

NOW

Mr. SCOTT. Mr. Speaker, Mr. Churchill told us recently that this is our war now. Such candor is refreshing, and he is right. But, since it is our war, let us decide now, before it is too late, how we are going to fight it. Let us benefit from the experiences and profit by the mistakes of our Allies. Let us take inspiration from the courage of the British and Dutch, the fortitude of the Russian soldier, the endurance of the Chinese. But let us not think we can win a war by "muddling through," by gallant rear-guard actions, by wishfully hoping Hitler will make mistakes, or by planning to tire out our enemy by schemes for months or years of defensive warfare.

Wars are not won that way. And you do not need to be a military expert to know that this war will not be won unless and until we take the offensive.

We can take the offensive now, and in several directions:

First. On the production line. If we cannot win the war with a 40-hour week—and we cannot—we know well that the American workman is a decent, patriotic citizen; tell him we cannot; tell him a 40-hour week is not enough to beat Hitler. Tell him—and tell the employer—we need to ask both labor and capital to make sacrifices and to make them now.

The die-hard reactionaries and the professional agitators do not speak for capital, and they do not speak for labor.

Call on the great reservoir of patriotism in this country for more taxes and longer hours. But now. Do it now.

Second. We can take the offense now in another direction.

All Europe is ripe for the proper attack through the air and, until we get the clouds of promised planes, the air has another use—the radio.

We Americans are masters of advertising. We can turn our skill at selling each other everything from hairpins to locomotives; turn it toward selling ourselves and our plans for beating the daylight out of the oppressors. We can fill the ether with this message, to the despairing millions in the occupied countries.

Let us be frank. British propaganda broadcasting is notoriously bad. There are well-authenticated instances where it has done more harm than good. If we do not enter the field, and with the smartest talent we have, we are throwing away a golden opportunity to take the offensive into thousands of homes and scores of thousands of minds in the occupied countries.

We ought to be telling these people, for whom hope has become about all that they have left, that the Yanks are coming; that the tanks are coming; and the planes, and after that food and surcease from cruelty and fear, and a chance to walk their streets and talk to their fellow men and build again on the ruins of their homes and to look at the sky where no crooked cross remains, and to know again the blessed healing peace of freedom.

The propaganda leaflets are an offensive weapon, too, and they are being used. But they should be followed up as often as possible by more messages from this

country—by word to the occupied countries supplementing the broadcasts, and carrying a message also to the German people, and the Italian people, that there is no longer any hope for the victory of their leaders, that the people of Germany and Italy have more to gain by conversion to the democratic way of life than by continued war under tyrannical leadership, and that they are being deceived by their frantic masters.

They will not believe it? How do you know they will not? Have you ever been

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Every blunder avoided shortens the war. Every missed opportunity lengthens it.

Let us get on with the war, and let us get on the offensive wherever, whenever, and however we can.

And may the lord of battles bear us witness that every hour, every day, we did our best.

THE "NORMANDIE" INCIDENT—WAS IT AN ACCIDENT?

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes.

(Mr. DICKSTEIN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. DICKSTEIN. Mr. Speaker, I wish to bring to the attention of the House and of the country the question of the steamship *Lafayette*, formerly known as the *Normandie*, that is now lying helpless in the harbor of New York.

A number of investigations have been made by various agencies and a subcommittee of the Committee on Naval Affairs is now conducting an investigation as to whether or not the *Normandie* was sabotaged. Apparently everybody agrees there was no sabotage and no destruction caused by enemy aliens.

About 2 weeks ago when this incident happened I addressed this Congress and

then stated that I was going to make a certain survey and report back to the House as to what I believe actually happened. In spite of all the reports that were made by the various investigating committees and boards and despite the fact that a subcommittee of the Committee on Naval Affairs is presently conducting an investigation, I think it is important that I present the information I have so that the proper committee or any other authority may follow it through.

I do not intend to take up the time of the House by reciting the things I propose to submit for the RECORD, but I am going to call the attention of the House and the country to what I believe are important facts which have been overlooked in all the investigations conducted thus far. Had the investigators followed through the investigation of the McCormack committee into certain Nazi activities in this country, they might have been able to trace the possible cause of the fire and place the responsibility for it.

A few days ago in going through some old records I found that the McCormack committee examined one William Drechsel back in 1934 and 1935. He apparently is a naturalized citizen. He was representing the North German Lloyd and the North German Piers. He is the same No. 1 Nazi in New York and in this country who has been inculcating the Nazi philosophy into the children of America. He is the same Drechsel who conducted tours from the North German Lloyd to Germany at the expense of the German Government.

When war broke out in 1939 and the North German Lloyd and the Hamburg-American Line ceased to operate, I discovered, only a few days ago, he organized a new scheme. He has organized what is known as the Oceanic Service Corporation in New York City, and you would not know what the Oceanic Service Corporation is unless you dug into the matter and found out who is at the head of it. Who do you think is at the head of that corporation? The same William Drechsel who was a Nazi agent for the North German Lloyd. What are they doing? They are supplying guards and agents for the piers in New York and other places in the country.

Now, I charge, Mr. Speaker, that Capt. William Drechsel, one of the former agents of the Nazi Government, has supplied the *Normandie* with at least 30 or more persons or alien Nazi agents who were working on the *Normandie* at the time it was being reconditioned, and who were guarding the *Normandie* upon recommendation of Capt. William Drechsel, who admitted in the spy trial of 1938 that he balled out all the Nazi agents who were convicted about 2 years ago.

Now, here, Mr. Speaker, we have the Intelligence Bureau of the Navy and yet not one of the persons who was recommended by the Oceanic Service under the control of this Nazi agent, was checked by Naval Intelligence which is responsible for determining who shall or shall not go on the piers or who should or should not work on the *Normandie* or any other ship in the American service.

If the Naval Intelligence had made any kind of investigation or if anyone in our Government had made any sort of check-up about the men who were recommended by this Nazi agent who now owns Oceanic Service Corporation, as to the men he actually put on board that ship, then anyone could easily answer the question himself. I charge that the fire was caused by sabotage and that it was done with the deliberate design of destroying the *Normandie*. There is not any American, I do not care how black he may be, who would dare to do such a dastardly thing as was done on the *Normandie*.

Mr. Speaker, not a single investigation was made by the Naval Intelligence of the third district to determine who was on that boat or who was guarding that boat, and I again say that if any investigation were made they could have traced very easily the responsibility to some place within the scope of the Oceanic Service which is controlled by this Nazi agent, who was in control of the North German Lloyd.

I am not going to take up the further time of the House. I hope to put into the Record some information that will give a pretty clear picture of what possibly happened on the *Normandie*, as would be shown if a proper investigation were made. You cannot conduct an investigation in Washington behind a closed door after listening to some reports made by certain naval officials or by the fire patrol or by some other persons who simply say "yes" or "no."

We must get to the truth about the *Normandie* or the *LaFayette*. How could such a thing possibly have happened when the ship was supposedly guarded by hundreds of men, with 2,200 men working there? It seems to me no one has been able to give us a clear picture of the whole situation.

I suggest to the Naval Affairs Committee that if it has the power of subpoena that it bring before it immediately Capt. William Drechsel, former executive of the North German Lloyd Line and the Hamburg-American Line, and let him produce a list of the persons he recommended and who were guarding the *Normandie*. And let each one of those persons be examined very thoroughly, and then they can come to a thorough understanding of just what happened on the *Normandie*.

Mr. Speaker, a peculiar condition has arisen in New York Harbor in connection with the supervision of piers of large steamship companies. A good many ships have been tied up for the duration of war, and very often ships use berths of other companies.

As a result, it is very important that New York Harbor be watched very closely. One would think the Government would make it its special business to watch our piers, but strange as it may seem, instead of using our own naval watchmen to do this inspecting, the business of watching ships was placed in the hands of private agencies, and I shall give you the story as related by the *Herald Tribune* in its issue of February 20, 1942:

This business of watching is largely in the hands of eight private agencies, of which the Oceanic Service Corporation is one of the largest. Back in 1898, a State law was enacted requiring all such agencies and their operatives, whether doing pier guard work or not, to obtain licenses as detectives and necessitating strict character qualification. This provision, however, was amended in 1938, in which pier guards were specifically exempt from licensing and were therefore relieved of qualifying as to character or record for these pier-watching duties.

Because of an agreement between the shipping interests and the International Longshoremen's Association, these watchmen must all be members of the International Longshoremen's Association. There are about 2,000 of them banded together in the Port Watchmen's Local 1456, of the International Longshoremen's Association, with headquarters at 164 Eleventh Avenue. A few of the steamship lines have organized their own civilian pier guards, but even these call on the agencies for help on rush occasions.

It is known that many of these watchmen are aliens or of alien origin, and no qualifications as to citizenship are required by the port watchmen's local. While admission to piers has been largely at the gateman's discretion, some guidance was offered by the Coast Guard several weeks ago, and a series of cards have been distributed to persons who may have business on pier for commercial or military purposes.

Up to last night more than 100,000 of these credentials had been distributed among workmen, businessmen, and the armed forces, and it is expected that about 400,000 of them will have been issued by March 1, when all persons desiring to enter piers about the city must have them. Around 2,500 were issued yesterday, and they will continue to be distributed at the rate of about 3,000 daily.

These cards are in four colors—white for citizens; green for aliens; pink for seamen and others remaining in port temporarily; and yellow for persons whose hands or fingers have been injured, preventing fingerprinting.

For the most part, these cards are available to any person who has been certified to the Coast Guard by his union or employer. Joseph A. Ryan, head of the International Longshoremen's Association, said that while the union is confident of the loyalty of the great bulk of the rank and file of the 35,000 longshoremen in this port, the responsibility for checking character, citizenship, and other qualifications is entirely up to the employers.

Mr. Ryan admitted that a large number of the union men were aliens and probably citizens of Germany and Italy, although he would not venture a guess as to the percentage. In some other quarters it was said that probably 30 to 40 percent were not American citizens.

The agencies handling the watchmen, in addition to the Oceanic Service Corporation, are the McRoberts Protective Agency, Inc., 15 Moore Street; the Charles Van Hoesen Watching Service, an affiliate of the McRoberts organization, also of 15 Moore Street; Van Hoesen & Bro., headed by Fred Lohman, Jr., 24 Stone Street; Vachris Detective Agency,

3909 Third Avenue, Brooklyn, headed by Anthony Vachris, a former police lieutenant; the Allied Maritime Protective Service Co., Inc., of 2 Rector Street, headed by Roderick J. Campbell and William McIlwraith; Mealli's Detective Service, of 17 Battery Place, headed by Michael Mealli; and the Marine Detective Service, of 23 Broadway, headed by James Di Brienza, also a former policeman.

The Oceanic Service Corporation is headed by Jeremiah A. Sullivan, a former police official, who is president of the organization. William Drechsel, marine superintendent of Hapag-Lloyd, a combination of the Hamburg-American and North German Lloyd Lines, is vice president. Christian J. Beck, managing director of the Hamburg-American Line, is chairman of the Oceanic Service Corporation board of directors. The secretary is William B. Devoe, general counsel for the Hamburg-American Line, who is also listed as a director of the United American Lines, UFA Films, Inc., the big German film corporation, and the Domestic Fuel Corporation.

Sullivan is familiarly known along the waterfront as Cap and Jerry, and is noted for his good fellowship. His staff of watchmen numbered several hundred before the outbreak of the present war, but the loss of overseas trade has reduced his staff considerably. His men, however, may be found from time to time on the piers of most of the lines in the port.

For a long time Sullivan's men have been watchers on the French Line piers, although the French Line also employed men of its own. At the time the Coast Guard placed members of its force on the *Normandie* in May 1941, Sullivan's men were employed to watch both the ship and parts of the French Line pier. A Sullivan man is still the gateman at the pier.

Sullivan also got work for his watchers with the British lines, such as the Cunard and Furness-Withy, when they were rushed. He had men on the Polish line piers and on the Chilean line docks. He also had watchmen on the Alcoa Line, most of whose ships, plying the southern seas in the shipment of aluminum ore, have been taken over by the American Government.

The McRoberts agency gets much of the private watching work of the British lines, all of which now operate under the British Ministry of Shipping. This agency's men also have been employed to watch the piers of the Panama Line, operated by the United States.

Much of the Grace Line's watchmen are privately employed and so are the United Fruit watchmen. They are not members of the I. L. A.

State authorities have for many years believed that the piers here should be under some form of official control, and ever since the passage of the amendment exempting these watchers from the licensing provisions of the detective law, efforts have been made to have them placed under licensing control.

Michael F. Walsh, secretary of state of New York, has for the last 2 years sponsored two separate bills—the Carl Pack bill of 1941 and the William Con-

don bill of this year—which would place pier guards, among others, under strict licensing. Mr. Walsh feels that in these times the community should take no risks on the character of the men employed in such vital positions on the city's water front.

Mr. Ryan, president of the I. L. A., however, feels that the comparatively meager salaries earned by these workers—around \$35 a week—would hardly enable them to meet the licensing charges of \$200 an individual for permission to do this work, and that it would be an unnecessary burden to require them to pay this substantial fee. Corporations employed in this business must pay a licensing fee of \$300.

It is clear that a thorough housecleaning is necessary if we want to keep our piers well guarded and prevent destruction and sabotage. To entrust the guardianship of our piers to aliens and their friends is inviting destruction and it seems that the public is entirely indifferent to this situation.

I cannot emphasize too strongly how many years ago, when my investigating committee first started to function, I took it upon myself to investigate conditions on our piers and conducted inquiries about all details of steamship inspection and the smuggling of propaganda on the German boats.

This brings me to a discussion of the men whose activities have again become the subject of public interest, Capt. William Drechsel and Christian Beck.

Capt. William Drechsel was a former U-boat captain in the last war and was also in charge of a mine sweeper in the North Sea during those days. During the German spy trials in October 1938 he admitted to Federal authorities that he handled the \$125,000, bail put up for various persons involved in the charges.

Captain Drechsel, a citizen of the United States, was subpoenaed in 1934 to testify before my congressional committee relative to his Nazi activities while an executive of the North German Lloyd Lines at Piers 84 and 86, North River. This man, loyal to Germany during the first World War, was in complete charge of all details relative to incoming and outgoing steamships of his line at the port of New York. He knew what propaganda was being brought in from Germany, by his own admission under oath. Seizures of propaganda material had been made by customs agents, notably the steamship *Estedes*, consisting of hundreds of pounds of literature, consisting of booklets, pamphlets, photographs, and magazines coming from the German propaganda ministry in Berlin and Erfurt. He also had knowledge of propaganda material contained in seamen's lockers, and had the right to seal these lockers if propaganda was discovered, but this he failed to do. He was also responsible for the counting of German seamen who deserted ship, and recommendations had been made to him for a more detailed check-up of men leaving the ships, and their return. He paid absolutely no attention to this.

In this particular period, 1933, 1934, 1935, and 1936, when the activities of the Nazi agents were predominant,

Drechsel had charge of the public relations of his steamship company with hundreds of educational institutions in the vicinity of New York City. The purpose of this propaganda, or relations, were to lure teachers and their pupils, children, to come aboard the German liners in the New York harbor, whereupon, said pupils were given a liberal education as to "beautiful Germany," the efficiency of the German Government, and so forth, and were also shown about the ships. Congressional testimony showed that these pupils did respond to the bait, and bus fares and transportation was paid by the North German Lloyd Steamship Co.

Subsequently, thousands of Germans with technical knowledge were sent back to Germany, and it was Drechsel who had charge of this activity. He allowed them to go back, and their passage money was similarly paid, and all this was part and parcel of the Nazi scheme in the control of industry.

In the days of Spanknowbel, a Nazi agent, who came to the United States for the purpose of propaganda and espionage, and later, as in the case of Dr. Friebel, escaped while the F. B. I. was searching for him, via the North German Lloyd steamer, we find that Captain Drechsel was responsible and had full knowledge of these activities. It is also important to note that Joachim Paffrath, then admitted head of the D. K. V. a subsidiary of the German-American Bund, swore out a criminal summons and complaint against seven Nazi Bund leaders, accusing them of attempting to kidnap him aboard a North German Lloyd liner, to be sent back to Germany for trial. He swore that Captain Drechsel was informed of this scheme, and that he was heartily in favor of lending effort in the kidnaping of Paffrath to be sent back to Nazi authorities. Paffrath subsequently escaped, and is now an American citizen living in Cleveland, Ohio.

Captain Drechsel's own testimony discloses that he was in complete charge of everything connected with this shipping line in New York harbor, and all activities were known to him. Nazi agents were smuggled in at random on these lines and in some instances even guns were smuggled into this country, while knives were brought in in other instances, together with other weapons.

Came the break with Germany, and we find Captain Drechsel and Mr. Beck, vice president now, taking an active part in a corporation known as the Oceanic Service Corporation, in New York City. This corporation was set up for the purpose of hiring guards for antisabotage purposes and the guarding of piers. Some responsible agency in the Government called upon this guard service as well as many others to supply men to guard the piers within the past 2 months. It would be interesting to follow up and note how many men were hired from the Oceanic Corporation and to establish their backgrounds. Is it a coincidence that we find that one Baron von Wrangle, a former America Firster, isolationist, and rampant street speaker, seeking and securing employment as a guard upon the steamship *Normandie*? It would also

be interesting to note how many other such guards were secured from the Oceanic agency.

The German-American Bund formerly met frequently on board liners in New York Harbor. In the official year book of the German-American Bund, 1937, the bund was urged on July 10 to visit the U-boat *Deutschland*, then in Baltimore Harbor. On September 10, 1937, on Friday, the bund, then known as Friends of New Germany, met on board the *Resolute*. Previous to this time, in the summer of 1936, Captain Drechsel arranged the passage of between 300 and 400 bunders and their families on board the German liner *New York* to go to Berlin, participate in the Olympics, and they subsequently paraded in the streets of Berlin before Adolf Hitler and Marshal Goering.

Christian J. Beck, formerly managing director of the Hamburg-American Line, is chairman of the Oceanic Service Corporation board of directors. The secretary is William B. Devoe, general counsel for the Hamburg-American Line, who is also listed as a director of the United American Lines; UFA Films, Inc., the large German film corporation; and the Domestic Fuel Corporation.

It is people of this type who are left in control of our invaluable shipping and who have it in their hands to engage in all acts of espionage and sabotage.

Mr. Speaker, in view of the time, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein an article from the order of three additional giant generators at Coulee Dam.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HILL of Washington. Mr. Speaker, on Monday, February 23, I introduced H. R. 6649 which authorizes the President to designate and appoint Gen. Douglas MacArthur as supreme war commander. At this point I include said bill:

H. R. 6649

A bill to establish the Office of the Supreme War Command, and for other purposes

Be it enacted, etc., That the President of the United States, as Commander in Chief of the Army and Navy, is, in his discretion, authorized to create the Office of the Supreme War Command and to designate and appoint Gen. Douglas MacArthur, United States Army, the Supreme War Commander and such other staff war command officers as he may desire.

That the offices of the War and Navy Departments, the Air Corps, and other armed