

# THE TRUTH ABOUT LIBERTY LEAGUE

By Grace Hutchins

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Ir you were listening in on the radio one Saturday night not long ago, you may have heard Jouett Shouse, former chairman of the Democratic National Committee, now president of the American Liberty League. On a nationwide hook-up he described the kind of man Wall Street wants as the next President of the United States:

"A man of prudent caution, of hard-headed business sense, of inflexible will and determination is needed for the job."

Does Alf Mossman Landon, Governor of Kansas and Republican candidate for President of the United States, fit this description? Is he the kind of man the American Liberty League wants in the White House? That is one of the questions we shall seek to answer in the following pages.

And what is this Liberty League that claims to be "non-partisan"—whose members are supporting Landon and the Republican Party in the 1936 election campaign? What is this organization that claims to speak in the name of "American Liberty"—two words that mean a great deal to all true Americans? Why is it so much concerned about "liberty"? Liberty for whom?

#### What Is the Liberty League?

At the expensive Union League Club, corner of Park Avenue and 37th Street, New York City, a private meeting was held one day in the Summer of 1934. John J. Raskob, vice-president of E. I. du Pont de Nemours & Co., and director of the du Pont-Morgan General Motors Corp., and other representatives of du

Pont munitions were present at this meeting to form the American Liberty League, which was incorporated on August 15, 1934.

This was exactly the time when the Special Senate Committee Investigating the Munitions Industry was engaged in examining the files of the du Pont Company in preparation for hearings on du Pont profits from the manufacture and sale of arms and other war munitions. On August 8, 1934, Douglas MacArthur, acting Secretary of War, wrote on War Department stationery to the president of the du Pont de Nemours company at Wilmington, Delaware, as follows:

#### Dear Sir:

The War Department has just learned that investigators from the Special Senate Committee Investigating the Munitions Industry are now engaged in examining the files of your company in connection with munitions production.

Your attention is invited to the fact that there are in your files secret data pertaining to War Department procurement plans for munitions in the event of a national emergency. It is desired to call your attention to the necessity of safeguarding these secret data from being made public. (Hearings on Munitions Industry, Part 5, p. 1074.)

For more than a hundred years the du Pont family had been free to make profits out of munitions, without "interference" from any legislative committee. The company had built up private connections with the U. S. War and Navy Departments and with foreign countries for the sale of explosives and other war materials. Du Pont officials were, of course, as strongly opposed to the inquiry as the War Department could be. They did not want to make public the company's secret business and be discredited in the eyes of a peace-loving people. They directed their anger against the Roosevelt administration that had permitted the investigation.

Thus, the American Liberty League was started by du Pont officials at exactly the time when this munitions inquiry was under way. It was an attempt to defeat Franklin D. Roosevelt and his friends in Congress, and to make impossible in capitalist

United States such government "interference" with the "private" business of making war supplies.

The year 1934, when the Liberty League was started, also marked the high point of the National Recovery Administration in its attempt to "regulate" business and establish standards of minimum wage rates and maximum working hours. Some businessmen opposed the N.R.A. in relation to wages and hours but accepted its price-fixing measures. Many corporations were defying the government and denying its right to legislate on working conditions. They were entering suits which ended finally in May, 1935, with the U. S. Supreme Court's decision declaring the N.R.A. unconstitutional. That year 1934 was a good time to rally big business interests against the Roosevelt administration.

The Liberty League's broader purpose of defending big business against all attack is explained in two letters made public in December, 1934, by the Senate committee investigating munitions.

R. R. M. Carpenter, vice-president of the du Pont Company and brother-in-law of Pierre S. du Pont, had written in March, 1934, to John J. Raskob that he was alarmed because the Negroes on his farm in North Carolina were getting too independent. He was also troubled, he wrote, because the Roosevelt administration was lending "assistance to legislation publishing salaries of employees of certain corporations which can possibly have no effect except to prejudice certain classes".

In other words, he thought that the payment of high salaries to corporation officials was a private matter and should not be made known to the public because it would arouse feeling against the rich. He thought "relief" was spoiling the unemployed. What was to be done about it?

"In reply, John J. Raskob, also a vice-president of the du Pont Company, wrote to "Ruly" Carpenter:

I know of no one that could better take the lead in trying to induce the du Pont and General Motors groups, followed by other big industries, to definitely organize to protect society from the suffering which it is bound to endure if we allow communistic elements to lead the people to believe that all business men are crooks, not to be trusted, and that no one should be allowed to get rich.

There should be some very definite organization that would come out openly with some plan for educating the people to the value of encouraging people to work; encouraging people to get rich; showing the fallacy of communism in its efforts to tear down our capital structure. . . . (New York Times, December 21, 1934. Emphasis mine.—G. H.)

And so the Liberty League was launched during the following weeks, while the Senate committee was delving in du Pont files and finding not only high salary data but a great deal more besides—much of which they made public.

Privately, the purpose of the League remains as Raskob described it in his letter to Carpenter: to encourage people to get rich; to uphold the Constitution and the rights and privileges of big business which it protects; to oppose labor unions and all who would unite the workers in a struggle for better conditions. Raskob revealed its purpose, in part, on January 30, 1936, in a letter, sent out on personal stationery, appealing for membership in the League:

As a property owner, stockholder and director in several corporations, I hope you will not think me presumptuous in calling on you and your friends to unite with others in issuing a clarion call . . . to join the American Liberty League . . . which is doing everything possible to root out the vicious radical element that threatens the destruction of our government. (Emphasis mine.—G. H.)

Publicly, the League announces its aims as follows:

It shall be a non-partisan organization. The particular business and objects of the Society shall be to defend and uphold the Constitution of the United States and to gather and disseminate information that (1) will teach the necessity of respect for the rights of persons and property as fundamental to every successful form of government and (2) will teach the duty of government to encourage and protect individual and group initiative and enterprise, to foster the right to work, earn, save and acquire property, and to preserve the ownership and lawful use of property when acquired.

"Property" and the right to acquire and hold it are mentioned three times in this one short statement of purpose.

#### What It Stands For

In relation to labor, the Liberty League's program has always been against every progressive measure that is in the interest of the workers or of labor organizations. In opposing the National Labor Relations Act because it stated that workers have the right to organize in unions of their own choosing, the League feared the act would strengthen the American Federation of Labor and "tend to give one labor organization embracing only one-eighth of the workers of the country a monopoly in collective bargaining." (New York Times, April 15, 1936.)

Company Unions: Declaring its position in favor of company unions, the League opposed the labor relations act because

It would deal an unjust blow at company unions which have been highly successful in the establishment of mutually satisfactory relations between employees and the management in many large industries. (*Ibid.*)

How "satisfactory" company unions have been from the standpoint of labor is shown by Robert Dunn in his pamphlet on Company Unions Today. (International Pamphlets, No. 43.)

In its lawyers' report on the labor relations act, the League objected because, under the act, "the employer is not permitted to render financial or other support to an organization of his employees" (that is, to a company union). (American Liberty League Doc. No. 66, September, 1935.) It further objected because the act limits the employer's exclusive right to hire and fire whom he pleases.

Corporation lawyers who drew up the League's report against the labor relations act included Raoul E. Desvernine, U. S. Steel Corp. attorney; Earl F. Reed, attorney for Weirton Steel Co. (National Steel subsidiary) in its long fight to keep out labor unions; John W. Davis, counsel for the House of Morgan; Ralph M. Shaw, counsel and director of the Union Stock Yard & Transit

Co. (Chicago) and partner of Silas H. Strawn; and Robert H. McCarter, son of Thomas N. McCarter, president of the Public Service Corporation of New Jersey.

For the unethical tactics and methods used by this lawyers' committee and by the League in opposing an act of Congress, the Liberty League was condemned in a resolution unanimously adopted at the 1935 Convention of the American Federation of Labor.

Relief: On the all-important question of relief for 15,000,000 unemployed persons in the United States, the League, like the Republican platform, favors "strict economy" and attacks expenditures for the Public Works Administration and the Works Progress Administration as extravagant, "wasteful, inefficient." (Bulletin of the American Liberty League, April 15, 1936.) It ridicules as "boondoggling" many W.P.A. projects which aimed to provide recreational facilities for children and young workers. It favors return of all the jobless to state and local agencies—whose resources are admittedly inadequate. Specifically it proposes:

The goal should be the restoration of the burden of relief to the states and local communities. Pending complete realization of this objective, the Federal Government should abolish work relief, contributing temporarily such amounts as are necessary for direct relief and subsequently assisting through loans such states as are not able to care fully for their dependents. (American Liberty League Doc. No. 117, April, 1936.)

President Roosevelt yielded to the power of big capital represented by the American Liberty League and, in the Autumn of 1935, transferred the majority of the unemployed back to the care of state and local agencies. Investigations in several states showed that no proper provision was made for these workers thus thrown back upon the states and their situation was described by the American Association of Social Workers as, in many cases, pitiful and horrible.

On relief, as on other points, the Liberty League's proposals are almost exactly the same as the Republican Party's 1936 platform.

Comparing the League's Document No. 83, issued in December, 1935, as a "Program for Congress," with the Republican 1936 platform, announced in June, 1936, we see that the League has practically dictated the Republican planks. Both favor "proper encouragement of private industry" and the withdrawal of government from "competition with private payrolls."

Social Security: The League disapproves provisions of the Social Security act because unemployment and old age insurance "should be dealt with entirely under state laws", and because the act "imposes a heavy financial burden upon industry". (Doc. No. 83.)

U. S. SUPREME COURT: Liberty Leaguers uphold the court in all its decisions against minimum wages, N.R.A., Railroad Retirement Act, and other "New Deal" legislation. They pledge themselves "unequivocally to oppose any attempt to curtail or abolish any of the power now exercised by the Judicial Branch of the Government, whether such attempt be made directly through proposals to amend the Federal Constitution, or indirectly through legislative devices intended to accomplish the same result by devious route". (Bulletin, April 15, 1936.) The Republican platform does the same. The League's lawyers' committee holds "that rightness or wrongness of the decision is less important than its certainty." (Bulletin, March 15, 1936.)

In relation to labor, the program of the Liberty League and of the Republicans would in effect create more unemployment—speed up those workers who now have jobs and throw more persons out of work.

# A Program for Employers

In relation to employers, the League is in favor of everything that will aid private business and increase profits on capital. It maintains that "the American system of private enterprise should not be handicapped by restricted and coercive legislation". (Doc. No. 83.)

TAXATION: It blasts the Roosevelt administration because "the power of taxation was used to accomplish social objectives".

It believes in broadening the basis of taxation to include those who have smaller incomes: "Interest in good government would be heightened if a larger number of persons were required to pay some tax."

But in lightening taxes for the rich: "The purpose of the Congress should be to ease rather than to increase the tax burden upon business, upon the home and upon the individual."

"If more income is to be obtained from income taxes, it must be from incomes in the lower brackets." (Doc. No. 83.)

# THE DEADLY PARALLEL

AMERICAN LIBERTY LEAGUE, A PROGRAM FOR CONGRESS, DEC., 1935;
DOCUMENT NO. 83

REPUBLICAN PLATFORM, 1936

#### Unemployment and Relief

"Withdraw the government from competition with private business."

Return of the burden "to the subdivisions of government where it belongs."

Federal loans to states for relief needs only "until demands are less great or their financial status improves."

Federal public works limited to those "of a useful character."

Social Security

"Further study" of the unemployment and old-age insurance provisions of the new Social Security Act with a view to dealing with them "entirely under state laws."

"A larger number of persons . . . required to pay some tax. . . . If more revenue is to be obtained from income taxes, it must be from incomes in the lower brackets."

"Withdrawal of government from competition with private payrolls."

"Return of responsibility for relief administration to . . . local agencies."

"Federal grants in aid to the States and territories while the need exists" on condition that "a fair proportion of the total relief burden be provided from the revenues of state and local governments..."

"Federal public works only on their merits."

Opposes unemployment insurance and old-age annuity sections of the new Social Security Act and favors state pensions, aided by Federal grants.

"a direct tax widely distributed" to provide funds for social security —"all should contribute."

For these reasons the League favors a sales tax, which falls most heavily on workers and on the great mass of consumers.

At the Liberty League dinner in Washington, on January 25, 1936, Alfred E. Smith, former Democratic Governor of New York, stated that there was no use in taxing the rich to meet the government deficit: "Forget the rich; they can't pay this debt. If you took everything they have away from them, they couldn't pay it; there ain't enough of them, and furthermore they ain't got enough."

#### THE DEADLY PARALLEL

#### A. L. L. DOCUMENT No. 83

REPUBLICAN PLATFORM, 1936

#### Agriculture

"Scarcity . . . is contrary to sound economics. An economy of abundance, based on an increased home consumption of farm products . . . gives greater promise."

"To facilitate economical production and increased consumption on a basis of abundance instead of scarcity.... To promote the industrial use of farm products..."

#### Government Finance

"It would be unjust to the taxpayers to balance the budget by increasing taxation . . . it is necessary to reduce expenditures." "Balance the budget—not by increasing taxes but by cutting expenditures drastically and immediately."

#### Government and Business

"Executive usurpation of legislative power should be reviewed by the Congress."

"We pledge . . . unequivocally to oppose any attempt to curtail or abolish any of the powers now exercised by the Judicial Branch of the government."

"The American system of private enterprise should not be handicapped."

"The powers of Congress have been usurped by the President."

"We pledge ourselves . . . to resist all attempts to impair the authority of the Supreme Court of the United States."

"To preserve the American system of free enterprise, private competition . . ."

He did not mention the fact that profits of large corporations have greatly increased under the "New Deal." E. I. du Pont de Nemours & Co., whose officials sponsor the Liberty League, made net profits of \$62,085,410 in the year 1935. For the first six months of 1936, the du Pont Company announced profits of \$38,691,971. A World War profit of more than \$250,000,000 for the du Pont Company (after all expenses) was detailed at the munitions committee hearings, December 20, 1934. Alfred I. du Pont alone was shown to have had a gross income of \$29,586,000 between 1920 and 1926, on which he did not pay one cent of income tax.

The New York Journal of Commerce in its incomplete compilation of dividends paid by corporations showed \$1,326,000,000 paid out in the first half of 1936 as compared with \$1,111,000,000 in first six months of the year before. (See Economic Notes, Labor Research Association, August, 1936.) Thus, the dividends paid out by leading corporations in only one half year would almost pay the \$1,425,000,000 federal appropriation for relief of the unemployed in the year 1936-37.

President Roosevelt yielded to Liberty League pressure when he accepted compromises in the Internal Revenue Act of 1936, which is considerably easier on business than the original proposals. In taxing undistributed current income the law still leaves untouched billions of dollars already accumulated in corporation accounts. Neither does it touch the potentially rich source of revenue still left in holdings of "tax exempt" securities.

Public Utilities: With representatives of the Public Service Corporation of New Jersey and other utility companies on its national committee, the League naturally opposes the development of government-owned power plants. Private profits from the sale of public services should continue, according to these corporation lawyers and other associates of J. P. Morgan & Co. More than 60 per cent of the total kilowatt capacity of electric light and power companies is within the domain of Morgan influence. (Rulers of America: A Study of Finance Capital, by Anna Rochester, p. 181.)

So the League states: "... utility corporations have been harassed with consequent injury to thousands of investors. The activities of the Tennessee Valley Authority should be curbed insofar as they encroach upon the field of private industry or advance Socialistic doctrine." (For a discussion of TVA in relation to private power companies, see *Labor Fact Book III*, Labor Research Association.)

"CIVIL LIBERTIES": In connection with the lobbying of the power companies in Washington, the American Liberty League rose to the defense of "civil liberty"—for private corporations. When the Senate Lobby Investigating Committee and the Federal Communications Commission examined into lobbying telegrams, sent on behalf of the Associated Gas & Electric systems and other companies, the League got up a petition, which it claimed was signed by 55,000 persons, to protest against the "seizure" of telegrams.

Offering in October, 1935, to "defend American liberties by detailing its lawyers to aid any citizen whose rights are in danger", the League received a challenge from the New York Post, asking whether its view of constitutional rights extended "to poverty-stricken workers as well as anti-union industrialists". The League declined to take any interest in real civil liberties in a number of such cases where it was invited by the American Civil Liberties Union.

The International Hod Carriers, Building and Common Laborers Union (A. F. of L.) of York, Pennsylvania, also appealed to the League on behalf of their leader who had been fined for daring to speak on the public common. In the name of the American Liberty League, James M. Beck and Jouett Shouse sidestepped the sissue.

#### Who Supports It?

Who are these industrialists who claim "American liberty" for themselves? The Liberty League spent nearly three-quarters of a million dollars in the first eighteen months of its existence in its attempts to defend big business, attack progressive legislation and defeat taxation "for social objectives". Who pays for all this propaganda?

The Special Senate Committee to Investigate Lobbying Activities has answered the question by publishing a *Digest of Data* from its files. Its investigation covered not only the Liberty League but related organizations having similar purposes such as the American Federation of Utility Investors, American Taxpayers League, Crusaders, Farmers Independence Council, League for Industrial Rights, Minute Men and Women of Today, National Economy League, Sentinels of the Republic and the Southern Committee to Uphold the Constitution.

During the eighteen months ending in the spring of 1936, the sum of \$1,084,604.62 was contributed to fourteen different organizations according to the incomplete records of the committee. Bringing together the names of the contributors, and the amounts contributed, "into groups which are controlled by other individuals", the digest shows that a total of \$924,974.84, or 90 per cent of the total, was contributed by the following groups:

du Pont family	1 1/ 10
du Pont associates	152,622.68
Pitcairn family	100,250.00
J. P. Morgan associates	68,226.00
Mellon associates	60,752.55
Rockefeller associates	49,852.56
Hutton (E. F.) associates	40,671.28
Sun Oil associates	37,260.00
Banks and brokers	184,224.83
Utility companies and associates	27,069.94

\$924,974.84

(Digest of Data from the files of a Special Committee to Investigate Lobbying Activities, U. S. Senate, 1936, p. 1.)

We select from the long list published by the Senate Committee, the names of 24 contributors with the amounts they gave to this and to similar organizations, as follows:

### Name

Brown, Donaldson, VP., General Motors Corp.; Dir. E. I. du Pont de Nemours & Co	ue§	\$20,000
Crusaders		500
Carpenter, R. R. M., VP., E. I.	,	3-0
du Pont de Nemours & Co American Liberty Leagu	116	20.000
	uc	20,000
Carpenter, W. S., Jr., VP., E. I.		
du Pont de Nemours & Co.; Dir.,		_
General Motors CorpAmerican Liberty League		4,834
Economists National C		
tee		100
Chadbourne, T. L., Dir. 13 large corporations, including Zonite Prod-		
ucts CoAmerican Liberty Leagu	ue	6,250
Clayton, W. L., Partner, Anderson-		
Clayton Co. (cotton brokers);		
Chairman, Export Insurance Co.,		
New YorkSouthern Committee to	Unhold	
the Constitution		100
American Liberty Leagu		
	uc	7,750
Copeland, Charles C., Sec., E. I. du		
Pont	ue	15,000
du Pont, A. M. L., Trustee, Wil-		
mington Trust Co American Liberty League	ue	5,000
du Pont, Henry B., Dir., Wilming-		
ton Trust CoAmerican Liberty League		20,000
Southern Committee t		
hold the Constitutio	n	500
du Pont, Irenee, VP., E. I. du		
Pont de Nemours; Dir., General		
Motors CorpCrusaders		10,000
Sentinels of the Republi		100
American Liberty Leagu		
Southern Committee to		50,750
the Constitution		100
Minute Men and Wor		
du Pont Johnst Bros F J du	• • • • • • •	1,400
du Pont, Lammot, Pres., E. I. du Pont; Chairman General Motors		
CorpCrusaders		1,000
American Liberty Leagu		
N. Y. State Economic		1,000
· · · · · · · · · · · · · · · · · · ·		T. F

Name	Organization A	mount
•	Economists National Commit-	
	tee on Monetary Policy	1,000
	Southern Committee to Uphold	. ,
	the Constitution	3,000
•	Farmers Independence	
	Council	5,000
du Pont, Pierre S., VP., Wilmington Trust Co.; Dir., General	National Economy League	* 2,500
Motors Corp	·Southern Committee to Uphold	
	the Constitution	5,000
	American Liberty League	5,300
du Pont, S. Hallockdu Pont, William, Jr., Pres., Dela-		
ware Trust Co	· American Liberty League	20,000
Heinz, Howard, Pres., H. J. Heinz		
Co.; Dir., Mellon National Bank		2,500
Hutton Edward E former Chair-	Crusaders	5,876
Hutton, Edward F., former Chairman, General Foods, Inc.; Chairman, Zonite Products; Director,		
Manufacturers Trust Co	· Crusaders	5,000
• '	American Liberty League	
	National Economy League	300
Knudsen, William S., VP., General		
Motors Corp		10,000
interests		1,000
Products Refining Co		* 100
	Crusaders	
	American Liberty League	10,000
Pew, J. Howard, Pres., Sun Oil Co.; Dir. Sun Shipbuilding & Drydock Co.; Dir., Philadelphia National		
Bank	American Liberty League	20.000
	Sentinels of the Republic	
	Crusaders	
	National Economy League	5,000
D T1 T T D G 1		

Pont; Dir., General Motors Corp.;

16

\* Contributed by company.

& Ohio Railroad; Dir., Reading

There can be no doubt about the wealth of a person who can hand out \$20,000 to one organization and \$10,000 to another, within the same period of a year and a half. According to one estimate, "the members of the Liberty League dominate corporations controlling resources in excess of 40 billion dollars". (Progressive, edited by Senator Robert M. LaFollette, September 28, 1935. Emphasis mine.—G.H.)

Co. ..... American Liberty League ..... 20,000

The Liberty League's national executive committee include some of the large contributors listed above, and also:

Sewell L. Avery, chairman of Morgan's Montgomery Ward & Co., director of U. S. Steel Corp., and other large companies, and of the Chicago *Daily News*.

\* Colby M. Chester, president of General Foods Corp., director of Central Hanover Bank & Trust Co., and Lehigh Valley Railroad.

John W. Davis, one of the chief Morgan lawyers, as noted above, and also a director of Guaranty Trust Co., American Telephone & Telegraph Co. and U. S. Rubber Co.

Joseph B Ely, former Democratic Governor of Massachusetts.

Mills B. Lane, a Savannah banker and director of the Bibb Mfg. Co.

Grayson M-P. Murphy, director of Guaranty Trust Co. and Bethlehem Steel Corp.

Alfred E. Smith, former Democratic Governor of New York, now president of Empire State, Inc., director of Federal Broadcasting Co. and of New York Life Insurance.

A. A. Sprague, director of the largest Chicago bank (Continental Illinois) and of International Harvester Co.

James W. Wadsworth, millionaire farm-owner and banker in up-state New York.

Practically all important industries are represented in this roll of big business that constitutes the American Liberty League. It may have 150,000 members as it claimed in August, 1936. But it is definitely an organ of Wall Street and those who derive their incomes from big business.

### Where the Money Goes

With the money contributed largely by these big-shots of finance capital the League spent \$95,062 in the first four months of its existence; \$389,973 in the year 1935; and \$156,901 in the first three months of 1936; a total of \$641,936 in a year and a half. It could afford to hire high-priced publicity men.

Jouett Shouse of Kentucky, former Assistant Secretary of the Treasury under Wilson, former Chairman of the Democratic National Committee, lawyer, owner of stock-farms and a bank vice-president himself, as president of the Liberty League gets a salary of \$36,000 a year. As this is not considered enough to get around on very much, the organization throws in an additional \$18,000 for his expenses.

This was the highest salary paid to any political organization officer in 1935, it was pointed out by the Associated Press (March 16, 1936). In fact, the League could boast of more high-salaried employees than either the Republican or the Democratic Party. Shouse and five others were drawing \$10,000 a year or more, and four others were getting more than \$5,000. William C. Murphy as publicity man received \$14,000 for the year 1935.

In the Autumn of 1935, this organ of big business expanded 18

its activities and moved into larger quarters, occupying a whole corridor in the National Press Building, Washington, D. C. It doubled its office staff, from a mere 26, during the first months of its existence, to 53 for the Winter of 1935-36. With a research staff, two "contact" men, three press agents and a radio broadcasting expert, it was equipped to carry on its drive for election of its own Hearst-Republican candidate for President of the United States.

By August 1, 1936, it had issued 130 pamphlets of pocket-size, with a combined circulation of over 4,000,000, and 15 smaller leaflets for wider distribution. According to its own report, it has supplied information regularly to every leading newspaper in the country; maintained a speakers' bureau for nationwide radio addresses; and organized active student chapters in about 25 colleges and universities.

As a result of its barrage of copy to editors, the organization was able to claim in July, 1936, that "the press, too, has spoken overwhelmingly in no uncertain words" against the "New Deal." Newspaper publishers, representing big business themselves, were of course strongly opposed to the introduction of any N.R.A. code for newspapers; it would have abolished child labor and would have increased wages and shortened working hours for some of the most exploited workers in newspaper publishing. Led by William Randolph Hearst, the publishers opposed the Roosevelt administration and talked about maintaining "freedom of the press." Elisha Hanson, counsel for Hearst and for the American Newspaper Publishers Association, in his speech before the Bucknell University Summer School, July 9, 1936, attacked Roosevelt for what he called an effort "to control the press." Liberty-for publishers to exploit their employees but not for newspapermen who want to organize.

#### Related Organizations

Among the other organizations to which the du Pont family and these Liberty League industrialists and bankers have been contributing, the most important are the *Crusaders*, the *Farmers* 

Independence Council, the Sentinels of the Republic and the Southern Committee to Uphold the Constitution.

With the *Crusaders*, the League has had an especially close tie. When Liberty Leaguers first came together to form their organization they considered merging with the older society but could not quite agree upon the consolidation. ("Who's Who in the Liberty League," by Avery Wood in the *New Masses*, July 14, 1936.) Grayson M-P. Murphy of the League is partner of Fred G. Clark, national commander of the Crusaders.

Started as an anti-prohibition society in 1929, the Crusaders was revived in 1934 as an anti-labor, Red-baiting organization with one of its main aims: "to stand firm against any drift or drive toward fascism, communism or socialism." It has organized local branches in important centers in nineteen states and is making an effort to give the whole anti-labor campaign a mass basis by securing 1,500,000 members.

As shown in the list on pages 15-17, several of the largest contributors to the Liberty League gave also to the Crusaders. And the League itself presented the Crusaders of New York City with \$9,000. (New York Times, January 11, 1936.)

The Farmers Independence Council to which some of the Liberty Leaguers gave so generously was organized in April, 1935, by the "agricultural consultant" of the League, Stanley F. Morse. Intended to put Liberty League aims in a favorable light before farmers of the United States in opposition to the farmers' own organizations and to wean the farm vote away from the "New Deal," the Independence Council has not made much headway among the "independent" farmers. Besides Lammot du Pont and Alfred P. Sloan, contributors to this "farm" organization include at least four representatives of Chicago meat packing companies. (New York Times, April 11 and 15, 1936.) The president, Daniel D. Casement, is a Kansas livestock man.

Sentinels of the Republic is the name of a "professional patriotic" society which has received contributions from prominent Liberty Leaguers. Organized in 1922 to fight Communism,

it has taken the lead in opposing laws against child labor and other progressive legislation.

That anti-Semitism is definitely propagated by the Sentinels was revealed by the Senate Committee to Investigate Lobbying Activities, the "Black Committee," in April, 1936. Alexander Lincoln, investment banker of Boston, president of the Sentinels, wrote on March 16, 1936, to W. Cleveland Runyon of Plainfield, New Jersey:

... 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.

On account of this anti-Semitism, Alfred P. Sloan, Jr., president of General Motors Corp. and prominent Liberty Leaguer, withdrew his support from the Sentinels. (*New York Times*, April 26, 1936.) Prior to the withdrawal of Sloan, a merger between the Sentinels and the Liberty League had been proposed.

W. Cleveland Runyon answered Alexander Lincoln, March 17, 1936:

. . . The Sentinels should really lead on the outstanding issue. The old-line Americans of \$1,200 a year want a Hitler.

The Sentinels raised \$360,000 to \$500,000 during the latter part of 1935 and the early part of 1936 to finance a moving picture called *The Amateur Fire Brigade*, caricaturing Roosevelt and opposing the "New Deal." Among those sponsoring the film were Alfred E. Smith, spokesman for the Liberty League; former Senator James A. Reed of Missouri, Surrogate Foley of New York, and Edward T. Stotesbury, Morgan partner who gave the Sentinels \$1,000.

The Southern Committee to Uphold the Constitution, another of the League's hobbies, supported by the du Pont coterie, is an organization to maintain "white supremacy" in opposition to Negro rights. John H. Kirby, Texas magnate and former president of the National Association of Manufacturers, who

is on the executive committee of the Sentinels, is also chairman of the Southern Committee.

Centering in Georgia, this Southern Committee sponsored the southern Democratic convention at Macon, January 29, 1936, to endorse Governor Talmadge as an anti-Roosevelt candidate for the Democratic nomination. Talmadge is the governor who imprisoned men and women textile strikers in concentration camps in September, 1934, in imitation of the Nazi regime in Germany.

One of the Southern Committee's activities has been to circulate pictures of Mrs. Roosevelt going to a Negro meeting with a Negro escort on either side of her, in order to condemn the Roosevelt administration among white voters in the South. (New York Times, April 16, 1936.)

Among the contributors to the Southern Committee we find the name of Howard C. Hopson, notorious head of the Associated Gas & Electric system. A gift of \$100 came from John F. Neylan, director of National City Bank and general counsel for the Hearst papers.

#### Hearst and the League

As loudspeaker for the League and all these related organizations there is William Randolph Hearst, millionaire publisher—known to thousands as "Dirty Willie." Representing the largest single propaganda force in the United States, he boasts that his morning and Sunday newspapers alone reach 24,000,000 readers.

Hearst's own name does not appear on the list of contributors to the Liberty League and its sister societies, as made public by the Black Committee. But we have noted above that his attorney, John F. Neylan, chief counsel for his publishing business, donated to the anti-Negro Southern Committee to Uphold the Constitution. Hearst's personal representative, Edward H. Clark, contributed to the National Economy League, an organization with aims similar to the Liberty League's.

Another Hearst representative, Bainbridge Colby, in June, 1936, joined with four others in a typical Liberty League statement to the Democratic national convention. The five included Alfred

E. Smith, spokesman for the League; Joseph B. Ely, its New England chairman; James A. Reed, former Democratic senator from Missouri and foe of unionism; Daniel F. Cohalan, Tammany judge; and Colby, one of Hearst's favorite writers.

Identity of purpose between Hearst and the Liberty League may readily be traced if we compare the League's statements and program, as outlined above, with Hearst's program. Hearst

stands for:

Antagonism toward the "New Deal" because of its mild reformism, abhorrent to the Wall Street banks;

Enmity toward labor unions and their liberal sympathizers, under the cloak of anti-Communism;

Persistent polemics against Communism and the Communist Party as a means of creating fascist formations around organizations like the American Liberty League, the American Legion, the National Security League, the Navy League, the Crusaders, the Committee for the Nation, the D.A.R., the Veterans of Foreign Wars, the National Economy League, etc. (Imperial Hearst, by Ferdinand Lundberg, page 361.)

With these common aims and purposes, Hearst in his many newspapers has naturally always supported—never attacked—the American Liberty League.

Hearst now regards Alfred E. Smith of the Liberty League as distinctly his man. In the summer of 1935, he encouraged Smith to run for President in the 1936 campaign. Although Smith did not accept the invitation, "his public speeches increasingly assumed the tone and content of a Hearst editorial." (*Ibid.*, page 358.)

But Hearst was already busy building up Alf M. Landon as Republican candidate, with Liberty League support.

# Liberty League in the Two Old Parties

Among the large contributors to the American Liberty League who gave also to the Republican National Committee, in 1932, 1934 or 1935, are the following representatives of big business: Sewell L. Avery, R. R. M. Carpenter, W. S. Carpenter Jr., S. T.

Crapo, George W. Crawford, Irenee du Pont, Lammot du Pont, William du Pont, Howard Heinz, Edward F. Hutton, George M. Moffett, Rufus L. Patterson, J. Howard Pew, Mrs. A. Hamilton Rice, Alfred P. Sloan Jr., and Ernest T. Weir. (See *Labor Notes*, Labor Research Association, February, 1936.) Their contributions to the Republican committee ranged in size from \$1,000 to over \$35,000.

During the 1936 election campaign, however, prominent Liberty Leaguers thought it more important to give directly to the Republican Party than to the League: "The reports indicated that the du Pont family, which contributed a large part of the Liberty League's funds last year, has transferred its support for the election year to the Republicans." (New York Times, March 14, 1936.)

Lammot du Pont, one of the chief supporters of the League and of all its associated organizations in the preceding eighteen months, in 1936 gave \$5,000 to the Republican National Committee and \$1,666 to the Republican Congressional Committee. Alfred P. Sloan Jr. and Earl F. Reed were among the other backers of the Liberty League who gave \$5,000 each to the Republican National Committee for its 1936 election campaign.

But the League claims to be "non-partisan." In other words, it aims to bring together the most reactionary circles of both old parties and unite them in common opposition to the progressives of both parties. It claims to have within its membership "thousands of Republicans" and "thousands of Democrats."

Former Democrats, now prominently associated with the Liberty League and rooting for Landon, include the five mentioned above as signing the statement to the Democratic National Convention, Smith, Ely, Reed, Cohalan and Colby; and also John J. Raskob and Jouett Shouse. Pierre S. du Pont, who gave \$15,000 to the Democratic National Committee in 1932 and \$50,000 in 1928, gave \$5,300 to the American Liberty League and \$5,000 to the Southern Committee to Uphold the Constitution, as noted above, during the year and a half ending in the Spring of 1936.

Opening its campaign to oppose President Roosevelt for reelection, with Al Smith playing an active role, the Liberty League's executive committee held a luncheon at the Empire State Club in the Empire State Building, June 30, 1936. It decided to preserve a "non-partisan" opposition to the Roosevelt administration. It was clearly indicated at that time that the Republicans were somewhat embarrassed by too close an alliance with du Ponts. The League has been so definitely linked with Wall Street that its support tends to destroy the Hearst-Republican myth about Landon as a "plain, simple American" from the West. So, as the New York Times put it (July 1, 1936), "the leaders of the drive to elect Governor Landon are understood to have urged the Liberty League to stay aloof from too close alliance with the Landon campaign."

#### Who Is Landon?

Alf Mossman Landon, Governor of Kansas, wealthy oil operator, is the man chosen by William Randolph Hearst and the American Liberty League to run for President of the United States on the 1936 Republican ticket.

The League may claim to be "non-partisan," as it stated on August 5, 1936, but in reality it is distinctly pro-Landon. has never said a word that was favorable to the Roosevelt administration. Its leading big-shots, including the du Ponts and Alfred P. Sloan Jr., president of General Motors Corp., have contributed in a large way, as we have seen, to the Republican campaign. Among the prominent Liberty Leaguers present at the Republican National Convention in June, 1936, were Ernest T. Weir and Joseph N. Pew. The League's program is very similar to the Republicans'. The Republican platform was approved by Ogden L. Mills, a director of Hearst's Cerro de Pasco Copper Corp., who contributed to two of the League's related organizations, the Farmers Independence Council and the Southern Committee to Uphold the Constitution. Ogden L. Mills "is a Landon enthusiast," according to a confidential businessmen's news service of June 13, 1936.

Landon's supporters do not, of course, speak of him as Wall Street's choice. They put him forward as the "horse-and-buggy" candidate, the simple American, the plain man who expresses "the common sense of common experience." (Wall Street Journal, July 24, 1936.) They hail Landon as the people's friend, who dresses in old clothes while campaigning, who takes time on his holiday to cook "a few steaks for the folks." They have carefully built up the myth that the Republican Party has transferred its base from Wall Street to the rugged West and now speaks in the name of the great American people.

But Landon really hails from the steel districts of Pennsylvania, as Col. Leonard P. Ayres, vice-president of the Cleveland Trust Co., has pointed out:

Landon "is greatly interested and well-informed on business ...his roots are in the great Mahoning Valley—that great iron and steel valley. He has a very broad vision on business problems." (New York Times, July 28, 1936.)

Landon's uncle, William Mossman, is chief lobbyist for the anti-union Jones & Laughlin Steel Co. (New York Times, July 29, 1936.) Philip Murray, chairman of the Steel Workers Organizing Committee, wired Landon on July 31, 1936:

Will you please get in touch with your uncle and learn: Why spies and company police trail our organizers and union members in the steel town of Aliquippa, Pa., where Jones and Laughlin's main plant is located.

Why fourteen men were recently fired by that corporation for union activities.

In his oil business, from which he made \$1,000,000 (New York Post, May 11, 1936), Landon has close relations with Standard Oil Co. (Nation, July 4, 1936) and with Cities Service Co., which in turn maintains close relations with Hearst. Landon's oil properties are non-union.

It is indeed to Hearst that Landon owes his rise to a position of prominence in the country. As early as August, 1935, Hearst chose Landon and Knox as "a very appealing ticket" for the 26

Republicans. (New York Evening Journal, August 29, 1935.) In hailing the Kansas Governor as his choice, Hearst declared on September 30, 1935:

"He has balanced his state's budget [at the expense of the unemployed—G. H.]. He has reduced taxation [for the benefit of the well-to-do—G. H.]."

Challenged to deny or repudiate his alliance with Hearst, Landon has remained silent. But William Allen White, a close friend of Landon's, admitted the Hearst connection in a syndicated article on "How Landon Won," quoted by Secretary of the Interior Ickes:

When the two private cars (carrying Mr. Hearst and his party) were parked in the Topeka switch-yards, all Kansas knew that her Governor was beginning to be somebody. (New York Times, August 4, 1936.)

Landon's anti-labor record was well summarized by George L. Berry, president of Labor's Non-Partisan League, in a statement issued July 25, 1936. He showed that on June 7, 1935, when members of the Mine, Mill and Smelter Workers Union were on strike against intolerable conditions in southeastern Kansas, Governor Landon called out troops at the request of the mine owners. With these troops on guard, the lead mines were opened with non-union labor.

Landon failed to enforce the Kansas law requiring payment of prevailing wages on public works and fixing an eight-hour day. He said nothing when the Kansas Supreme Court killed the minimum wage law for women and children. Under Landon there has been no civil service system in Kansas; it has been a dead letter. He has permitted prison labor to be used on public works, and non-union labor has been used in work on the executive mansion.

Landon in his acceptance speech defined the right of labor to organize as meaning "any type of union they prefer, whether it covers their plant, their craft or their industry." A "union" covering only the plant is a company union. Landon continued: "Under all circumstances, so states the Republican platform,

employees are to be free from interference from any source." This is the same statement against "interference" that has been made by the National Association of Manufacturers and by the American Iron and Steel Institute, in promoting company unions.

On race relations, Landon has made no statement in words, but he is chairman of the board of the Osawatomie State Hospital of Kansas which does not allow Jewish physicians on the staff: "all applicants must be Gentiles." This anti-Semitism was further illustrated in Landon's campaign when his manager, John D. M. Hamilton, had to hurry East to answer charges of discrimination against Jews. (Herald Tribune, July 13, 1936 and World Telegram, July 10, 1936.)

Negro visitors at the Landon notification ceremony on July 23, 1936, were given the cold shoulder—segregated and refused permission to use the hotels in Topeka. Thus the Hearst-Liberty League candidate, Landon, carries out the Nordic "white supremacy" policies of those who support the Sentinels of the Republic and the Southern Committee to Uphold the Constitution.

On the subject of relief for the unemployed, Landon revealed himself most clearly. Joseph S. McDonald, a Kansas state senator, came to Governor Landon in December, 1935, with a delegation of unemployed from Wyandotte County, seeking more relief. He said to Landon:

"Why, Governor, do you know that we are able to provide only \$1.08 a week for a family of three and \$1.74 a week for a family of four." "Well, that ought to be enough," said Governor Landon.

"My God," said MacDonald, "maybe you think it's enough, but down in Wyandotte County, we know different."

McDonald told the story on the floor of the Kansas Senate, but Governor Landon made no reply to the charges—because they were true. (N. Y. Post, July 9, 1936.)

If Landon should win, the program of the American Liberty League would be carried out in the United States. Relief would be cut. Taxes would be lowered—for the well-to-do. Strikes would be broken with government troops. Company unions would

be encouraged. Racial discrimination would have official sanction. This is a program of fascism.

That the Liberty League program may indeed lead to fascism was pointed out by Dr. Franz Boas, anthropologist of Columbia University, in a statement carried on May 5, 1936, by the United Press:

The American Liberty League says and believes that it is not using fascist approaches, but it is a very dangerous movement. It appeals to a large group of people and I think its ideals are very likely to achieve some sort of fascist result.

# Defeating Landon and the Liberty League

In order to organize effectively to defeat the Hearst-Landon-Liberty League alliance and the fascist tendencies it represents, it is necessary to build a broad, inclusive Farmer-Labor Party, representing a People's Front in the United States. Such a party will unite the forces of progress against the forces of reaction.

Roosevelt and the Democratic Party do not represent a bulwark against fascism. The Union Party of William Lemke and Father Charles E. Coughlin is not a people's party; its essential program underneath its demagogic phrasing is much the same as the Republican platform. It is intended to detach from Roosevelt the votes of farmers and others who are deceived by Lemke's appearance of progressivism.

A true people's party is developing. Organized by the workers and farmers themselves, the Farmer-Labor Party movement is now growing on a national scale. It has not yet become consolidated on a national scale and has not put forward a presidential ticket in 1936, but is working for local, state and congressional offices. It is indeed the most hopeful sign in American political life.

A strong Farmer-Labor Party will include farm organizations, trade unions, other workers' organizations and their sympathizers. To be effective, it must include all progressive forces in its ranks.

This movement for a Farmer-Labor Party, for a real People's

Front in the United States, has the unconditional support of the Communist Party which pledges itself to work towards bringing the trade unions and all progressive forces within the Farmer-Labor Party ranks. Pending the building of such a broad, inclusive party, the Communist Party has entered the 1936 election campaign with its own Presidential candidates, Earl Browder and James W. Ford, and its own platform. Its main aim in the campaign has been to defeat the Landon-Hearst-Liberty League reaction. Communist leaders were indeed the first in the United States to point out the dangerous fascist tendencies represented by the American Liberty League.

To defeat the fascist trends in the United States, it is not only necessary to defeat Landon, Hearst and the Liberty League in the 1936 campaign, but to organize a broad movement which faces squarely such basic political issues as unemployment, liberty of action for organized workers, the needs of the farmers and the rights of the Negro people. The Communist Party points the way in its 1936 election platform as the following summary of its planks shows:

1. Put America back to work—provide jobs and a living wage. 2. Provide unemployment insurance, old age pensions, and social security for all. 3. Save the young generation. 4. Free the farmers from debts, unbearable tax burdens and foreclosures. Guarantee the land to those who till the soil. 5. The rich hold the wealth of the country—make the rich pay. 6. Defend and extend democratic and civil liberties. Curb the Supreme Court. 7. Full rights for the Negro people. 8. Keep America out of war by keeping war out of the world.

At every point this platform is directly opposed to the program of the American Liberty League. To be successful in organizing for these aims, to defeat the Hearst-Landon-Liberty League combine, the people's movement must advance more swiftly and more effectively than the fascist forces can move. The victory will depend on the ability to organize faster and better than the American Liberty League and its reactionary associates.

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