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Red Control Of Consumer Units Alleged

Report to Dies Declares Communists Organize Buyers as Party Wedge

Aid by U. S. Official In Drive Is Charged

Matthews Sees a Scheme to Assail Advertising in Drive on Capitalism

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From the Herald Tribune Bureau
WASHINGTON, Dec. 10.—The Communists in the United States have organized a wide campaign against advertising through consumer organizations, in some cases with the help of government officials, as a part of their attack upon American institutions, J. B. Matthews, research director of the House committee to investigate un-American activities, said in a report to the committee made public today.

Mr. Matthews outlined the method of the Communists in founding consumer organizations or gaining influence in them by placing their members in high posts, and then using these consumer groups to carry on their attacks against the American system of government. In this manner, he said, Communists were able to influence a large number of persons who were neither Communists nor Communist sympathizers.

Organizations Listed

Among the organizations listed by Mr. Matthews as being under Communist influence were:

The New York Consumers' Council;
The Greenwich Village High Cost of Living Conference, of New York City;

The City Action Committee Against the High Cost of Living, of New York City;

Consumers' National Federation;

United Conference Against the High Cost of Living, Chicago;
League of Women Shoppers;
The Consumers' Union;
Committee for Boycott Against Japanese Aggression;
Milk Consumers' Protective Committee;
The Consumer-Farmer Milk Cooperative;
Central Action Committee Against the High Cost of Living, of Detroit;
City Action Committee Against the High Cost of Living, of the Bronx;
United Conference Against the High Cost of Living, of Los Angeles.

'Clearing House' Set Up

Mr. Matthews said that early in 1937 some of the leaders of the Communist-directed organizations conceived the idea of forming a clearing house to federate the numerous groups which they had set up.

"This clearing house was originally known as the Consumers' Emergency Council," Mr. Matthews said. "Later in the year the name was changed to the Consumers' National Federation."

Among the sponsors of the federation were the Consumers Union, the Milk Consumers' Protective Committee, the American Youth Congress, the League of Women Shoppers, the Progressive Women's Council and the Workers' Alliance, all of which Mr. Matthews characterized as Communist "transmission belts," used to convey the Communist propaganda to persons who were not members of the party.

Mr. Matthews said that the purpose of the Communist activity in the consumer movement was to utilize the protests of all dissatisfied groups to weaken and discredit the capitalist system.

"However, the Communist party does not stop at the utilization and exaggeration of real weaknesses in the capitalist system," Mr. Matthews continued. "It deliberately invents false ones and imputes them to the capitalist system for the purpose of overthrowing it."

Mr. Matthews said that the Communists understood that advertising performed an indispensable function in a mass production economy, and that they believed that to sabotage and destroy advertising was a revolutionary tactic worthy of a great deal of attention.

"The special committee on un-American activities is in possession of evidence which shows that a great part of the current popular and official attack upon advertising

is the direct result of Communist propaganda in the field of consumer organizations," Mr. Matthews stated.

Mr. Matthews cited the action of a government official of the Department of Agriculture who undertook an investigation of national advertising in "Good Housekeeping" magazine. The investigation was carried out by Work Projects Administration employees and paid for with W. P. A. funds.

"While there is no record of the findings of the investigation being used as a basis for action against the magazine, it may be assumed that such was the intention," Mr. Matthews reported. "This is evidenced by the close affiliation of the government official in question with the heads of the Consumers National Federation and Consumers Union."

The publications of Communist "transmission belts" such as Consumers Union, make it clear that some of the current government procedures against advertising and advertising media have been instigated and are being aided by Communist-controlled consumer organizations, Mr. Matthews asserted.

"This agitation has been going on for years and is now being reflected in government circles as well as in large sections of the population which are wholly unconscious of any influence of Communist propaganda," Mr. Matthews added.

Mr. Matthews said in conclusion that the extent of the Communist activity in the consumer groups was so great that it would take months to investigate it, and that the funds were not at present available for such a study.