapid succession. In June 1946 Snyder was appointed Secretary of the Treasury.

Dr. Wallace Graham, a thirty-five year old doctor from Kansas City, Missouri, was brought into the White House as Truman's personal physician and appointed Brigadier General. In December 1947, it was disclosed that Dr. Graham was among those speculating on the market in the spiraling prices of grain. Despite this disclosure, the doctor stayed on as the President's physician . . .

There were several individuals who were accepted in the comradery of the Missouri Gang, even though they themselves were not natives of Truman's home state. By far the most important of them was the Mississippian, George E. Allen.

A fat hail-fellow-well-met with a rubbery face, George Allen had been one of Truman's most ardent boosters during the 1944 Demo-cratic National Convention and had accompanied Truman on his subsequent campaign tour. As soon as Allen learned of Roosevelt's death he had, as he himself later related, hurried to the White House "as fast as possible" to join Truman. Although Allen at first held no official government post, Time

reported on January 7, 1946:

... no one ... sees more of the President. No one ... is a more intimate confidant. George Allen ... has a fund of funny stories which Harry Truman likes to hear ... When Harry Truman takes an afternoon dip in the White House pool, Allen usually splashes around with him ...

Few Truman statements or speeches reach the mimeograph machine without Allen's O.K. . . . Allen has been consulted more and more on appointments to important posts.

Made Director of the Reconstruction Finance Corporation in February 1946, Allen quipped, "The RFC is so beautifully organized that even a fellow like me can't do it any harm."

In Washington circles, Allen was known as the "court jester." His actual role was somewhat less innocuous . . .

Besides being Truman's unofficial adviser, George Allen was a director in the Consolidated Vultee Aircraft Corporation, the Republic Steel Corporation, the General Aniline and Film Corporation—I.G. Farben affiliate—the Hugo Stinnes Corporation and approximately a dozen other giant corporations, many with large holdings throughout Europe and Asia.

In addition, Allen was intimately associated with Victor Emanuel, an enigmatic Wall Street figure who headed the banking firm of Emanuel & Co., had gained control of the Standard Gas and Aviation Corporation with the backing of the J. Henry Schroeder banking house, and maintained close ties with I. G. Farbenindustrie and other members of the international cartel ring. . . .

In October 1946, George E. Allen was made head of the United States Economic Mission to Germany.

On occasion, President Truman's nominations for important Government posts involved such obvious potential scandal that the Senate balked at their endorsement. One such case concerned the California oil magnate, Edwin W. Pauley.

President of the Petroleum Corporation of Los Angeles and other California oil companies, and founder of the People's Bank of California, Edwin Pauley–like George Allen–had staunchly supported Truman for the vice-presidential nomination. "We're not nominating the Vice President," Pauley assured friends. "We're nominating the next President."

Fourteen days after Roosevelt's death, Pauley was named chairman of the U. S. delegation to the Allied Reparations Commission, and on January 18, 1946, President Truman nominated Pauley for the post of Undersecretary of the Navy . . .

Two weeks later the Senate Naval Committee opened hearings in Washington on Pauley's nomination as Undersecretary of the Navy.

When Pauley appeared before the Committee, Senator Owen Brewster said to the oil tycoon, "I think we ought to have an idea of your sense of proprieties. Is it proper for you to sell oil to any department of the government if you are Undersecretary of the Navy?"

"There is no legal reason why not," replied Pauley.

Senator Charles Tobey snapped, "My mind goes back to the infamous Teapot Dome investigations!"

Among those called to testify before the Senate Naval Committee was Secretary of the Interior Harold Ickes. Shortly before he was scheduled to appear at the hearings, Ickes was privately advised by President Truman: "You must tell the truth, of course. But be as gentle as you can with Ed Pauley . . ."

The forthright Secretary of the Interior, who was one of the few prominent New Dealers remaining in the Government, proved to be far from "gentle" with Pauley. Referring to a diary he had kept while in office, Ickes told the Senate Committee that on February 2, 1945, Pauley had pointedly mentioned that he had collected \$500,000 in contributions toward the 1944 Presidential campaign and that \$300,000 of this sum came from California oil interests. "Mr. Pauley," Ickes had recorded in his diary, "thought it would be a great mistake to disturb those interests."

Ickes also testified how on the train returning to Washington from Hyde Park after Roosevelt's funeral, he had chanced upon Democratic National Committee Chairman Robert Hannegan, Truman's secretary Harry Vaughan and Edwin Pauley huddled in quiet conversation. "All those mentioned," related Ickes, "drifted away, except Pauley, and he had the hardihood to turn to me and ask me what I proposed to do about offshore oil ..." \*

<sup>\*</sup> For some time Pauley, together with other leading oil men on the West Coast, had been endeavoring to gain control of the tidelands oil reserves off the coast of California. These oil reserves—which were believed by experts to be the largest undeveloped source of oil in the United States—had long been the issue of court proceedings to decide whether the federal government or the state of California had jurisdiction over the oil. The big oil companies

Following Ickes' testimony, President Truman reaffirmed his confidence in Pauley. The President told reporters he thought that Ickes was "possibly mistaken."

A week later, on February 13, Ickes announced he was resigning as Secretary of the Interior. "I don't care to stay in an Administration," he declared, "where I am expected to commit perjury for the sake of a party."

Protests against Pauley's appointment continued to mount on every side. Finally, on March 13, after repeatedly asserting that under no circumstances would he revoke the nomination, President Truman reluctantly withdrew Pauley's name...

Soon afterwards, it was announced by the State Department that Edwin Pauley had been appointed chief of the American Reparations Commission and was about to leave for the Far East in order to prepare "a long-range peaceful economic plan." A few days later, Pauley flew to Tokyo.

As Pauley departed on his mission, there ware those who recalled that before Pearl Harbor Pauley had sold large amounts of oil to Japan.

#### 4. "Top Secret"

"In my opinion, international fascism, though defeated in battle, is not dead . . ." wrote Assistant U. S. Attorney General O. John Rogge in a memorandum to the Attorney General on February 28, 1946. "No, fascism is not dead in the United States. On the contrary it is now in the process of postwar reconversion . . . The old familiar faces are once again spouting the old familiar fascist lies."

A giant of a man with an incongruously boyish face, forty-two year old Assistant Attorney General Rogge, was a political anachronism in postwar Washington. He still thought in terms of the New Deal and talked enthusiastically about the prospects of "democratic capitalism" in America.

In the spring of 1946, Rogge received from Captain Sam Harris,

were lobbying for state control, which would enable them to exploit the tidelands oil without government interference.

In the fall of 1945, the St. Louis Post-Dispatch, which had helped expose the notorious Teapot Dome scandal, disclosed that certain oil companies, including Pauley's Petroleum Corporation, were already tapping the tidelands reserves by the use of wells dug on the beaches. These oil companies were paying the state \$5,000,000 annually for the leasing of this property and were extracting a yearly amount of \$20,000,000 worth of oil.

a member of the U.S. prosecution staff at Nuremburg, information revealing that there existed in Germany concrete proof of former ties between the Hitler Government and certain American citizens. Rogge hastened to the office of Attorney General Tom C. Clark. He urged that Clark immediately send him to Germany to obtain evidence of the connections the Nazis had had in America. The Attorney General, while seeming not overly enthusiastic about the project, authorized Rogge's mission.\*

Rogge requested a nine-man staff to help him conduct his investigation. He was given instead, one legal aide, one investigator and two secretaries. . .

On April 4, 1946, Rogge flew to Europe.

For the next eleven weeks Rogge remained in Germany. He spent the major part of his time at Nuremberg and Camp Sibert, a U.S. military intelligence center near Frankfort. Together with his small staff, he interrogated a number of the Nuremberg defendants and dozens of other former top-ranking Nazi officials, and painstakingly scrutinized thousands of confidential documents from the files of the Nazi War Department, Foreign Office, Propaganda Ministry and Secret Service. Long before his investigation was completed, the

protege of white supremacist Senator Tom Connally and had subsequently become Assistant Attorney General, Clark was characterized by Life magazine as a man who "since 1922 has made a career out of winning friends and influencing." Harold J. Ickes described Clark as "a second-rate political hack who knows what backs to slap and when."

Before joining the Justice Department, and while still practising law in Texas, Clark had been charged during the mid-1930's by a Texas Senate investigatory committee with having acted unethically as a lobbyist for the Sinclair Oil Co. (still headed by Harry Sinclair of Teapot Dome notoriety), Standard Oil Co., Ethyl Gas Corp., and other oil interests in Texas. Clark's income at the time, stated the Texas Senate committee, had shown

a "tremendous and startling increase" which Clark "declined to give information about to this committee and his banker refused to bring the records."

The Texas Senate investigatory committee also reported that Tom Clark and two associates had gained control of the Texas Southwestern Life Insurance Co. in a highly questionable manner. The Senate committee called for an investigation of Clark and his associates as suspected violators of anti-trust laws. However, no prosecution followed. At the time, Clark's law partner, William McGraw, had become the state's attorney general. On July 28, 1949, Clark was appointed as a Supreme Court Justice by Presi-

dent Truman.

<sup>\*</sup> President Truman had appointed his old friend, Tom C. Clark, as U.S. Attorney General in May 1945. A former Texas lawyer who entered the Justice Department in 1937 as a

Assistant Attorney General knew he was uncovering a far more sinister and grandiose conspiracy than he had dreamt of finding.

"Our investigation showed us," Rogge later related, "that we had completely underestimated the scope and scale of Nazi activities in the United States . . . When I went to Germany I felt that the biggest threat to American democracy emanated from the machinations of persons like the defendents in the sedition trial. I found that a far more dangerous threat lay in the inter-connections between German and American industrialists, and that some of the best known names in America were involved in Nazi intrigue . . ."

When Rogge returned to Washington toward the end of June, he was confident he had unearthed sufficient evidence to warrant Federal prosecution in a number of cases.

Working at a fever pitch, Rogge set about the task of preparing a comprehensive report to Attorney General Clark on the voluminous data he collected in Germany. In early July, Rogge submitted to Clark a draft of the first section of his report.

The Attorney General's reaction was not at all what Rogge had expected. Clark seemed highly disconcerted by the facts Rogge had uncovered. References in the report to ties the Nazis had maintained with certain American business leaders and political figures appeared to disturb Clark in particular.

On finishing reading the material Rogge had given him, the Attorney General declared that the report could not possibly be published. It would have to remain a "secret document" . . .

Rogge was nonplussed. It had been definitely understood before he went to Germany that the results of his findings were to be made public. He proposed that Clark reserve decision on the disposition of the report until it was completed.

The Attorney-General was non-committal . . .

Throughout July and August, Rogge continued to work on the report. As he neared the end, one of Clark's aides proposed a "compromise solution" for the publication of the report. The proposal was that Rogge identify only the lesser, notorious American fifth columnists and omit all names of American politicians and businessmen. Rogge was outraged at the suggestion. Of what use, he demanded, would the report be if the major culprits were not mentioned?

In reply, Clark's aide shrugged his shoulders . . .

On September 17, 1946, Rogge finished his report, which was 396 pages in length, and delivered it to Attorney General Clark.

Shortly afterward, Rogge obtained permission to take a two weeks' leave of absence from the Justice Department, beginning in late October, in order to make a lecture tour. The subject of his lectures was to be the fascist menace in the United States and the methods by which the Nazis had sought to subvert American democracy.

On October 22, at Swarthmore College in Pennsylvania, Rogge delivered the first lecture of his tour. Among those Americans mentioned by Rogge as having proved useful to the Nazis was ex-Senator Burton K. Wheeler . . .

On the morning of October 25, Rogge left New York by plane for the west coast to keep a speaking engagement at Seattle, Washington. Encountering bad weather after nightfall, the plane made an unscheduled stop for refueling at Spokane. At the airport Rogge was informed that there was no room for him on the plane for the remainder of the trip, and that he would have to make other arrangements for flying on to Seattle. He was also told that a "Mr. Savage" was on his way to the airport to see him.

Soon afterwards, a stranger approached Rogge at the airport. "My name's Savage," he said. "I'm from the Federal Bureau of Investigation." He handed Rogge an unsealed envelope.

The envelope contained a letter to Rogge bearing the typewritten signature of Attorney General Clark. The letter curtly notified Rogge that he was dimissed from the Justice Department "as of the close of business this day"...

On October 24, the day before Rogge was discharged, ex-Senator Wheeler had visited the White House and conferred privately with President Truman. That evening the President had telephoned Attorney General Clark. A few hours later, the Attorney General called a midnight press conference and announced that Assistant Attorney General O. John Rogge was being dismissed from the Justice Department for having "wilfully violated . . . long-standing rules and regulations . . ."

Almost twenty-four hours elapsed after this press conference before Rogge himself was notified that he had been discharged.

Commenting on Rogge's dismissal, I. F. Stone noted in *PM* that "the Truman Administration and Tom Clark have no stomach for a fight which involves Lindbergh, Coughlin, Wheeler, Ford."

Stone added:

The intellectual climate produced by the anti-Red, anti-Soviet tomtoms of the government and press is hardly conducive to the criminal prosecution of people whose stock in trade has always been-as was Hitler's-that they are a bulwark against Bolshevism.

It was not former pro-Nazis but liberals and anti-fascists who were now being investigated by Government agencies in the United States.

A leading role in these investigations was being played by the House Committee on Un-American Activities.

### 5. Sound and Fury

Toward the end of the war, with public resentment against the disruptive practises of the Un-American Activities Committee at a peak, Chairman Martin Dies had withdrawn as a congressional candidate and three other Committee members had been crushingly defeated at the polls. At the time, it was generally believed that the Committee was about to be disbanded by Congress. Then, on January 3, 1945, during the opening session of the 70th Congress, a surprise bill was passed by a vote of 207-186 converting the Committee into a permanent congressional body.

The congressman responsible for this legislative coup was Representative John E. Rankin of Mississippi.

A rabid anti-Semite and white supremacist, the wizened, sallowfaced congressman from Mississippi had been described by the official Nazi propaganda bulletin, *Welt-Dienst* (World Service) as "an outstanding American."

Under Rankin's leadership,\* in the months following V-J day, the Un-American Activities Committee launched an all-out anti-Communist crusade.

In an incessant stream of lurid press releases, public statements

<sup>\*</sup> Nominally, the chairman of the Committee was Representative Edward J. Hart of New Jersey. The actual head of the Committee was Representative Rankin. When Hart resigned as chairman in July 1945, and was succeeded by Representative John S. Wood of Georgia, the change did not affect Rankin's domination of the Committee.

In January 1947, Representative J. Parnell Thomas of New Jersey assumed the chairmanship.

and "official reports," the Committee proclaimed that "Soviet imperialism" was plotting world domination and that a Kremlindirected network of saboteurs and atom bomb spies honeycombed the United States. Professional anti-Soviet propagandists, Communist renegades, and other "expert witnesses" appeared at Committee hearings and told hair-raising tales of "Red spy rings" and Soviet war preparations against America.

Typical of the "authoritative" testimony at the Committee's hearings was that given by the anti-Soviet ex-diplomat, William C. Bullitt. Here are excerpts from Bullitt's testimony:

RANKIN: Is it true that they eat human bodies there in Russia?

BULLITT: I did see a picture of a skeleton of a child eaten by its parents.

RANKIN: Then they're just like human slaves in Russia?

BULLITT: There are more human slaves in Russia than ever existed anywhere in the world.

RANKIN: You said before that sixty percent of the Communist Party here are aliens. Now what percentage of these aliens are Jews? ... Is it true, Mr. Bullitt, that the Communists went into the southern states and picked up niggers and sent them to Moscow to study revolution? Are you aware they teach niggers to blow up bridges?

There was nothing new in the fantastic tales told by Bullitt and other Committee witnesses. Since 1938 these tales had been the regular stock in trade of the Un-American Activities Committee. But now they were presented to the American people by the nation's press and radio as news of momentous importance, and were even cited by high-ranking Government officials as data vitally affecting America's domestic and foreign policies.

Behind the facade of investigating "Soviet plots" and "Communist intrigue," the Un-American Activities Committee conducted a steadily broadening offensive during 1946-1947 against the democratic institutions and constitutional rights of the American people. The Committee launched "investigations" of numerous progressive and anti-fascist organizations which it characterized as "subversive." These were some of them:

Civil Rights Congress Independent Citizens Committee of the Arts, Sciences and Professions National Committee to Combat Anti-Semitism National Council of American-Soviet Friendship Unitarian Service Committee Veterans Against Discrimination Joint Anti-Fascist Refugee Committee \*

The most overt and brazen of the Committee's attacks on freedom of expression in America was directed against the motion picture industry.

On October 20, 1947, after elaborate promotional preparations, the Committee opened public hearings on "subversive activities" in Hollywood. Two groups of witnesses had been subpoenaed. One group was composed of "friendly witnesses," mostly famous movie stars, through whose "expert" testimony the Committee intended to reveal the extent to which Communists had subverted the film industry. The "unfriendly witnesses" were nineteen screen writers, actors and directors, who, according to the Committee, were leading figures in Hollywood's "Red underground." †

\* The tactics employed against the Joint Anti-Fascist Refugee Committee were typical. They represented, in the words of Albert Deutsch of PM, "not an investigation but an inquisition."

Since 1942, the Joint Anti-Fascist Refugee Committee had been engaged in raising funds and medical supplies, and maintaining hospitals and orphanages, to aid anti-fascist refugees abroad, particularly Spanish Republicans who had emigrated to France and Mexico after Franco's fascist regime came into power in Spain.

Early in 1946 the Un-American Activities Committee denounced the Joint Anti-Fascist Refugee Committee as a "Communist-front organization," and demanded that the relief agency surrender all its books and records. When the officers of the Refugee Committee refused to comply, its Chairman (the eminent surgeon, Dr. Edward K. Barsky), its Executive Secretary, and the sixteen members of its executive board were cited for contempt of Congress, tried and found guilty in Federal Court, and, on January 16, 1947, sentenced to prison terms ranging from three to six months and fines of \$500 each.

Other persons indicted during the postwar period at the instigation of the Un-American Activities Committee, on charges of contempt of Congress included George Marshall, chairman of the Civil Rights Congress; Reverend Richard Morford, executive director of the National Council of American-Soviet Friendship; the ten Hollywood writers, actors and directors referred to above; and Leon Josephson, a Communist lawyer and former anti-Nazi underground fighter in Germany, who served a one-year prison sentence for his refusal to testify before members of the Committee on the grounds that this agency was unconstitutional.

In June 1947, the general secretary of the American Communist Party, Eugene Dennis, was tried on contempt charges brought by the Un-American Activities Committee, found guilty and sentenced to one year in prison and a fine of \$1,000. On March 27, 1950, the conviction was upheld by the U. S. Supreme Court.

<sup>†</sup>Among the "unfriendly witnesses" were Albert Maltz, author of such novels as *The Cross and the Arrow* and winner of the 1938 O. Henry Memorial Award; John Howard Lawson, author of the play *Processional*, and From the start, the hearing assumed the character of a fantastic extravaganza. A battery of newsreel cameras with sound equipment recorded every gesture and word of the witnesses and Committee members. Reporters wore dark glasses to protect their eyes from the blazing Klieg lights. Special provisions had been made for television and radio coverage. Periodically, Chairman Thomas interrupted the proceedings to help cameramen secure dramatic picture effects.

Here is how Ruth Montgomery of the New York Daily News described the testimony of one of the Committee's key witnesses, Robert Taylor:

More than 1,000 shoving, sighing women today mobbed the House caucus room to see the film star Robert Taylor. The hearing room was jammed to capacity, with hundreds of curious lining the halls outside. A 65-year-old woman, scrambling on a radiator for a better look at the screen star, fell and struck her head. The clothes of others were torn in the mad scramble to the door . . . Wild applause frequently punctuated Taylor's testimony.

With his head carefully cocked at the proper angle for the photographers, Taylor solemnly declared: "I personally believe the Communist Party should be outlawed. If I had my way, they'd all be sent back to Russia." Asked to name some of the Communists in the motion picture industry, Taylor mentioned the names of two actors. "They're the only two I can think of at the moment," he said. He paused, then added, hesitantly, "I don't know whether they're Communists."

For five days, other "friendly witnesses" gave similar testimony regarding "Communist activities" in Hollywood . . .

When the "unfriendly witnesses" took the stand, they were peremptorily forbidden to read prepared statements and aggressively questioned regarding their political and trade union affiliations. When they challenged the constitutionality of such questions,

well-known scholar and historian; Dalton Trumbo, author of the novel Johnny Got His Gun; Samuel Ornitz, author of Haunch, Paunch and Jowl; and Ring Lardner, Jr. The motion pictures on which these writers had worked had included such outstanding films as Pride of the Marines; Destination Tokyo; Action on the North Atlantic; Brotherhood of Man; and The House I Live In.

Two other "unfriendly witnesses" were Adrian Scott and Edward Dmytryk, respectively producer and director of the widely acclaimed film, Crossfire.

they were curtly ordered from the stand and cited by Chairman Thomas for contempt.

Despite every effort to browbeat them, the "unfriendly witnesses" refused to be cowed.

"In this country we have the secret ballot and how a man votes is his own affair," stated author Alvah Bessie. "General Eisenhower has refused to reveal his political affiliation and what's good enough for him is good enough for me."

Meanwhile, popular indignation against the whole proceedings was growing on a national scale. Trade unions, civic and fraternal organizations, church groups, and prominent citizens issued statements denouncing the character and conduct of the Committee. Mass protest rallies took place in many cities . . .

The Detroit Free Press editorialized:

The most un-American activity in the United States today is the conduct of the congressional committee on un-American activities . . .

No congressional committee that robs men and women of their good names for the sheer sadistic glee of getting headlines should be allowed to exist . . . The hypocritically named "Committee on Un-American Activities" should be abolished at the earliest possible moment by the United States Congress.

Confronted with mounting public condemnation and frustrated by the courageous conduct of the witnesses, the Un-American Activities Committee brought the hearing to a hasty, unexpected conclusion. On October 30, having questioned only ten of the nineteen "unfriendly witnesses," Chairman Thomas abruptly announced that the hearings were being indefinitely adjourned.

An important victory had been won by the forces of decency and democracy in the United States.

But the victory was not unqualified.

On November 25, fifty executives of the motion picture industry, representing all the major studios and most of the independents, released a statement announcing their decision to refuse employment to Communists and to "discharge or suspend without compensation" those of the ten Hollywood figures cited for contempt of Congress who were then in their employ.\*

The action of the film executives was enthusiastically hailed by Representative Thomas as "a constructive step and a body blow

<sup>\*</sup> The statement of the film executives was drawn up under the legal advice of James F. Byrnes, former Secretary of State

at the Communists." The chairman of the Un-American Activities Committee added: "Our hearings and exposures will continue." \*

The most significant fact, however, about the House Un-American Activities Committee in 1947 was not that it was continuing, on a greatly intensified scale and as a permanent congressional body, the ugly anti-democratic conspiracy that Congressman Dies had initiated a decade before. The most significant fact about the Committee was that its policies and those of the U.S. Government had in many respects now become identical.

During the Roosevelt Administration, leading Justice Department officials had denounced the Un-American Activities Committee as "anti-democratic" and "itself bordering on the subversive." Now, Attorney General Tom Clark informed members of the Committee at one of its hearings:

We may say, I think, that you in Congress and we in the Department of Justice are laboring in neighboring vineyards and that we have the same purpose in view. The program of this Committee . . . can render real service to the American people.

During the Roosevelt Administration, even J. Edgar Hoover had carefully avoided all public association with the Committee. Now the Committee enjoyed in the words of *Life* magazine, "the hearty cooperation of the Federal Bureau of Investigation," and FBI chief Hoover himself stated:

As this Committee fulfills its obligation of public disclosure of facts it is worthy of the support of loyal, patriotic Americans.

During the Roosevelt Administration, none of the Committee's propaganda activities was more sharply condemned by responsible

Indignantly denying the charge, the Chairman of the Un-American Activities Committee declared he would "continue to expose the participants in this Communist conspiracy whether they be Government employes, scientists, diplomats, labor leaders or movie stars."

Found guilty as charged, Thomas was sentenced on December 9, 1949, to six to eighteen months in prison and a fine of \$10,000.

<sup>\*</sup> On November 8, 1948, Representative Thomas, who had been a member of the Un-American Activities Committee since its formation in 1938, was indicted by a Federal Grand Jury on charges of conspiracy to defraud the Government. He was accused of padding his own payroll and that of the Un-American Activities Committee by placing on them the names of persons who performed no services and who turned over their paychecks to him. Thomas, according to the indictment, had been pursuing this criminal practise since January 1940.

Government officials than its oft-repeated charge of "Communist infiltration" of Federal agencies and its constant demand for a "purge" of "disloyal Government employes." Now, on March 22, 1947, President Truman himself promulgated an Executive Order calling for a loyalty investigation of all Government employes and the dismissal of those found to be "disloyal."

President Roosevelt had characterized the Un-American Activities Committee as "sordid, flagrantly unfair and un-American."

President Truman in his Executive Loyalty Order stipulated that one of the four investigative agencies chiefly to be relied upon in determining the loyalty of Government employes was "the House Committee on Un-American Activities."

#### Chapter XIV

# WASHINGTON WITCH HUNT

And lest some one should persuade ye, lords and commons, that these arguments of learned men's discouragement at this your order are mere flourishes, and not real, I could recount what I have seen and heard in other countries, where this kind of inquisition tyrannizes . . . There it was I found and visited the famous Galileo, grown old, a prisoner to the inquisition, for thinking in astronomy otherwise than the Franciscan and Dominican licensers thought.

John Milton, Areopagitica, 1644

The country will swarm with informers, spies, delators, and all the odious reptile tribe that breed in the sunshine of despotic power. The hours of the most unsuspected confidence, the intimacies of friendship, or the recesses of domestic retirement, afford no security . . . Do not let us be told that we are to excite fervor against a foreign aggression to establish a tyranny at home; and that we are absurd enough to call ourselves free and enlightened while we advocate principles that would have disgraced the age of Gothic barbarity.

> Congressman Edward Livingston, speaking in the U.S. House of Representatives in opposition to the Sedition Act of 1798

Are your friends and associates intelligent, clever?

A question put by a U. S. Loyalty Board in 1948 to a government employee accused of disloyalty

#### 1. The Loyalty Order

EXECUTIVE ORDER 9835 was issued by President Truman ten days after his speech before Congress proclaiming the Truman Doctrine.

Proximity in time was not the sole relationship between the two events. While the Truman Doctrine projected a foreign policy of aiding reaction and counterrevolution in the name of halting "Communist expansion" abroad, the Truman Loyalty Order enunciated a domestic program of thought control and repression in the name of combatting the "Communist menace" at home.

One act complemented the other. Both crystallized the profound metamorphosis that had taken place in the United States since the death of Franklin Delano Roosevelt . . .

The sweeping scope and nationwide implications of the Executive Loyalty Order were indicated by an Associated Press dispatch from Washington on the day of the promulgation of the President's decree:

President Truman's Order . . . covers about 2,200,000 executive branch positions . . . On an individual basis the order could conceivably affect everybody in the executive branch from the President to the janitor in a small-town postoffice.

The Loyalty Order-without defining the meaning of "loyalty"prescribed an elaborate program of investigative procedure, includ-ing the establishment of "loyalty boards" in all executive branch agencies of the Government and the compilation of a list of "disloyal organizations" by the Attorney General. The stated purpose of this program was to effect "maximum protection" to "the United States against infiltration of disloyal persons into the ranks of its employes."

Actually, the Order provided no method for counteracting the operations of possible foreign agents and spies within the United States Government-such contingencies were already amply covered by existing Federal statutes. As L. A. Nikoloric, a member of the well-known Washington law firm of Arnold, Fortas and Porter, wrote in an article entitled "Our Lawless Loyalty Program" in The Progressive magazine:

The loyalty program couldn't catch a spy, for it is what its name implies-a method to test the total adherence of Federal employes to certain undefined standards of thought. Its purpose, ostensibly, is to catch Communists, but if you're a Government worker, you can be branded for life even if you aren't and never were a Communist. You are disloyal-in the Federal service-if, in the opinion of your agency's loyalty board, you are or ever have been (1) sympathetic to Communism,

- (2) friendly to organizations allegedly sympathetic to Communism,
- (3) associated with persons in groups (1) or (2)
- (4) considered talkative in the presence of persons in groups (1),
   (2) or (3).

Nikoloric added: "Furthermore, it is not required that the boards *prove* that you belong in any of these categories. If there is any doubt you lose the verdict."

Commenting on the procedural techniques outlined in the Order, four outstanding legal authorities—Ernest N. Griswold, Dean of the Harvard Law School; Austin W. Scott, an eminent specialist on the law of trusts; Milton Katz, Professor of Law at Harvard Law School; and Zechariah Chafee, Jr., noted authority on constitutional law and Professor of Law at the Harvard Law School—wrote in a letter to the New York Times on April 13, 1947:

There is no provision that the accused shall be confronted by such evidence as there may be to support the charges against him, so that he may undertake to rebut it. Indeed there is no requirement that the evidence against him shall be introduced at the hearing at all.

No provision is made for a detailed record of the hearing or, for that matter, for a record of any kind. There is no requirement that the findings of the loyalty board must be supported by the evidence ...

Considerably less concern over the anti-democratic and unconstitutional character of the loyalty program was displayed by the elected representatives of the American people. With few exceptions, Democratic and Republican congressmen enthusiastically hailed Truman's Loyalty Order as a "vital contribution" to the nation's welfare.

"It's good to see that he [Truman] has finally awakened to the truth of what we've been telling him for the last few years," declared Congressman Joseph E. Martin, Republican speaker of the House of Representatives.

"The President's program is almost precisely that which the House Committee on Un-American Activities has been advocating for at least four years," asserted Representative Karl E. Mundt, one of the Committee's most active members.

In the opinion of Representative John E. Rankin, the Loyalty Order was "just what the country needs" . . .

Returning from the Nuremberg trials in Germany, where he had been Deputy Chief Counsel to the American prosecution staff, attorney Abraham Pomerantz wrote in a letter to the New York Times on May 4, 1947: ... we have absorbed into our own legal system the German tyranny that we fought and inveighed against. I refer to our executive order which provides that any one of two and one-half million employees in the executive branch of our Government can be summarily fired if he is, or ever was, a member of, or in "sympathetic association" with, any organization or combination of persons placed by the Attorney General of the United States on his private blacklist.

The condemned organization receives no indictment or even intimation that its loyalty is impugned. It gets no hearing or opportunity to contest the charge ... The American citizen ... is afforded no opportunity to challenge the Attorney General's ex-parte condemnation of his organization.

This conviction without trial, borrowed from the darkest days of the Nazi inquisition, is a startling innovation in American judicial procedure.

Pomerantz added:

Another aspect of the Executive Order presents a striking and sickening parallel to a Nazi decree which provided that no person could hold public office unless he could prove "by his conduct that he is willing and able to serve loyally the German people and the Reich." (Law regarding Citizens of the Reich, of September 15, 1935.) . . . In my judgement, the Executive Order is, both substantially and procedurally, the most Nazi-like and terrifying law since the Alien and Sedition Acts.

Such condemnation of the Loyalty Order failed to perturb Attorney General Tom C. Clark. In language remarkably reminiscent of that used by Attorney General Palmer during the anti-Communist drive after the First World War, the soft-spoken Texan depicted the loyalty program as a means of promoting "Christian principles" and defending "the democracy and constitutional rights fought for and secured by our forefathers."

From material provided for the most part by the FBI and the Un-American Activities Committee, the Attorney General proceeded to compile what the *New York Times* described as "an initial master list of Communist organizations for use in ferreting out disloyal Government employees." On December 4, 1947, the "initial master list" was released to the nation. It included the names of seventy-eight organizations which, according to Attorney General Clark, were "totalitarian, fascist, Communist or subversive."

About half of the organizations named by the Attorney General were German, Japanese and Italian organizations which had operated in the United States before or during the war. None of these organizations was any longer in existence. The remainder of the list consisted almost entirely of progressive and left-wing groups, committees engaged in the defense of civil liberties, and anti-fascist organizations. In making his selection, reported *PM*, Clark "appeared to follow the lead of the House Committee on Un-American Activities." \*

On May 28, 1948, Clark published a second "subversive" list, naming thirty-two more organizations as "disloyal." The only fascist organization on this second list was the *Ausland-Organization der N.S.D.A.P.*, the overseas branch of the Nazi Party, which, of course, had ceased to exist long before Clark's list was drawn up . . .

Regarding the use to be made of his lists, the Attorney General declared: "We shall do this in the American way . . . in a legal orderly manner. We shall not use Gestapo tactics of a Hitler or destroy the very institutions of liberty and justice that we have fought so hard to preserve."

But the actions of the newly established Loyalty Boards spoke louder than the words of the Attorney General. These actions were soon conjuring up in America what Abraham Pomerantz described as "shades of the malodorous German People's Courts."

#### 2. Behind Closed Doors

"The procedure before the boards," wrote the attorney, L. A. Nikoloric, in his article, "Our Lawless Loyalty Program," "violates the provisions of the Fifth and Sixth Amendments of the Bill of Rights. The employe 'answers' the charges to his accusers—not to an impartial judge. He is not told where the derogatory information originated; it is impossible to impeach the reliability of its source

. . . His only defense is to prove a somewhat nebulous 'loyal' state of mind."

But the "most reprehensible feature of the Loyalty Program," according to Nikoloric, was "the character of the evidence on which charges are issued."

The attorney, who had acted as counsel for Government employes in various loyalty proceedings, cited specific cases to illustrate his point. These were some of them:

<sup>\*</sup> Among the progressive organizations on Clark's list, grouped together with the Communist Party of America, were the Civil Rights Congress, the Joint Anti-Fascist Refugee Committee, the National Council of American-Soviet Friendship, the Veterans Against Discrimination, the National Negro Congress, the United Negro and Allied Veterans of America, and the International Workers Order.

Miss A. spent one afternoon a week collecting money for Russian War Relief in front of a movie house. She also was instrumental in having Senators Ball and Pepper talk to the people of her city concerning the necessity of accepting Russia as an ally. These events took place in 1943, when the Russians were bearing much of the brunt of the war in Europe. Miss A. also did Red Cross work, collected money and knitted sweaters for British and French War Relief, and spent one night a week at the U. S. O. . . . She was charged on these facts with being disloyal to the United States.

Mr. B. married a girl, who, to years before, as a sophomore in college, had been a member of the Young Communist League. The YCL in her school was almost exclusively interested in low-cost dormitory facilities and in higher pay for scholarship jobs. Mrs. B. resigned from the YCL after six or eight months, and it was not alleged that she has since been in any way connected with Communism. Mr. B. was accused of disloyalty to his country.

Mr. C. had an acquaintance in college. The acquaintance, whom C. had not seen for 15 years, was named a defendant in a proceeding involving alleged Communists. In answer to an appeal made to most of his classmates, Mr. C. contributed some money to his friend's defense. Although the friend was acquitted, Mr. C. was charged with disloyalty.

Mr. D. served as a civilian employe with the occupation forces in Japan. At a conference he suggested that in distributing fertilizer to Japanese farmers the occupation forces require that a certain percentage of the farmers' produce be marketed immediately, through occupation channels, to stop hoarding. The senior Army officer at the conference asked Mr. D. if he were a Communist, and whether he believed in free enterprise. Mr. D. stated that he was not a Communist, that he believed in free enterprise, but thought that his suggestion would curb the black market. Shortly thereafter, Mr. D. was relieved and returned to the United States on a loyalty charge because of this incident.

It was reported to the FBI by an associate of Mr. E. that the associate had "heard" that E's mother-in-law was pro-Russian. Mr. E. was charged with disloyalty.

These cases were not unique. They were, in Nikoloric's words, "typical of the charges made in the generous sampling of cases with which I am familiar. Frequently, the employe, even after a hearing has been conducted, is unable to determine why charges were ever preferred."

No less extraordinary than the "evidence" on which Government employes were charged with disloyalty was the manner of their interrogation by the loyalty boards. Here, taken from transcripts of loyalty board hearings, are some typical questions addressed to Federal employes by the boards: Are your friends and associates intelligent, clever?

Have you a book by John Reed?

There is a suspicion that you are in sympathy with the underprivileged. Is that true?

Was your father native born? . . . How about his father?

Do you think that the Russian form of Government is good for the Russians?

Are you in favor of the Marshall Plan?

How do you feel about the segregation of Negroes?

Did you or your wife ever invite a Negro into your home?

Would you say that your wife has liberal political viewpoints?

Were any of your relatives ever members of the Communist Party? Did you ever attend any affairs with your wife where liberal views were discussed?

What do you think of the Italian situation?

Do you understand why the Catholic Church is opposed to Communism?

Suppose you should find out that your wife was a Communist, what would you do about it?

"Loyalty board 'loyalty' does not mean loyalty to America," declared the former Assistant Attorney General, O. John Rogge. "It means loyalty to the bi-partisan foreign policy abroad, to segregation and the open shop at home . . . The loyalty cases are not directed exclusively or even primarily against the Communists. They are directed at the labor movement, and at those who share the intellectual and social bequests of Franklin Delano Roosevelt and the New Deal."

In a book entitled *Our Vanishing Civil Liberties*, which was published early in 1949, Rogge recounts the details of some of the loyalty cases in which he acted as counsel for accused Government employes. One such case involved a Swedish-born mechanic named Charles Oscar Matson, who had been employed in the New York Naval Shipyard for thirty years.

In February 1948 Matson's case came up before the Loyalty Board at the New York Naval Shipyard.

The Board, as Rogge relates, "soon got down to business":

BOARD: Are you now or have you ever been a member of the Communist Party?

MATSON: No, I have never been a member.

BOARD: Has your wife or any relative been a member?

MATSON: No, my wife is a church member. All she does is vote. Outside of that she doesn't belong to anything . . .

BOARD: Do you ever recall attending a meeting of the American League for Democracy?

MATSON: I may have. I don't know for sure. The name don't even sound familiar.

BOARD: Did you ever attend meetings sponsored by the Saints and Sinners?

MATSON: What are they? Religious? BOARD: No ...

On questioning Matson about his reading habits, the Board learned he had once been a subscriber to the Literary Guild:

BOARD: What kind of books did they put out? MATSON: They were supposed to be the best for the month. BOARD: Did they put out books by Theodore Dreiser? MATSON: Yes, I think— BOARD: Feuchtwanger? MATSON: I think there was one by Dreiser... BOARD: Have you ever read any of Feuchtwanger? MATSON: No. BOARD: Howard Fast? MATSON: I don't know him. Never heard of him.

The Board proceeded to question Matson about his "political views":

BOARD: Have you ever discussed the Truman Doctrine? MATSON: Yes, a little bit.

BOARD: What do you think of it?

MATSON: Well, I went fifty-fifty on that.

BOARD: You aren't settled on that?

MATSON: No.

BOARD: Neither for or against?

MATSON: No, I feel sorry for a lot of people over there and I feel sorry for people here. For instance, I will give you a case. They want packages. My daughter and myself gathered up some old clothes and instead of sending them over to the other side we sent them to the Indians. The Navajos or something . . .

Following Matson's testimony, a number of workers from the naval shipyards were put on the witness stand by Rogge. "Witness after witness," records Rogge, "declared that Matson had never said or done anything disloyal. Not one witness had an unkind word for him."

One of the witnesses was asked by the Board if he considered Matson "to be a rather deep thinker." The witness said he was not sure.

"Did you have any reason," demanded the chairman of the Board, "to believe that he was fairly well read?"

Summarizing his account of the Matson case in his book, Our Vanishing Civil Liberties, Rogge writes:

I have the transcript of the Matson hearing before me now. It encompasses 95 single-spaced typewritten pages of testimony, every line of which is an indictment of Executive Order 9835. After the indignities of this hearing which was not even a competent imitation of justice, Charles Oscar Matson was fired.

Another loyalty case handled by O. John Rogge was that of George Gorchoff, an Engineering Material and Equipment Inspector in the New York Naval Yard. Unlike many of the individuals accused of disloyalty, who were not unnaturally bewildered and at a loss for words at their loyalty board hearings, Gorchoff turned out to be not only aggressive but extremely articulate.

The hearing had barely opened when this interchange took place:

GORCHOFF: In the charges here—this here—they specify that additional information will be given at the hearing, detailing these charges. Can I have that additional information at this time?

BOARD: This is an informal hearing. We have no additional information for you.

GORCHOFF: It so states in the letter that Admiral Haeberle sent me.

BOARD: That is incorrect procedure... Any information that has been given to me in regard to this case has been given to us as confidential and cannot be divulged to you.

GORCHOFF: It is quite obvious that I can't refute these specific questions without the people being brought here . . . For example, that I recruited people into the Communist Party.

BOARD: Did you or didn't you?

GORCHOFF: Who said that I did.

BOARD: This is not a court of law.

GORCHOFF: I know, and I am not a lawyer.

BOARD: This is not a court of law. You have been accused-

GORCHOFF: Have you-these people-the authority to exonerate me?

BOARD: No.

GORCHOFF: Who has?

BOARD: All we can do is submit a recommendation to the Commander of the Shipyard.

As the hearing progressed, Gorchoff continued to demand concrete information regarding the charges against him and to protest against the Board's using as "secret evidence" the vague accusations of unidentified informers. "This is a hearing where I am attempting to prove my innocence," protested Gorchoff. "In order to do that I have to have something . . . It is not only a question of a job, it is my life—15 years of my life. While I was here I got married and had two kids. I am not a young kid flitting around looking for a job."

At one point, when Gorchoff was requesting concrete information about one of his anonymous accusers, Rogge's colleague, Robert Goldman, asked the Board: "Are you declining to give such information?"

"We don't have such information," answered the Board chairman. "We don't know the name of the person."

Rogge spoke up. "You merely have a statement without any proof?"

"It has been corroborated, checked and verified," said the Board chairman.

"By whom?"

"I can't tell you."

"By unknown parties?"

The Board chairman hesitated a moment. "Put it any way you like," he then replied.

"Do you have an enemy who happens to be a government employee or a worker in a plant with a government contract? I will tell you how to dispose of him," writes Rogge with bitter irony in *Our Vanishing Civil Liberties*. He continues:

Write a postcard to the F.B.I. Do not sign it. A signature would be a gratuitous gesture of courage... In this postcard state that your enemy's wife read something by Theodore Dreiser, subscribed to the New Republic, and once invited a Negro into her home...

Mail your postcard, and rest assured—your enemy is finished. The F.B.I. will conduct a secret investigation. Your enemy will end up before a Loyalty Board where your postcard will be vital but secret part of the evidence against him. He will not have the chance to face you, his accuser. He will have to defend himself against charges he has never heard. He may be fired. He may be allowed to resign. He may even be cleared. But in any case, he is a marked man.

He was once investigated for "disloyalty."

The grim truth of Rogge's observation was confirmed by an experience of Bert Andrews, Chief of the Washington Bureau of the New York Herald-Tribune and winner of the Pulitzer Prize in Journalism for 1947.

While collecting material for a series of exposé articles on the

loyalty program, Andrews visited the State Department to check on the cases of seven employes who had been dismissed on charges of disloyalty. An informal conference took place between Andrews and three State Department officials. Andrews questioned the "decency and fairness" of branding an employe disloyal and dismissing him "without letting him in on the secret of who had accused him of what." Was this, Andrews wanted to know, the American way of doing things?

Finally wearying of the discussion, one of the State Department officials blurted out: "Why beat around the bush on a matter like this? It is entirely conceivable that any one of us in this room could be made the victim of a complete frame-up, if he had enough enemies in the Department who were out to get him."

While Andrews listened with growing astonishment, the Department official went on: "Yes, such a thing would be perfectly conceivable. And we would not have any more recourse than Mr. \_\_\_\_\_," he named one of the Department employes who had been dismissed—"even though we were entirely innocent."

"What did you say," demanded the astounded Andrews.

The State Department man calmly repeated his statement.

"If a man of your intelligence," said Andrews, "can say a thing like that without being shocked at what you are saying and without a feeling of personal peril, then something is wrong."

Not only in the nation's capital, but throughout the length and breadth of the land, something very definitely was wrong in the United States.

# Chapter xv

# PATTERN OF SUPPRESSION

We have seen the war powers, which are essential to the preservation of the nation in time of war, exercised broadly after the military exigency had passed and in conditions for which they were never intended, and we may well wonder in view of the precedents now established whether constitutional government as heretofore maintained in this republic could survive another great war even if victoriously waged.

> From an address delivered by Charles Evans Hughes at the Harvard Law School, June 21, 1920.

The real traitors to America at present . . . are precisely those false patriots who cry down truth, obstruct the path of social discovery, deny a free forum to Intellectual Honesty, pretend—while storm clouds gather ominously overhead, that America is a cooing dove of peace and prosperity, a bird of paradise, a harbinger of glad tidings to a world in despair.

> From Samuel D. Schmalhausen's preface to Behold America!, published 1931.

# 1. Grim Schedule

ON JUNE 15, 1947, returning from a state visit to Canada, President Harry Truman stopped en route to view the famous spectacle of Niagara Falls.

For several moments, in pensive silence, Truman contemplated the giant thundering waterfall. Then, thoughtfully, the President said: "I'd sure hate to go over 'em in a barrel."

There were, at the time, other problems confronting the American people.

Since the end of the war, the cost of living had continued to soar,

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with wages lagging far behind. By June 1947, according to Department of Labor statistics, prices had registered an 18 percent increase over June 1946. "If the present trends of living costs continue," warned the New York City Hospital Commissioner, Dr. Edward Bernecker, "there is a grave danger that the health of large segments of our population will deteriorate." Should food prices climb still higher, said Dr. Bernecker, there would be "a definite increase in the rate of illness in a population weakened by malnutrition."

Regarding the greatly increased cost of food, Senator Robert A. Taft dryly commented that he agreed with Herbert Hoover that "the best answer is for the people to cut down on their extravagance. They should eat less."

The housing shortage had reached emergency proportions. Approximately three million American families were sharing their living quarters; hundreds of thousands were desperately searching for places in which to live; more than 20,000,000 people were living in slum areas, shacks and firetrap tenements; and one-third of all the families in the nation were living in homes lacking minimum standards of decency.

And, as the living standards of the American people declined, the grim schedule of the offensive against their political and economic rights moved inexorably ahead . . .

More than two hundred anti-labor bills were pending in Congress, and one state after another was enacting legislation aimed at undermining the strength of the trade union movement.

In Nebraska, South Dakota, and Arizona, the closed shop was made illegal. Anti-union shop or "right to work" bills were passed in Georgia, North Carolina, Virginia, Tennessee, Arkansas, Florida and Alabama. Regarding eight anti-labor bills passed by the Texas legislature, the Manufacturers' Association in that state noted with satisfaction: "The legislature's action has . . . answered the aims of this organization."

On June 23, 1947, the United States Congress enacted a law which, in the words of the American Civil Liberties Union, "in one sweeping act aimed at labor's economic and political power put many of its hard-won rights of more than a decade in a legal straight-jacket."

Officially designated as the Labor Management Relations Act of 1947, and more familiarly known as the Taft-Hartley Law, the new statute virtually nullified the historic National Labor Relations Act. It outlawed the closed shop, industry-wide bargaining, jurisdictional strikes and strikes by Government employees; revived the injunction as a strike-breaking weapon for employers; banned contributions or expenditures by unions for political purposes; and withdrew union rights from any labor union whose officers failed to sign non-Communist affidavits.

"This bill is not a milk toast bill," Senator Robert A. Taft, the chief architect of the measure, had remarked during the debate in the Senate on his proposed labor law. "It covers about three quarters of the matters pressed on us very strenuously by employers."

According to Earl Bunting, president of the National Association of Manufacturers, the new law was "full of benefits" and would bring "a better tomorrow for everybody."

The New Republic declared:

Fully exploited by anti-labor corporations and fully backed by an anti-labor government, the Taft-Hartley law can destroy trade unionism in America.\*

"The Eightieth Congress has reversed the ruinous New Deal trend," proclaimed a twenty-three page document entitled *Republi*can Congress Delivers, issued in August 1947 by the Republican National Committee as a summary of the accomplishment of the first session of this Congress. "This is a Congress . . . well advanced in its comprehensive program for clearing away the debris left by fourteen long years of New Deal-Democrat misrule . . ."

"The Republican Party has delivered-to big business," wryly countered Gael Sullivan, executive director of the Democratic National Committee. "It has responded to the will of Wall Street."

Sullivan, naturally enough, made no mention of the close working alliance that Democratic and Republican congressmen had maintained in supporting the cold war policy of the Truman Doc-

\* When the bill was sent to the White House after its initial passage by Congress, Truman had returned it with a 5,500-word veto message characterizing the measure as a "clear threat to the successful working of our democratic society." But, in the opinion of many, the Chief Executive was only making a politically expedient gesture, with an eye to the 1948 Presidential election. On June 20, the day that Truman's veto message was made public, the *New York Times* correspondent, William S. White, reported in a dispatch from Washington that the President "up until this morning had given no visible evidence of the application of White House pressure" to rally his Party forces against the bill. With the overriding of his veto by Congress practically a foregone conclusion, Truman staged a last-minute, highly publicized but completely ineffectual campaign against the measure. trine, the President's inquisitorial loyalty program, increased appropriations for the Un-American Activities Committee, the Taft-Hartley law, and numerous other measures taken by the Eightieth Congress to wipe out every last vestige of the New Deal.

## 2. Fear Itself

In August 1947 the American Civil Liberties Union published a report on "U. S. Liberties" which summarized developments of the preceding twelve months in these words:

A general retreat to nationalism, militarism and defense of the status quo increasingly marked the country. Excitement bordering on hysteria, characterized the public approach to any issue related to Communism, accentuated by the declaration of a foreign policy aimed at blocking the advance of Soviet influence.

In such an atmosphere of militant conservatism it was inevitable that practically all forces seeking reform should be blocked, and that even established liberties associated with them should be attacked . . . In almost all fields of expression, liberal and minority forces were thrown back on the defensive.

Not even during the days of the Palmer raids and the frenzied anti-Communist crusade following the First World War had there been such a sweeping assault on traditional American freedoms as was rampant in the land by the summer of 1947. In every part of the country, investigations of "Communism," denunciations of "Reds," witchhunts and purges were under way. Everywhere Federal agents, labor spies, state investigators and private detectives were prying into the affairs of American citizens, drawing up extensive blacklists of "radical agitators" and "Communist sympathizers," compiling detailed records of "fellow travelers," antifascists and liberals.

J. Edgar Hoover, after a quarter of a century in office, had really come into his own. "Director of the Federal Bureau of Investigation J. Edgar Hoover," wrote Jan Hasbrouck in the *New Republic* on December 15, 1947, "is one of the half-dozen most influential men in Washington." There was no phase of American life into which Hoover's secret agents had not infiltrated. Trade unions and political parties, newspapers and universities, private corporations and fraternal orders, local law enforcement bodies, Government agencies and the Armed Forces-all were honeycombed with Hcover's spies, investigators and paid informers. As aptly characterized by Bill Davidson in an article in *Coronet* magazine, J. Edgar Hoover was "Master of the Hunt."

Like Hoover's former chief, A. Mitchell Palmer, Attorney General Tom Clark was conducting an intensive campaign to deport foreign-born "radicals." However, according to the *PM* columnist, Max Lerner:

Tom Clark . . . has learned a thing or two that Palmer didn't know. He doesn't arrest thousands for deportation in a single month. . . . He arrests only the key figures who are alien radicals and who are strategically important in the left-wing trade unions. He carries the arrests out one at a time . . . His game is often big game, and always lands on the front pages. He uses warrants, but denies administrative bail . . . One cannot but feel that the Department of Justice has left behind the . . . primitive methods of the Mitchell Palmer days.\*

In a number of states the legislatures had established their own little un-American Activities Committees and were busily drafting repressive laws based on the "findings" of these committees. On

In 1949 the Justice Department extended its attack on the foreign-born, announcing it was preparing to revoke the citizenship of some 250 naturalized Americans.

On April 4, 1950, after a trial lasting nearly five months, the West Coast labor leader Harry Bridges was found guilty of perjury and conspiracy on the charge that he lied to conceal that he was a Communist when he took the oath of American citizenship. Bridges was sentenced to five years imprisonment, and the Government authorities immediately initiated proceedings to cancel his citizenship and deport him. Among the Government witnesses upon whose testimony Bridges' conviction was based were confessed perjurers like the labor spy and FBI agent, Lawrence Ross.

One extraordinary episode summed up Justice Department tactics in the case. During the trial, two Department agents approached Herman Mann, a member of Bridges' union, whose wife was suffering with malignant cancer. The Government agents told Mann that special facilities at the Government-subsidized Cancer Institute would be placed at his wife's disposal free of charge if he would testify that Bridges was a Communist. Mann refused the offer. His wife died shortly afterwards.

<sup>\*</sup>Among the more outstanding men and women arrested for deportation during 1947-1948 were Ferdinand C. Smith, secretary of the National Maritime Union; Irving Potash, vice president of the International Fur and Leather Workers Union; Charles A. Doyle, vice president of the United Chemical Workers of America; John Williamson and Claudia Jones, Communist leaders; George Pirinsky, executive secretary of the American Slav Congress; Peter Harisiades and Henry Podolsky, leaders in the International Workers Order.

August 11, 1947, in a "Report on the State of Civil Liberties Today," the New Republic published on-the-spot accounts from different sections of the country vividly indicating the scope and intensity of the anti-democratic campaign. From Michigan, New Republic correspondent Andrew A. Bishop reported that "civil liberties . . . have been dealt their severest blow since the 'Palmer raids' period." In California, wrote Robert Kincaid, "the current attack on civil liberties . . . has been marked by efforts at 'thought control' among public servants, school teachers and trade unionists . . . by increasing economic pressure on minorities and by raids on allegedly seditious school books." Gould Beech related: "Reactionaries in the South are in a frenzy to find new and fancier ways to attack labor unions, Negroes and 'Communists'. . . Everywhere the reactionaries are having a field day . . ."

In universities and scientific institutions, factories and fraternal societies, trade unions and veterans organizations, in federal, state and municipal agencies, "loyalty" investigations were taking place and Americans were being ordered to give an accounting of their social and political beliefs . . .

On November 26, 1947, in a letter addressed to the President of the United States, the Secretary of State, and the Speaker of the House of Representatives, twenty-two members of the faculty of the Yale University Law School gave sober warning of the extent to which democracy had been undermined in America since the end of the war. The letter read in part:

A pattern of suppression is today evolving at the highest levels of the Federal Government. The more alarming aspects of the situation include the President's loyalty order of last spring, the recent "Statement of Security Principles" by the Department of Justice and the current performance of the Committee on Un-American Activities of the House of Representatives . . .

Under the cloak of congressional immunity or the cloak of anonymity, high officials of the national Government are today acting in disregard and in defiance of the American tradition of civil liberties, and, in our considered judgment, in violation of the Constitution of the United States.

The faculty members of the Yale Law School added:

There are alarming signs that persecution for opinion, if not curbed, may reach a point never hitherto attained even in the darkest period of our history. With it, we may expect racial, religious and every other kind of bigotry which, if allowed to run its full course, can loose such a flood of intolerance as utterly to destroy the civil liberties without which no democratic society can survive.

And in an article published in the Lawyers Guild Review, Richard F. Watt, Assistant Professor of Law at Chicago University, wrote: "The spirit of fascism is abroad in America. Gone is the spirit that produced the dream of the Four Freedoms, and here at home the freedoms themselves are in danger . . . The spirit of Fascism is here—only two short years after we conquered our Fascist enemies on the battlefields overseas."

At no time during the dark and perilous days of the Second World War had the American people been gripped by such feverish anxiety and apprehension as now permeated the land, after two years of peace.

Over the whole nation, shadowing every aspect of its life, there hung a pall of fear-fear of the "Communist fifth column," fear of a third world war, fear of atomic and biological weapons, fear of another depression, fear of being "purged" on charges of disloyalty, fear of being branded as a "Red."

"People afraid to speak their minds," wrote Eleanor Roosevelt in her syndicated column, "people afraid to meet for discussions on unpopular subjects, people afraid to be seen talking to certain other people, people afraid to be known to be reading certain books—all these are afraid not because of any wrong-doing, but because of what might be expected."

"There is hysteria, in Washington and in the country," said the well-known news commentator and former head of the Office of War Information, Elmer Davis, speaking over the American Broadcasting Company network.

George Seldes, veteran journalist, author and editor of the newsletter, *In Fact*, reported in his publication:

There is fear in Washington, not only among government employes, but among the few remaining liberals and democrats who have hoped to salvage something of the New Deal . . There is fear in Hollywood . . . There is fear in the book publishing houses. There is fear among writers, scientists, school teachers, liberals; among all who are not part of the reactionary movement, all who do not belong to the native fascist cliques.

"We in America," stated the newspaper PM, "live in an age of fear."

Such was the mood prevailing in the land a decade and a half after President Franklin D. Roosevelt in his first inaugural address had told the nation: ". . . let me assert my firm belief that the only thing we have to fear is fear itself." \*

# 3. Stormtroop Strategy

On the cloudy afternoon of November 1, 1947, some two thousand men and women gathered at Independence Hall Square in Philadelphia to attend a rally held under the auspices of the Progressive Citizens of America. The purpose of the rally was to protest the anti-democratic practises of the House Committee on Un-American Activities.

As the speakers mounted the rostrum, scores of young toughs scattered throughout the crowd and groups of middle-aged men wearing American Legion and Catholic War Veterans insignia, began hooting, booing, and shouting insults and threats. When the chairman of the meeting approached the microphone, there were howls of "Go to Russia, you buns!"—"Beat it, you dirty communists!"—"Back to the ghetto!" The shrieking siren and clanging bell of an American Legion truck parked on the outskirts of the crowd added to the pandemonium.

The voices of the speakers were lost in the mounting din.

When a woman in the crowd urged that the speakers be given a chance to be heard, several rowdies promptly set upon her,

<sup>\*</sup> Symptomatic of the tense and fear-ridden atmosphere in postwar America were a number of sudden deaths and suicides. On November 3, 1947, John Gilbert Winant, prominent New Dealer and ex-Ambassador to England, committed suicide at his home in Concord, New Hampshire. On June 4, 1948, Morton E. Kent, a former State Department employe, who had been accused of seeking to contact an alleged Soviet agent, slashed his throat. Two months later, on August 16, Harry Dexter White, former Assistant Secretary of the Treasury, died of a heart attack following grueling questioning at a hearing of the House Un-American Activities Committee. On December 20, 1948, Laurence Duggan, a former State Department official who had been accused of being a Communist, leaped to his death from a New York office building. On December 24, 1948, Mrs. Minnie Gutride, a New York schoolteacher who was being investigated for "communist" activities, committed suicide. On February 14, 1950, after stating she did not want to live in a hydrogen bomb age, Mrs. Emily Anderson of Burlington, California, threw herself before a train. On April 1, 1950, Professor F. O. Matthiessen of Harvard University, a leader of the Progressive Party, jumped to his death from a hotel window. Three days later, N. W. Robertson, a liberal Washington newspaper correspondent, committed suicide.

knocked her to the ground and trampled on her. Fist fights began throughout the square . . .

At a given signal, a number of hoodlums surged toward the speakers' platform. Kept from clambering onto it by police officers, they milled about the stand, raising their arms in fascist salutes, yelling taunts and oaths at the speakers.

Among those on the speakers' platform was Francis Fisher Kane, a distinguished jurist and former recipient of the Bok Award as Philadelphia's outstanding citizen, who in 1920 had resigned from his post as U. S. District Attorney in protest against the Palmer raids. Kane came to the microphone and pleaded for silence. "Unless there is tolerance of free speech," said the eighty-one year old attorney, "liberty is gone . . . all that we have fought for during the past will be gone . . ." His words were drowned out in a furious outcry. He was showered with pennies and stones. One of them broke his glasses. Stench bombs hurtled through the air onto the platform . . .

For an hour the speakers attempted in vain to be heard. Then the chairman declared the meeting at an end.

More than a hundred police officers and plainclothesmen had been present at the rally. They made one arrest. The young man taken into custody was a member of the Progressive Citizens of America. . .

"It was bound to happen sooner or later . . . ," wrote H. E. Sharkey, editor of the *Gazette and Daily* of York, Pennsylvania. "The mob was applying the new loyalty in a way that was prepared for it in the halls of Congress . . . If it takes more riotung, and some real skull-cracking to make Americans conform to the new loyalty, there'll be plenty of volunteers."

Three weeks later, at the other end of the continent, an evening meeting of the LaCrescenta Democratic Club was in session at a private home in the suburbs of Los Angeles when suddenly a band of men wearing American Legion caps poured into the house. The leader of the band pushed his way through the startled members of the Club, thrust the Club secretary from the speakers' table, and began reading a statement which opened with the words: "Progressive Citizens of America . . ."

The owner of the house, a retired fruit grower named Hugh Hardyman, told the Legionnaire he was raiding the wrong organization. Ignoring Hardyman, the Legionnaire sharply ordered his men, "Proceed according to plan!"

"It was just like the Gestapo," later reported Don Carpenter, editor of the *Montrose Ledger*, who was covering the meeting. "The leader read some sort of edict that they knew what this outfit was, had scouted the meetings, checked backgrounds and would give us ten minutes to disperse or they'd take matters into their own hands."

In Congress, Representative Chet Holifield of California denounced the raid as part of a nationwide "wave of fear, suspicion and hysteria." Holding up newspaper photographs taken of the raiders, Congressman Holifield warned:

It was a Democratic Club in Montrose . . . it may be a Catholic group, or a Jewish group, or a Republican group, or a Negro group, or a labor group next time . . .

"Are we on the verge of storm trooper incidents throughout America?" asked Holifield.

Almost as the Congressman spoke, the answer was being given to his question. In Trenton and Newark, in Philadelphia and New York City, in Detroit, Chicago and New Orleans, gangs of American Legionnaires, Catholic War Veterans, Ku Kluxers, and former members of the Christian Front and the German-American Bund were raiding public and private meetings, attacking peacefully assembled American citizens, and perpetrating lawless and violent acts against what they called "Communist organizations."

"Men wearing Legion caps," reported the railroad brotherhood weekly, *Labor*, "are breaking up meetings from Washington to Los Angeles. Their excuse is that the participants are 'reds' or 'fellow-travelers.' That's the way Mussolini started in Italy and Hitler in Germany . . ."

As in Europe during the rise of fascism, Communists in America were singled out for especially violent treatment.

In Columbus, Ohio, on the night of March 30, 1948, a mob of several hundred men smashed into the home of Frank Hashmall, the executive secretary of the local branch of the Communist Party. Not finding Hashmall, who had been forewarned of the raid and taken his family to the house of a friend, the mob ransacked the house, tearing up books, demolishing furniture, breaking windows. Police officers summoned to the scene stood around joking with members of the mob and then withdrew.

None of the participants in the raid was arrested.

Asked to comment on the raid, Governor Thomas J. Herbert of Ohio dismissed it as an incident "where a few men lost their heads... This wasn't an organized mob. I don't intend to interfere unless there is a pattern established." The Governor went on to say:

"Hashmall should go back to Russia . . . We don't like Communists and we don't need any in Ohio. It's not that kind of state."

Six weeks later, the anti-Communist crusade claimed its first murder victim. He was a twenty-eight year old seaman named Robert New, who was port agent for the National Maritime Union and Chairman of the Wallace for President Committee in Charleston, South Carolina.

New's murderer, Rudolpho Serreo, was a member of the NMU's anti-Communist bloc, which was headed by the union's president, Joseph Curran. A vicious brawler once acquitted on a plea of selfdefense after stabbing a shipmate to death, Serreo had repeatedly threatened to "fix New, that nigger lover and Wallace stooge."

On the afternoon of May 7, 1948, Serreo telephoned Charleston police headquarters and told the police he intended to put an end to New's "Commie propaganda" and "niggerism." "You better bring an ambulance along," said Serreo. "I'm looking for trouble, and someone may get hurt."

Shortly afterwards, at the union hall, Serreo attacked New with a butcher knife, stabbing him several times in the body and then slashing his jugular vein.

Arrested and jailed, Serreo was treated with marked solicitude while awaiting trial. "I'm doing everything I can for Serreo," announced the jail warden.

Charleston's ex-mayor Thomas P. Stoney, head of the largest law firm in town, undertook Serreo's defense. According to Stoney, the real criminal was not the murderer but the man who had been murdered. "At the trial," said the ex-mayor, "I will prosecute Bob New for raising unrest among colored people in the south. I will prosecute him also as the chairman of the Wallace committee, as a communist."

Serreo himself felt that in killing New he had performed an important, patriotic service. In a letter to the NMU chief, Joseph Curran, Serreo wrote: "Well, Joe, I did all I can to keep the NMU

from going Commie, and I'm very, very sorry I can't do more." Serreo's trial took place in September. He was found guilty of manslaughter. In passing sentence, Judge J. Frank Eaton chided Serreo for "acting unwisely" and taking the law into his own hands. The killer was sentenced to three years imprisonment ...

On September 22, 1948, the chairman of the New York State Communist Party, Robert Thompson, was attacked late at night on his way home by two thugs wielding blackjacks. When Thompson, a sturdy thirty-three year old war veteran who was awarded the Distinguished Service Cross for heroism during the war, fought back vigorously, one of his assailants drew a knife and stabbed Thompson in the abdomen. The thugs then jumped in a waiting car and sped away.

Half-conscious and bleeding profusely, the Communist leader dragged himself to a nearby house of a friend. Medical examination showed that Thompson had suffered contusions of the cervical spine and brain concussion, and that if the knife wound had been half an inch higher, it would have been fatal . . .

A delegation headed by the Communist New York Councilman, Benjamin J. Davis, went to see Mayor William O'Dwyer to demand a special investigation of the crime. The mayor refused to grant the delegation an audience. Newspapers intimated that the assault had been deliberately staged by the Communists to win "public sympathy." The New York Police Department conducted a brief, casual investigation. No arrests were made . . .

Two months after the attack, on the evening of November 20, while Thompson and his wife were at a motion picture theatre, a private detective and former labor spy named Robert J. Burke burst into Thompson's house. Flashing his detective's badge at Mrs. Mildred Cheney and Harry Rainey, who were minding the Thomp-son children, Burke told them he was carrying a gun and warned them not to make a sound. Burke went to the bedroom of Thompson's eight-year old daughter, made an indecent exposure in front of her, and carried the terrified child into the bathroom, locking the door behind him.

Mrs. Cheney and Rainey broke open the door. They wrested the child from Burke, who then shambled from the house . . . Arrested and brought to trial on charges of illegal entry, inde-

cent exposure and seeking to impair the morals of a minor, Burke pleaded that he did not like Communists and that he wanted to give Thompson a "hard time." The judge held Burke innocent of illegal entry but found him guilty on the two morals charges.

The judge's ruling, however, was set aside and a new trial scheduled when Assistant District Attorney Irving Shapiro, who had himself prosecuted the case, found a technical "error" in Burke's typewritten confession.

A second trial was held. This time, Burke was found not guilty on all charges and set free.

## 4. "Is this America?"

"There is an hysterical campaign raging here ostensibly directed against the ever-popular target, the Communists," wrote attorney Abraham Pomerantz in the December 1947 issue of the *Protestant* magazine. "When you examine it more closely, however, it becomes apparent that the attack is really aimed at the liquidation of all resistance to the mounting tide of war and reaction."

Pomerantz went on to say:

The approach, copied from the Nazis works this way:

The press and radio first lay down a terrific barrage against the Red Menace. Headlines without a shred of substance shriek of atom bomb spies, or plots to overthrow our government, of espionage, of high treason, and of other blood-curdling crimes.

We are now ready for the second stage: the pinning of the label "Red" indiscriminately on all opposition.

The chief opposition to the domestic and foreign policies of the Government in 1948 was formed by the Progressive Party under the leadership of former Vice-President Henry A. Wallace.

On January 29, 1948, a National Wallace for President Committee had been set up under the chairmanship of Elmer Benson, the militantly progressive former Governor of Minnesota. Acting as Co-Chairman of the Committee were the noted sculptor, Joe Davidson; Paul Robeson, renowned singer and actor; and Rexford Guy Tugwell, former prominent New Dealer and ex-Governor of Puerto Rico. The Executive Director was C. B. Baldwin, former Farm Security Administrator.\*

<sup>\*</sup> Among other New Dealers, liberals and labor leaders who became members of the National Wallace for President Committee were Robert Morss

In his opening address to the first convention of the National Wallace for President Committee which was held in Chicago in April 1948, former Governor Benson summarized the reasons why there was "an imperative need for a new party." Said Benson:

On the day after tomorrow, three years will have elapsed since Franklin Delano Roosevelt died. Within that brief period, profound and sinister changes have occurred in our land.

During the thirteen years that Roosevelt was President, our nation moved steadily forward toward the achievement of a secure and meaningful way of life . . .

Following Roosevelt's death, declared Benson, the Government of the United States had "fallen into the hands of that small but vastly powerful clique which was characterized by Roosevelt as the economic royalists." Controlling both major parties, this clique had "embarked upon a scheme to dominate and control the world market . . . Nor do they care if they thrust our country into another war." As part of their campaign, which was being carried on "in the name of a crusade against Communism," they had launched "an intensive assault on the civil and political rights of American citizens."

"When a Government ceases to represent the people," stated Benson, "when men holding political power become the hirelings of the privileged few, then it is time to change the composition of that Government. That time is now!"

By the first week in February, Wallace for President Committees had been established in twelve states and fourteen more committees were in the process of formation. On February 18, Leo Isaacson, an American Labor Party candidate running on the Wallace ticket in a congressional bi-election in the Bronx, New York, was elected to the House of Representatives by an overwhelming majority. In March, the Independent Progressive Party supporting Wallace in California filed 295,951 valid petitions to win a place on the ballot in that state. Throughout the spring and early summer, giant mass rallies for Wallace were held in New York, Philadelphia, Detroit, Chicago, Los Angeles, and other cities.

Lovett, former Governor of the Virgin Islands; Albert J. Fitzgerald, President of the United Electrical and Machine Workers Union; O. John Rogge, former Assistant to the U. S. Attorney General; Dr. W. E. B. DuBois, outstanding scholar and historian; Dr. Maud Slye, distinguished cancer specialist; Charles P. Howard, Des Moines publisher and ex-member of the Republican National Committee; and Rockwell Kent, well-known artist.

The founding convention of the Progressive Party, attended by 3240 delegates and alternates from forty-eight states, took place in Philadelphia on July 22-25. Henry Wallace was nominated as the new party's candidate for President, and Senator Glen H. Taylor for Vice-President.

From its inception, the Wallace movement was the target of an intensive barrage of violent denunciation and vitriolic abuse. The nation's press and radio branded the Progressive Party as a "Communist-front organization" controlled by a cabal receiving "orders from Moscow." Wallace was pictured as a "muddle-headed dreamer" who had become "Stalin's chief spokesman" in America. "Tools of the Kremlin," "fifth columnists for Russia" and "traitors to the American Government" were some of the typical terms used to describe Progressive Party members.

In Congress, members of both houses called for a Federal investigation of the Progressive Party. "A vote for Henry Wallace," declared Senator Scott W. Lucas of Illinois, "is a vote for the Kremlin."

At a White House press conference, President Truman asked: "Why doesn't Wallace go back to Russia?"

As the anti-Wallace propaganda mounted in virulence and provocativeness, there simultaneously evolved a nationwide pattern of repressive measures against the Progressive Party.

With increasing frequency, the Progressive Party was denied access to public halls, refused permits for street corner meetings and forbidden to distribute campaign literature. Arrests of Progressive Party public speakers, sound truck drivers, canvassers and even candidates for office became commonplace throughout the country.

While many newspapers refused to accept paid advertisements of the Progressive Party, the press in Pittsburgh, Birmingham, Danbury and other cities published the names and addresses of persons who had signed petitions to place Wallace on the ballot. Small merchants who publicly supported the Progressive Party found themselves faced with organized boycotts, and men and women were repeatedly dismissed from jobs simply for wearing Wallace buttons.

Not a few professors were discharged from college posts for pro-Wallace sympathies and activities. These were typical cases:

Dr. Clarence R. Athearn, professor of philosophy and social ethics at Lycoming College in Pennsylvania, requested by the college authorities to resign from the chairmanship of the Lycoming County Progressive Party and subsequently dismissed from the college.

Dr. George Parker, teacher of religion and philosophy at Evansville College in Indiana, ousted from his post two days after presiding at a Wallace rally.

Professor Luther K. MacNair, Dean of Lydon State Teachers College in Vermont, forced to resign after being sharply attacked in the local press for his support of Wallace, and following the appearance of an editorial in the Burlington Times of an article entitled "MacNair Must Go."

Professor Clyde Miller, well-known authority on propaganda analysis, dropped by Columbia University after being listed as a member of the 700-man national committee of the Wallace movement.

Leonard Chosen, Charles G. Davis and Daniel D. Ashkenes, faculty members at the University of Miami, discharged for Progressive Party activity.

Professor Curtis D. MacDougall, at Northwestern University, was advised by university authorities he would be forced to resign unless he withdrew as Progressive Party candidate for United States Senate. Twenty-five other professors and instructors at this university were told that unless they discontinued their pro-Wallace activities they would be discharged.

The chief of police in Detroit, Harry S. Toy, publicly announced that in his opinion members of the Progressive Party were "un-American," and that such "un-Americans ought to be either shot, thrown out of the country, or put in jail." \*

In one state after another, open attempts were made to keep the Progressive Party off the ballot.

she did not discontinue her pro-Wallace activities, her dog would be poisoned. In the little town of Au Sable Forks in up-state New York, a boycott was secretly organized against the Asgaard Dairy which was owned by the famous artist, Rockwell Kent, an outspoken Wallace supporter and a congressional candidate on the American Labor Party ticket. The boycott forced Kent's dairy out of business.

<sup>\*</sup> The forms of public and private pressure against Wallace supporters in all walks of life were infinitely varied. In Minneapolis, Minnesota, a socially prominent woman who had invited a group of doctors and professors to her home to discuss a program for the improvement of state hospitals later learned that, because of her well-known pro-Wallace sentiments, police officials had recorded the license plate numbers of all cars parked outside her house during the meeting. In Boston, Massachusetts, several women circulating Wallace petitions were warned by school headmasters that if they continued their political activities, their children might later find it "difficult" to enter certain leading universities. In St. Louis, Missouri, a woman whose favorite pet was a small blind dog received anonymous telephone calls informing her that if she did not discontinue her pro-Wallace activities, her dog would be poisoned.

On June 4, Secretary of State Edward Hummel of Ohio announced that the new party would not be permitted to appear on the ballot in that state, as he had received "conclusive proof" from the FBI that leading Wallace supporters advocated overthrow of the United States Government "by force and violence." In Nebraska and Oklahoma the Progressive Party was ruled off the ballot on technical grounds. Ballot certification was at first refused the Progressive Party in Wyoming, Arkansas, Missouri, and Florida.

Despite the fact that 100,000 petition signatures were collected in Illinois, the Progressive Party was barred from the ballot throughout the state, with the exception of Cook County, on the grounds of failure to meet technical requirements.\*

"This letter," read a communication received at the New York headquarters of the Progressive Party from the Birmingham, Alabama, office in the summer of 1948, "is being written in longhand due to the fact that our office was broken into a few nights ago and all of our office equipment was damaged. The intruders took all our literature as well as our files."

The incident was not exceptional. Acts of vandalism and violence against the Wallace movement were becoming commonplace. In Boston, Cleveland, Philadelphia, Detroit and a score of other cities, the windows of Progressive Party headquarters were smashed, meetings of Wallace supporters were broken up by hoodlums, and persons attending open-air rallies were egged and stoned . . .

On April 6, when a Wallace rally took place in the Coliseum at Evansville, Indiana, a shouting mob stormed into the building and tried to force their way into the auditorium where Wallace was speaking. After a wild skirmish, during which Wallace's campaign manager, C. B. Baldwin, and several Wallace aides were assaulted, the intruders were finally driven from the Coliseum.

The harrowing experience of a group of Progressive Party campaign workers in Augusta, Georgia, was later vividly recounted by one of them, Rhoda Gaye Ascher, in an article published in the *New York Star.* Miss Ascher related how a band of men "all armed with pistols or revolvers" had raided at night the house where the Wallace campaigners were staying:

<sup>\*</sup> In the end, after prolonged litigation and organized popular pressure, the Progressive Party succeeded in obtaining certification in forty-five states. The Party remained off the ballot in Nebraska, Oklahoma and Illinois (with the exception of Cook County).

... one of the men reversed his gun and repeatedly banged Forbes [one of the Wallace group] on the head . . . Forbes fell back, with blood streaming from two wounds on his forehead.

Annie Mae Leathers, an Atlanta worker for Wallace, came screaming from the kitchen. "Who are you?" she kept saying over and over again to the men.

One of the crowd grabbed her by her hair and slapped her across the mouth. "Shut up, you dirty New York Communist," he said.

After smashing the windows and breaking up the furniture in the house, the raiders forced Miss Ascher and her co-workers into cars. They were driven out into the country to a field where dozens of cars were already parked and a crowd was waiting. From all sides came shouts of "String 'em up." One of the mob produced a rope. Another said, "The chief ain't here. Let's let it ride."

The Progressive Party campaign workers were warned: "The Klan tells you to get out and stay out. We don't want any Jew Communists stirring up the niggers."

The members of the mob then got in their cars and drove off.... Miss Ascher and her companions had managed to note the license plate numbers of several of the cars assembled in the field. One of these licenses, they later found out, belonged to an Augusta police car.

Organized violence against the Progressive Party reached a peak of intensity during Wallace's campaign tour of the South at the end of the summer.

Wallace's key-note address of the southern tour was delivered at the North Carolina Progressive Party Convention on August 29 at Durham. At a strategic moment, hoodlums attacked some of the convention delegates. "Eggs were thrown," reported *Time* magazine, "firecrackers and stinkbombs exploded, a national Guardsman fired into the air." Uniformed policemen and National Guardsmen finally quelled the rioting. During the melee, a University of North Carolina student and Wallace supporter named James Harris, was stabbed in the arm and back . . .

On the following day Wallace drove to Burlington, N. C., to speak at a large street-corner meeting. As the Presidential candidate stepped from his car, he was pelted with eggs and tomatoes. There was a tumult of boos, epithets and cries of "Why don't you go back to Russia?" Without hesitation, Wallace strode into the midst of the crowd. Confronting several of his assailants, he demanded: "Is this America?"

At the town of Charlotte, only one policeman was assigned by the local authorities to protect Wallace at a meeting attended by more than 3,000 people. As the Presidential candidate shouldered his way through the crowd toward his car after his speech, an angry shouting mob surged menacingly about him. "For a few moments," reported John Cabot Smith of the New York Herald Tribune, "it looked as if he might not be able to make it . . ."

In town after town where Wallace spoke on his southern tour, ugly-tempered mobs subjected him to every imaginable form of personal insult, bombarded him with eggs, tomatoes and other missiles, and sought to break up his meetings by provoking riots.

Never before in the history of the United States had a Presidential candidate been the object of such abuse, open threats of violence and organized mob assaults.

The Cass Lake Times of Minnesota stated:

The newspapers of the country are holding up their hands in holy horror at the egg throwing ... These primitive acts of primitive men have been condemned as cowardly, unfair, intolerant and un-American.

We cannot see much difference between the throwing of eggs and tomatoes at Wallace, and the hurling of epithets that have branded him as a Communist. We do not know which is worse-throwing tomatoes and eggs or cartooning Wallace as a slave of Stalin.

The mob has taken seriously the newspapers' attacks on Wallace ...

The months of virulent propaganda, systematic intimidation, widespread repression and violence against the Progressive Party were not without their effect. Estimates of Wallace's potential vote had ranged from five to ten million. The actual vote received by Wallace on November 7, 1948, was 1,137,957.\*

Harry S. Truman, orating about a "Fair Deal" for the nation and pledging a new era of far-reaching Rooseveltian reforms, confounded political wiseacres and public opinion experts by overwhelming his Republican opponent Thomas E. Dewey.

"So now we have in the White House a man with the most

<sup>\*</sup> The unexpectedly limited vote obtained by Henry A. Wallace was not to be explained entirely in terms of the intensive campaign against the Progressive Party. A major cause of the smallness of Wallace's vote was the failure of the organized labor movement—with the exception of a handful of unions—to support his candidacy. (In New York City, where considerable labor support was forthcoming, the militantly progressive Representative Vito Marcantonio was re-elected to Congress on the Progressive Party ticket.)

radical platform in presidential history ...," proclaimed the New Republic. "Reaction is repudiated. The New Deal is again empowered to carry forward the promise of American life. ... The government ... is one whose watchword is: Damn the torpedoes—Full speed ahead!"

But the editors of the *New Republic*, like many other American liberals, mistook campaign promises for the realities of life.

# 5. Method in Madness

The first to witness the strange and awesome phenomenon had been a businessman in Boise, Idaho. Late one afternoon, he had suddenly seen nine huge objects resembling "flying saucers" which hurtled through the sky at terrific speed and then, as abruptly as they appeared, vanished over the Cascade Mountains. Soon after the details of this remarkable experience had been reported in the press and on the radio, Lieutenant Governor Don. S. Whitehead of Idaho announced he had seen a huge disk-like object which "didn't move but just seemed to go below the horizon with the rotation of the earth." A tradesman in Pine Bluff, Arkansas, sighted a flying form "about the size and color of a washtub." Weird engines followed by "vapor trails" raced through the heavens before the startled eyes of a carpenter in Kansas City, Missouri. Two airmen flying a passenger plane over a mountain range in Utah beheld "several enormous luminous cylindrical objects" not far off in the sky, turning their plane from its course, pursued the objects for some distance before the mysterious quarry suddenly disappeared . . .

With similar reports coming from every section of the country, Meade Layne, a publisher of an occult magazine in San Diego, California, informed the press that he had managed—with the aid of a spiritual medium—to establish direct contact with one of the "flying saucers." Aboard it, said Layne, were living creatures who wanted to take up residence in the United States. "They come with good intent," Layne confidently assured newsmen.

The spiritualist's optimistic opinion, however, was not shared by considerable numbers of Americans who were firmly convinced that the extraordinary objects plunging through the skies were "secret Soviet weapons"...

Subsequently indicating the extent of the flying saucer "epidemic," the United States News reported on January 6, 1950:

After two years spent running down 375 rumors and reports of mysterious flying saucers, the Air Force closed down its investigation

last week with this conclusion: There is no such thing. The flying saucers that hundreds of people think they have seen are really: "(1) misinterpretation of various conventional objects, (2) a mild form of mass hysteria or (3) hoaxes."

In one respect at least the "mysterious flying saucers" were not unique. There were at the time other, not unrelated, forms of "mass hysteria" in America.

Shortly before the first flying saucers had been seen in the United States, *Time* magazine had told its readers:

In 1948, strategists guess, Russia will have power to send one-way missions of 1,000 planes against the U.S. By 1949, they think, Russia will probably have guided missiles, armed with one-ton war head, with a range of 3,000 miles. By 1952 disease-tipped bacterial weapons may be practical. Any time after 1952, by their estimates, Russia is very likely to have the Bomb.

Day by day, during the years 1947-49, the nation's press was filled with similar portentous accounts of stratosphere and intercontinental bombers, giant rockets and increasingly powerful atom bombs, bacterial weapons, military maneuvers, mobilization plans, and urgent secret conferences between American and Western European Chiefs of Staff. Scarcely a week went by without some frightening new "threat of war" looming on the international horizon. Cabinet members, diplomats, congressmen and four-star generals dwelt incessantly on the "world crisis," "the Russian menace to world peace," and the urgent need for "adequate defense measures."

"The atmosphere in Washington today," wrote Joseph and Stewart Alsop in their column in the *New York Herald-Tribune* on March 17, 1948, "is no longer a postwar atmosphere. It is, to put it bluntly, a prewar atmosphere . . . it is now universally admitted that war within the next few months is certainly possible."

The Gallup poll reported that seventy-three percent of the voting population of America already believed that a third world war was inevitable . . .\*

<sup>\*</sup> Accompanying the growing war hysteria, and in no small measure contributing to it, were a series of sensational cases involving "secret Soviet agents," purportedly engaged in plots against American security.

On March 26, 1946, with much fanfare, the FBI announced the arrest of Lieutenant Nicolai Redin, a Russian officer attached to the Soviet consulate in San Francisco. The FBI charged that Redin had been secretly involved in obtaining plans and information connected with the U.S. destroyer tender *Yellowstone*, which was slated to take part in the Bikini atomic bomb test.

"A war strategy is guiding U.S. policy," U.S. News had reported on August 8, 1947, less than two years after V-J Day. "There's a regular war strategy in moves made. The war in this state is politi-

During the ensuing trial, none of the charges were proved against Redin. He was acquitted July 17, 1946.

In February, 1947, newspapers throughout the country headlined the news that the Un-American Activities Committee had tracked down and was summoning for questioning "the key Kremlin agent in America" and "the brains of a red atom bomb spy ring." His name was Gerhart Eisler. An anti-fascist refugee and German Communist journalist, Eisler had resided in America since 1941 and had been about to return to Germany late in 1946 when his exit visa was suddenly cancelled. At the Committee hearing, Eisler refused to testify. For this action, he was subsequently found guilty of contempt of Congress. In May 1949, after being repeatedly refused an exit permit, Eisler stowed away aboard the Polish boat, *Batory* and returned to Germany. No evidence was ever produced to establish that Eisler was a Soviet spy or that he had conspired against the U.S. Government.

On August 13, 1947, the New York *World Telegram* and *Sun* front-paged stories reporting that a secret federal grand jury hearing of vital importance was underway in New York City. According to these papers, the grand jury was investigating a major "spy ring" involving top American Communist functionaries, trade union leaders and Soviet agents. Despite the sensational story, no such plot was to be uncovered by this or any other jury.

In July and August, 1948, the American press and radio blazoned a lurid tale of "Soviet war-time espionage operations in America" as told by a Communist renegade named Elizabeth Bentley in testimony before a Senate investigating committee and the Un-American Activities Committee. Miss Bentley, a heavy-set rather ungainly woman who had been glamorously described before her public appearance as a "Soviet Mata Hari" and "blonde spy queen", related how "Red agents" in key U.S. war offices had stolen vital secret data which they gave her and she in turn delivered to Soviet representatives. The "Supreme Presidium of the Soviet Union," said Miss Bentley, had awarded her-in absentia-the Order of the Red Star for "extremely valuable services" to Russia. Government investigators were unable to substantiate the details of her fantastic story.

The most sensational "spy ring" case-and most widely publicized by press, radio, newsreel and television-began on August 3, 1948, with the testimony before the un-American Activities Committee of Whittaker Chambers, ex-Communist and senior editor of *Time* magazine. A self-admitted perjurer, who was subsequently to be characterized in court by two eminent psychiatrists as a "psychopathic personality," Chambers testified that he had served before the war as a courier in a Soviet espionage ring. Among those charged by Chambers with giving him confidential data was Alger Hiss, a former high State Department official who had acted as adviser to Roosevelt at Yalta and as Secretary of the Dumbarton Oaks and San Francisco Conferences. Summoned before a Federal Grand Jury, Hiss was indicted for perjury for denying Chambers' accusations against him. When Hiss' first trial in the summer of 1949 ended in a hung jury, several congressmen demanded that the judge be investigated; newspapers published the voting record of the jury; and jurors who had voted for Hiss' acquittal received threatening telephone calls cal, economic, not military . . . War itself, fighting war, is probably ten years away, maybe 15, maybe 5."

These were some of the more important events of 1947-1949 which reflected the war strategy guiding U.S. policy:

- May 26, 1947: Exactly two and a half months after the promulgation of the Truman Doctrine, the President submitted the Inter-Continental Defense Plan to Congress, calling for the modernization and standardization of the equipment and training methods of Latin America and Canada under the supervision of the United States.
- June 2, 1947: The President's Advisory Commission on Universal Training warned that "the coming war will be cataclysmic in its suddenness and destructiveness," and called for a special army of trained men throughout the nation to deal with "wartime emergencies," and for universal military training for all young men.
- June 5, 1947: Speaking at Harvard University, Secretary of State Marshall projected a program of American aid to European countries, which was to become known as the Marshall Plan.\*

and letters. In a second trial, a new jury found Hiss guilty and, on January 25, 1950, he was sentenced to five years imprisonment.

Rivaling the Hiss-Chambers case for headlines in the nation's press was the Coplon-Gubitchev case. On March 24, 1949, Judith Coplon, a Justice Department employe, and Valentin Gubitchev, a Soviet citizen employed by the United Nations, were arrested in New York. In Miss Coplon's purse, the FBI agents found documents relating to "national defense"-documents which Miss Coplon later claimed had been planted on her. Among these documents were confidential FBI reports charging outstanding Hollywood personalities and national literary figures with being Communists or Communist sympathizers. Miss Coplon was brought to trial in Washington on the charge of stealing government secret documents to aid a foreign power. Although the Government was unable to prove Miss Coplon intended to transmit the documents to Gubitchev, she was sentenced on July 1, 1949, to from 40 months to 10 years imprisonment. A second trial involving both Judith Coplon and Valentin Gubitchev began in November. During the early stages of the trial, FBI agents admitted, under questioning by defense counsel, that some 81 agents had illegally tapped telephone wires, and that numerous statements in their own reports were inaccurate. Regarding defense attorney Abraham Pomerantz, Newsweek reported on January 30, 1950: "He was able to demonstrate that if FBI agents had not committed perjury in describing the bureau's wiretap activities, they had skirted very close to it." On March 9, the two defendants were found guilty and sentenced to 15 years imprisonment. Gubitchev, acting on a State Department proposal, left the country.

\* At the end of 1948, before the European Recovery Program had been in effect a year, Joseph W. Frazer of the Kaiser-Frazer Automobile Corporation told reporters in Rome that the "Marshall Plan is proper as a military expedient but stinks as a business project."

Despite the appropriation of more than ten billion dollars for European aid during 1948-1949, American exports declined drastically. Moreover, in the nations covered by ERP, unemployment increased at an accelerating tempo. During 1948, the number of unemployed nearly doubled in France and rose

- July 26, 1947: President Truman signed the National Security Act, establishing a National War Council and unifying the armed services under a Secretary of Defense. The President appointed James V. Forrestal, former Secretary of the Navy, to the new post.
- January 12, 1948: In his budget message to Congress, President Truman called for the expenditure of \$18,034,000,000 for national defense and international subsidies. "Five budget items directly related to war," reported the United States News, "make up 79 per cent of the budget."
- May 6, 1948: The Senate approved the establishment of a seventy force air group, following discussion in which Senator Henry Styles Bridges, chairman of the Appropriations Committee, had characterized the Soviet Union as America's "only possible foe."
- June 24, 1948: President Truman signed a bill authorizing the first peacetime draft in the nation's history.
- November 13, 1948: The National Military Establishment published a plan detailing civilian defense needs and calling for the mobilization of 15,000,000 men and women "prepared and equipped to meet the problems of enemy attack, and to be ready against any weapon that the enemy may use."
- June 20, 1949: President Truman signed the Central Intelligence Agency Act, commonly known as the Spy Bill. For "security reasons," not even Congress was informed of many of the details of various provisions of the Act. Included among these provisions were stipulations for the safeguarding of "military secrets"; a plan for infiltrating American intelligence agents into foreign countries; and measures to facilitate the recruitment of foreign spies by waiving immigration regulations in the case of aliens useful "to the furtherance of the national intelligence mission." So sweeping were the powers granted the Central Intelligence Agency that the New York Times warned it was "a legislative catch-all with very broad . . . implications, which under improper administration or the spur of hysteria could lead to grave abuses of freedom."
- July 25, 1949: President Truman signed the North Atlantic Pact, binding twelve "North Atlantic nations," including Denmark on the North Sea and Italy on the Mediterranean, in a treaty providing for "mutual assistance against aggression." Directly after signing the Pact, Truman sent a message to Congress calling for the passage of the Military Assistance Program, to provide \$1,450,000,000 for arms for the European signatories of the Pact, Iran, the Philippines and

to almost two million in Italy and to an equal number in Western Germany. In its January 27, 1950 issue, the *United States News* reported:

<sup>&</sup>quot;Truman doctrine is dead, discarded . . . Marshall Plan is on the way down . . .

<sup>&</sup>quot;The turn is away from postwar phase in which U.S. tried, with dollars, to mold the kind of world it wanted. Communist victory in China was one jolt. Badly unbalanced budget at home was another. Idea is dawning that maybe U.S. cannot do in the world all the things it would like to do."

Korea, and to effect the "transfer of certain essential items of military equipment, and . . . the assistance of experts in the production and use of military equipment and the training of personnel."

According to Secretary of Defense Louis Johnson, "the basic objectives" of the North Atlantic Pact were "to deter war and to attain maximum military effectiveness if war cannot be prevented."

Putting the case somewhat more bluntly, Representative Clarence Cannon of Missouri stated: "We will blast at the centers of operation and then let our allies send the army in, other boys, not our boys, to hold the ground we win . . . With the signing of the Atlantic Treaty we have the bases, and all we need now are the planes to deliver the bombs."

The New York Daily News editorialized: "Let's stow the baloney and doubletalk, and admit there is a treaty creating a military alliance which contemplates war on Soviet Russia."

As the war fever mounted in the United States, an increasing number of voices called for immediate launching of a "defensive war" against the Soviet Union. Newspapers, magazines and military journals began featuring scores of articles graphically forecasting the tactics and strategy of an atom bomb offensive against Russia.

Typical of these military analyses were two lengthy articles by the former Chief of Staff of the U.S. Air Force, General Carl Spaatz, which were published in consecutive issues of *Life* magazine in June 1948. "It may smack of cynicism," observed General Spaatz in the opening passage of the first article, "for a soldier, so soon after one war, to start laying out the strategy for the next." The General then proceeded to outline a plan for attacking the Soviet Union whereby "the precision bombing of a few hundred square miles of industrial area in a score of Russian cities would fatally cripple industrial power."

"The first question," said General Spaatz, "is: is it possible to reach the vulnerable industrial system of Russia? The controlling factor now is the radius of the B-29, which with postwar improvements is more than 2,000 miles . . ."

The General answered his own question by making this suggestion to the reader:

Take a globe and a string scaled to 2,000 miles, pin one end down at Moscow, and swing the free end westward. It will take in the British Isles and part of Iceland. Swing it south and it will take in part of North Africa. Now do the same thing from the Urals, fixing one end of the string on Magnitogorsk and swinging the other south. The free end in its sweep will take in Iraq, Iran, and Pakistan as far south as Karachi. From the Ukraine-Volga center, the string will pass through Britain, France, and North Africa. From Baku in the Caucusus the sweep will encompass part of India, Saudi Arabia and part of Europe. There is additionally in Siberia a fast-growing center of industry, not to mention the double-track Trans-Siberian railroad. This region could be reached by B-29 from China and Japan.

In each case, General Spaatz pointed out, there were within the arc formed by the "free end of the string" air bases from which B-29 bombers could conduct raids against the specified "priority targets"...

In the autumn 1948 edition of the Air University Quarterly Review, Colonel Dale O. Smith, an ardent exponent of the Spaatz school of air warfare, envisioned a "super atomic blitz" which would accomplish an American victory within a matter of weeks. "If the war lasts as long as one month," wrote Colonel Smith, "what possible targets will there be left to bomb?" The Colonel added, "Not to be overlooked are the strategic results of population bombing in urban centers." \*

On December 29, 1948, Secretary of Defense Forrestal announced that the U.S. high command was studying possibilities of establishing a "rocket outpost" hung in the skies. An Associated Press dispatch reported:

From an altitude of more than 200,000 miles, the ... satellite would have the whole earth in its "bomb sight." Beyond the possibility of an unmanned, automatic transmitting satellite is the possibility that ways might be found to send men and equipment to the satellite, there to launch direct rocket attack on earth targets.

Some scientists believe that the nation which first creates an outer space platform for the guidance of launching of atomic warhead rockets will dominate the earth.

"Yet what nation is there that desires war?" demanded former Governor Elmer Benson of Minnesota. "The American people do not want war; we want peace. We are told by certain voices that Russia wants war. But is it conceivable that a country which lost close to 10,000,000 of its citizens and had one third of its land and resources laid waste in the Second World War-is it conceivable that such a country should now deliberately seek a third world

<sup>\*</sup> Differing quite sharply with the atomic warfare enthusiasts, P. B. Harwood, vice-president of Cutler-Hammer, Inc., told a meeting of the American Interprofessional Institute of Milwaukee, "The atom bomb is a poor weapon of war because it destroys too much property. Although it sounds coldblooded, the type of weapon we should have, if we must wage war at all, is one that will kill only people . . ."

war? No, it is utterly inconceivable. Like the American people, the Russian people want peace. And if the peoples of the world want peace, why then is there in our country all this mad talk of war?"

There was, however, definite method in this seeming madness. Behind the frantic talk of war lay certain "practical" calculations . . .

By early 1947 the ephemeral postwar boom had run its course. As prices continued to soar, and consumer purchasing power ebbed, unsold goods piled up in the nation's warehouses. Talk of an impending crash was widespread in business circles.

A crash was averted. The "menace of war," "Soviet aggression," spy scares and the "spread of Communism" provided the rationale for placing the American economy on a war footing. As Hershel Meyer writes in his book, *Must We Perish?*:

Big business got its "shot in the arm"-more billions in new armament contracts. It was miraculous how the "Communist danger" kept on growing and, parallel with it, the monopoly demands for still bigger armament orders. With each billion appropriated for planes, bombs and guns the war cries of the militarists became more frenzied. Over \$20 billion were to be spent on armaments in the 1949 fiscal year alone, more than the United States spent in the entire decade between 1930-40, when Japan and Germany threatened American security and world peace. This huge peace-time armament appropriation was at once reflected in the rise of stocks and commodities on the exchanges.

"All fear of a business setback should now be removed," exulted *Barron's Financial Weekly* on October 8, 1948, "by a revelation that a plan for military aid patterned on the E.C.A. program will be one of the first programs submitted to Congress next January. As long as the armament prop remains under business it is difficult to believe that a collapse in demand is imminent."

Two weeks later, the same Wall Street periodical stated:

... if military demand should grow much larger it would eliminate any dangers from expanded inventories ... If an enormously speeded up defense program, or warfare itself, should come, the problem of excess inventories would vanish completely.

On January 14, 1949, in an editorial in the *United States News* entitled "Our Unpreparedness for Sudden Peace," David Lawrence wrote:

We are being asked to spend \$15,000,000,000 a year for armaments and an additional \$1,000,000,000 at least to supply arms to the North Atlantic military alliance. It is obvious that armament expenditures have given America a false prosperity . . .

Hence the paradox that the biggest economic danger faced by America is the danger of a sudden turn to peace by Russia.

In France, the conservative journal, Vie Francaise, summed up this line of reasoning with the headline: "Better a War Than a Crisis."\*

\* The satisfaction of American businessmen and industrialists with the war preparations was by no means shared by the American millions.

In the forefront of the peace movement in America were the Protestant Church organizations. In 1948 the Northern Baptist Convention called for the establishment of a World Peace Movement "to save the world from destruction." The Michigan Conference of the Methodist Church protested to the President "the continuing pressure for military domination of our life" and urged "an honest attempt to make peace with Russia." The 400,000 members of the United Council of Church Women announced a campaign to ring doorbells to build support for peace.

In its Christmas, 1948 issue *The Churchman* noted ironically: "So, because the Christmas song of 'Peace on Earth' haunts Protestantism, it is subversive and identical with communism! We suggest that all the 50,000,000 American Protestants be jailed."

On March 25, 26 and 27, 1949, more than 600 outstanding American personalities sponsored the Cultural and Scientific Conference for World Peace held in New York City under the auspices of the National Council of the Arts, Sciences and Professions. Among the sponsors were Dr. Harlow Shapley, Henry A. Wallace, Bishop Arthur W. Moulton, Thomas Mann, Albert Einstein, Aaron Copland, Olin Downes and Lillian Hellman. The plenary and panel sessions of the conference were filled to overflowing, and hundreds of people were turned away. At the concluding Madison Square Garden meeting on March 27, there was an audience of 20,000 people.

The State Department restricted foreign representation to guests from Eastern Europe, refusing visas to more than twenty Western Europeans and Latin Americans, including such renowned individuals as Paul Eluard, J. D. Bernal, Carlo Levi and Abbe Jean Boulier. Among the foreign guests who did attend the conference were Dimitri Shostakovich, Juan Mariniello, Olaf Stapledon and Alexander Fadayeev.

The following month some 300 prominent American figures formed an American Sponsoring Committee of the World Congress of Fighters for Peace, held in Paris during April 20-25, 1949. Co-chairmen of the American Sponsoring Committee were Bishop Arthur W. Moulton, Dr. W. E. B. DuBois and O. John Rogge. Fifty American delegates attended the Congress, at which there were 2,000 delegates from 72 countries who represented more than 600,-000,000 human beings.

During the first week of September 1949 over 200 American delegates attended the American Continental Congress for Peace held in Mexico City.

On October 1 and 2, 1949, a National Labor Conference for Peace was held in Chicago. It was attended by more than 1,000 delegates from 28 states, each representing a minimum of 25 supporters in AFL, CIO, independent unions and Railroad Brotherhoods.

In addition, throughout the nation, there were numerous local individual manifestations for peace by widely diversified groups and organizations.

# Chapter XVI

# THE MONSTROUS FACT

We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness . . .

#### The Declaration of Independence, July 4, 1776.

For any colored man who has become inocculated with the desire for political equality, there is no employment for him in the South. This is a white man's country, and will always remain a white man's country.

> Congressman James F. Brynes, August 25, 1919.

When people are divided by a master-race theory, liberty and justice are impossible.

> Segregation in Washington—A Report of the National Committee on Segregation in the Nation's Capital, 1948.

### 1. In Freedom's Name

**FROM SEPTEMBER 1947** to December 1948 a Freedom Train, symbolically painted red, white and blue, journeyed on an elaborately publicized tour of America, with three exhibition cars containing 131 historical documents and flags "marking the development of liberty in the United States." The tour, which covered every state in the Union, was sponsored by Attorney General Clark and endorsed by President Truman. It was conducted under the auspices of the American Heritage Foundation, the chairman of whose board of trustees was Winthrop W. Aldrich, head of the Chase National Bank.

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In making public the purposes of the Freedom Train project, the American Heritage Foundation stated:

We shall announce as a basic credo that the essence of democracy is the sanctity of the individual... Men were born to be free, for only free men can walk the earth with dignity. We shall emphasize the fact that our nation holds secure for its people the integrity of the individual and the freedom to aspire to the fullest development of the personality.

The Foundation stressed that the principles it was propagating were of international, as well as national, import:

... when we speak of "our way of life" we speak of the hopes and aspirations of countless millions all over the world. There are no geographic boundaries to the universal yearning of men to be free.... always we must hold forth "our way of life" as an inspiration to the rest of the world.

Even if such grandiloquent protestations about American democracy had not come at a time when the traditional rights and freedoms of Americans were under unprecedented attack, there would still have been one salient aspect of the American "way of life" which could scarcely serve as an inspiration to the rest of the world.

That was the infamous and monstrous fact that 15,000,000 Americans—one out of every ten in the nation—were sentenced from birth to second-class citizenship and were systematically subjected to lifelong oppression, humiliation and most dreadful persecution.

More than a century and a half after the American Republic was founded on the basic principle that all men are created equal, and almost a hundred years after the signing of the Emancipation Proclamation, Negro citizens in postwar America were living under conditions comparable in many respects to those endured by Jews in pre-war Nazi Germany.

"With the possible exception of South Africa," Harry Haywood wrote in 1948 regarding the status of American Negroes in his book, *Negro Liberation*, "in no other country has 'race' been made to play such a decisive role in the socio-economic oppression of a people... Slavery as ownership of chattel is gone; as a caste system it remains. Its purpose is to keep non-whites in a position which, in one way or another, is inferior or subordinate to that of whites. Its devices range from lynchings and mob violence, at the one extreme, through legal enactments and extra-legal manipulations of courts and police, to custom and etiquette as instruments of caste control."

During the New Deal era, particularly in the war years, certain breaches had been made in this American caste system. With the growth of progressive trade unionism, symbolized chiefly in the CIO, and with the establishmant of the Fair Employment Practices Committee, tens of thousands of Negro men and women obtained jobs as skilled workers from which they had previously been barred. And, as the manpower needs of the armed forces multiplied, the traditional discrimination against Negro enlistments in various branches of the service was largely broken down.\*

Following V-J Day, however, the old policies were swiftly revived. In the summer of 1946, the Army stopped accepting Negro enlistments; † and a few months later every Negro in the Marine Corps was given his choice of a discharge or a transfer to the steward's branch.

Last to be hired in industry, Negro workers were first to be fired. Between July 1945 and April 1946, unemployment among Negroes increased twice as rapidly as among whites. Congress refused to appropriate money to enable the FEPC to continue its work beyond May 1946. In its final report, the Committee stated:

The wartime employment gains of Negro, Mexican-American and Jewish workers are being lost through an unchecked revival of discriminatory practises . . . Nothing short of congressional action to end employment discrimination can prevent the freezing of American workers into fixed groups, with ability and hard work of no account to those of the "wrong" race or religion.

Jim Crow was again the law of the land.

Some concept of the legally institutionalized Jim Crowism existing in many states in postwar America may be derived from these clauses in the Constitution of Mississippi:

#### Article 8, Education, Section 207

Separate schools shall be maintained for children of the white and colored races.

<sup>\*</sup> Despite the gains made by Negroes in the armed services during the war, it remained a shocking fact—and one of the major contradictions of the American war effort—that almost all Negroes were compelled to serve in separate units. Negro soldiers were given the right to die, but not the right to fight in the company of white soldiers.

<sup>&</sup>lt;sup>†</sup>In 1947, when the Army had reduced the number of Negro soldiers to the desired proportion, a limited number of enlistments were accepted.

Article 10, The Penitentiary and Prisons, Section 225

It [the legislature] may provide for . . . the separation of the white and black convicts as far as practicable, and for religious worship for the convicts.

#### Article 14, General Provisions, Section 263

The marriage of a white person with a Negro or mulatto, or person who shall have one-eighth or more Negro blood, shall be unlawful and void.

Perhaps the most remarkable of the Mississippi statutes is the following:

Any persons, firm or corporation who shall be guilty of printing, publishing, or circulating printed, typewritten or written matter urging or presenting for public acceptance, or general information, arguments or suggestions in favor of social equality, or intermarriage, between whites and Negroes, shall be guilty of a misdemeanor and subject to a fine not exceeding five hundred dollars or imprisonment not exceeding six months or both fine and imprisonment in the discretion of the court.

"Legislation similar to that of Mississippi," the National Association for the Advancement of Colored People stated in *An Appeal to the World!*, a document submitted in February 1947 to the United Nations, "is in force in Virginia, North Carolina, South Carolina, Georgia, Alabama, Florida, Louisiana, Arkansas, Oklahoma and Texas. Similar but less stringent legislation is in force in Delaware, West Virginia, Kentucky, Tennessee, and Missouri . . . Eight northern states (California, Colorado, Idaho, Indiana, Nebraska, Nevada, Oregon and Utah) forbid intermarriage . . ."

The Appeal continued:

In twenty states segregation of pupils in schools is mandatory or expressly permitted. In three states the statutes call for even separate schools for the deaf, dumb and blind. In six states the statutes call for separate schools for the blind . . . Florida stipulates that textbooks used by Negro pupils shall be stored separately.

In fourteen states the law requires separate railroad facilities.... Separate waiting rooms are required in eight states. Separation in buses is required in eleven states; ten states have the same requirements affecting streetcar transportation ...

There are laws which require separation of the races in hospitals. In eleven states even mental defectives must be separated by race...

Separation is required by eleven states in penal and correctional institutions....

There are laws which require separation of the races in a multitude of relations-too many to be mentioned here. Several examples will make clear the scope of Jim Crowism imposed by law: Oklahoma requires separate telephone booths for Negroes; a Texas statute prohibits whites and Negroes from engaging together in boxing matches; ... in South Carolina Negroes and whites may not work together in the same room in cotton textile factories, nor may they use the same doors of entrance and exit at the same time.\*

At the end of the war, there were 5,000,000 Negroes in the Black Belt of the South, most of them living in virtual serfdom or involuntary servitude on great cotton plantations as sharecroppers and as tenant farmers. Although Negroes comprised approximately sixty per cent of the population of the Black Belt area, which stretched through twelve southern states, the overwhelming majority of them were deprived of the right to vote. The methods used to keep Negro citizens from the polls ranged from the poll-tax and other "legal" devices to terrorization and lynch mobs . . .

Throughout the North, too, "Black Belts" existed.

In every major northern city, the overwhelming majority of Negro residents were confined in squalid, frightfully overcrowded ghettos—miasmic slums of crumbling hovels and rat-infested, firetrap tenements. In Chicago's Black Belt the population density was 90,000 per square mile in an area where health authorities set the optimum density at 35,000. In Harlem, the average number of residents per block was 3,781. "At a comparable rate," stated *Architectural Forum* of the population density in Harlem, "the entire United States could be housed in half of New York City."

Through restrictive covenants and various other "legal" and extra-legal means, and not infrequently through mob violence, Negroes were quarantined in these Black Belts almost as rigorously as Jews had been by the walls of the Warsaw Ghetto. Between 1944-46 in Chicago alone, fifty-nine attacks were made on the homes of Negroes trying to settle in white areas—five shootings, twenty-two stonings and more than a score of arson-bombings. Not a single culprit was punished for these crimes . . .

In a report published by the U.S. Office of Education, I. C. Brown stated regarding the living conditions in Negro ghettos in many parts of America:

<sup>\*</sup> The author of this particular section of the NAACP Appeal was Milton R. Konvitz, Associate Professor at Cornell University.

The full title of the NAACP document was An Appeal to the World! A Statement on the Denial of Human Rights to Minorities in the Case of Citizens of Negro Descent in the United States and an Appeal to the United Nations for Redress.

... in cities, paving, lighting, sewerage service and police protection often cease where the Negro section begins ... In many areas there is no hospital service of any kind available to Negroes, and the medical and nursing service is often wholly inadequate if not lacking altogether.

In Chicago and New York City, the tuberculosis rate among Negroes in 1947 was approximately five times as high as among whites. In Newark, New Jersey, it was almost seven times as high.

More than twice as many American Negro mothers as white mothers died in child-birth. Infant mortality among Negroes was seventy per cent higher than among whites.

The average life expectancy of Negro Americans was ten years less than that of white Americans.

"Why apologize or evade?" asked Senator Walter F. George of Georgia, former member of the Georgia Supreme Court, in an article in *Liberty* magazine. "We have been very careful to obey the letter of the Federal Constitution—but we have been very diligent and astute at violating the spirit of such amendments and statutes as would lead the Negro to believe himself the equal of the white man. And we shall continue to conduct ourselves in that way!"

### 2. In the Nation's Capital

"The capital of a nation," Justice Wendell Philipps Stafford of the Supreme Court of the District of Columbia once declared, "though it may lie, as ours does, at the level of the sea, must be in a very true sense, a city that is set on a hill and which cannot be hid... it will become a symbol—a symbol of the great Republic whose visible throne is here."

With its stately white granite buildings, majestic monuments and spacious tree-lined boulevards, postwar Washington was seemingly a worthy symbol of the great traditions of the American Republic. But the superficial beauty and dignity of the capital of the United States were a deceptive facade. They concealed a noisome morass of racial prejudice, discrimination, Nazi-like segregation and the deliberate humiliation of human beings whose skin was not white ...

Within view of the White House, and in the shadow of Lincoln's gravely beautiful memorial, there sprawled a hideous ghetto in which more than a quarter of the city's inhabitants, 250,000 Negro Americans, were penned. In the Capital of their own land, Negro

citizens were barred from "white" hotels, restaurants and theatres, denied the right to patronize the main department stores, forced to attend separate schools and hospitals, and compelled to stand while eating at downtown lunch counters . . .

In 1947, the proprietor of a dog cemetery in Washington publicly announced that henceforth he would not accept for burial dogs belonging to Negroes. Although, he explained, he knew that dogs would not object to non-segregated burial, he had found that his white clientele were offended by such treatment of their deceased pets . . .

After a visit to the capital of the United States, a native of India declared: "I would rather be an Untouchable in the Hindu caste system than a Negro in Washington."

The booklet, Segregation in Washington—A Report of the National Committee on Segregation in the Nation's Capital,\* which was published in November 1948, included this comment:

On occasion, the State Department has sent vigorous protests to certain nations which attempt to restrict the movements of our representatives abroad. But Washington is the only major capital in the world where it is necessary to chaperone foreign guests to protect them from insult on account of color.

As typical examples of the experiences of foreign colored visitors in Washington, the *Report* cited these cases:

During the war, the Foreign Minister of an African country was invited to Washington by the State Department, which made hotel reservations in advance. He arrived late at night, however, and the hotel manager flatly refused to admit him. A high official of the Department was routed out of bed, and persuaded the hotel by telephone to admit the Foreign Minister—on a plea of urgent "war necessity."

An influential Puerto Rican Senator comes to Washington frequently to see the Resident Commissioner who must devise ways and means to provide him with rooms and meals. On one visit a private family in Alexandria gave him shelter. On another, a Puerto Rican newspaper correspondent took him to his home. On a third, the Commissioner was not able to find private quarters and asked the Senator to sleep on the couch in his office.

A devout Catholic from Panama entered a Catholic Church in Wash-

<sup>\*</sup>Among the members of the National Committee on Segregation in the Nation's Capital were Roger N. Baldwin, Bruce Bliven, Reverend Harry Emerson Fosdick, Philip Murray, Professor Louis Wirth, Bishop G. Bromley Oxnam, Walter White and Eleanor Roosevelt.

ington. As he knelt in prayer, a priest approached him and handed him a slip of paper. On the paper was the address of a Negro Catholic church. The priest explained that there were special churches for Negro Catholics and that he would be welcome there.

Ordinarily, however, a distinction was made in Washington between foreign visitors and native Americans with dark skins. "Most of the capital's stores and eating places," reported the National Committee on Segregation in the Nation's Capital, "are alert to the importance of distinguishing between American Negroes and foreigners of dark complexion, so as to treat the latter like white persons . . . Often an alien Negro will be allowed to eat sitting down at a lunch counter if he has a diplomatic pass, or some other means of proving that he is not an American Negro."

Discrimination in the American capital was intended to be reserved as the special prerogative of black Americans.

"No property in a white section," stipulated a clause in the Code of Ethics of the Washington Real Estate Board, published in 1948, "should ever be sold, rented, advertised or offered to colored people."

In an article in the *Washington Post* headed, "Negro Housing-Capital Sets Record for U.S. in Unalleviated Wretchedness of Slums," Agnes E. Meyer described the Negro ghetto in Washington in these words:

In my journey through the war centers I... visited the worst possible housing. But not in the Negro slums of Detroit, not even in the southern cities, have I seen human beings subjected to such unalleviated wretchedness as in the alleys of our own city of Washington ...

Not only houses have been subdivided, but small rooms already too filthy for animal habitation, have been partitioned with cardboard to absorb more tenants.

In Burke's Court, 14 occupants have been stowed away in a single room; in Ninth Street, N.W., a small house holds 19 persons, while a woman and three children live in the basement.

Five or six persons to a room, occupying at times a single bed, is commonplace ...

Only thirty per cent of the residents of the District of Columbia were Negroes, but Negroes had seventy per cent of the slum residents and sixty-nine per cent of the tuberculosis deaths . . .

Front-paged on the New York Times of May 14, 1948, under the

headline, "RACE BIAS IN WASHINGTON DEPRIVES 51 YOUNGSTERS OF TRIP TO CAPITAL," was a news item which read in part as follows:

Long-cherished dreams of passing a few hours among the tokens of freedom and historical attractions of the nation's capital were shattered yesterday for fifty-one New York children by Negro segregation and discrimination rules as practised in Washington. All of the youngsters were medal winners in the safety patrol contests in the New York metropolitan area . . .

Among the youths designated to share in the safety honors were four Negro children . . . When the Automobile Club sought accommodations for them with their white companions, the Washington hotel doors were closed to them. This action caused the cancellation of the junket yesterday. A special citation was to have been given by President Truman . . .

Commenting on this incident, the New York Herald Tribune editorialized: "The humiliation of these New York schoolboys was a national disgrace." \*

The most shocking fact about discrimination against Negro citizens in postwar Washington was that it was not only condoned but actually fostered by the Government itself.

In the words of the National Committee on Segregation in the Nation's Capital:

Allied against the Negro in this doubtful enterprise . . . is the full majesty of the United States Government. . . .

In spite of all its principles and all its professions, its executive orders and directives, the United States Government is systematically denying colored citizens of the capital equal opportunity in employment, and is setting an example of racial discrimination to the city and nation.

Following the war, Government departments and agencies reverted once more to the policy of excluding Negroes from all but

White athletic and debating teams cannot compete with Negro teams. In 1947 the finals of a Bill of Rights oratorical contest sponsored by the Junior Chamber of Commerce could not be held as contemplated in a public school auditorium because both white and Negro children were taking part in the competition.

On public playgrounds as elsewhere, Jim Crow is rigidly enforced. Colored boys and girls are forbidden by the regulations of the District of Columbia Recreation Board to enter the playgrounds of white children.

<sup>\*</sup> Negro children in Washington are carefully segregated and systematically made to feel inferior to children whose skins are white. Separate schools are set aside for Negro children. Operated under the cynical, self-contradictory formula of "separate and equal," the Negro schools are in old, dilapidated buildings, one third of which were constructed before the turn of the century.

the lowest custodial and clerical jobs. In the State Department, Justice Department, the Bureau of the Budget, the Federal Trade Commission and the Federal Reserve Board, colored workers were relegated almost entirely to the most menial work. In the Census Bureau, the Government Printing Office, and the Bureau of Engraving and Printing, most Negro employees were kept in the lowest paid jobs and segregated in separate units . . .

Such were the post-war anti-Negro policies practised in Washington by the Government that the National Committee on Segregation in the Nation's Capital stated toward the conclusion of its *Report:* 

At this very moment the Federal Government is holding more citizens in bondage than any single person or agency in the country. It is responsible because it, and it alone, has the power to break the chains that bar a quarter of a million Negroes in Washington from their equal rights as Americans.

Worse, the government has helped to make the chains. Its District courts have been used, unconstitutionally as it now appears, to force colored people in ghettoes. Its lending, housing and planning agencies have been drawn into the general undertaking. Its District Commissions, appointed by the President, and its various other officers, have helped maintain the color bar in municipal agencies, schools, hospitals, and recreational facilities. . . .

When people are divided by a master-race theory, liberty and justice are impossible. Nowhere is this plainer than in the capital . . .

"It must be viewed as one of the ironies of history," commented the Washington Evening Star one year after the defeat of the Fascist Powers, "that the Confederacy, which was never able to capture Washington during the course of that war, now holds it as a helpless pawn."

#### 3. Terror in Tennessee

On the morning of February 25, 1946, in the little town of Columbia, Tennessee, James C. Stephenson, a nineteen-year-old Negro Navy veteran, and his mother went to the Castner & Knott store to fetch a radio they had left for repairs.

Mrs. Stephenson paid the thirteen-dollar repair bill. On testing the radio, she found it still would not work. "Thirteen dollars, and the radio not playing!" she exclaimed.

Enraged that a Negro had the temerity to speak in this fashion, the repairman, William Fleming, stepped menacingly from behind the counter and ordered the Stephensons out of the shop. As they left, one of the shop clerks punched James Stephenson from behind. At the same time, Fleming kicked Mrs. Stephenson and knocked her down.

The young Negro veteran sprang at Fleming and struck him a blow that sent him crashing through the display window. A grocer came running from a neighboring shop, crying, "Kill the black bastards!" As a crowd gathered, someone shouted "Let's lynch them!"

Several policemen arrived on the scene. One of them raised his nightstick over young Stephenson's head. Mrs. Stephenson cried out, "Don't hit my boy!" The policeman turned and struck her with the club.

The Stephensons were then arrested.

At the City Hall, the police judge asked the prisoners, "Were you fighting?"

They answered in the affirmative.

"Guilty," said the judge. "Fifty dollars."

A man hurried into the City Hall. A crowd was gathering outside, he told the judge, and there was talk of a lynching.

The judge telephoned the sheriff. "You better get these people out of here," he said. "We can't give them any protection."

The Stephensons were taken to the county jail by the sheriff and locked up . . .

Meanwhile a local magistrate, C. Hayes Denton, had arranged for a warrant to be sworn out charging the Stephensons with "attempting to commit murder by use of dangerous instrument, towit, pieces of glass." Denton set bail for the Stephensons at \$3,500 each.

That afternoon, the sheriff telephoned a Negro businessman in Columbia named Julius Blair. "You better make bond and get them out of here," the sheriff told Blair, "because they're going to be lynched. There's a mob milling around."

Quickly, Blair posted the \$7,000 bond at the magistrate's office, drove to the county jail and picked up the Stephensons. The veteran and his mother were then spirited out of town.

By sundown, a mob of about a hundred men carrying rifles, shot guns and pistols had congregated in Columbia's courthouse square. Bottles of liquor were being passed from hand to hand. Speakers harangued the crowd, urging them to go to Mink Slide, the segregated Negro district, and "get those niggers."

But the mob was not eager to invade the Negro community. The rumor had spread that Negro war veterans, armed with German and Japanese war trophy guns and other firearms, had been mobilized to meet the attack . . .

In Mink Slide a group of Negro citizens, including a number of veterans, were going from house to house, urging their occupants to lock their doors and keep off the streets. The veterans had gathered together a handful of weapons—a few shotguns, two target rifles and a few pistols—which they planned to use as a last resort, if necessary, to defend their families and homes.

When night came, there was scarcely a sign of life in Mink Slide. Except for occasional Negro patrol units, the streets in the Negro district were completely deserted. Doors were locked and shades tightly drawn. Children had been hidden in back rooms and garrets. The whole area was silent, blacked-out, tensely waiting ...

Shortly after dark, cars filled with armed white men began cruising the outskirts of Mink Slide. Sporadic shots cracked as the occupants of the cars fired at random into the unlighted buildings.

A car carrying four policemen headed into Mink Slide. The car had no distinctive markings and in the darkness was mistaken for one of the mob's vehicles. A voice cried out, "Here they come!" There was a shotgun blast. Peppered with bird shot, the policemen swung their car about and drove back to the center of town ...

The mayor of Columbia now put through a telephone call to Governor McCord at Nashville and asked that armed forces of the State be sent immediately to Columbia.

Before dawn, 500 state guardsmen, including a machine gun company, had been rushed into Columbia with full military equipment. State Guard Brigadier General Jacob Dickinson was in command of the troops. In Columbia, the state troops were joined by seventyfive highway patrolmen under the leadership of Lynn Bomar, State Director of Public Safety.

Paying no attention to the armed white mob still gathered in the square, General Dickinson deployed his force in a cordon around Mink Slide. This done, the General informed newspapermen: "The Negroes are surrounded."

Promptly at five o'clock in the morning, the invasion of the Negro section began.

The attack was carried out with military precision. State Highway police led the way, with tommie guns, automatic rifles and carbines blazing. Close on their heels came rows of steel-helmeted state guardsmen carrying rifles with fixed bayonets. Volley after volley crashed into houses and shops as the troops slowly advanced through the smoke-filled streets.

Describing the assault, the Nashville Banner stated later that day:

As the highway patrolmen moved into the "Mink Slide" or "Black Bottom" section, this morning, they blasted a number of business establishments with machine guns and carbines . . . Plate glass windows were shattered, doors knocked down and all the places of business were virtually wrecked . . .

"To the war veterans," commented the newspapermen, Tom Ketterson and Paul Page, in the *Columbia Daily Herald*, "the scene was reminiscent of American troops going through a captured town in Europe."

There were, however, significant differences between the military tactics of U.S. troops overseas and those of the invaders of Mink Silde. As Robert Minor records in his pamphlet, Lynching and Frame-up in Tennessee:

... only the places owned by Negroes were destroyed; every white shop was left untouched, and in that respect it was more like a Nazi storm-troop raid on a Jewish quarter.

Under the personal command of State Director of Public Safety, Lynn Bomar, state police stormed into the Negro-owned shops, restaurants and offices, wrecking furniture and hurling supplies and equipment into the street. They fired tommie gun blasts at mirrors and pictures, smashed cash registers and emptied them of their contents.

Breaking down doors, the police forced their way into private homes and apartments. Men, women and children alike were driven into the littered streets, clubbed with rifle butts, and ordered to stand with their hands above their heads.

The Negro prisoners were then marched in a long procession through the streets of the town to the jail . . .

At noon, Governor McCord arrived in Columbia. At a hurried, private conference with municipal authorities, it was agreed there should be no more public talk about lynchings. The episode was to be officially described as "an armed Negro uprising" that had been forestalled in the nick of time. The Governor's executive secretary, Bayard Tarpley, told newspapermen that Negroes were known to have been buying weapons "all over the state."

That afternoon the Columbia Daily Herald stated editorially:

The Negro has not a chance of gaining supremacy over a sovereign people, and the sooner the better element of the Negro race realize this the better off the race will be . . .

Headlines throughout America blazed the news of a "Negro Riot" in Columbia, Tennessee.

Seventy Negroes were placed under arrest, most of them charged with attempt to commit murder. Their bail was set by Magistrate Denton at \$5,000 each, totaling \$350,000.

The preliminary interrogation of the arrested Negroes was conducted at the packed county jail. One after another, the prisoners were taken from their cells, led down corridors bristling with armed guards and pushed into a room which ordinarily served as the sheriff's dining room. They were told that if they "talked" and disclosed what they knew about "the plot," they would be dealt with leniently. Despite cajolery, threats and third degree, no prisoners "talked"...

On February 28 three prisoners were brought together into the sheriff's dining room. Their names were William Gordon, James Johnson and Napoleon Stewart. After a prolonged interrogation, during which they failed to give what police officials termed "satisfactory answers," the three men were taken by deputy sheriffs and state troopers into an adjoining office.

Suddenly there was a burst of machine gun fire.

With blood pouring from bullet wounds, Gordon and Johnson were taken to King's Daughters Hospital. They were given blood plasma but refused bed accommodations because the institute was, in the words of the *Washington Post*, "a white hospital." While being driven to Nashville, the two men died.

Following nationwide demands for Government action, a Federal Grand Jury was set up to conduct an investigation of the events at Columbia.

All persons selected to serve on the Federal Grand Jury were white.

After a two months' inquiry, the Grand Jury reported that it had found "no violation of civil rights," and that there was no evidence of any attempt at a lynching in Columbia.

Sharp criticism by the Grand Jury was reserved for "inflammatory articles" that had appeared in the "Communist press" . . .

In reporting the findings of the Federal Grand Jury, the nation's press neglected to mention an extremely interesting fact about Judge Elmer D. Davies, who had presided at the hearings as the appointee of Attorney General Clark. The unmentioned fact was this: Judge Davies—according to a news story which had appeared in the New York Times on July 19, 1939—was, by his own admission, a former member of the Ku Klux Klan.

### 4. By Trigger, Lash and Noose

On June 6, 1947, in a feature article entitled "Lynch Trial Makes Southern History," *Life* magazine saw fit to express satisfaction over a "forward step" in the extension of "justice" to Negroes in the South.

In Greenville, South Carolina, a white taxi driver had been stabbed to death the previous February. County authorities had promptly arrested a Negro youth, Willie Earle. "Early next morning," recorded *Life*, "a lynch mob driving cabs took Earle from the jail at nearby Pickens, beat him, kicked him, pounded him with the butt of a shotgun, then stabbed him five times, gouged a huge piece of flesh from his thigh and finally blew off most of his head with three blasts from the shotgun."

Twenty-six confessed participants in the lynching were placed on trial. The court proceedings, according to *Life*, "frequently took on the informal aspect of a family picnic." The jury's verdict was "not guilty."

Following the acquittal of the defendants, R. C. Hunt, the man who had blown out Earle's brains with a shotgun, gave a party, announcing: "Justice has been done on both sides." Duran Keenan, another of the lynchers, told the press: "It's the best thing that ever happened to this country."

Summing up its views on the case, *Life* praised the trial as "the first time the entire ugly story of a brutal lynching was put in the legal records." The magazine opined:

For nine days they were tried, in all seriousness . . . The trial did not end in a way to satisfy those who believe that democracy means what it says, regardless of the color of a man's skin . . . But history had been made nonetheless . . . It was clear that the South could no longer be considered 100% safe for a lynch mob, or at least that lynching could not be kept 100% secret.

On August 13, 1947, two months after the appearance of the Life article, the New York Times carried an editorial headed, "Georgia Moves Forward." The editorial concerned a case involving the massacre of eight Negro convicts at the Anguilla Prison near Brunswick, Georgia.

On July 11, 1947, a group of Negro prisoners from the Anguilla camp had been ordered by prison guards to work in a swamp infested with rattlesnakes. When some of the convicts hesitated and asked for boots to protect themselves, Warden H. G. Worthy furiously ordered them back to camp. At the prison stockade, Warden Worthy told five prisoners he accused of being "ringleaders" to step forward. When the prisoners failed to obey his command, Worthy shouted to the prison guards, "Let 'em have it." The guards and the warden opened fire.

Five convicts were killed instantly. Three more were mortally wounded.

At county grand jury hearings, Warden Worthy claimed the Negroes had been attempting a "jail break." The county grand jury ruled that the warden and the guards were "justified in their action" and were "acting in order to maintain order." The jury statement added: "This would not have happened if the men were in chains and stripes."

Protests from the National Association for the Advancement of Colored People and other liberal organizations resulted in the Federal indictment of the warden and four guards for violating Federal civil rights statutes. At the Federal trial, the defense counsel contended the shooting had been necessary to crush a "Communistinspired plot" to take over the prison camp. After deliberating eight minutes, the all-white federal jury acquitted the defendants. The New York Times commented in its "Georgia Moves For-

ward" editorial:

The one encouraging aspect of still recurrent outbreaks of race op-pression in the deep South is that they are at last, in one way or another, producing a healthy reaction toward amelioration . . . In Georgia, as

in the rest of the South, the area of enlightenment perceptibly spreads and "freedom slowly broadens down from precedent to precedent."

On March 14, 1947, Secretary of State George C. Marshall told the Four Power Council of Foreign Ministers meeting in Moscow:

I realize that the word "democracy" is given many interpretations. To the American Government and citizens it has a basic meaning. We believe that human beings have certain inalienable rights . . .

They include the right of every individual to develop his mind and his soul in the ways of his own choice, free of fear and coercion ... To us a society is not free if law-abiding citizens live in fear of being denied the right to work or deprived of life, liberty and the pursuit of happiness.

During the year in which Secretary Marshall made this statement scarcely a day passed in the United States without frightful violations of the "inalienable rights" of American Negroes. The following are a few of the countless episodes:\*

ATLANTA, GEORGIA, *February:* Two weeks after a band of white men had warned a Negro minister, Reverend A. C. Epps, to move out of a white neighborhood, the minister's house was dynamited. The band was seen joking with the police after leaving the Epps home.

SMITHFIELD, NORTH CAROLINA, *April:* Fletcher Martin, a Negro orderly at the Provident hospital in Baltimore, was traveling by train to his home in North Carolina. When he objected to the order to move into a Jim Crow railway coach, he was shot and killed by the train conductor. The conductor claimed he shot Martin in "self-defense."

<sup>\*</sup> It is impossible to estimate accurately the number of crimes and atrocities committed against the Negro people. Only a few of the cases get into print, and then, almost only when progressive groups fighting for the rights of Negroes have taken an active interest. Innumerable brutalities are never recorded.

In postwar America, moreover, a method of lynching Negroes was being practised which prevented many killings from being known. In the words of a *Petition* prepared by the historian, Dr. Herbert Aptheker, and submitted by the National Negro Congress in June 1946 to the Economic and Social Council of the United Nations: "Of greater importance today is the device of 'dry lynching', the secret, unpublicized mutilation or destruction of an undesirable Negro by a small group of individuals (frequently, it is believed, officers of the law). From the nature of this device precise details and figures are not available, but it is significant that a study, in 1940, sponsored by four United States Congressmen, including Senators Wagner and Capper, by a 'native white southerner who must remain anonymous', states, 'that countless Negroes are lynched yearly, but their disappearance is shrouded in mystery, for they are dispatched quietly and without general knowledge.' Other recent works have offered substantiating remarks, and this is certainly a type of barbarism that should be thoroughly investigated and absolutely extirpated."

ROCKY MOUNT, NORTH CAROLINA, May: The body of Willie Pittman, a Negro taxi driver, was found horribly mutilated on the side of a country road near Rocky Mount. His head had been smashed in and his legs and arms cut off.

SARDIS, GEORGIA, May: Joe Nathan Roberts, a twenty-three year old Negro veteran studying at Temple University under the GI Bill of Rights was shot to death when he failed to say "sir" to a white man. The killer was never brought to trial.

HAMILTON, GEORGIA, May: Henry Gilbert, a Negro farmer, was killed in Harris County jail by police officers. Gilbert's head was smashed in and his ribs crushed.

LETTWORTH, LOUISIANA, July: A game warden got in an argument with William Brown, 83 year old Negro, who was hunting squirrels in the woods. The warden took Brown to the edge of the forest and shot him in the back of the head. The warden then walked to a nearby white sharecropper and told him, "I just shot a nigger; let his folks know." The coroner's report stated: "The killing was justified because the warden shot in self-defense."

CALHOUN, LOUISIANA, July: When Wesley Thomas, a Negro woodcutter, quit his job with a white farmer, the latter offered \$50 for the killing of Thomas, claiming Thomas had threatened his life. Another white farmer found Thomas and shot him, explaining, "When he tried to run into a house, I just let him have it." The coroner's jury termed the shooting "justifiable homicide," asserting that the killer had acted in "self-defense."

**PRENTISS**, MISSISSIPPI, August: After a mob had given the sheriff eight hours to "get a confession" from Versie Johnson, a Negro sawmill worker held on a charge of rape, the sheriff and two deputies shot the prisoner. The sheriff declared a coroner's inquest "wasn't necessary" since the officers had shot Johnson when he reached for one of the officer's guns.

NEW YORK, NEW YORK, August: Lloyd Curtis Jones, a disabled Negro veteran and music student working for a Guggenheim Fellowship was singing with a small group at the Columbus Circle entrance to Central Park. Patrolman Francis LeMaire ordered Jones to move on, jabbing Jones with his nightstick. When Jones objected, LeMaire struck the Negro on the head with such force that his stick broke. Jones lifted his arms to protect himself. LeMaire then fired three bullets into Jones' stomach, seriously but not mortally wounding him. After a cursory investigation, LeMaire was exonerated.

ROCHESTER, NEW YORK, November: When Roland T. Price, a Negro war veteran insisted he had been short-changed in a restaurant, the management summoned the police. After an altercation, the officers shot and killed Price. They claimed Price had attempted to draw a revolver. Later it was revealed that Price had been unarmed. The police were exonerated by a coroner's jury.

LOUISVILLE, KENTUCKY, November: Two policemen entered a confectionery store and accused George E. Kelly, a Negro, of creating a disturbance. Kelly tried to knock a gun from one officer's hand. The policeman beat Kelly unconscious and riddled his body with bullets. The officer was exonerated.

On January 7, 1948, President Harry S. Truman declared in his State of the Union address to Congress:

The basic source of our strength is spiritual. For we are a people with a faith. We believe in the dignity of man . . .

We have a profound devotion to the welfare and rights of the individual as a human being.

Our first goal is to secure fully the essential human rights of our citizens . . .

Any denial of human rights is a denial of the basic beliefs of democracy and of our regard for the worth of each individual.

That same year—while anti-lynch, anti-poll tax and Fair Employment Practices legislation remained deadlocked in Congress—these were some of the innumerable violations of the human rights of Negro Americans:

MACON, GEORGIA, February: After a one-day trial, an all-white jury found Mrs. Rosa Lee Ingram, a Negro woman, and her two sons, 17 and 14 years old, guilty of murder in the first degree. The "crime" for which they were then sentenced to death had occurred three months earlier when the two Ingram boys had defended their mother against the assault of a white farmer. In the struggle, one of the boys had struck the farmer a fatal blow on the head. The execution of Mrs. Ingram and her sons was stayed, and their sentence was commuted to life imprisonment, following widespread protests.

TRENTON, NEW JERSEY, February: After the murder of a white storekeeper, Trenton police rounded up dozens of Negroes, and eventually placed six Negro youths under arrest. Later, the police produced confessions signed by five of the prisoners. At the trial, however, all the accused offered satisfactory alibis; the chief defense witness was unable to identify the suspects; and three of the accused testified they had been doped by the police. The jury returned a verdict of guilty, and all six men were sentenced to be electrocuted. Defense counsel headed by former U. S. Assistant Attorney General O. John Rogge appealed the verdict.

MEMPHIS, TENNESSEE, May: A Negro, Eli Blaine, complained at police headquarters that money had been taken from him during a police investigation of a disturbance. Officers at the police station savagely beat Blaine and blinded him in one eye.

DETROIT, MICHIGAN, June: After brutally manhandling Leon Moseley, a 15 year old Negro boy, two policemen shot him to death. The police report of the case stated that Moseley's car did not have lights.

AUGUST, GEORGIA, July: A Negro prisoner, Ike Crawford died of wounds from a beating inflicted by Rochmond County stockade guards. One of his eyes had been gouged out and his skull fractured.

CALHOUN FALLS, SOUTH CAROLINA, August: After Rev. Archie Ware, a Negro minister, had defied warnings not to vote in the primary elections, he was set upon, clubbed, stabbed and left for dead, while two policemen stood by and watched.

MONTGOMERY COUNTY, GEORGIA, September: D. C. Carter, president of the county branch of the NAACP disregarded threats and voted in the state primary elections. He was beaten with iron bars by a gang of white men, and was ordered at the point of a gun to cease transporting neighbors to the polls.

Lyons, GEORGIA, *November*: Robert Mallard, a Negro farmer was shot on a lonely road by a group of white men, as he returned with his wife and child and two other Negroes from church services. The testimony of Mrs. Mallard and the other Negroes who witnessed the shooting was disregarded by local authorities.

On September 15, 1949, on being nominated as the Republican candidate for U.S. Senator from New York state, John Foster Dulles declared:

America is what it is because our people have always believed that the most important, the most worthwhile thing in the world is the human being-to develop him in soul and mind and to establish for him a friendly prospering environment, which stimulates him to think fine thoughts and to accomplish fine things.

Here is a list of some headlines appearing during 1949 in the nation's three leading Negro newspapers—the Afro-American, the *Pittsburgh Courier*, and the Chicago Defender:

50 OFFICERS WHO BEAT MAN ALMOST TO DEATH FREED JURY TAKES FIVE MINUTES TO RENDER VERDICT (Miami, Florida, January 22)

2 RACE KILLINGS GIVE DIXIE NEW BLACK EYE (Bessemer, Alabama and Fort Myers, Florida, February 12)

FLORIDIAN FLOGGED BY WHITE MOB TERROR LEAVES VICTIM'S MIND COMPLETE BLANK (Orlando, Florida, March 19) ALA. JUDGE LINKS SHERIFF TO BEATING TELLS OFFICERS HELPED FLOG 7 MEN (Chattanooga, Tennessee, April 30) JUDGE SCORES GEORGIA SHERIFF WHO GAVE UP PRISONERS TO KLANSMEN (Trenton, Georgia, May 21) GRAND JURY FREES 2 ALA. POLICEMEN WHO ATTACKED WOMAN (Montgomery, Alabama, May 28) SLAVERY IN JERSEY ASBURY PARK PEONAGE COMPLAINT PROBED (Asbury Park. New Jersey, June 18) LYNCHED FOR HOGGING ROAD (Houston, Mississippi, July 16) S. C. WHITE MAN HELD IN MURDER OF BOY, 10 WHO CURSED HIM (Spartansburg, South Carolina, July 19) WHITE MURDERER OF VET SET FREE (Irwinton, Georgia, July 23) HOME DYNAMITED IN CHATANOOGA (Chatanooga, Tennessee, July 30) **JAILER FACES SECOND TRIAL FOR PEONAGE** (Dallas, Texas, July 30) MOB BESIEGES NEW OWNERS ... 2,000 IN GROUP (Chicago, Illinois, August 6) WHITE SLAYS ANOTHER IN 1948 LYNCH TOWN (Lyons, Georgia, August 21) 140 MADE SLAVES ON MISS. FARM (Jackson, Mississippi, September 3) FIVE LYNCH WELL-TO-DO GEORGIA FARMER (Bainbridge, Georgia, September 10) FIERY CROSS BURNED IN CAPITAL OF NATION (Washington, D. C. September 12) But the wholesale terror of the postwar period failed to cow the Negro people of America. On every side there was mounting evidence of the resolute strug-

gle of Negro citizens not only to maintain but to extend their hard-

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won gains of the New Deal era. Uniting with other progressive Americans, they conducted one campaign after another in com-munities throughout the land to eliminate housing restrictions, break down discrimination in employment, halt anti-Negro violence and eradicate other manifestations of racial oppression and Jim Crow.

Epitomizing the epic militant spirit of the Negro people was the phenomenal increase in the votes they cast in the South. In the face of KKK threats, police brutality, and myriad legal and extra-legal obstacles, the number of Negro voters in the South rose from 211,000 in 1940 to more than one million in 1948. The Negro people in the United States were unshakably deter-mined to achieve once and for all, no matter what the opposition, equal rights as human beings and first class citizenship as Americans.

### Chapter XVII

# THE RED SPECTRE

In their systematic destruction of all opposing groups, Hitler and Mussolini had the communists first on their list. Among the early opponents of fascism, the communists were in the forefront.

> From the U.S. Army orientation bulletin, Army Talk, March 1945

Anyone who stands by the interests of all the people is labeled "red," so that the term has become a badge of honor, certainly, to those who believe in the dignity and equality of human beings.

Brigadier General Evans F. Carlson, May 7, 1947

There ought to be an open season on Communists and all other activities of this kind. In fact, there ought to be a bounty for the pelts of such vicious animals.

> From the January 20, 1949, issue of the textile trade journal, American Woolen and Cotton Reporter

### 1. Theme and Variations

IN THE QUIET little town of Hobe Sound, Florida, toward the end of March 1949, there occurred an extraordinary event of international significance. Late one night, immediately after a fire siren had sounded, a disheveled man clad in pajamas rushed from a house and ran down the street wildly screaming, "The Red Army has landed!" The man was the United States Secretary of Defense, James V. Forrestal.

The incident was carefully hushed up.\*

\* The details of the incident first became known to the public when the journalist Drew Pearson revealed them on his radio broadcast of April 10, 1949.

Forrestal was flown by special plane from Hobe Sound to the Naval Hospital at Bethesda, Maryland. There he was placed under the care of psychiatrists and watched day and night by a hospital corpsman. Navy physicians announced to the press that Forrestal was suffering from "occupational fatigue . . . the result of excessive work during the war and the postwar period."

At two o'clock on the morning of May 22, Forrestal slipped unnoticed from his de luxe suite on the sixteenth floor of the Naval Hospital, crossed the corridor, unhooked a window screen, stepped out of the window and plunged to his death.

The founders of the First International, Karl Marx and Friedrich Engels, had written in 1848 in the opening sentence of their *Communist Manifesto:* "A spectre is haunting Europe—the spectre of Communism."

A century later, the spectre of Communism was haunting the United States of America.

The suicide of James V. Forrestal epitomized the anti-Red hysteria which gripped the land like some contagious psychosis at the time of his death. In no other country in the postwar world was the public mind so tormented by dread apparitions of the Communist Menace. Meek as well as mighty were plagued by the mass phobia.

Unlike most epidemics, this one had been deliberately manmade.

At the war's end, it was apparent that manufactured threats of a new war and recurrent spy scares were in themselves not enough to convince the American people their country was menaced by Soviet armed aggression from without and by a Moscow-inspired Communist uprising from within. The vivid recollection of the American-Soviet fighting alliance and Russia's vast contribution to victory had first to be erased. In their place had to be conjured up fearful images of Soviet Russia as a ruthless tyranny scheming world conquest by treachery and war, and of the American Communist Party as an organization of Kremlin-directed spies and saboteurs plotting the overthrow of the United States Government.

This metamorphosis was effected by a prodigious *tour de force* of propaganda.

Every conceivable promotional device and propaganda technique, every available medium of communication, state and federal agencies, educational institutions, business associations, church groups, super-patriotic societies, fraternal bodies and veterans organizations —all were galvanized into an intense and incessant anti-Communist campaign which permeated every phase of the nation's life.\*

\* It would literally take volumes to catalogue the myriad items of anti-Communist propaganda that deluged the United States in the postwar years.

Scarcely a day elapsed without some anti-Communist or anti-Soviet document emanating from the Government Printing Office in Washington, D.C. The House Committee on Un-American Activities published one report after another dealing with the Red Menace. The titles of one series issued by the Committee were as follows:

100 Things You Should Know About Communism in the U.S.A.
100 Things You Should Know About Communism in Religion
100 Things You Should Know About Communism in Education
100 Things You Should Know About Communism in Labor
100 Things You Should Know About Communism in Government

Congress issued a stream of official reports such as: Soviet Espionage Within the U.S. Government; One Hundred Years of Communism; Communism in the Near East; Communism in China; 500 Leading Communists; and Communism in Action-A Documented Study and Analysis of Communism in Action in the Soviet Union.

From the Federal Bureau of Investigation and other branches of the Justice Department came an unceasing barrage of anti-Communist pronouncements, reports, press releases and magazine and newspaper articles, prepared under the expert supervision of Attorney General Tom Clark and FBI chief J. Edgar Hoover.

Numerous business organizations published booklets and sponsored newspaper advertisements and radio programs dealing with the "Communist menace." Among the brochures on this subject issued by the Chamber of Commerce were: Communism in Government, Communism in the Labor Movement, Communist Infiltration in the United States, and Community Action for Anti-Communism.

Philosophers and psychologists prepared studies dealing with the "emotional motivations" of Communists and the "inferiority" and "power drives" of citizens of Soviet Russia. Among the more discussed of these studies was a thesis entitled "Some Aspects of the Psychology of the People of Great Russia," which was written by anthropologist Geoffrey Gorer under the auspices of the Columbia University project, Research in Contemporary Cultures. In this thesis, Gorer advanced the theory that the Russian "avalanche complex"—a tendency to act "with intense destructive rage"—orginated from the manner in which Russian mothers "cruelly swaddled" their infants in "tight wrappings —like a log of wood for the fireplace."

Among religious groups the anti-Communist crusade was spearheaded by the Roman Catholic Church, with Francis Cardinal Spellman, Archbishop of New York, acting as its chief spokesman. The Catholic Information Society issued dozens of pamphlets on Communism, with titles like these: Communism Means Slavery, Communism and Fascism: Two of a Kind, Justice by Assassination and The Enemy in Our Schools. On the radio, from the pulpit and at public meetings, priests excoriated Communists and the Soviet Union in innumerable sermons and speeches.

Out of Hollywood came such anti-Communist films as : "I Married a Com-

"Communism in America today," stated Newsweek magazine on June 2, 1947, "is under the heaviest fire it has ever experienced. ... Compared with the hysterical anti-Bolshevik drive which followed the first world war, the present movement is a far more realistic and intelligent effort to combat Communism. The main

munist," "The Red Menace," "The Conspirator," "Guilty of Treason" and "The Red Danube." Radio networks featured programs dealing with "Soviet spies" and "Communist intrigue." Children's comic books introduced Russian and Communist villains.

Anti-Communist and anti-Soviet literature glutted the bookstores. There were books by diplomats, politicians and military men, "refugees" from behind the "Iron Curtain" and deserters from the Red Army, Communist renegades, anti-Soviet "liberals," members of the Trotskyite, Socialist and Social Democratic Parties and other professional anti-Soviet and anti-Communist propagandists. These were some of them:

One Who Survived by Alexander Barmine; 1 Chose Freedom by Victor Kravchenko; The Great Globe Itself by William C. Bullitt; The Red Plotters by ex-Congressman Hamilton Fish; The Soviet Spies by Richard Hirsch; American Communism by James Oneal and G. A. Werner; This Is My Story by Louis Budenz; The Struggle Behind the Iron Curtain by Ferenc Nagy; Land of Milk and Honey by W. L. White; The God That Failed, edited by Richard Crossman; Great Retreat by N. S. Timashev; Communism and the Conscience of the West by Fulton J. Sheean; Last Chance in China by Freda Utley; False Christ of Communism and the Social Gospel by R. B. White; Why They Behave Like Russians by John Fischer; Stalin and German Communism by Ruth Fischer; American Capitalism vs. Russian Communism by C. A. Peters; Russia's Europe by H. A. Lehrman; Two Worlds, USA-USSR by S. Nenoff; I'll Never Go Back by M. Koriakov; Why I Escaped by Peter Pirogov; Iron Curtain by Igor Gouzenko; Communist Trade Union Trickery Exposed by K. Baarslag; Communism by J. F. Cronin; Forced Labor in Soviet Russia by D. J. Dallin and B. I. Nicolaevskii.

"Russians are Colossal Liars, Swindlers!" read the headline to a full-page New York Herald-Tribune advertisement of a serial by General Frank Howley entitled My 4-Year War With The Reds, appearing in Collier's magazine as "his own story of Soviet arrogance, deceit and gangsterism, murder and rape." Another serial in the same magazine was promoted with full-page advertisements headed: "How Moscow Wrecked an American Home."

These were a few of the other countless anti-Communist and anti-Soviet articles appearing in American periodicals during 1947-1948:

"How Communists Get That Way" (Catholic World, February 1947); "How the Russians Spied on their Allies" (Saturday Evening Post, January 25, 1947); "Turn the Light on Communism" (Collier's, February 8, 1947): "Labor and the Communists" (Current History, March 1947); "Trained to Raise Hell in America: International Lenin School in Moscow" (Nation's Business, April 1947); "Let's Make It a Professional Red Hunt" (Business Week, March 22, 1947); "Commie Citizens?" (Newsweek, April 14, 1947); "Communists Penetrate Wall Street" (Commercial and Financial Chronicle, November 6, 1947); "Communist Manhunt (Commonweal, April 4, 1947); "Why I Broke With the Communists" (Harper's, May 1947); "Iron Curtains for Czechoslovakia" (Readers Digest, May 1948); "Is America Immune gimmick: the possibility that the public-as it did after the last war-may weary of the anti-Communist fight . . ."

The public was not permitted to weary of the crusade.

While the cacophony of anti-Communist propaganda mounted from crescendo to crescendo, Government agencies took drastic steps to dramatize the "menace of Communism" to the nation. The Loyalty Program was initiated. Congressmen called for barring the Communist Party from the ballot. In June 1947, Carl Marzani, a former member of the Office of Strategic Services, was sentenced to one to three years imprisonment for supposedly concealing his membership in the Communist Party in 1940-1941. In January 1948 Representative William J. Crow of Pennsylvania sponsored a bill to deprive Communist veterans of benefits under the G.I. Bill of Rights. The following May the Mundt-Nixon Bill, "An Act to Protect the United States Against Un-American and Subversive Activities," was drafted with the avowed aim of outlawing the Communist Party.\*

The campaign reached a climax in 1949 with the trial of twelve members of the National Committee of the Communist Party.

## 2. The Trial of the Twelve

On July 20, 1948, a Federal Grand Jury indicted twelve members of the National Committee of the Communist Party of the United States on charges of conspiracy "to teach and advocate the overthrow and destruction of the Government of the United States by force and violence."

The Grand Jury, which had been investigating Communist activities in America for sixteen months, did not charge the Communist Party with the commission of any overt subversive acts. The indictment accused the Communist leaders of plotting to subvert the Government by: 1) organizing a political party dedicated to the principles of Marxism-Leninism; 2) arranging to "publish and circulate . . . books, articles, magazines, and newspapers advocating

to the Communist Plague?" (Saturday Evening Post, April 24, 1948); "Reds Are After Your Child" (American Magazine, July 1948); "How Communists Take Over" (United States News, March 12, 1948); "The Nature of Communism" (Catholic World, August 1948); "Capture of the Innocents" (Collier's, November 27, 1948); "Destruction of Science in the USSR (Saturday Evening Post, December 4, 1948).

<sup>\*</sup> The Mundt-Nixon Bill failed to pass after liberal and anti-tascist forces organized a nation-wide drive to effect its defeat. The bill, with minor modifications, was re-introduced in both Houses of Congress in 1950.

the principles of Marxism-Leninism"; and 3) establishing "schools and classes for the study of the principles of Marxism-Leninism, in which would be taught and advocated the duty and necessity of overthrowing and destroying the Government of the United States by force and violence."

The indictment of the Communist leaders was drawn up under the provisions of the Alien Registration Act of 1940, commonly known as the Smith Act. According to the noted authority on constitutional law, Professor Zechariah Chafee, Jr. of the Harvard Law School, the Smith Act contained "the most drastic restrictions on freedom of speech ever enacted in the United States during peace . . . the first Federal peacetime restrictions on speaking and writing by American citizens since the ill-fated Sedition Act of 1798."

The twelve Communist leaders named in the Federal indictment were:

- William Z. Foster, National Chairman: former trade union leader, who had headed the AFL steel drive and the great steel strike of 1918-1919 \*
- Eugene Dennis, General Secretary: former organizer among agricultural workers on the West Coast
- Benjamin Davis: sole Negro member of the New York City Council, and former attorney in Scottsboro case
- Henry Winston, National Organization Secretary: World War II veteran and former Young Communist League national secretary
- Robert Thompson, New York Communist Party Chairman: former AFL organizer, ex-commander of Canadian Battalion of International Brigade in Spain and winner of Distinguished Service Cross during World War II
- John Gates, Editor of the Daily Worker: former organizer in the steel industry, ex-lieutenant colonel in International Brigade in Spain and paratrooper in U. S. Army during World War II
- Irving Potash: vice-president of the International Fur and Leather Workers
- Jack Stachel, Educational Director: former capmaker and organizer of unemployed
- Gilbert Green, Illinois Communist Party Chairman: former machinist and ex-national president of the Young Communist League
- Gus Hall, Ohio Communist Party Chairman: World War II veteran and former lumberjack and steel organizer

John Williamson, Labor Secretary: former shipyard worker.

Carl Winter, Michigan Communist Party Chairman: former organizer of unemployed

<sup>\*</sup> On January 18, 1949, the case of William Z. Foster was severed from the other cases, due to the serious illness of the Communist Party national chairman.

The indictment of these men was an act of momentous import to the American people. It represented far more than an indictment of twelve Communist leaders. In the words of a public statement issued by Chief Justice James H. Wolfe of Utah, Arthur Garfield Hays of the American Civil Liberties Union, ex-Dean Charles H. Houston of the Howard University Law School and other distinguished Americans:

The Communist Party is on trial only so far as free speech itself is on trial, and the entire proceedings represents a total distortion of government function, as conceived and limited in the United States for 159 years . . .

The indictments in these cases allege no overt act whatever, except "teaching and advocating" the principles of "Marxism-Leninism" . . .

If such advocacy is declared a crime, political change in a democracy may become impossible.

Such a decision would, in fact, outlaw the Communist Party and other left wing groups in the United States, in a manner hardly to be distinguished from the outlawing of the Communist Party by Hitler, Mussolini and Franco . . .

The trial of the Communist leaders opened on January 17, 1949, in Room 110 of the Federal Court House in Foley Square in New York City.

Presiding was Judge Harold R. Medina, an affluent former corporation lawyer whose sizable holdings in New York real estate had included a number of tenement houses in slum areas. Suave and dapper, sporting a neatly groomed mustache and looking much younger than his sixty years, Judge Medina had been recently appointed to the Federal bench by President Truman.\*

\*An article entitled "Rigors of Communist Trial Sentence Medina to Solitary Life," which appeared in the *New York World-Telegram* on September 6, 1949, gave this description of Judge Medina's luxurious country home, at Apaucuck Point, Long Island:

"The judge's special pride is his own handsomely-appointed air-conditioned library, built several hundred feet from the house with a sunken garden between. It has two studies ...

"There's also a billiard room, for which Mrs. Medina found green curtains to match. 'The billiard room,' she commented, 'is what the judge really built the place for.'"

A pastime which Medina preferred even to billiards was yachting, and the judge owned a 54-foot motor yacht. In the data supplied by Harold Medina for inclusion in Who's Who In

In the data supplied by Harold Medina for inclusion in Who's Who In America, he recorded as one of his more important achievements that he had been "Counsel for Herbert Singer, only defendant acquitted in criminal prosecution of officers of Bank of U.S."

An interesting sidelight to Medina's career as a jurist was the fact that in

The atmosphere in which the trial began was unparalleled in the annals of American jurisprudence. The metropolitan press on the day of the opening session blazed with banner headlines proclaiming the arraignment of the "Red Chiefs" on charges of plotting to "overthrow the U.S. Government." An army of mounted police, patrolmen, detectives and Federal agents ringed the Court House, as though anticipating an armed insurrection. The *New York Times* reporter counted "no less than 45 detectives, 40 traffic policemen, 38 superior officers, 11 mounted patrolmen . . . and 260 foot patrolmen—the largest detail for a court case in police history."

The defense attorneys forcefully objected to the extraordinary police guard. "An armed mob operating in uniform under authority of the law is here to intimidate us," defense counsel George Crockett told Judge Medina.

"I have found there is no intimidation or armed guard," the judge replied. "In fact, I was grateful for their assistance in getting through the crowd to lunch . . ."

In the opening stages of the trial, the prosecution presented thirteen witnesses. With the exception of two regular FBI agents, the Government's witnesses were renegade Communists or FBI spies within the Communist Party. These were some of them:

Louis F. Budenz: a former managing editor of the Daily Worker who quit his post in October, 1945, joined the Catholic Church, wrote a lurid Red-baiting book entitled This Is My Story and appeared as an "expert witness" on Communism before the Un-American Activities Committee and in various Federal deportation cases. During one deportation hearing in September 1947, Budenz refused to reply to twentythree questions put to him by defense counsel, on the grounds that his answers might make him "liable to criminal prosecution and conviction."

William O. Nowell: a renegade Communist who had been accused by auto workers of being a Ford labor spy employed by Harry Bennett in the Ford Service Department. On leaving his job at the Ford Motor Company, Nowell acted as confidential adviser on "race relations" for the notorious fascist, Gerald L. K. Smith, ex-Silver Shirter No. 3223. At the war's end, Nowell became an FBI informer, appearing as a Government witness in a number of cases involving Communists and left-wing trade unions. Shortly before the trial of the twelve Com-

the fall of 1942 he had served as an appointed defense counsel for Anthony Cramer, an accomplice of one of the eight Nazi saboteurs who had been landed by a German submarine earlier in the year. Cramer was originally sentenced to forty-five years imprisonment. On appeal, Medina managed to have this sentence reduced to twelve years.

munists, Nowell was given a paid job with the Immigration Bureau of the Justice Department.

*Charles W. Nicodemus:* a former factory worker who was expelled from the Communist Party in 1946 for anti-Negro agitation. Arrested and indicted in Pittsburgh in the spring of 1948 on charges of carrying concealed weapons "with intent unlawfully to do injury" to unnamed persons, Nicodemus pleaded guilty. Subsequently, Nicodemus was permitted to withdraw this plea, and the indictment against him was quashed, at approximately the same time he became an informer for the FBI.

William Cummings: a former labor spy and FBI informer within the Communist Party. Among other activities as a "Communist," Cummings recruited three of his own relatives into the Party and then turned their names over to the FBI.

John Victor Blanc: a stoolpigeon within the Communist Party who recruited workers into the Party, paid their dues himself, and then denounced them to the FBI. Included among the names turned over by Blanc to the FBI was that of his own brother-in-law, who had actually never joined the Communist Party but whose name had been signed to a Communist application form by Blanc.

"These witnesses," declared U.S. Prosecuting Attorney John McGohey, "that testified for the Government, possessing as they do, each and every one of them, a deep sense of loyalty to our country, performed a task at tremendous personal sacrifice, which should rank high in the annals of patriotism. The job they did under the direction of the Federal Bureau of Investigation was, in my opinion, magnificent."

A conflicting opinion was expressed by Circuit Judge Norval Harris of Indiana. Said Judge Harris:

The Communist trial is a farce . . . and the whole indictment should be thrown out. The prosecution's case is based on vile evidence of stoolpigeons and informers. That kind of evidence I would not permit in my court. I detest stoolpigeons and informers. So do the American people.

Concurring with Judge Harris, Professor Zechariah Chafee, Jr. observed:

... the government evidence ... reveals that at least three of the undercover agents of the United States were actually engaged in persuading men to become Communists and take part in what their official employers considered to be a criminal conspiracy against the United States... It is only a step to *agents provocateurs*, spies who incite organizations to commit unlawful acts for the sake of getting damaging evidence against those organizations—the sort of thing the LaFollette Committee showed to be going on inside labor unions. There was nothing newfangled about the tales of "Communist intrigue" told by the Government witnesses at Foley Square. For three decades these tales had been the familiar themes of anti-Communist newspaper exposés, books on the Red Menace, Chamber of Commerce and American Legion reports on "radicalism," and the "findings" of such congressional investigatory bodies as the Un-American Activities Committee.

One prosecution witness after another testified that the Communist Party of the United States operated directly upon "orders from Moscow," that American Communists were ruthless conspirators functioning through a nationwide complex of "secret cells," and that the basic objective of the Communist Party was the "overthrow of the Government by force and violence."

At the opening of the trial, Judge Medina had instructed the jurors to approach the issues of the case with complete lack of bias and with minds as "blank" as a sheet of white paper he raised in the air. From the outset, however, it was clear where his own sympathies lay. Regarding Medina's conduct, the distinguished attorney and former Director of Justice of the Cuban Government, Domingo Villamil, reported to the International Association of Democratic Lawyers, which had delegated him to be an observer at the trial:

My sentiments of justice and decorum were painfully disconcerted by what I heard and saw . . .

Judge Harold Medina impressed me as an evidently partial person; a man who is very far from being an ornament of the North American judiciary. . . I saw him, always, as compliant, gentle and affable towards the prosecutor . . . as he was prejudiced, ironical and curt towards the defendants . . . The judge, evidently, has inverted the rule of universal juridical

The judge, evidently, has inverted the rule of universal juridical morality . . . instead of presuming the innocence of the accused until their guilt has been proved, he presumes their wickedness and their guilt . . .

There are two prosecutors and no judge at all at that trial-Judge Medina . . . being the more formidable of the two.

After examining over 13,000 pages of the court record, with a view to assessing the accuracy of press reports of the proceedings, a group of New York lawyers published a treatise entitled *Due Process in a Political Trial*. The lawyers made the prefatory comment: "In the analysis that follows, the reader may discern a pattern of juridical conduct characterized by bias against the defen-

dants and their counsel, the effect of which tends to deprive the defendants of a fair trial and to obstruct the defense lawyers in the performance of their duty."

The treatise prepared by the New York lawyers listed, with detailed documentation, these categories of judicial misconduct on the part of Judge Medina:

- (a) Rulings which tend to silence and immobilize defense counsel;
- (b) Improper characterizations of defense counsel in the presence of the jury;
- (c) Discriminatory treatment of defense counsel as compared with the treatment of the prosecution;
- (d) Threats to penalize defense counsel for performance of their duty;
- (e) Discriminatory application of rules of evidence to the defense as compared with the prosecution;
- (f) Badgering of defendants and defense witnesses contrasted with courtesy and helpfulness to prosecution witnesses;
- (g) Deprecation of the defendant's evidence in the presence of the jury;
- (h) Attributing to the defense ulterior and improper motives in the presence of the jury.\*

A vivid and significant instance of Judge Medina's partiality toward the prosecution occurred in connection with one of the most vital issues of the trial-the meaning of the term, Marxism-Leninism. When Louis Budenz was on the witness stand, Prosecutor McGohey asked him to interpret that section of the Communist Party constitution which stated the Party based itself "on the principles of Marxism-Leninism." The defense attorneys objected to the question on the grounds that the term was fully defined in official Communist documents already introduced as evidence, and that it was for the jury to decide the meaning of the term from such materials.

<sup>\*</sup> Typical of the caustic remarks repeatedly made by Judge Medina to the defense attorneys were the following:

<sup>&</sup>quot;Talk all you like, but I have the last word."

<sup>&</sup>quot;That sounds crazy. You always seem to do that."

<sup>&</sup>quot;You may object your head off."

<sup>&</sup>quot;You look so innocent."

<sup>&</sup>quot;You will now take the book and you will now sit down and get busy reading it."

<sup>&</sup>quot;The least observation you make, the better."

In one instance, Judge Medina accused defense attorney Harry Sacher of having "deliberately lied." When Sacher objected to the judge's language, Medina angrily declared, "I will not believe a word you say."

Judge Medina overruled all objections. "How will they [the jury] know what Marxism-Leninism is referred to," he said, "unless somebody tells them?"

On Medina's instructions, Budenz answered the question, stating that according to Marxist-Leninist principles socialism could be attained in America only by the "overthrow of the Government of the United States . . . and the setting up of a dictatorship of the proletariat by force and violence." This, declared Budenz, represented the fundamental program of the Communists on trial . . .

Subsequently, when defendant Robert Thompson was on the witness stand, defense counsel Richard Gladstein asked, "Will you state to this jury what is Marxism-Leninism?"

Prosecutor McGohey objected to the question.

"Sustained," said Judge Medina.

"May I call your Honor's attention," said Gladstein, "to the state of the record-"

"No," interrupted the judge, "I don't want to hear any more argument about it."

"But your Honor-"

Judge Medina again cut Gladstein short, saying the question was not "relevant."

"Would your Honor notice," asked Gladstein, "that in the record your Honor permitted the witness Budenz to be asked precisely that question and to give an answer to it?"

"You know," Judge Medina angrily declared, "I just told you I didn't desire to hear argument but you wanted to get that point in and so again you have become contemptuous."

As the trial continued through the spring and summer months, Judge Medina frequently castigated the defense attorneys as "impudent" and "contemptuous," and repeatedly threatened them with disciplinary reprisals for their tenacious efforts to bring forward evidence they considered vital to their clients' case.

Manifesting a weary injured air, Judge Medina charged the defense lawyers with plotting to undermine his health. Typical of his remarks were these: "You have my nerves so frayed that I do not know how I am going to carry on this trial". . . "It is more than any human being can stand". . . "I have been meditating about having some kind of a little recess of two or three days because I have been getting myself in such a state of fatigue that I am really worried." Periodically, the judge recessed court sessions to "rest" in his chambers from the "rigors" of the trial.

In the press and on the radio, Medina was effusively praised for his "infinite patience" and "temperance". . .

On June 3, John Gates declined to give the prosecution the names of fellow veterans who had helped him prepare a pamphlet dealing with veterans' problems. To name these individuals, said Gates, would expose them to persecution. For refusing to divulge this information, Gates was sentenced by the judge to thirty days in jail. When the defendants Henry Winston and Gus Hall protested, Medina promptly remanded them for the duration of the trial.

On June 20, Gilbert Green objected to Medina's unwillingness to accept as evidence an article which he, Green, had written. "I thought we would be given a chance to present our case," said Green. "This article is germane to the very heart of the issue." For making this remark, Green was sentenced to jail for the balance of the trial.

When Carl Winter declined to state whether or not his fatherin-law had attended a Communist Party convention, Medina gave the defendant a thirty-day prison sentence.\*

On August 23, the New York *Daily Compass* published a sensational exclusive news-story on the trial at Foley Square. The story revealed that one of the jurors, Russell Janney, elderly theatrical producer and author of the book, *The Miracle of the Bells*, had publicly expressed a violent antipathy toward the Communist Party less than a month before being sworn in as a supposedly unbiased juror.

The *Compass* story, which was written by the newspaper's crusading editor and publisher, Ted O. Thackrey, quoted excerpts from a speech made by Janney at Macon, Georgia, on February 21, 1949. Janney had stated:

<sup>\*</sup> The defendants cited for contempt were confined, when court was not in session, in the old dilapidated West Street jail. In their prison quarters, they were unable to consult properly with their attorneys. Friends and relatives were not permitted to bring the defendants food to supplement their meagre prison rations. During the excessive summer heat, the defendants were kept in cramped ill-ventilated cells. When Henry Winston suffered two heart attacks in jail, Judge Medina denied him the services of his family physician and refused to grant a court recess or suspend Winston's contempt sentence.

There can be no compromise between Communism and democracy. ... People who want Communism should go to Russia and live.... We're already fighting a war with Communism and it should be a war to the death.

Thackrey also disclosed that during the course of the trial, Janney had made frequent comments outside the courtroom which clearly indicated his strong prejudice against the defendants.

Thackrey commented:

. there are sworn statements available testifying to the accuracy of what I have reported.

What I have reported is sufficient for me to question whether Mr. Janney is, or ever was, sufficiently free of conclusions concerning the defendants to give them a fair hearing or a fair trial.

On the basis of these disclosures, the defense attorneys moved on August 24 to have Janney disqualified as a juror.

Judge Medina denied the motion.

On October 14, after nine months of court proceedings, the trial of the eleven Communists reached its foregone conclusion. The jurors brought in a verdict of guilty.

As soon as the jury had handed down its verdict, Judge Medina instructed all defense counsel to rise. After reading a judgment of contempt against the five attorneys and Eugene Dennis, who had conducted his own defense, the judge sentenced the six men to prison terms ranging from thirty days to six months.

A week later, Judge Medina sentenced ten of the Communist leaders to five years' imprisonment and fines of \$10,000 each.

The sentence given Robert Thompson was three years' imprisonment and a fine of \$10,000. The judge explained he was being lenient because of Thompson's record as a war hero.

The verdict and sentence were widely hailed by the nation's press as a symbol of American justice. The "Voice of America" broadcast the verdict to the world as proof of the fact that "every man in America, whether rich or poor, and without discrimination as to his color or creed, has his day in court."

But a large number of thoughtful Americans, cognizant of the profound significance of the conviction of the Communist leaders, agreed with the opinion expressed by the *St. Louis Post-Dispatch*:

... convicting them goes against one of the greatest traditions in all American history-that which insists upon the worth of the individual citizen as a person rather than as a minute part of the state.... Punish the Communists for their ideas and we open the way to punish others with less cause or no cause at all.

### 3. Peekskill

More than a decade before the trial of the American Communist leaders, Eugen Hadamowski, Nazi radio chief and Goebbels' aide, wrote: "Propaganda and force are never absolute antitheses—the use of force can be a part of propaganda. Between them are means of every degree to exert influence: from lightning-flashes to arouse the individual, from gentle persuasion to wild mass propaganda; from the loose organization of recruits to the creation of state or semi-state institutions; from individual to mass terror . . ."

In America in the summer of 1949, as anti-Communist propaganda reached a frenzied peak, there occurred a world-shocking event which seemed to exemplify the thesis of Eugen Hadamowski.

While the twelve Communist leaders were on trial at the Federal Court House in New York City for alleged advocacy of force and violence against the Government, the real exponents of force and violence in America went into action less than fifty miles away.

A concert by Paul Robeson had been announced for Saturday evening, August 27, at the Lakeland Acres picnic grounds outside the town of Peekskill, New York. [Proceeds of the concert were to go to the Harlem Chapter of the Civil Rights Congress, an organization dedicated to defending constitutional liberties that had been named on Attorney General Clark's "subversive" list.]

Four days before the scheduled concert, the *Peekskill Evening* Star carried the headline, "Robeson Concert Here Aids 'Subversive' Unit." The paper editorialized: "The time for tolerant silence that signifies approval is running out . . ." The president of the local Chamber of Commerce and other local patrioteers attacked the concert as "un-American." Veterans organizations voted to hold a protest parade and demonstration the night of the concert.

The concert was never held.

When Paul Robeson arrived for the affair, he could not get into Lakeland Acres. An ugly-tempered mob blocked the way, preventing anyone from entering the grounds. For two miles along the road leading to the park, the cars of concert-goers were jammed fender to fender. No police were in sight.

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At nightfall the hoodlums smashed the folding chairs set up on the field, made a blazing bonfire out of them, and launched a violent assault on persons who had entered the grounds earlier in the evening. The attackers shouted: "No one of you leave here alive . . . We're Hitler's boys—out to finish his job."

A defense line was hastily organized by a few dozen men in the picnic grounds. At 8:30 one of the men, making his way in the dark through the shouting mob, went to telephone the state police. He later recounted this episode:

I saw a Negro and two white people approaching the entrance to the grounds. They were stopped by the mob. A dozen men pushed the Negro up against an embankment. The Negro kept saying, "I'm an American! I have a right to attend this concert!" Suddenly, one of the men struck him. He went down and the gang piled on top of him yelling, "Kill him! Let's finish him!" They beat him unmercifully, kicked him and stamped all over him. Then I saw a man in soldier's uniform standing on the side. I said to him, "Come on, buddy, this ain't right." He said, "That's right, this ain't the American way," and dashed into the gang. I managed to half drag the Negro through some parked cars and into the woods. If I hadn't I think they would have murdered him.

Describing the treatment accorded numerous persons seeking to attend the concert, the New York Herald Tribune reported on August 29:

... they were stopped by a road block of boulders and logs, and ordered out of or pulled from the vehicles. The men were manhandled, the women permitted to depart with jeers. The machines were smashed on tops, sides and windows with rocks and eight of them turned over. They were removed by wreckers about 2 o'clock this morning.

Not until after the rioting had been going on for several hours did police finally arrive on the scene and restore a semblance of order.

On Sunday afternoon, the day following the outrage, 1500 indignant local residents assembled at the estate of Dr. Samuel Rosen in Katonah, formed the Westchester Committee for Law and Order and voted unanimously to send a second invitation to Paul Robeson to sing in Peekskill. "We refuse to abandon any section of the United States to organized hoodlumism," the Committee resolved. "Our freedom and civil rights are at stake."

Tuesday night, 8,000 people jammed the Golden Gate Ballroom

in Harlem to protest the Peekskill violence. Addressing the meeting, Paul Robeson announced he was returning to sing in Westchester County.

The new concert was scheduled for Sunday afternoon, September 4, at the Hollow Brook Country Club.

As the day of the second concert approached, tension mounted in Peekskill. Local veterans organizations called for a giant protest parade outside the concert grounds. Signs and posters appeared throughout the town bearing the slogan, "Wake Up America— Peekskill Did!" Stickers were pasted on cars and buses with the inscription: "Communism Is Treason, Behind Communism—the Jew! Therefore: For My Country—Against the Jews." The Daily Compass reported that vacationers in a nearby summer colony felt "so menaced that the menfolk have organized 24-hour-a-day guards against attack."

The night before the concert, young men loitering in bars and poolrooms and on street corners in Peekskill were openly boasting of the "job" they were going to do on the "commies," "niggers," and "kikes"...

At the urgent insistence of the Westchester Committee for Law and Order, Governor Thomas E. Dewey ordered state police to Peekskill on the day of the concert.

To insure protection for the audience, the organizers of the concert themselves mobilized a corps of 2500 anti-fascist veterans. Under the command of Leon Straus, vice-president of the International Fur and Leather Workers Union and a reserve officer in the U.S. Army, these veterans arrived at Hollow Brook Country Club shortly after sunrise on the morning of the concert. Standing shoulder to shoulder, they formed a defense guard completely encircling the grounds.

At noon the concert-goers, including numerous families with picnic boxes, began to throng into the area. Approaching the entrance, they passed between lines of hundreds of police restraining crowds of demonstrators calling threats, curses and epithets. Some shouted: "Commies, kikes, nigger lovers . . . You're goin' in but you ain't comin' out."

Groups from local veterans posts marched up and down to the accompaniment of bands.

When the concert started at 2 o'clock, some 20,000 people were

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in the grounds. The audience was hushed as Paul Robeson sang. Waves of applause echoed against the surrounding hills . . .

At the conclusion of the concert, the police routed departing buses and cars along a steep winding road which passed through thick woods. Hundreds of men were waiting in ambush along the way armed with piles of rocks, stones, bottles and bricks. A storm of missiles met the vehicles coming along the road.

Here are some excerpts from affidavits later secured from victims of the attack:

"We asked a State trooper to arrest a rock thrower. He said, 'Go on home, you dirty Jew kike, before you get your head split."

"I saw several injured people ask the troopers and policemen for help. They were laughed at, called such names as 'Dirty Jew,' 'Dirty nigger,' and some of these injured were hit with the billies of the policemen. I also saw some troopers and policemen throw rocks at the cars and buses."

"The women and children in the bus were told to lie on the floor. The women crouched over the children to protect them from the rocks and flying glass... Several ruffians ran up close to the bus and taking careful aim hurled rocks directly at the heads of some of the women."

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"One of the troopers said, 'Let's get these bastards.' One of them stopped at the front window [of the car] where I sat. He took careful aim and shoved his nightstick, point first, at my left eye.... The club missed the eyeball and caught the corner of the lid. It began to bleed. The police ordered us out of the car.... I was forced to run through a gauntlet of 15 to 20 policemen. Each of them clubbed me across the head or back. They threw me to the ground and continued the beating. One of the policemen noticed a bandage on my left hand, which had been burned a week before. He jumped on the hand and ground his heel into the bandage, fracturing one of the burned fingers."

"A group of hoodlums came directly in front of the bus and threw a huge boulder in. This boulder struck my left hand and when I looked down I saw that the third joint of my middle finger was barely hanging by one tendon. Witnessing this whole incident were State troopers who

were laughing."

Casualties totalled in the hundreds. A number of men and women were critically injured.

More than fifty buses and hundreds of private cars carried grim scars of the mob violence-shattered windows, dented sides, battered fenders.

"This is being written a few short hours after my departure from the Hell on Earth that was Peekskill," Leslie Matthews, a staff correspondent for the Negro paper, New York Age, wrote that evening. "I still hear the frenzied roar of crowds, the patter of stone against glass and flesh. I hear the wails of women, the impassioned screams of children, the jeers and taunts of wildeyed youths. I still smell the sickening odor of blood flowing from freshly opened wounds, gasoline fumes from autos and buses valiantly trying to carry their loads of human targets out of the range of bricks, bottles, stones, sticks. I still feel the violence, the chaos, which permeated the air. I still hear, smell, and feel Peekskill."

An outcry of revulsion and condemnation went up from coast to coast. Numerous civic, religious, labor and fraternal organizations, as well as scores of outstanding public figures, joined the protest.

The Christian Science Monitor editorialized:

... if a community like that could produce the tyranny of riots which denied constitutional rights of free assembly and free speech, few cities in America can feel safe ...

The preface to a booklet entitled *Eyewitness: Peekskill*, U.S.A. subsequently published by the Westchester Committee for a Fair Inquiry Into the Peekskill Violence, read in part:

We who submit this report to you are residents of the area. We have built our homes here, we send our children to its schools ...

We know now, that what happened to us spells Fascism. It is no longer something remote which happened to the people of Germany. It is now something close and personal which threatens us in our daily lives.

A local merchant says: "The young lad who carries the mail in our village, the lad who has smiled and greeted me every morning for three years was a member of the howling mob which attacked the first Robeson concert." An old resident tells us: "The barber . . . who had cut our children's hair for 16 years, boasts proudly that he helped organize the stoning of cars as they left the second concert." And a mother says: "The girl who was our daughter's best friend in school, told her she deserved the rock hurled at her face because she went to hear Robeson sing in Peeksill."

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#### The statement concluded:

We send you this report in the fervent hope that you, too, will act before it is too late; that you will never close your eyes and ears to the truth; that you will never permit this vicious thing called Fascism to degrade and brutalize the people of our land.

#### 4: 1950

"As we move forward into the second half of the Twentieth Century," President Harry Truman told a joint session of Congress in his State of the Union message on January 4, 1950, "we must always bear in mind the central purpose of our national life. . . . We work for a better life for all. . . . We can achieve peace only if we maintain our productive energy, our democratic institutions and our firm belief in individual freedom. . . . Today, by the Grace of God, we stand a free and prosperous nation with greater possibilities for the future than any people ever had before in the history of the world."

According to an editorial in *Life* magazine, the President's message was "in many respects the finest expression of national character and purpose which has come from the White House since the time of Teddy Roosevelt." The editorial exulted:

... what a change has come over the U.S.!

Think back to the 30's, to the decade of Franklin Roosevelt, when the President of the U.S. reflected the sterile belief of many Americans in those years that the frontiers were closed or closing.

There was no denying *Life's* claim that a profound change had occurred in the United States in the five years that had elapsed since the end of the Roosevelt era. But millions of Americans, unlike the editors of *Life* magazine, were finding less and less reason for rejoicing in the drastically altered conditions in their land.

To many Americans, in fact, it seemed as if their nation instead of moving forward had suddenly plunged backwards—as if, in many respects, history were repeating itself in a grim regeneration of the disastrous events which had overtaken the country in the years following the First World War.

At the mid-century mark, as during the Roaring Twenties, a cabal of immensely powerful industrialists and financiers were relentlessly imposing their will on the economic and political life of America. In another period of spurious prosperity, with corporate profits reaching hitherto unknown heights, unemployment and national insecurity were steadily mounting. In place of Harding's Ohio Gang, Truman's Missouri Gang held sway in the nation's capital. Once again, corruption and cynicism were gnawing at the moral fabric of the nation; racketeers and political bosses were wrangling over the spoils; and crime was rampant in the land.

Reaction was riding high, and red hysteria, bigotry and violence intensifying on every side. The country, in the words of an American Civil Liberties Union report entitled *In the Shadow of Fear*, was beset by "an unprecedented array of barriers to free association, of forced declarations of loyalty, of blacklists and purges," and the power of the FBI had reached a point "risking for the first time in our history the creation of a secret police system with its array of informers and under-cover agents."

Exactly thirty years after thousands of "radicals" had been rounded up in the infamous Palmer Raids on the pretext they were plotting to overthrow the U.S. Government, Acting Assistant Attorney General Raymond P. Whearty announced at a Congressional committee hearing in Washington, D.C., that the FBI was ready to arrest 21,105 Americans for "subversive activity." And, like an evil spirit returned from a nightmarish past, the "Master of the Hunt" was again J. Edgar Hoover . . .

The similarities between the two postwar Americas, however, were less ominous than the differences.

Whereas the American people experienced sweeping assaults on their democratic rights following the First World War, they were menaced in 1950 with the total destruction of democracy itself and the establishment of fascism in America. And whereas the wild profiteering and depredations of the Twenties foreboded the want and suffering of the Great Depression, the power politics of the Cold War era threatened to touch off an atomic global war which would snuff out the lives of countless millions of men, women and children.

Overriding all other issues, two stark and momentous questions faced the American people in 1950: democracy or fascism in their land? peace or war in the world?

Throughout the length and breadth of the earth hundreds of millions of freedom-loving human beings, determined to maintain peace, were anxiously watching to see which path the American nation would choose.

# TO THE READER

### THE STORY told in this book remains unfinished.

Even as these words are written, acts of treason are being committed against the American people. At this very moment, our liberties and lives are more gravely endangered than ever before by traitorous intrigues.

In facing the crisis of the present, we must be ever mindful of the lessons of the past. On all sides, strident voices are proclaiming that the current danger to our nation comes not from the right but from the left, that those conspiring against us are not reactionaries but radicals. But every American who prizes democracy and peace, every American who cherishes the welfare of his family, must ask himself: who profited from the First World War? who looted our land in the Twenties and brought upon us the terrible depression of the Thirties? who plotted and fought against the democratic advances of the people in the days of the New Deal? who nurtured fascism, put Hitler unto power and made inevitable the Second World War? who, indeed, has grown rich upon the bloodshed, agony and mass impoverishment of these last decades?

And in the answers to these questions the propaganda lies of today are stripped bare, and the real enemies of the people stand exposed.

It is these same enemies of the people—the privileged few and their agents in political office—who are now contriving the mounting reaction and lessening freedom in our land. It is they who menace us with the ghastly havoc and slaughter of a third world war.

It should be clear to any reader of this book that these enemies of the people possess much power. If they did not, they would represent small danger to us. But their power of the moment must not make us fearful. Their influence in our land, as throughout the rest of the world, is as ephemeral as the deceits and illusions upon which it depends. Their fierceness is born of desperation, for with every day their actual strength wanes. They are giants with feet of clay.

It would of course be foolhardy to blink at the fact that the cause of progress and peace in America has suffered severe, if temporary, setbacks. The democratic coalition which rallied about Roosevelt and reached its peak of vigor and unity during the war years has been badly disrupted. Such a coalition must be restored and strengthened to wrest control of the fate of the many from the hands of the few.

In building this coalition, we must not be disconcerted by the accusation of disloyalty leveled against those who challenge and oppose the policies of our present government. It is utterly alien to the American tradition to demand unquestioning loyalty and unequivocal obedience from the people to the government; the American tradition is to demand loyalty and obedience from the government to the people. And when a government ceases to be loyal to the people, when in fact it betrays the interests of the people, then the time has come to change the policies of the government by changing its composition and electing to office true representatives of the people.

"The issue of this war," said President Franklin D. Roosevelt in an address to Congress on July 7, 1943, "is the basic issue between those who believe in mankind and those who do not—the ancient issue between those who put their faith in the people and those who put their faith in dictators and tyrants. There have always been those who did not believe in the people, who attempted to block their forward march across history, to force them back to servility and silence."

Roosevelt declared: "We are going to win the war and we are going to win the peace that follows."

The people won the war. The people will win the peace.

A.E.K.

April 1950

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# ACKNOWLEDGMENTS

In the preparation of this book, I made extensive reference to the hearings, reports and official records of U.S. Government agencies and Congressional Committees, and to various other public documents. Those official records, documents and reports upon which I drew most heavily are listed below under the heading, "Public Documents."

I also made considerable use of the published memoirs of a number of the persons mentioned in this book. All of the dialogue in this book is taken from these memoirs, which are included among the books listed below, and from court records, official reports and other such documentary sources.

Acknowledgment must be made of my special indebtedness to the writings of George Seldes, whose Witch Hunt, Facts and Fascism, You Can't Print That, 1000 Americans and other books provide an invaluable source of information on political intrigue, big business machinations and anti-democratic activities in the United States during the last three decades. Among other books which proved particularly useful to me were Privileged Characters, M. A. Werner's comprehensive study of corruption in high places during the 1920's; This Was Normalcy, Karl Schriftgeisser's enlightening account of the Harding, Coolidge and Hoover eras; Free Speech in the United States, Zechariah Chafee, Jr.'s definitive work on constitutional law and civil liberties; and Only Yesterday and Since Yesterday, Frederick Lewis Allen's colorful and interesting books dealing with the American scene between the two world wars.

The Index of the New York Times, The Readers' Guide to Periodical Literature and the Encyclopedia of Social Sciences were indispensable reference sources.

Much material, as indicated in the text, has been taken from newspapers, magazines and other journals. Among contemporary publications which contain important material often not available in the general press are Johannes Steel's *Report on World Affairs*; George Seldes' In Fact; Cedric Belfrage's *National Guardian*; T. O. Thackrey's *Daily Compass*; and the *St. Louis Post-Dispateb*. The files of the *Daily Worker* contain valuable data, frequently not obtainable elsewhere, on the class struggle in America during recent years. (An excellent example of vivid eye-witness reportage on labor strife is William Allen's series of articles in the *Daily Worker* on the strike at the Ford River Rouge Plant in April 1941.)

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# ALBERT E. KAHN,

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