

Gazette, of Allegan, Mich., dated August 6, 1942. The subject matter of this editorial should be of particular interest to the voters of this country in view of the constant criticism that is being leveled at the Congress of the United States.

WHO IS AT FAULT?

So far during preliminary skirmishes in the national political campaign most of the Republicans have been tagged with the term "isolationist" and held to blame for nearly every disagreeable reaction from this war. Not content with blaming the so-called isolationist for lack of preparedness, it even has been suggested that the isolationist hasn't been patriotic because he didn't go along with the administration in all of its moves and policies.

Before Pearl Harbor we wonder just who held the driver's seat at Washington? The record over the past dozen years includes a rubber-stamp Congress. That Congress received its well-deserved title for one reason and one reason only, it legislated as President Roosevelt desired; it passed "must" bills as President Roosevelt desired; it jumped in answer to every command.

Not once, up until a short time before election, was this rubber-stamp Congress ever commanded to prepare for war. Yet, we are told that those in high office saw the approach of war, knew definitely that war was coming and that America couldn't stay out.

In view of the record, just who is to blame for lack of preparedness? Certainly the Republicans with their small numerical strength in Congress weren't at fault and we don't believe those who are now attempting to purge them, because they weren't rubber stamps, can ever make the people back at home believe Republicans are disloyal or at fault for lack of preparedness.

On the contrary, there are a lot of folks back at home, especially in the Middle West, who are firmly convinced that a Congress which thinks for itself and refuses to rubber stamp, is a vital necessity to win this war.

The Case of Dr. Ferdinand A. Kertess

EXTENSION OF REMARKS

OF

HON. JOHN M. COFFEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1942

Mr. COFFEE of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herein a very interesting and gripping story of the case of Dr. Ferdinand A. Kertess, as it was printed in the Hour, weekly news letter edited by Mr. Albert E. Kahn. In this article is summarized the story of this remarkable individual, who still remains engaged in widespread profascist operations, apparently without molestation.

I denounce the leniency shown toward Dr. Kertess. I implore the F. B. I. and appropriate related agencies of the Federal Government to step in at once and institute proceedings to insure that this Dr. Ferdinand A. Kertess be placed in such a position as no longer to permit him to impose himself upon an all-too-gullible American public.

Dr. Kertess has had close and affectionate relationships with the Nazi Embassy and Consulates. He has enjoyed

the confidence of these officials. He has been decorated by the German Government. He has organized American Fascist groups. He has written countless articles of a pro-Fascist nature. He has attended Fascist rallies. He has written articles for Nazi publications in Germany.

Even the Dies committee said that he was a dangerous figure in 1940.

Dr. Kertess worked in cooperation with the German naval attaché here in the National Capital, and with the Nazi consul in New York City.

The American people insist that such figures be detained and appropriately handled.

Here is the article:

THE CASE OF DR. FERDINAND A. KERTESS

At Briarcliff Manor on Scarsborough Road in Westchester County, N. Y., there lives a wealthy businessman who for the last 10 years has maintained intimate relationships with leading industrialists and financiers of Nazi Germany and who today, according to reliable information The Hour has received, is serving as a front man in the United States for interests of I. G. Farbenindustrie, the giant Nazi chemical trust. His name is Dr. Ferdinand A. Kertess. He is president of the Chemical Marketing Co., at 10 East Fortieth Street, New York City.

The Hour is informed that shortly before Nazi Germany declared war on the United States, I. G. Farben—whose directors play a leading role in shaping the policies of the Third Reich—transferred a number of patents in North and South America to Dr. Kertess' Chemical Marketing Co.

The purpose of the transfer of I. G. Farben patents to Dr. Kertess' concern and the role which Dr. Kertess is currently playing are indicated in a confidential message sent on July 23, 1940, by Dr. Kertess to the directors of the Deutsche Gold- und Silber-Scheideanstalt (German Gold and Silver Refining Institute) at Frankfort on the Main, Germany. Here is an excerpt from Dr. Kertess' message of that date to the Nazi businessmen:

"In the interest of the general political economy of the German people and especially in the interest of our business we took up immediately upon the outbreak of war a front name with your South American correspondents in order that through the delivery of American chemicals these representatives in the several South American countries would be placed in a position to retain your customers and return them to German interests at the close of the war."

DR. KERTESS' RECORD

Dr. Kertess, who became a naturalized American citizen in 1940, first came to the United States from Germany in 1923. He remained in this country until 1927; he then went back to Germany for a 3-year visit. Shortly before Hitler seized power, Dr. Kertess returned to the United States and took up permanent residence here. After the Nazis had taken over the German Government he began making yearly visits to the Third Reich. Not 1 year elapsed during the period 1933-39 in which Dr. Kertess failed to visit Nazi Germany. He invariably traveled on German boats.

During this period Dr. Kertess was serving as the United States representative for various German and German-American concerns. Among these concerns were American Aniline Products Co., Inc., Deutsche Gold- und Silber-Scheideanstalt, and Chemical Marketing Co. (originally incorporated in 1935 as Frank von Kropp & Co.).

When war broke out in Europe in September 1939, Dr. Kertess—who apparently had advance information of Germany's plans—was not caught unprepared. On May

4, 1939, 4 months before the Nazi Army crossed the Polish frontier, he had sent this significant cable to one of his associates in Frankfort on the Main:

"Schlosser: Hope you are well again. Your number 22. Together with friends ready for war. After careful consideration convinced able to protect interest step by step, including low percentage."

Nevertheless, the war naturally affected Dr. Kertess' dealings in the United States. For one thing, communicating with his "friends" in Germany became far more difficult. In a message addressed to Siebert, G. m. b. H., Hanau, on July 23, 1940, Dr. Kertess wrote:

"Will you please, first of all, remember for the 'nth' time that it is most highly undesirable to use Western Union; every single telegram of this cable company goes through the British censor."

Dr. Kertess had reason to be irritated and alarmed, as is indicated in the following passage from the same communication:

"Deliveries to you in the past appear to have caused you to assume this possibility as natural, although I can now assure you that it has been a damned clever performance to make deliveries for you as we have been compelled to do it, and you can imagine that even that possibility would be destroyed by highly incautious cables such as yours."

VISIT OF HEINRICH STIEGE

Occasionally, after the outbreak of war, special emissaries from the Third Reich visited Dr. Kertess. One of these was a man by the name of Heinrich Stiege. Before Stiege's arrival in the United States, Dr. Kertess received an air-mail letter from Berlin stating:

"The considerations which moved us to send Herr Stiege, he will explain to you in detail. I have instructed him that I do not think it necessary or perhaps even desirable for him to appear officially either in Wilmington or in Niagara Falls, and for this reason we have not announced his probable arrival either there or in any other place."

It happened that Herr Stiege, who traveled to America via Japan, was not allowed to enter the United States. When his boat reached the west coast, the authorities insisted he remain on board. The resourceful Dr. Kertess, however, overcame this unexpected obstacle. In a letter written on September 4, 1940, to Hermann Schlosser in Frankfort on the Main, he related:

"Thanks to friendly connections on the west coast and the very powerful support of these friends, I was able to receive permission both on the day of arrival and the day of departure to go aboard and we had not less than 11 hours in which to discuss everything necessary and to go through all the papers which Herr Stiege had brought along. * * * I can report that I found Herr Stiege in the best of health and spirits. He started for Rio last Saturday."

KERTESS AND THE FELLOWSHIP FORUM

It was not unnatural that when the Nazi agent Dr. Friedrich Auhagen had formed the American Fellowship Forum in April 1939, he enlisted the support of Dr. Kertess. The forum was organized for the purpose of persuading American businessmen of the peaceful intentions of Nazi Germany and to convince them of the desirability of trading with the Third Reich. (The first lecture sponsored by the forum was entitled "America and Germany—Contracts Without Conflicts," the speaker was Lawrence Dennis, self-styled theoretician of American Fascism and author of The Coming American Fascism.) The propaganda mouthpiece of the American Fellowship Forum was Today's Challenge, a magazine which listed as associate editor, George Sylvester Viereck, the Nazi agent who was sentenced on March 13 to 2 to 6 years imprisonment.

Dr. Kertess was one of the incorporators of the American Fellowship Forum, the other signers of the papers of incorporation being Dr. Edmund F. Kohl, Dr. P. J. Kessler, and Richard Koch. According to the Dies White Paper published in 1940, Dr. Kertess paid for the offices used by the American Fellowship Forum, room 2942, 11 West Forty-second Street, New York City, by his own personal check.

KERTESS AND EDMONDS

The Dies White Paper contained certain statements by a newspaperman named James E. Edmonds, which offer further interesting information about the nature of Dr. Kertess' activities in the United States. In the summer of 1939 Edmonds entered the employ of Dr. Kertess (who was unaware that the newspaperman was secretly reporting to agents of the Federal Bureau of Investigation). On October 28, 1940, Edmonds was questioned by investigators from the Dies committee regarding his association with Dr. Kertess. Here are some excerpts from the testimony given by Edmonds:

Question. What was the nature of your [first] conversation with Dr. Kertess?

Answer. Dr. Kertess told me that he had heard of me through the German consulate general, who were friends of his. He said he had some research work he would like me to do for a while, and wanted to know whether I would be interested.

Question. At the time of that conversation did you assume that Dr. Kertess was asking you to engage in work and would in the future require your services for the purpose of gathering information which is not usually open to newspapermen or to persons in the position of Dr. Kertess?

Answer. I did.

Question. In other words * * * you gathered the impression that Dr. Kertess was in reality sounding you out as to the prospect of having you perform work which might be classified as espionage?

Answer. I did.

In answer to the questions of the Dies investigators, Edmonds went on to describe how he received approximately \$800 from Dr. Kertess during September 1940 for "research work" in the New York Public Library. The work, according to Edmonds, "was worth roughly \$10" and its sole purpose was to serve as an excuse for Edmonds' receiving money from Dr. Kertess. Edmonds pointed out that services of a very different nature were what Dr. Kertess was really interested in:

Answer. He [Dr. Kertess] stated that since I had, as I told him, friends in French and British official offices in New York, that I could undoubtedly find out for his associates certain information in regard to convoy movements and shipping movements of British and French purchases in this country, and said that Dr. Gross would pay for such information. He said that he was sending me to Dr. Gross because Dr. Gross was an agent of the German Government who was handling matters of that sort, and because since Dr. Gross was operating a news agency in New York it would serve as a perfect front, as he described it, for my visits to Dr. Gross.

Question. Did Dr. Gross state to you definitely that the information you received would be submitted to the German authorities?

Answer. He did.

Question. Did Dr. Kertess make a like statement?

Answer. He did. As a matter of fact, both Dr. Gross and Dr. Kertess told me that the information which I submitted to them went to the German naval attaché in Washington, D. C., through the German consulate in New York.

INVESTIGATION URGED

In view of the facts stated above, The Hour urges that the Federal Bureau of Investigation and the Foreign Funds Control Division of the United States Treasury Department conduct an immediate investigation of Dr. Kertess' current activities and of his connection with I. G. Farbenindustrie.

Mobilization of Manpower—Fifth Interim Report of the Special Committee Investigating National Defense Migration

EXTENSION OF REMARKS

OF

HON. JOHN H. TOLAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1942

Mr. TOLAN. Mr. Speaker, in presenting the fifth interim report of the Special House Committee Investigating National Defense Migration, there are one or two points which I should like to emphasize. By unanimous consent, I extend my remarks in the RECORD.

This report, in essence, can be summarized as follows: Production is faltering badly. Manpower mobilization is and must be integrated with production mobilization. Consequently, if production slackens, plans for manpower mobilization suffer accordingly.

We shall never get to the stage of efficiency we need until we recognize that all of our resources must be harnessed like the operations of one tremendous industrial firm. This thought has been a cornerstone of this committee's thinking on the war program, since it became apparent to us after our hearings in Detroit last September that unplanned migration was being caused by unplanned production.

The automobile people told us about the essentials of mass production Mr. Wilson, president of General Motors, testified:

It isn't conveyors that are so important. It is really a planning of the business on a progressive flow of material with interchangeable parts and balanced production.

As we went along from Detroit we did a lot of thinking about the possibilities of converting the automobile industry. On December 19, 1941, in our second interim report to the House, we said:

Two major obstacles impede war production: Manufacturers have been reluctant to convert their production facilities from civilian to military production, and the defense agencies of the Federal Government have not required such conversion.

The prime objective of an all-out war effort, namely, to enlist every worker and every machine, was and still is left to a policy of indirection. Instead of planning for and requiring orderly conversion, reliance is placed upon the technique of urging manufacturers into war production by curtailing their facilities for civilian production. This procedure is neither efficient nor forthright.

* * * * *
It is not consistent with orderly procedure to rely on individual manufacturers to con-

tribute without guidance to the national war effort. The part they can and should play in the war program must be indicated. To date, this has not been done.

And in our third interim report to the House on March 9, 1942, we said:

Modern war is a war of metals and motors and fuels as well as men. Manpower in the fighting forces is not enough. Courage is not enough. The potentialities inherent in peacetime industries are not enough. Only by a far-reaching realignment of the factories and their equipment, of the workers and their skills, of the managerial forces and their know how, of the Government and its executive powers—only through such a realignment can we hope to get the job done—and done in time.

I think that is the heart of the matter. Current developments make it clear that we have got to adapt this mass-production idea, with its control of raw materials and their flow to production centers, into our war program.

A week ago, in a letter to Representative PETERSON, I pointed out that the Higgins case was one more example of our lack of a war-production program.

The committee notes that last Saturday the Office of War Information published a report on the progress of the war program.

There is one thing I do not like about that report. I think it carries an inference that the American people are reluctant or unwilling to make enough sacrifices to win this war.

I think our committee knows a good deal about the people of America. For 2 years we have been talking to them, migrants from everywhere in the country, the people who are living in war-production centers, without adequate housing, or driving 80 and 100 miles to work, taking things as they come, cheerfully.

I believe the people will make any amount of sacrifice. But it must be shown that our war program is on the right track, that we are using all of our resources to win, and that the only goal is victory. The people will come along. What we need to worry about is whether we are utilizing all of the imagination and resourcefulness of which we are capable.

The production program, and as we have said in this report, the manpower mobilization program, must be planned.

I would like to see in the War Production Board, at Mr. Nelson's elbow, a production engineer, an engineer who understands the relationship of material flow to production.

My own idea is that a man of the caliber of Mr. Henry J. Kaiser would be the logical choice for this job. I have already proposed Mr. Kaiser's name for a position in the program. He has indicated that he appreciated the thought, but that he felt he could better serve in his present capacity. I can understand this attitude, particularly in view of his recent commitments from production officials.

However, if Mr. Kaiser is not available, I believe his judgment in this matter should be obtained immediately.