

# WALL STREET'S FASCIST CONSPIRACY

## *Testimony that the Dickstein Committee Suppressed*

JOHN L. SPIVAK

**A**N ORGANIZED conspiracy exists to seize the government by a fascist coup. The Congressional Committee appointed to investigate just such activities has not only failed to follow the trail of evidence to its fountain head—Wall Street—but has deliberately suppressed evidence pointing in that direction.

In these articles the reality of Wall Street's fascist conspiracy will be made clear; the lineup of financial interests back of the conspiracy will be set forth; and the real role of the Dickstein Committee, which suppressed this evidence, will be revealed.

A suggestion of the existence of Wall Street's fascist conspiracy was made public in November. The Dickstein Committee then was forced to call Gen. Smedley D. Butler, one of those who made the charges, to testify. And that was the end of the Committee's interest in proving the charges.

This series of articles will go deeply into the whole situation, of which only a hint trickled through to the public. The suppression of evidence by the Dickstein Committee reveals the Committee's real character: With an ostensible mission to uncover fascist activities, the Committee actually turned out to be a close collaborator with the would-be fascist rulers of the country; it covered up the conspiracy by suppressing evidence which led too high up in those financial and industrial groups which run Congress, "advise" the President, and dominate the country.

It will be shown that financial and economic class considerations rise above every other kind, including racial and religious ones. The anti-semitic character of Nazism has been abundantly demonstrated in these pages; nevertheless this article, and succeeding ones, will reveal Jewish financiers working with fascist groups which, if successful, would unquestionably heighten the wave of Hate-the-Jew propaganda.

The class basis of social forces is nowhere more clearly revealed than in this situation—capitalists, including Jews, making common cause with anti-semitic fascist and potentially fascist organizations, in an effort to crush labor. The ultimate aim of course is the true fascist one of a "totalitarian state," with all cultural, educational, and political activities inimical to capitalism suppressed. The imme-

diately path to this objective is the destruction of the labor movement and particularly the militant vanguard represented by the Communist Party.

The Dickstein Committee has deliberately suppressed testimony of fascist activities which it had in its possession. This evidence was suppressed because financial powers behind the committee are among the supporters of fascist organizations.

Throughout its investigation of Nazi, fascist and Communist activities the Committee has been careful not to involve certain financial interests—such as J. P. Morgan and Co., Kuhn, Loeb and Co., etc. Felix Warburg, head of the Kuhn, Loeb banking house virtually dominates it as well as the American Jewish Committee, a powerful organization active in fighting the spread of anti-semitism. The American Jewish Committee is controlled by wealthy Jews. However, it has a large following among lower and middle-class Jews who are not aware of the maneuverings of the leadership for its own economic interests. The zeal of the leaders in fighting anti-semitism is tempered by the financial interests of some of them—in the United States and in Nazi Germany—and by the active participation of some of them in fascist organizations in this country.

Shortly after the Dickstein Committee was empowered by Congress to investigate "subversive" activities, leaders of the American Jewish Committee began to steer the Congressional Committee's investigations. In the course of this steering, information was suppressed which reflected upon leading bankers, as well as information of fascist organizations in which they were interested.

Instead of actually seeking evidence of fascist organizations and who are behind them, the Congressional Committee ignored Fascism until its menace here was thrust upon them; and then suppressed vital evidence regarding it. The reason: Wall Street interests such as Morgan's were involved which are tied up with the Warburg interests—which dominate the American Jewish Committee without the knowledge of the overwhelming majority of its membership.

In the course of these articles I shall show:

1. That the Dickstein Committee refuses to explain why it suppressed evidence of fas-

cist organizations and of fascist movements.

2. That the Dickstein Committee knew of the offer made to Gen. Smedley Butler to organize a fascist army of 500,000 men, but ignored this information until it was forced to call Butler.

3. That having called him, the Committee issued a garbled statement of what he said and not until the national furore died down did it issue even parts of his testimony.

4. That Gen. Butler named a fascist organization in which some leaders of the American Jewish Committee are active—and that this testimony was suppressed.

5. That a Nazi agent worked in Warburg's Bank of Manhattan and that Felix Warburg was never called upon to explain how he got there.

6. That the Warburg financial interests have heavy investments in Nazi Germany. The American Jewish Committee has steadfastly opposed the boycott of German goods.

7. That the most powerful fascist organizations are controlled by financiers whose interests are controlled by J. P. Morgan's interests.

8. That the Warburg financial interests are tied up with Morgan and consequently work with Morgan men.

9. That Grayson M-P Murphy, involved in the plot to organize a fascist army, is a Morgan man and one of those who originally financed the starting of the American Legion for "Big Business" and who supports disseminators of anti-semitic propaganda; and that, knowing all this the Dickstein Committee never called Murphy to explain his activities.

10. That a Hearst man tied up with Morgan interests captured control of the American Legion, which Butler was asked to lead as a fascist army; and that this man, summoned to appear before the Dickstein Committee, was never questioned after he had had a sec conference with President Roosevelt.

11. That the American Liberty League was named by Butler and this fact suppressed by the Dickstein Committee. The League is controlled by Morgan-du Pont interests as well as having Warburg representation on it.

12. That the Remington Arms Co., controlled by Morgan-du Pont, was named as the body which would supply arms and equip-



ment to the fascist army and that this testimony was suppressed by the Congressional Committee.

13. That Max Warburg, brother of Felix, and directors of the steel trust of Germany, which originally financed Hitler, are in the United States trying to get credits for Hitler's government in copper purchases.

14. That Hearst copper interests were among those being considered at the time Hearst opened his anti-red campaign.

Let us first consider Butler's testimony that he was offered \$3,000,000 to organize a fascist army with a promise of \$300,000,000 more if it became necessary. I shall review it very briefly to refresh the reader's mind.

Gen. Smedley Butler testified that he was approached by Gerald C. MacGuire, a "\$100 a week bond salesman," with an offer of \$18,000 in one thousand dollar bills to go to the American Legion convention in Chicago in 1933 to make a speech in favor of the gold standard; it was after this connection was established that MacGuire suggested organizing the fascist army. MacGuire at that time said he was working for Robert S. Clark, who inherited millions of the Singer Sewing Machine fortune. While working for Clark, MacGuire was kept on the payroll of Grayson M-P Murphy, a "Wall Street broker." During the period when these negotiations were going on, MacGuire, who had never owned more than a few thousand dollars, suddenly began to handle large sums of money, depositing and withdrawing amounts running far beyond \$100,000. The Dickstein Committee, in examining him, found that he could not account for \$65,000 which were spent during the trip to the American Legion convention and that he lied repeatedly about what he had done with certain large sums.

So much for the Butler story; what is not known is that long before General Butler testified, the Congressional Committee investigators knew about it. Nevertheless they did not call Butler, though one of the things they were supposed to investigate was "subversive" activities, including Fascism. The Dickstein Committee called Butler only when it learned that The New York Post and the Philadelphia Record were about to publish the story anyway, which they had learned through their reporter Paul Comley French, a friend of the General's.

The national furor aroused by the story was so great that the Committee had to issue a statement after getting the testimony in secret session. When the excitement died down the Congressional Committee issued a summary of the Butler testimony for the press, Butler having been cautioned not to divulge what happened behind the committee's closed doors, according to the General.

During the course of my investigation into fascist activities in the United States, I persistently asked for the Butler testimony. I told that "the summation tells the whole story."

"But why can't I see the whole testimony?"

*General Smedley Butler quoting Robert S. Clark, who sent Gerald C. MacGuire with proposals for a fascist army (the suppressed testimony is in italics):*

### **The Published Testimony:**

He (Roosevelt) has either got to get more money out of us or he has got to change the method of financing the Government and we are going to see to it that he does not change that method. He will not change it.

I said, "The idea of this group of soldiers then, is to sort of frighten him, is it?"

"No, no, no, not to frighten him. This is to sustain him when others assault him."

I said, "Well, I do not know about that. How would the President explain it?"

### **What Butler Really Said:**

He (Roosevelt) has either got to get more money out of us, or has got to change the method of financing the Government, and we are going to see to it that he does not change the methods. He will not change it. *He is with us now.*

I said, "The idea of this great group of soldiers, then, is to sort of frighten him, is it?"

"No, no, no; not to frighten him. This is to sustain him when others assault him."

*He said, "You know, the President is weak. He will come right along with us. He was born in this class. He was raised in this class, and he will come back. He will run true to form. In the end he will come around. But we have got to be prepared to sustain him when he does."*

I said, "Well, I do not know about that. How would the President explain it?"

What is there in it which you do not want me to see?"

"Nothing has been left out, except some hearsay evidence," I was assured. "A few names were mentioned which have nothing to do with the case."

After my persistence had made it clear that my suspicions were growing, I was handed a copy of the hastily published Butler testimony, marked "extracts." At the end of the 125 page record was a note in bold face type:

The Chairman: In making public the foregoing evidence, which was taken in executive session in New York City November 20 to 24, inclusive, the Committee has ordered stricken therefrom certain immaterial and incompetent evidence, or evidence which was not pertinent to the inquiry, and which would not have been received during a public hearing.

The printed question-and-answer testimony gave more information than the summation originally issued by the Committee. I was still curious to know just what "evidence" the Committee considered "immaterial," my curiosity being heightened when I was told by a person in a position to know and who had never told me anything unfounded, that the request to suppress certain parts of Butler's testimony had come from Henry Morgenthau, Secretary of the Treasury. I could not prove it but I had enough faith in my informant to believe it.

More requests for the uncensored stenographic notes of Butler's testimony met with refusals. The "immaterial evidence" was a carefully guarded secret. Eventually I did obtain these suppressed stenographic notes. With the notes in my possession as well as

knowledge of the financial interests within and behind the American Jewish Committee, the leaders of which were steering the Congressional Committee, I called upon the chairman, Congressman John W. McCormack. I had prepared a series of questions for the interview which he had agreed to give me. When I got to the sixth question which probed a little deeper into the suppression of evidence by his Committee, the Congressman became a little nervous.

"Oh, somebody's been telling you things," he said.

"No, no one has been telling me things. I have the stenographic notes."

"Those are executive minutes," he exclaimed. "I can't imagine how they got in your possession. I must find out."

The knowledge that I had the suppressed testimony obviously upset him. The interview had been progressing in a friendly manner until I got to the stage where it seemed that a Congressional investigating committee was being investigated. Suddenly he said abruptly:

"I don't have to answer your questions."

"That's right," I assured him, "you don't."

"And I don't have to give you an interview."

"That's right, too."

"Well then, cancel this interview."

"Okay, I'll cancel it. But don't you think you had better answer the questions?"

"I will not answer any more questions. It is obvious to me that they are cleverly arranged—all leading to one point—you want to hang me."

"No, I don't want to hang you. I think your committee has hanged itself."



"I'll take your notes and the questions and answer such of them as I wish. I want to think them over."

"That's okay," I agreed, handing him the questions.

Some of the brief questions I asked him follow:

Will you define what you mean by Nazism, Fascism, Communism?

Did you ever look into the potential fascist groups like the American Liberty League, Father Coughlin's organization, the Crusaders, etc.?

Did you ever investigate why the American Legion passed the gold resolution while MacGuire was in Chicago with a lot of money?

Why wasn't John Taylor called regarding Legion and Veterans of Foreign Wars activities?

Why didn't you investigate the educators' charges that Hearst was carrying on fascist propaganda?

What relationship has your Committee with the American Jewish Committee?

When THE NEW MASSES published evidence that Ralph Easley of the National Civic Federation was secretly reporting to George Sylvester Viereck, the Nazi agent, while the former was distributing *Communism in Germany*, why weren't Easley's finances looked into?

The Jewish-controlled concerns in Chicago who contributed to Harry A. Jung's organization and the money used to disseminate anti-semitic propaganda were known to you. Why wasn't that evidence made public?

Why wasn't the relationship between Kuhn, Loeb and Max Warburg established to determine why a Nazi agent found his way into Warburg's Bank of Manhattan? Why wasn't Felix Warburg questioned about it?

Did you ever investigate the financial tie-ups of bankers and industrialists to determine the motivation in supporting potential fascist groups?

Did you ever investigate Assistant Secretary of War Woodring's statement that the C.C.C. boys would be "economic storm troops" against "social disorders"?

Did you ever investigate why organizations which started out for monetary reform like the Committee for the Nation ended up by carrying on anti-labor propaganda?

Did you ever question Under-Secretary of State Phillips why he met with Easley to try to stop the boycott of German goods and thus give economic aid to the Nazis?

Did you ever get to the bottom of the report that John W. Davis wrote the gold speech passed at the Chicago convention?

I agreed not to use the statements he had made before he cancelled the interview and I gave him the questions with my notes on them. He promised to give me written answers to "those he wanted to answer" within three days. On the day he promised his answer I got it. I read it over five or six times. I still don't know what he is talking about. For the reader's benefit I give his answers. I think they show the state the chairman is in:

My dear Mr. Spivak:

On Saturday last you called into my office for an interview, as a result of which you left with me a number of questions which you intended to ask me. I told you that I would consider them and write you on or before the following Tuesday. I am complying with what I told you, to write you on or before Tuesday Jan. 15.

Pending the report of the committee to the use of Representatives I have discussed only limited way with representatives of the press opinion of the value of some evidence ob-

*Gen. Smedley Butler quoting MacGuire, who, the General testified, came to him with an offer to lead a fascist army (the suppressed testimony is in italics):*

**The Published Testimony:**

I said, "Is there anything stirring about it yet."

"Yes," he says; "you watch; in two or three weeks you will see it come out in the paper. There will be big fellows in it. This is to be the background of it. These are to be the villagers in the opera. The papers will come out with it." He did not give me the name of it, but he said it would all be made public; a society to maintain the Constitution, and so forth. They had a lot of talk this time about maintaining the Constitution. I said, "I do not see that the Constitution is in any danger," and I asked him again, "Why are you doing this thing?"

We might have an assistant President, somebody to take the blame; and if things do not work out, he can drop him.

**What Butler Really Said:**

I said, "Is there anything stirring about it yet."

"Yes," he says; "you watch; in two or three weeks you will see it come out in the paper. There will be big fellows in it. This is to be the background of it. These are to be the villagers in the opera. The papers will come out with it," and in about two weeks the *American Liberty League* appeared, which was just about what he described it to be. That is the reason I tied it up with this other thing about Al Smith and some of these other people, because of the name that appeared in connection with this *Liberty League*. He did not give me the name of it, but he said that it would all be made public. . . .

We might have an assistant President, somebody to take the blame; and if things do not work out, he can drop him. He said, "That is what he was building up Hugh Johnson for. Hugh Johnson talked too damn much and got him into a hole, and he is going to fire him in the next three or four weeks."

I said, "How do you know all this?"

"Oh," he said, "we are in with him all the time. We know what is going to happen."

tained, and the probable recommendations that impressed me personally. The final report and recommendations will be determined later by the full committee.

Assuming the premises upon which they are predicated are correct, and it is plain to me that they are not, some of the questions that you intended to ask relate to matters beyond the jurisdiction of the committee, and its powers of investigation. I, therefore, ignore them.

There are some questions which you intended to ask which I would have no hesitancy in answering if asked by other representatives of the press, and while I am not in sympathy with the policies, associations or affiliations of the publication which you represent, naturally, I would accord you the courtesy and consideration I would extend to others.

You were particularly anxious to find out if the Nazi movement in this country is as active today as it was when the investigation started. As a result of the investigation, and the disclosures made, this movement has been stopped, and is practically broken up. There is no question but what some of the leaders are attempting to carry-on, but they can make no headway. Public opinion, as a result of the disclosures of the investigation is aroused.

The breaking-up of any intolerant movement, the objective of which is to group Americans against Americans, or persons against persons, because of race, color or creed, is beneficial to the country and the people as a whole. The same opinion applies to a movement dedicated to the overthrow of government by legal or illegal means, or a combination of both, employ-

ing force and violence, if necessary to obtain the desired objective. The use of lawful or legal means is a right which every person or movement possesses to change, in whole, or in part, our government, even though one may not agree with the methods employed, or the purposes and objectives of such a movement. No person or movement has a right to resort to illegal means to accomplish this end. When such methods are employed, the resort to violence and force, to try and obtain the overthrow of government, whether or not it is or can be accomplished, it is beyond the pale of the Constitution, and of rights guaranteed thereunder.

The reason for certain portions of General Butler's testimony in executive session being deleted from the public record has been clearly stated in the printed public record.

Very truly yours,  
John W. McCormack.

All I can say regarding this is that I hope the Committee's report to the Congress will be clearer.

Still searching for the Committee's explanation of why it suppressed testimony of Fascism and fascist organizations, I called upon Congressman Samuel Dickstein, vice-chairman of the Committee on "un-American" activities. Like many others, I refer to this Congressional body as the "Dickstein Committee," chiefly because Dickstein first introduced the bill for the investigation; but calling it the "Dickstein Committee" is a misnomer.



rave injustice to the Congressman. It is not his committee. The financial powers in the American Jewish Committee, which directed Congressional body, simply played circles and the bewildered Congressman. Dickstein never knew, and I doubt if he knows now, just what happened and why certain specific evidence was suppressed. Throughout the whole investigation he kept blundering into things which shouldn't have been blundered into and he could never understand why those steering the Committee opposed probing along lines which would lead to the Warburg-Morgan interests. When I talked with him and pointed out the financial hook-ups he looked sad.

"I wish you had told me that while the Committee was in session," he said plaintively. "I'd have called Murphy and Morgan and Warburg and anyone else involved."

Dickstein's activities in the Committee—such questions as he persisted in asking—were chiefly confined to the Nazis. Communism was really dragged into this investigation; and the financial powers behind the Congressional Committee certainly had no intention of investigating Wall Street's fascist conspiracy until the threat of breaking the Butler story in the press forced them to make a gesture in that direction. The investigation into Communism was steered by the leaders of the American Jewish Committee, Felix Warburg and his non-Jewish Wall Street colleagues, for three reasons:

1. The growing interest in and sympathy for the Communist movement in industries where these financial powers had investments; if the Communist Party could be outlawed it would be of tremendous advantage to the financiers and industrialists guiding the work of the Committee.

2. There was a great deal of publicity in the press and propaganda by Nazi agents that "a Communist is a Jew and a Jew is a Communist."

3. A federal law ostensibly directed at Communists as "subversive elements" could be used to keep labor from doing a great many things, whether labor was affiliated with left-wing organizations or conservative ones like the American Federation of Labor.

Even William Green, president of the A. F. of L., realized that. I was present at the hearing in Washington when Green testified and it was really one of the funniest shows I ever saw. There is nothing that Green would like better than to see the Communist Party outlawed, but Green realized that any such procedure would be directed at all labor, and would eventually endanger his own position. Dickstein and McCormack, neither having a fraction of the knowledge of the labor movement that Green has, tried in a dozen different ways to get Green to say that a bill outlawing the Communist Party would be a good thing—and Green persistently assured that any such move would react, against the A. F. of L. and would be fought.

It was a very depressing hearing for both Dickstein and Dickstein (who had com-

*Paul Comley French, reporter for the New York Post, telling of his conversations with Gerald MacGuire (the suppressed testimony is in italics):*

### **The Published Testimony:      What French Really Said:**

At first he (MacGuire) suggested that the General organize this outfit himself and ask a dollar a year dues from everybody. We discussed that, and then he came around to the point of getting outside financial funds, and he said that it would not be any trouble to raise a million dollars.

At first he (MacGuire) suggested that the General organize this outfit himself and ask a dollar a year dues from everybody. We discussed that, and then he came around to the point of getting outside financial funds, and he said that it would not be any trouble to raise a million dollars. *He said that he could go to John W. Davis or Perkins of the National City Bank, and any number of persons and get it.*

*Of course, that may or may not mean anything. That is, his reference to John W. Davis and Perkins of the National City Bank.*

*During my conversation with him I did not of course, commit the General to anything. I was just feeling him along. Later we discussed the question of arms and equipment, and he suggested that they could be obtained from the Remington Arms Co., on credit through the du Ponts. I do not think at that time he mentioned the connections of du Pont with the American Liberty League, but he skirted all around it. That is, I do not think he mentioned the Liberty League, but he skirted all around the idea that that was the back door, and that this was the front door; one of the du Ponts is on the board of directors of the American Liberty League and they own a controlling interest in the Remington Arms Co. In other words he suggested that Roosevelt would be in sympathy with us and proposed the idea that Butler would be named as the head of the G.C.C. camps by the President as a means of building up this organization. He would then have 300,000 men. Then he said that if that did not work the General would not have any trouble enlisting 500,000 men.*

peted with one another for the most publicity during the life of the investigation). The two Congressmen had issued statements that they intended to outlaw the Communist Party months before the Committee had finished its investigation!

A good idea of the stature of Dickstein can be had by his answers to some of the questions I asked him.

"Congressman, just what do you mean by Nazism?" I asked.

"Well, Nazism is—you see—you know I'd rather you'd get the definition I gave of it in my last speech."

"Okay. How about Fascism?"

"That's in there, too."

I tried again.

"Do you think Fascism is the last stand of capitalism?"

"Certainly," he said. "Powerful wealth is concentrating for its own preservation."

"And your committee was supposed to investigate Fascism?"

"Yes, Fascism. All subversive, un-American movements."

"A real investigation of Fascism or fascist movements in this country would have to take in a study of powerful financial groups and their motivations?"

He looked at me warily, as though fearful of a trap, and nodded solemnly.

"Then why didn't the Committee investigate the financial tie-ups to determine the motives behind such groups as the American Liberty League?"

"Well, we didn't have the time or the money, or we would have."

"What was left out of the Butler story



"We confined our activities to evidence permissible in a court. We didn't go into the details because it was hearsay."

"But your published records are full of hearsay evidence."

He looked at me, startled.

"They are?"

"Well, why wasn't Grayson M-P Murphy called? Your committee knew that Murphy's men are in the anti-semitic espionage Order of '76; it knew that Murphy was supporting Edmondson in sending out his anti-semitic news releases; it knew that Murphy and Clark were hooked up for years selling bonds together—why wasn't Murphy called?"

"We didn't have the time. We'd have taken care of the whole Wall Street group if we had had the time. I would have no hesitation in going after the Morgans."

"Did you ever go into the fascist—or potentially fascist—groups like the American Liberty League, the Crusaders, etc?"

"No, we went a little into the Black Shirts—it's an organization like the Nazis but it didn't amount to anything. We had no time," he repeated.

"You had Frank Belgrano, commander of the American Legion, listed for testimony. Why wasn't he examined?"

"I don't know," he said. "Maybe you can get Mr. McCormack to explain that. I had nothing to do with it."

"Why didn't you call Easley after THE NEW MASSES had published his secret reports to George Sylvester Viereck, the Nazi agent, and find out about Easley's finances?"

"To the best of my recollection, Easley was called into executive session. He testified

about Communism."

"I don't doubt it. But I'm interested in why his finances were not examined since he was distributing an anti-semitic book imported into this country by Viereck."

"I don't know."

"Why weren't the names of the Jewish concerns whose money went to Harry A. Jung in Chicago and which was used for anti-semitic propaganda, made public?"

"I never saw them," he said. "We have so much stuff I haven't had a chance to read all the reports. I wasn't at the Chicago hearing."

"And McCormack wasn't at the Chicago hearing. Then who issued orders not to make those names public?"

"I don't know."

"Why wasn't Edward A. Rumely questioned regarding the Committee for the Nation activities which benefited Nazi Germany and on whose committee Lessing Rosenwald of the American Jewish Committee was active?"

"I couldn't answer that. You'd have to ask McCormack about it."

"Okay. Why wasn't Felix Warburg questioned as to how the Nazi agent F. X. Mittmeier got a job in the Warburg-controlled Bank of Manhattan?"

"I don't know."

"Fascism came at the last moment," he said, switching the subject. "I knew of only one fascist group—the Black Shirts—and they weren't important."

"Didn't Assistant Secretary of War Woodring's statement that the C.C.C. boys would be used as 'economic storm troops against social disorders' sound like Hitler Fascism? Why wasn't Woodring questioned about it?"

"There was no time," the Congr. said dazedly.

"But Woodring is in Washington. And were you."

"Maybe the Committee felt there was evidence—maybe."

It was obvious to me that Dickstein simply did not know what was going on around him when I pointed out the financial tie-ups of Warburg interests with Morgan interests which Murphy represents and the Warburg group with the American Jewish Committee leadership which was steering the Congressional Committee he was utterly dazed. These tie-ups will be explained in detail in the next article.

In the meantime I offer the suppressed testimony.

The Congressional Committee had Gen. Butler behind closed doors in a secret session. It did not know what Butler might say or it wanted to be in a position to suppress testimony given under oath if this proved necessary. And it was, for Butler named persons whom the Committee should have called to check various angles—persons high in the political and financial world. There is no need of my repeating much of the General's testimony. I shall offer only what the published report by the Congressional Committee says he said and what the carefully guarded stenographic notes show he really said.

Gen. Butler was telling the story of Murphy's man, (MacGuire's) talk with him. In the left column is what the Committee published. In the right column is what he actually said—the suppressed testimony being printed in italics.

### The Published Testimony:

Then MacGuire said that he was the chairman of the distinguished-guest committee of the American Legion, on Louis Johnson's staff; that Louis Johnson had, at MacGuire's suggestion, put my name down to be invited as a distinguished guest of the Chicago convention.

I thought I smelled a rat, right away—that they were trying to get me mad—to get my goat. I said nothing.

"He (Murphy) is on our side, though. He wants to see the soldiers cared for."

### What Butler Really Said:

Then MacGuire said that he was the chairman of the distinguished-guest committee of the American Legion, on Louis Johnson's staff; that Louis Johnson had, at MacGuire's suggestion, put my name down to be invited as a distinguished guest of the Chicago convention; *that Johnson had then taken this list, presented by MacGuire, of distinguished guests, to the White House for approval; that Louis Howe, one of the secretaries to the President, had crossed my name off and said that I was not to be invited—that the President would not have it.*

I thought I smelled a rat, right away—that they were trying to get me mad—to get my goat. I said nothing.

"He (Murphy) is on our side, though. He wants to see the soldiers cared for."

*"Is he responsible, too, for making the Legion a strike-breaking outfit?"*

"No, no. He does not control anything in the Legion now."

*I said: "You know very well that it is nothing but a strike-breaking outfit used by capital for that purpose and that is the reason they have all those big club-houses and that is the reason I pulled out from it. They have been using these dumb soldiers to break strikes."*

*He said: "Murphy hasn't anything to do with that. He is a very fine fellow."*

*I said, "I do not doubt that, but there is some reason for his putting \$125,000 into this."*

Well, that was the end of that conversation.

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He (Clark) laughed and said, "That speech cost a lot of noney." Clark told me that it had cost him a lot of money. He thought it was a big joke that these fellows were claiming the authorship of that speech.

He (Clark) laughed and said, "That speech cost a lot of money." Clark told me that it had cost him a lot of money. Now either from what he said then or from what MacGuire had said, I got the impression that the speech had been written by John W. Davis—one or the other of them told me that—but he thought that it was a big joke that these fellows were claiming the authorship of that speech.

I think there was one other visit to the house because he (MacGuire) proposed that I go to Boston to a soldiers' dinner to be given in my honor. He suggested that I go up to Boston to this dinner for the soldiers. He said, "We will have a private car for you on the end of the train. You will make a speech at this dinner and it will be worth a thousand dollars to you."

I think there was one other visit to the house because he (MacGuire) proposed that I go to Boston to a soldiers' dinner to be given by Governor Ely for the soldiers, and that I was to go with Al Smith. He said, "We will have a private car for you on the end of the train and have your picture taken with Governor Smith. You will make a speech at this dinner and it will be worth a thousand dollars to you."

I said, "I never got a thousand dollars for making a speech." He said, "You will get it this time."

I said, "I never got a thousand dollars for making a speech." He said, "You will get it this time."

"Who is going to pay for this dinner and this ride up in the private car?"

"Who is going to pay for this dinner and this ride up in the private car?"

"Oh, we will pay for it out of our private funds."

"Oh, we will pay for it out of our funds. You will have your picture taken with Governor Smith."

I said, "I do not want to have my picture taken with Governor Smith. I do not like him."

I am not going to Boston. If the soldiers of Massachusetts want to give a dinner and want me to come, I will come. But there is no thousand dollars in it."

"Well, then, he can meet you up there."

I said, "No, there is something wrong in this. There is no connection that I have with Al Smith, that we should be riding along together to a soldiers' dinner. He is not for the soldiers' either. I am not going to Boston to any dinner given by Governor Ely for the soldiers. If the soldiers of Massachusetts want to give a dinner and want me to come, I will come. But there is no thousand dollars in it."

So he said, "Well, then, we will think of something else."

So he said, "Well, then, we will think of something else."

I said, "What is the idea of Al Smith in this?"

"Well," he said, "Al Smith is getting ready to assault the Administration in his magazine. It will appear in a month or so. He is going to take a shot at the money question. He has definitely broken with the President."

I was interested to note that about a month later he did, and the New Outlook took the shot that he told me a month before they were going to take. Let me say that this fellow has been able to tell me a month or six weeks ahead of time everything that happened. That made him interesting. I wanted to see if he was going to come out right.

So I said at this time, "So I am going to be dragged in as a sort of publicity agent for Al Smith to get him to sell magazines by having our picture taken on the rear platform of a private car, is that the idea?"

"Well, you are to sit next to each other at dinner and you are both going to make speeches. You will speak for the soldiers without assaulting the Administration, because this Administration has cut their throats. Al Smith will make a speech, and they will both be very much alike."

I said, "I am not going. You just cross that out."

Then when he met me in New York he had another idea. . . . Now, I cannot recall which one of these fellows told me about the rule of succession, about the Secretary of State becoming President when the Vice-President is eliminated. There was something said in one of the conversations that I had, that the President's health was bad, and he might resign, and that Garner did not want it anyhow, and then this super-secretary would take the place of the Secretary of State and in the order of succession would become President. That was the idea. He said that they had this money to spend on it, and he wanted to know again if I would head it, and I said, "No, I was interested in it, but I would not head it."

Then when he met me in New York he had another idea. . . . Now, I cannot recall which one of these fellows told me about the rule of succession, about the Secretary of State becoming President when the Vice-President is eliminated. There was something said in one of the conversations that I had either with MacGuire or with Flagg, whom I met in Indianapolis, that the President's health was bad, and he might resign, and that Garner did not want it anyhow, and then this super-secretary would take the place of the Secretary of State and in the order of succession would become President. He made some remark about the President being very thin-skinned and did not like criticism, and it would be very much easier to pin it on some-



He said, "When I was in Paris, my headquarters were Morgan & Hodges (Harjes). We had a meeting over there. I might as well tell you that our group is for you, for the head of this organization. Morgan & Hodges (Harjes) are against you. The Morgan interests say that you cannot be trusted, that you are too radical, and so forth, that you are too much on the side of the little fellow; you cannot be trusted. They do not want you. But our group tells them that you are the only fellow in America who can get the soldiers together. They say, 'Yes, but he will get them together and to the wrong way.' That is what they say if you take charge of them."

body else. He could say that he was about such routine matters and let the other fellow take care of it and then get rid of him if necessary. That was the idea. He said that they had this money to spend on it, and he wanted to know again if I would head it, and I said, "No, I was interested in it, but I would not head it."

He said, "When I was in Paris, my headquarters were Morgan & Hodges (Harjes). We had a meeting over there. I might as well tell you that our group is for you, for the head of this organization. Morgan & Hodges (Harjes) are against you. The Morgan interests say that you cannot be trusted, that you are too radical, and so forth, that you are too much on the side of the little fellow; you cannot be trusted. They are for Douglas MacArthur as the head of it. Douglas MacArthur's term expires in November, and if he is not reappointed it is to be presumed that he will be disappointed and sore and they are for getting him to head it."

I said, "I do not think that you will get the soldiers to follow him, Jerry. He is in bad odor, because he put on a uniform with medals to march down the street in Washington. I know the soldiers."

"Well, then, we will get Hanford MacNider. They want either MacArthur or MacNider. They do not want you. But our group tells them that you are the only fellow in America who can get the soldiers together. They say, 'Yes, but he will get them together and go the wrong way.' That is what they say if you take charge of them."

I said, "MacNider won't do either. He will not get the soldiers to follow him, because he has been opposed to the bonus."

"Yes, but we will have him in charge (charge?)"

And it is interesting to note that three weeks later after this conversation MacNider changed and turned around for the bonus. It is interesting to note that.

He said, "There is going to be a big quarrel over the reappointment of MacArthur" and he said, "you watch the President reappoint him. He is going to go right and if he does not reappoint him, he is going to go left."

I have been watching with a great deal of interest this quarrel over his reappointment to see how it comes out. He said, "You know as well as I do that MacArthur is Stotesbury's son-in-law in Philadelphia—Morgan's representative in Philadelphia. You just see how it goes and if I am not telling you the truth."

I noticed that MacNider turned around for the bonus, and that there is a row over the reappointment of MacArthur. So he left me saying, "I am going down to Miami. . . ."

So he left me saying, "I am going down to Miami. . . ."

There are other portions of the suppressed testimony such as Butler's story of the conversation he had in Indianapolis with a man named Flagg who knew all about the fascist plot to organize an army directed by Wall Street financiers. I have been unable to locate a man by that name who is an Indianapolis publisher, as he was introduced to Butler, and I am inclined to think that he was masquerading under a different name and had been sent there to feel out Butler. Because of my inability to locate any such person I am not quoting the testimony.

The most significant part of all this suppressed evidence is that the Dickstein Committee dropped it like a hot coal though there is plenty of evidence of a fascist-militarist

plot. Nevertheless, when the Congressional Committee had MacGuire on the stand repeatedly, it questioned him about his finances but not one single question was directed at him regarding the American Liberty League, controlled by the du Pont interests (which are tied up with Morgan interests and Morgan interests are tied up with Warburg interests and Warburg interests control the American Jewish Committee which in turn guided this Congressional body) nor of the discussion sworn to under oath about the Remington Arms Co. supplying arms and equipment for the fascist army.

Not a single question was directed at MacGuire regarding the conversation testified to by Paul Comley French. Not a single du

Pont or Remington Arms official was called. No—not a single official of the Liberty League on whose body are members of the American Jewish Committee, such as former Judge Joseph M. Proskauer.

If the Congress of the United States really wants to investigate fascist activities why does it not ask this Committee why this testimony was suppressed?

Next week John L. Spivak will present details of how the Warburg-Morgan interests are tied up; and how the Warburg interests control the American Jewish Committee, leaders of which guided this Congressional Committee in suppressing the evidence of the fascist conspiracy by Wall Street financiers.—THE EDITORS.



SUPPRESSED NAMES OF JE  
BUSINESS WHICH CONTRIBUTED TO AMERICAN  
VIGILANCE INTELLIGENCE FEDERATION

SUPPRESSED FACTS WHILE INVESTIGATING-PASGIER

SUPPRESSED BUTLER TESTIMONY NAMING  
AMERICAN LIBERTY LEAGUE

IGNORED FRANK BELGRANO AFTER HE  
WAS CALLED TO TESTIFY

ANNOUNCED INTENTION TO OUTFIT A  
COMMUNIST PARTY BEFORE INVESTIGATION

SUPPRESSED NAME OF REMINGTON ARMS

MURPHY KEPT GERALD MCGUIRE  
ON PAYROLL WHEN MCGUIRE TRIED  
TO GET BUTLER TO ORGANIZE FASCIST  
ARMY WHILE APPARENTLY WORKING  
FOR ROBERT STERLING CLARK

MCGUIRE - \$100. A WEEK BOND  
SALESMAN SUDDENLY BEGAN TO  
HANDLE LARGE SUMS OF MONEY.

MCGUIRE ACTIVE IN AMERICAN  
LEGION AFFAIRS WHILE SPENDING  
\$65,000.00 HE CANNOT ACCOUNT FOR

ADICKSTEIN COMMITTEE

OPPOSED BOYCOTT OF NAZI GOODS

HENRY HITTLESON-PRESIDENT  
COMMERCIAL INVESTMENT  
TRUST-AKTIEEN GESELLSCHAFT OF BERLIN

ALBERT D. LASKER-ON NAT. AD-  
VISORY COUNCIL OF CRUSADERS

IRVING LEHMAN -  
LEHMAN BROS. HAVE  
INVESTMENTS IN GERMANY.

LESSING J. ROSEN WALT -  
COMMITTEE FOR THE  
NATION - CHAIRMAN OF  
THE BOARD-SEARS ROEBUCK  
WHICH CONTRIBUTED TO  
THE AMERICAN VIGILANCE  
INTELLIGENCE FEDERATION  
THEY USED TO DISSEMINATE  
ANTI-SEMITIC PROPAGANDA

ROGER W. STRAUSS-DIRECTOR  
REVERE COPPER AND BRASS IN  
WHICH GERMAN INDUSTRIAL-  
ISTS WERE INTERESTED

LOUIS EDWARD KIRSTEIN  
Vice. Pres. Wm. FILENE'S SONS Co.  
FILENE'S DAUGHTER MARRIED  
JOVETT SHOUSE PRESIDENT  
AMERICAN LIBERTY LEAGUE

JOSEPH M. PROSKAUER-DIRECTOR  
AMERICAN LIBERTY LEAGUE

AMERICAN JEWISH COMMITTEE

FELIX WARBURG-DIRECTOR-MORGAN CONTROLLED AMER. SECURITIES

ALSO WALTER FREN WHO GAVE MONEY TO MCGUIRE

KUHN LOEB UNDERWROTE NORTH GERMAN LLOYD

MAX WARBURG - BROTHER - IN U.S. TO ARRANGE  
FINANCIAL MATTERS WITH HITLER GOVERNMENT

LEWIS L. STRAUSS - PARTNER - DIRECTOR N.Y.  
AND SUSQUEHANNA R.R. - U.S. RUBBER Co.

SIR WILLIAM WISEMAN - PARTNER-HEAD OF  
BRITISH ESPIONAGE WORK IN U.S. DURING WAR -  
DIRECTOR U.S. RUBBER - NATIONAL R.R. OF MEXICO

ELISHA WALKER - PARTNER - DIRECTOR - RADIO  
KEITH ORPHEUM - BANK OF AMERICA - PANAMA-  
ICA CORP. - GENERAL FOODS - BANCA MEXICO - BLAIR -

KUHN-LOEB

GRAYSON M.P. MURPHY

WILLIAM S. KNUDSON  
GENERAL MOTORS

NATHAN L. MILLER - COUNSEL  
FOR U.S. STEEL

ALFRED SMITH - NAME  
SUPPRESSED BY DICKSTEIN COM-  
MITTEE IN BUTLER TESTIMONY

IRENEE DU PONT

JOHN J. RASCOB (NAME SUPPRESSED)

AMERICAN LIBERTY LEAGUE

ORGANIZED AS A MON-  
ETARY REFORM GROUP  
TAKES ACTIVE PART  
IN POLITICS

GETS MONEY FROM  
AMERICAN LIBERTY  
LEAGUE

GETS MONEY  
FROM MYSTERIOUS  
SOURCES.

JAMES P. WARBURG  
AND  
ALBERT D. LASKER  
ON NATIONAL AD-  
VISORY COUNCIL

JOHN W. DAVIS

THE CRUSADERS

MORGAN CONTROLLED

GRAYSON M.P. MURPHY,  
DIRECTOR IN NEW YORK TRUST - ON  
MORGAN PREFERRED LISTS, DIRECTOR  
OF GUARANTEE TRUST - FINANCED  
AMERICAN LEGION WITH \$125,000.00

JOHN W. DAVIS - ON MORGAN  
PREFERRED LISTS - MORGAN'S CHIEF  
ATTORNEY, NAMED IN BUTLER'S  
TESTIMONY AS WRITING GOLD SPEECH

AMERICAN LEGION PASSED GOLD  
RESOLUTION FOR WHICH BUTLER WAS  
OFFERED \$18,000.00 TO SPEAK

FRANK M. BELGRANO, PRESENT  
COMMANDER OF AMERICAN LEGION,  
CALLED TO TESTIFY BEFORE DICKSTEIN  
COMMITTEE BUT NEVER QUESTIONED.

CONTROLLED BY DU PONT

REMINGTON ARMS CO. NAMED BY BUTLER  
AS PLANNING TO SUPPLY ARMS FOR FASCIST ARMY

TESTIMONY SUPPRESSED BY  
DICKSTEIN COMMITTEE

J. H. RAND JR. - EXECUTIVE  
COMMITTEE FOR THE NATION

REMINGTON RAND

EDWARD H. CLARK HELPED HEAD  
MAKE MILLIONS FROM INFLATION  
ADVOCATED BY COMMITTEE FOR NATION

HEARST MEN IN MARINE  
MIDLAND CONTROLLED BY  
REMINGTON RAND

GIANNINI OF TRANS AMERICA  
TIED UP WITH HEARST

BELGRANO A GIANNINI MAN  
IN TRANS AMERICA

CLARK ON SEABOARD OIL

WILLIAM RANDOLPH HEARST

SEABOARD OIL IN JOINT INTERESTS  
WITH ROYAL DUTCH SHELL

ROYAL DUTCH SHELL CONTROLLED  
BY DETERDING

DETERDING FINANCIALLY BACKED  
MOSLEY - ENGLISH FASCIST

HEARST AND ROTHERMERE IN  
CANADA PAPER DEALS

ROTHERMERE BACKED MOSLEY

DICKSTEIN KNOWN AS HEARST  
MAN IN WASHINGTON



# WALL STREET'S FASCIST CONSPIRACY

## 2. Morgan Pulls the Strings

JOHN L. SPIVAK

AS Wall Street moves toward a fascist dictatorship to head off the growing revolt of the people against continued hunger and misery in a land of plenty, its activities take in a far wider range than the purely military aspects of a seizure of power. The suppressed testimony of the Dickstein-McCormack committee, disclosed in THE NEW MASSES last week, dealt largely with the efforts made to induce Gen. Smedley D. Butler to assume the leadership of a military coup. Side by side with preparations for such an attempt goes the daily and hourly campaign of manipulating the mind of "the public" into a mood receptive to Fascism in the United States.

Three main agencies are at work in the fascization of public opinion; the press, the radio, and propaganda organizations set up for this specific purpose or converted to it.

the press, of course, the most important is the sinister one of William Randolph Hearst; Father Coughlin and a host of would-be imitators of the priestly demagogue fill the air from morning to night with radio appeals to exterminate the Reds; and the American Liberty League, and the Crusaders, are outstanding examples of the organizational aspects of the fascist conspiracy.

All these activities go on simultaneously, and to some extent, on a superficial view, independently of each other. It will be shown in this article that there are organic links tying the various branches of Wall Street's fascist conspiracy together. An understanding of the financial tieups behind the propaganda for Fascism, as well as behind the more spectacular moves for a fascist army, is essential before the effect of such propaganda can be successfully combated. The buyer of a capitalist newspaper who reads a violent assault on the Communists, and then listens to an equally bitter tirade against "the Reds" on the radio, should know that there is a definite connection between these two pieces of fascist propaganda. There are rifts and contradictions within the capitalist camp itself—Morgan against Rockefeller interests, to name the main one—but on this question of Fascism vs. Communism Wall Street works as a unit.

In the open attempt to get Gen. Smedley D. Butler to organize 500,000 war veterans at a fascist army we can trace the financial backing and from there continue on to the

interlocking financial interests of those behind the fascist conspiracy and the reasons for the suppression of evidence about it by a Congressional Committee instructed to seek just such evidence.

Gerald C. MacGuire, the \$100-a-week bond salesman who approached Butler with the suggestion, was ostensibly working for Robert Sterling Clark, who inherited the Singer Sewing Machine millions. During the period that MacGuire was seeking a leader for the proposed fascist army, he was kept on the payroll of Grayson M-P Murphy, a Wall Street broker. In his testimony before the Dickstein Committee which was suppressed, MacGuire said to Butler:

The Morgan interests say that you cannot be trusted. . . . They want either (Douglas) MacArthur or (Hanford) MacNider. . . . You know as well as I do that MacArthur is Stotesbury's son-in-law in Philadelphia—Morgan's representative in Philadelphia. . . .

The man named by MacGuire as having written the gold standard speech, for delivering which Butler was offered an \$18,000 bribe by MacGuire, is John W. Davis, chief Morgan attorney, and one of a select few on the Morgan "preferred lists"—friends of the firm who are offered stocks or bonds at the original price of issue regardless of the market price. Say a stock was originally issued at \$20. It is quoted at \$36. Those on the Morgan preferred list are offered 1,000 shares at \$20. They can sell it the same day for the market price of \$36,000—making a neat little profit of \$16,000. That is the way money is disbursed by the Morgan crowd to its favored few.

### Murphy and Morgan

Grayson M-P Murphy, like John W. Davis, is one of the favored few on the Morgan preferred list.

Murphy is known in Wall Street as a Morgan man.

Murphy is a director of the New York Trust Co., a Morgan bank. A bank is known as a Morgan institution when one of the Morgan partners is on the board of directors. On the New York Trust there are two Morgan partners: A. M. Anderson and H. P. Davison.

Murphy is a director of the Guarantee

Trust Co., on which two more Morgan partners are directors: Thomas W. Lamont and George Whitney.

—Murphy put up \$125,000 to organize the American Legion, which has functioned openly many times as a strike-breaking organization.

So much for Murphy's history for the time being. We will return to him.

John W. Davis, once in the field for the Presidency of the United States, is Morgan's chief attorney. When a Senate investigating committee tried to get income tax reports of the world's leading private banking house, this man who wanted to be President of the United States bitterly fought every move designed to reveal its income.

Davis is one of those on the Morgan preferred lists.

Davis has borrowed money from the Morgans.

Davis is a director of the Guarantee Trust Co. of New York—the same bank that Murphy is a director of and which has two Morgan partners on the board of directors.

Davis is the man who was named in Butler's testimony as the one who wrote the gold standard speech which MacGuire tried to bribe Butler to make at the American Legion convention.

*Davis' name was suppressed by the Dickstein-McCormack Committee.*

*Davis was never questioned, either in a hearing or by a Committee investigator, whether he ever wrote that speech.*

The reader is asked to bear these italicized facts in mind, for the financial tie-ups of the Wall Street financiers and their fascist activities are complicated.

During the period that MacGuire, Murphy's employe, was maneuvering to get Butler to make the gold standard speech as well as organize a fascist army with a guaranteed backing of an initial \$3,000,000 and a promise of 300,000,000 more if necessary, this bond salesman who had never had more than a few thousand dollars to his credit in any bank suddenly began to make amazing deposits. Let me quote a few from his bank record. At the Irving Trust Co., listed in his own and his wife's name: G. C. MacGuire and Eliz. W. MacGuire "or either of them" of G. M. P. Murphy & Co., 52 Broadway, New York, he made these deposits:





**GRAYSON M-P MURPHY**  
Morgan's man, who kept Gerald C. MacGuire on his payroll



**GERALD C. MACGUIRE**  
Who tried to get Gen. Smedley D. Butler to organize a fascist army



**GEN. SMEDLEY D. BUTLER**  
Who turned down this particular offer of a ride on a white horse

On July 27, 1934, he deposited \$39,106.78. On July 27, 1934 (the same day) he again deposited \$97,766.94.

On August 14, 1934, he made four deposits as follows: \$51,222.62; \$51,128.36; \$25,395.39, and \$25,643.35.

Two days later, on August 16, he again deposited \$45,805.56.

Before this sudden splurge in high finance MacGuire's normal deposits were less than \$100 and occasionally \$250 or \$500, as commissions for selling bonds. Never did he deposit sums anywhere approaching these considerable figures quoted above.

In accounting for his expenditures during the American Legion Convention in Chicago in 1933 to the Dickstein Committee, this seeker for a fascist army lied repeatedly, trying to account for an expenditure of \$65,000 which he could not account for.

*The Dickstein Committee never cited him for contempt or called his employer, Murphy, to explain what all these high financial transactions meant.*

### Belgrano and the Legion

Murphy has had his fingers in the American Legion pie ever since he first advanced the \$125,000 to organize it. The Legion has been in the control of a small clique, but suddenly at the last convention the clique was overthrown and a California banker, Frank N. Belgrano, put in as Commander.

Belgrano was summoned to Washington to testify before the McCormack-Dickstein Committee about his knowledge of American Legion activities. Before he was called to the Committee room, Belgrano had a private conference with President Roosevelt at the White

House; thereafter Belgrano's name was stricken from the list of those who were to be questioned by the Congressional Committee.

*The McCormack-Dickstein Committee has refused to explain why Belgrano was not called.*

In this connection Belgrano's financial interests become important.

Belgrano is associated with the Giannini financial interests on the West Coast, and more specifically with A. P. Giannini in the Trans-America Corp.

*One of the directors of the Trans-America Corp. is Elisha Walker, a Kuhn-Loeb partner.*

*Giannini is tied up in many financial ventures on the West Coast with a gentleman named William Randolph Hearst, and is known in California as a Hearst man.*

The Giannini banking interests are closely tied up with the National City Bank where both Rockefeller and Morgan interests merge. When Charles Mitchell was thrown out of the presidency of this world-powerful bank, it was known in Wall Street that President Roosevelt had recommended Perkins as the new head because the President knew him well through the Roosevelt family holdings in the Farmers Loan and Trust Co.

In this connection I should like to call the reader's attention to two more bits of testimony suppressed by the Dickstein-McCormack Committee:

Paul Comley French, reporter for the New York Post and Philadelphia record, swore under oath:

He (MacGuire) suggested that the General organize this outfit himself and ask a dollar a year dues from everybody. We discussed that and then he came around to the point of getting outside financial funds, and he said that it would

not be any trouble to raise a million dollars. He said that he could go to John W. Davis or Perkins of the National City Bank, and any number of persons and get it.

And Robert Sterling Clark told Butler, according to the suppressed testimony:

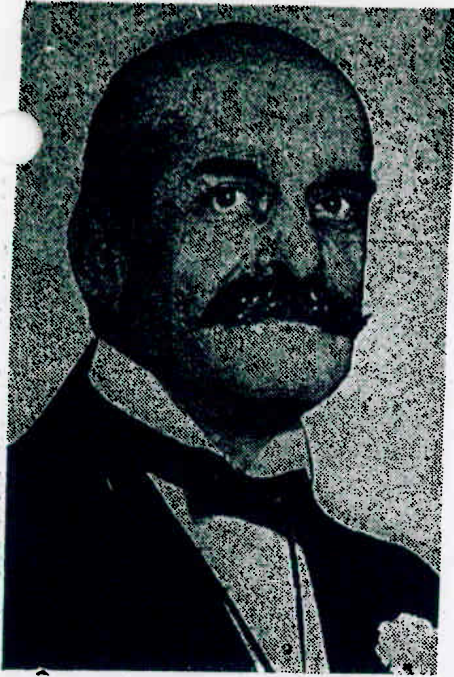
He said, "You know, the President is weak. He will come right along with us. He was born in this class. He was raised in this class, and he will come back. He will run true to form. In the end he will come around. But we have got to be prepared to sustain him when he does."

### Wall Street's Crusaders

Let us now consider some of the leading fascist organizations and see where the Wall Street financial trail leads.

There is an organization known as the Crusaders with national headquarters in Chicago which has been broadcasting on a national hook-up twice a week and carrying on an intensive propaganda campaign of printed matter. The Crusaders were originally organized to fight for the repeal of the Prohibition Amendment. At that time Wall Street financiers, fighting against increasing taxation due to unemployment relief legislation, thought that by giving the people beer and liquor they could get their own taxes reduced. The Prohibition Amendment was repealed and the Wall Street interests which had backed the Crusaders, instead of letting the organization die, decided that so well organized a body could be used. It was next used in matters involving monetary changes, which was Wall Street's particular problem at the time. When the inflationists won out and the 59-cent dollar was established the Crusaders were then used as a political and anti-labor body, this being the first time that this





FELIX M. WARBURG

Who virtually controls the American Jewish Committee



SAMUEL DICKSTEIN

Whose "investigation" of Fascism was steered by Warburg and his financial interests



JOHN W. McCORMACK

Chairman of the "investigating" Committee which suppressed testimony on Fascism

organization, first organized to fight prohibition, began openly to participate in politics and anti-labor moves.

Its first active work was to help defeat Upton Sinclair for the governorship of California. The California financiers and industrialists were afraid of the effect of a victory campaign based, as Sinclair's was, on the deep-seated discontent of the masses of the people. The Crusaders jumped into the fight on the air and in disseminating countless thousands of leaflets and throwaways. Samples of the sort of propaganda they issued can be seen in their comment upon a meeting of unemployed. Their headline was:

#### UNEMPLOYED HORDE FACES CRUSADERS' OPPOSITION

In other propaganda they warned that "The California Crusader Rides Again!" Most of their warning was against "radicalism" and the rising militancy of the California workers.

Today the Crusaders following pretty much the same tactics, keep the sources of their income a deep secret; it thus becomes important to see who are their active supporters:

There is John W. Davis, Morgan's chief attorney.

There is James P. Warburg, of the Kuhn-Loeb Warburgs.

I name just these two to show the tie-up of Morgan and Kuhn-Loeb interests when it comes to supporting a fascist body actively participating in anti-labor moves. These two represent apparently opposing financial interests, as well as different racial and religious groups, both of which are now working together in promoting a fascist organization like the Crusaders—an invaluable help to capital in carrying propaganda against militant labor.

The Crusaders are still in the organizational stage and are trying to get 10,000,000 members. They are extremely active among military men and in military schools. Most members do not know that one of the organization's chief functions is "fighting subversive elements," particularly in the schools. In charge of this branch of their activities is Col. Roy Felton Ferrand, head of St. John's Military Academy, Delafield, Wisconsin, a member of the Crusaders' Advisory Council.

#### Other Crusaders

Other Crusaders on school and college boards are also using their influence "to protect the country from subversive elements" like Fred I. Kent of New York, vice-president of the Morgan-controlled Bankers Trust Co. Kent is President of the Council of New York University where student anti-military movements have been rigidly suppressed.

Kent also is an officer of the U. S. Chamber of Commerce which recently issued a broadside against "subversive" elements and particularly against elements which are trying to organize workers.

Wallace McK. Alexander, of San Francisco, of the Crusaders' National Advisors. Alexander is a sugar planter, a big business man and a trustee of Stanford University, where an anti-radical drive was started by the faculty after the formation of the Crusaders.

Sewell L. Avery of Chicago, a director of the Morgan-controlled U. S. Steel, is one of the Crusaders' National Advisors. Avery is a trustee of the University of Chicago where an anti-radical drive took a sudden spurt after the Crusaders went into active anti-labor activity.

Francis B. Davis, Jr., of New York, right hand man of the du Ponts, a director of the firm of the Morgan-controlled New York Trust Co.

Cleveland E. Dodge, of New York, vice-president of the Phelps Dodge Co., big copper producers, a director of the City Bank Farmers Trust Co. (where he ties up with the Hearst-Anaconda copper interests), Crusaders' National Advisory man, is chairman of the Board of Teachers College, Columbia University. The Dean of this college, Thomas Alexander, has been working with an agent of Royal Scott Gulden, head of the anti-semitic secret espionage Order of '76.

Albert D. Lasker, a member of the Crusaders' Advisory Council is a member of the American Jewish Committee.

Alfred P. Sloan, Jr., President of General Motors Corp., a director of E. I. du Pont de Nemours & Co. and other Morgan-controlled industries.

These few directors of this fascist organization are, I think, sufficient to show who are back of this organization and the effects of its activities.

Let us now consider the American Liberty League, an organization fighting for "respect for the rights of persons and property as fundamental to every successful form of government" as well as the "retention"—and the re-establishment where necessary—"of the American traditions of government and individual liberty."

This organization is especially strong on upholding Constitutional rights. I have never yet come across a fascist organization which did not base its righteousness upon "upholding the Constitution." The Liberty League, with almost one million dollars in its treasury at





**WILLIAM RANDOLPH HEARST**  
Red-hunter-in-chief, boss of the American Legion, who nurses the fascist plot

many more millions available if necessary, is now on a campaign to get 4,000,000 members—a powerful band if properly financed by the country's leading financiers.

Among the heavy backers of the American Liberty League (the name of which was suppressed by the Dickstein Committee when Butler and French testified about it) are:

John W. Davis, Morgan's chief attorney.  
Sewell L. Avery, of Chicago, a Crusader advisor.

W. S. Carpenter, Jr., of Wilmington, one of the original organizers of the League, tied up with the du Pont-Morgan interests.

Robert Sterling Clark of New York, who gave large sums of money to Gerald C. MacGuire, the \$100-a-week bond salesman, to find a leader for a fascist army.

Irene, Lammot and Archibald du Pont, all of the duPont munitions family.

There are others, but these are sufficient to see who is organizing a body to "re-establish where necessary" the "respect for property."

Liberty League officials who are on the National Advisory Council of the Crusaders are:  
John W. Davis, Morgan man.

F. B. Davis, Jr., du Pont right-hand man.  
Sewell L. Avery, the big business and education man from Chicago.

One of the original founders of the American Liberty League is Jouett Shouse, at present president of the League. Shouse married the daughter of Filene, partner of Kirstein, who is on the executive committee of the American Jewish Committee.

Joseph M. Proskauer, former Appellate Court Judge of New York, a director of the American Liberty League, is a member of the Executive Committee of the American Jewish Committee.



**JOHN W. DAVIS**  
Chief Morgan lawyer, shown to be tied up with fascist organizations

**J. P. MORGAN**  
Ultimate fountain-head of the whole fascist conspiracy of Wall Street

*Leaders of the American Jewish Committee steered the work of the Dickstein Committee in its investigation and helped direct the anti-radical publicity. The Dickstein Committee suppressed Gen. Butler's testimony regarding the American Liberty League.*

*John J. Raskob, du Pont and Morgan man. And—Grayson M-P Murphy, the Wall Street Broker, who kept MacGuire on the payroll while the latter was trying to get Butler to organize a fascist army.*

There are other organizations similarly tied-up with powerful financial cliques like the Committee for the Nation and Father Coughlin's Union for Social Justice, the details of which would only clutter up a story of the interlocking financial powers behind the moves to establish Fascism in this country. I shall mention only one or two individuals and their relations to the financial powers behind the Dickstein Committee and its suppression of evidence of Fascism.

One of the leading members of the Committee for the Nation is Lessing Rosenwald, of Sears, Roebuck. Rosenwald is on the Executive Committee of the American Jewish Committee. Rosenwald worked closely with

Edward A. Rumely, secretary of the Committee for the Nation, whose name never appeared on the Committee's letterheads. Readers of THE NEW MASSES series on the Nazi activities in the United States will recollect that Rumely is the mysterious gentleman who gave Viola Ilma letters of introduction to Nazi leaders in Germany and that the Committee by putting across inflation in the United States saved Germany millions of dollars since Germany had the largest floating debt here of any country.

Father Coughlin is tied up with the Rockefeller interests as well as with Ford and Hearst and is not so guileless in his attempts to organize a fascist army under the guise of a Union for Social Security. The monetary reforms which he is advocating are of great help to the Rockefeller interests, Ford and Hearst.

Let us now consider William Randolph Hearst and his current efforts to scare up the "Red" bogey as one of the first steps in preparing the country for Fascism. Hearst with his chain of newspapers reaches millions of readers. Just before he started his anti-Red drive he returned from a visit to Germany where he had conferred with Hitler and other Nazi leaders. Shortly after his arrival home he stated in a front page editorial that this country need not fear Fascism, that Fascism can come only when a country is menaced by Communism.

Mr. Hearst has about a quarter of a million acres of land on which he grows vegetables and fruits. California migratory workers work for him as they do for other land barons. For years the approximately 100,000 migratory workers in that state had wandered from farm to farm working from sunrise to sunset.



and earning scarcely enough to buy food for themselves and their families. The American Federation of Labor had never tried to organize these workers because they did not pay dues. The Cannery and Agricultural Workers' Union, affiliated with the militant Trade Union Unity League, did organize the migratory workers and did win an overwhelming majority of the strikes they led. The cry "Communist agitators" sounded all through the state. Then came the great general strike last summer. Again the cry "communist agitators" was raised. It was Hearst's attorney, Neilan, working with A.F. of L. men, who helped break the strike by creating a split in the ranks of the strikers.

Hearst owns the Homestake mine, one of the world's largest gold mines. When inflation came and your purchasing power was reduced by a 59 cent dollar the price of gold went up. Hearst made millions of dollars. The Committee for the Nation, steered by Rumely, close friend of Nazi leaders, brought about the inflation.

Hearst has tremendous copper interests, especially the Cerro de Pasco Copper Corp. Hearst's copper interests tie up with Morgan and Kuhn-Loeb financial interests. At the time Hearst opened his barrage against the Communists in the United States, a Nazi commission was about to leave Germany for this country to try to arrange credit of millions of dollars worth of copper and other war materials. Hearst's copper was among those the commission had under consideration. Among those on the Nazi commission were directors of the Vereinigte Stahlwerke, the German steel trust which originally gave Hitler money to organize his fascist army, and Berlin bankers. Visiting Germans included:

Albrecht von Frankenberg and Ludwigsdorf,  
Dr. Oskar Sampell,  
Hugo Stinnes,  
Dr. Georg Solmssen, banker of Berlin,  
Prince Gottfried zu Hohenloe von Langenberg  
of Berlin.  
Ernst Wallach, Berlin banker.

Present in the United States at the same time was Max Warburg, brother of Felix Warburg who controls the destinies of the Kuhn-Loeb financial empire. Max was interested in the "stand-still" agreement with Nazi Germany which would result in the bankers getting their interest on short term loans, of which the Warburg-controlled Bank of Manhattan held millions of dollars. This would enable Hitler's Germany to get credit.

### Hearst's Tie-ups

Hearst, too, is tied up with the Morgan-du Pont interests in the Marine Midland Trust Co.

Hearst is tied up with the Giannini interests, and Warburg partners are similarly tied up with Giannini interests.

Giannini controls Frank N. Belgrano, present Commander of the American Legion, which the Morgan interests want to use as a force for the fascist army.

Belgrano is at present cooperating with Hearst in his red scare propaganda.

Hearst's financial man, Edward H. Clark, is on Seaboard Oil and Seaboard Oil has joint interests in oil properties with the Royal Dutch Shell. The Royal Dutch Shell is controlled by Deterding, who backed Mosley's English fascist army financially.

Hearst is tied up in Canada paper with Rothermere, who also backed Mosley's fascist army in England.

Samuel Dickstein, vice chairman of the Congressional Committee which suppressed testimony of Wall Street's fascist plot, is known as a Hearst man in Washington with Hearst papers playing up almost everything that the Congressman utters, particularly against the Reds.

### Warburg's Tie-ups

Let us now consider the Warburg financial tie-ups, the reader bearing in mind that leaders of the American Jewish Committee, virtually a Warburg-controlled body, directed the activities of the McCormack-Dickstein Committee.

Felix Warburg is a director of the Morgan-controlled American Securities. Another director on this Morgan-controlled corporation is Walter Frew. Frew is one of the men who gave money to Gerald C. MacGuire while the latter was trying to organize a fascist army.

Warburg is a director of the Bank of Manhattan and virtually controls it. In this bank worked F. X. Mittmeier, a secret Nazi agent.

The Bank of Manhattan, Warburg-controlled, is one of the largest holders of German short-term notes in the country.

Kuhn-Loeb underwrote the North German Lloyd Line and the City of Hamburg, where Felix's brother Max is a Jewish banker getting along very nicely in a land where poor and middle class Jews are being killed, tortured and driven into ghettos.

Lewis L. Strauss, a partner in Kuhn-Loeb, is a director of the Morgan-controlled New York and Susquehanna R. R. and the United States Rubber Co., the latter of which is controlled by the du Pont-Morgan interests who are the leading figures in organizing the American Liberty League and giving support to the Crusaders.

Sir William Wiseman, a Kuhn-Loeb partner (formerly head of the British secret service in the United States during the World War) is a director of U. S. Rubber, du Pont-Morgan controlled and of the Morgan-controlled National Railroad of Mexico.

Elisha Walker, a Kuhn-Loeb partner, is a director of the Morgan-controlled Radio-Keith-Orpheum, the Giannini-controlled Bank of America, Transamerica Corp., General Foods, and Bancamerica-Blair.

When I say Giannini-controlled, I mean also Hearst-controlled.

I think these few Warburg partners' financial tie-ups with the forces at work in pro-

moting Fascism in the United States will give the reader a clearer notion of why the Warburg interests are not fighting Fascism though if Fascism comes it will inevitably bring anti-semitism in its wake.

### The Committee's Tie-ups

Let us now consider the financial tie-ups of the American Jewish Committee, leaders of which steered the McCormack-Dickstein Congressional Committee which investigated the Nazis a little, issued a lot of propaganda against Communists and suppressed evidence of Fascism.

I point these out not as casting reflection upon the great body of sincere Jews cooperating with the Committee's work in fighting anti-semitism but to point out that the banker, whether he be Jew or gentile, is interested first in his class interests and in fighting for these interests he forgets racial and religious affiliations.

The American Jewish Committee has always opposed the boycott of German goods.

Kuhn-Loeb underwrote the North German Lloyd and the City of Hamburg and have millions of dollars invested in Germany.

Henry Ittleson is a member of the Executive Committee of the American Jewish Committee. Ittleson is president and director of the Commercial Investment Trust Aktien-Gesellschaft of Berlin.

Irving Lehman is a member of the Executive Committee of the American Jewish Committee. The Lehman brothers have large interests in Nazi Germany.

Albert D. Lasker is a member of the Executive Committee of the American Jewish Committee. Lasker is on the National Advisory Council of the Crusaders which got money from the American Liberty League.

Lessing J. Rosenwald is a member of the Executive Committee of the American Jewish Committee. Rosenwald is on the Committee for the Nation; Sears Roebuck gave money to the American Vigilant Intelligence Federation of Chicago, money which was used to disseminate anti-semitic propaganda.

Roger W. Strauss is on the Executive Committee of the American Jewish Committee. Strauss is a director of Revere Copper and Brass and is tied up with other copper interests in which the German commission to this country was profoundly interested.

Louis Edward Kirstein is a member of the Executive Committee of the American Jewish Committee, is vice-president of William Filene's Sons & Co. of Boston. Filene's daughter married Jouett Shouse, president of the American Liberty League.

Kirstein is a director of the Morgan-controlled Radio-Keith-Orpheum on which Warburg partners are directors.

Joseph M. Proskauer is a member of the Executive Committee of the American Jewish Committee. Proskauer is close to Hearst interests and is a director of the American Liberty League.