Dear Cameron,

of all the officially-inspired "Fifth-Column" stories, and there are many, I have been able to discover only one that involves an industry or an industrialist. This is it.

In order to take on and leave off passengers, mail and freight in Colombia, South america, Pan American Airlines was forced to purchase a Colombian airline. Its name is(approximately) Scoto. The personnel of this airline, a large one, is almost exclusively German, which it was bought some time ago. The State Department has said absolutely nothing about it, but they are quite worried. They want Juan Trippe, Pan American president, to fire the Germans but he evidentally feels otherwise about it. The State Department is doubly concerned because of Trippe's personal popularity on the Hill. However, if they can do nothing about it in the near future, there will probably be an effort to get a Congressional investigation. In this day of hysteria, if they play their hand properly, they will probably be able to get it.

The airline was purchased, I have been informed, during last summer.

The quietest operation on the Hill is only a week old and seems to be the only unused story on the so-called national defense bill. The only dispute about this legislation is how it is to be financed. The New Deal has advenced no plan and the Republicans are calling for taxation to "pay as we go". However, since last week Barney and Keiley, president of the American Bankers' Association, have had to hen on the Hill polling

those Members they believe will say nothing about it. They are interested in presenting Baruch's solution to this problem, a 32 % National sales tax to pay for our armements. I have learned that these men report that the project can be put over before the end of the session if action is commenced immediately. They are now selecting the Congressman and Senator who will introduce their bill. I am hopeful that before I mail this I'll have their names as well as those of the two men, who I don't know.

Baruch is pretty close to the President and there is a fair chance that if he does introduce such legislation-that is, have it introducedit will be with the knowledge of the President. It may even get the approval of the Administration.

Sunday

MATURALY night I went to one of the local double bill movies and was surprised to hear Mrs. Roosevelt in an REO newsreel endorsing the Red Cross drive say." If we turn away from the need of others we align ourselves with those forces which are bringing about this suffering and which we must eventually try to defeat". I am told that she said ident cally the same thing on the radio program devoted to the same thing.

Incloated is a copy of the congressional Record with an insertion by Isolationist Republican Senator Gerald Rye of North Dakota of an atric'le by Henry L. Memken in the Baltimore Sun.

Alson inclosed is a typed page entitled "National Defense Contract Clause"

which I was told by the person from whom it was obtained, a legislative agent for one of the CIO unions, is now included in all Navy contracts.

I have not checked at the Navy Department and wont unless you so desire.

For the past week rumors of preparation for American conscirption have been rife, but I have no proof of any of them. Today, for instance, a friend told me of having been informed by a friend in the GPO that 7,000,000 draft cards had just been printer or ordered, probably ordered. This, I take it is what Helen was interested in last week. Saturday night I was told by an employee of the Department of Labor that he had been given a card to fill out reflecting his military training and other capabilities that might be of value to the government in case of war. I have also been informed of the circulation of a questionaire asking for substantially the same information in the Reconstruction Finance Corporation. I don't doubt that there is some truth in these rumors, but I am inclined to pay little attention to them because MANNANCE SPECER IN this town have pipelines to all the agencies, and it would be impossible to hush up such a story. It would have seen the light of day by this time if true as represented to me by many informants.

det the class of the Navy Department not to hire new employees through the Civil Service Commission. This administration, after once staffing its many new agencies by patronage, has beened toward the civil service lists for its newer employees. Almost everything here is under Vivil

Earvice, particularly the Navy Department. As the program gets under way some jobs will be created, the Torkers alliance claims a maximum of 500,000 or 600,000, and although it will probably be claimed that in the interests of the national defense it will be necessary to select employees more carefully that Sivil Service does, the real reason will undoubtedly be patronage. J.Edgar Hoover has had a running battle with the civil Service Commission for years on this point, he claiming that the persons they recommend are no good-they even certified one Communist in the past, he has stated. So far he has won, too. The civil Service Commission has made no complaint about the pork-barrel provisions yet, and probably, being part of the administration, wont.

With reference to the Navy contract clause several, pages earlier, this practically requires manufacturers to maintain large staffs of labor spies, and also really demends that their vendors do likewise. In this connection, the Navy, /rmy and Maritime Sammission have staunchly opposed the Oppressive Labor Fractises Act, although this ball, actually, is none of their business. They claim that a prohibition on labor espionage, etc., is not in the interest of national defense. I hope to attachna separate memo on the debate on this bill.

If time permits I will also include a memo on the current wave of anti-alien legislation and the campaign against Harry oridges.

John Lewis left unexpectedly for New York yesterday morning, and I think, if you shock into it smong the CIO people in New York, you will find that he made him self clear on the subject of left-wing politics.

I have just gotten what is probably the most authoritative information that can be obtained about the questionaires I mentioned a page above. For your information, it comes from the solicitor of the Department of Labor, one of the agencies in which the alleged questionaires were a legedly circulated. The War Department requested the personnel chief of the Department of Labor to obtain from the various heads of the bureaus in that Department a list of all employees who have had military training and are in the reserves. This is probably what has happened elsewhere in the Government. In order to prepare this information the bureau heads need not question any of their employees because the original employment blanks contain this information.

In this connection two bill have been introduced militarizing the Civilian Conservation Corps, notwithstanding the name and purposes of this project. Both are enclosed. The first, R.R. 9884, was introduced by Jennings Randolph of West Virginia, and provides that all enrolless must receive 8 hours of instructions in drill and tactics. Jed Johnson of Oklahoma is the author of the second, numbered H.R. 9885, which provides that enrolless reserve instruction in tactics and drill not more than 6 hours each week and further provides that material needed be supplied by the Secretary of War. Both bills have been referred to the Committee on Lebon and it may be that the administration is thus sidetracking them. There has been nonadebate

or discussion on these messures.

Manny Celler has introduced a joint resolution a copy of which I inclose,

inviting J. Edgar Hoover to spend the extra millions he had appropriated to him in labor espionage. This resolution is numbered H.J.Res. 553, which indicates its origin in the House and requires Senate approval. This resolution, as you can see, grants broad, almost unlimited authority, the way things are today. In addition, it specifically provides that on all such investigations the ban on wire-tapping in the law shall not apply.

Although Celler announced last week that he was going to offer an ammendment to the relief appropriation prohibiting Communists from getting on, he didn't do so end actually spoke against the ammendment when it was offered. It passed, now theless, even though such a law has been held unconstitutional by the courst, and it was pointed out during the very limited debate. This ammendment was passed under what is known as a "two minute rule", limiting all debate to two minutes and giving the proponent control of that limited time.

The Rules committee was supposed to hold hearings today, executive and public, on several proposals, including the private bill for the deportation of Harry Bridges. For some unamounced reason they postponed these hearings until tomorrow. Then the Rules committee met last week it heard Congressman Thomas C. Hennings, Jr., a Democrat from the 11th Congressional District of Missouri, is cauding part of St. Louis. This was not public session, but I have learned what happened. Hennings is the author of a resolution calling for the en investigation of Mexico. He has also sponsored several pieces of unpassed legislation simed at Mexico. When he appeared before the Rules, committee in executive session

he told that that Secretary of State Hull approved his resolution. This was the bruth. Hull saw Hennings and told him that he approved the investigation. However, Hull did not and doesn't want the investigation to be approved and to function. He merely wented to use this method to intimidate and frighten the Mexican Covernment. Hull is exceedingly emotional about the Mexican business and will be very osrry if this investigation becomes a fact. Inclosed are copies of the two resolutions Hennings has introduced and which are pending. The appropriation resolution makes available, if passed unammended, an unusually large sum of money for a House investigation. There is a story behind Hennings and these resolutions which might be subtitled, "Thy I Raised My Son to be a Congressmen." Hennings father, Thomas C. Hennings, Sr., is:

Vice president and a director of the Mercantile Commerce Bank and Trust Co., of St. Louis, and his fellow director is Alex. Fraser, who is president of: the Shell Pipeline Co., the Shell Petroleum Corp., and the Wolverine Petroleum Corp. and a director of the Shell Union oil Co., which, of course, have more than an academic interest in Mexico. Hennings, in speaking of his resolution, said he presented it at the request of a constituent. Both his father and Fraser look like constituent a The following four members of the Rules committee are eprosed to the resolution not because of any friendship for the Mexican people but because they are afraid of the precent they would set if they gave it a rule: Clark of North Carolina, Delaney of New York, Lewis of Colorado, and Sabath (chairman) of Illinois. Sabathnis liberal the others are not.

The Republicans seem to have pretty much put an end to the talk of a coalition cabinet. This was one of the most political manogurers in a long time. Roosevelt was pressuring them under the "national defense" hysteria and they were playing along for a while. They never had any intention of letting shy Republicans into the cabinet, according to Minority Leader Joe Martin of Massachussetts, but for a while they couldn't let on. They got out of it pretty easy when Landon called upon the President to declare himself on the third term, and they ere going to keep talking about his answer, with frequent references to Calvin Coolidge. Calvin's ghost stalked the Capital again yesterday. During his administration there was a move afoot to repair the roof of the Capital because it seemed that there was danger of it falling in. He saved money by not doing it. An engineering survey has been made and it seems that our legislators may suddenly be killed by one fall, except those who play hookey. A copy of Report 2310, made yesterday, is inclosed. The Capital Architest has been for these improvements for more than a year but he hasn't scared the economy-minder legislators enough.

I will not have time to prepare a separate Access on the once-called Oppressive Labor Practices Act which the Senate passed yesterday and sent to the House. The bill now, rather than outlawing really consitutes an oppressive labor practice. La Follette should have never voted for it as ammended. The debate on the bill his chiefly about other things, particularly alines and the mysterious fifth commun. The war

and Navy Departments and Maritime Commission opposed it to the end, and their opposition meant something. It limits the employment of noncitizens and provides for penalties for the employment of Communists and bundists. Jesus how clear this will be to the MAM beys, and how thin and completely illegal it is. Peculiarly enough, the aneffectual Majority Leader, Barkley, made a half-hearted effort to ease the blow. La Follette accepted every ammendment with one exception and himself took a coiple of cunces of heart out. Debate on this, if it can be called that, took up about as much time as any other measure this session and more than most get in the House. The bill is so bad that only 20, the very worst, voted against it. Until the bill was so slapped out os shape it was hardly talked about, except in unfavorable editorials. However, with its passage, all the reactionary commentators pounced upon it ans now designate it the "Civil Liberties Bill". It is a sad end to the Civil Liberties Committee. Chare Heffman put the needed flourish on when he, independently, in the House, called for the committee's disclution as a part of the fifth column, together, of course, with the labor beard and the CIO.

During the business Medate on Reorganization Plan No.5, which the House passed yesterday, there was as little attention paid to the issues. In fact, it is unusual today when anybody in either house talks directly on a bill. On the change of the Immigration and Naturalization Division from the Department of Labor to the tender mergies of J.Edgar Hoover and the atterney mgeneral the die-hards called for the dimmissal of Fanny Perkins and said they were for the bill only because it took the power to protect such worm unists as Harry Bridges from her.

Noah Mason of the Dies Committee remembered that the committee had affidavits proving that someone in the National Youth Administration had been promoted as soon as it was discovered that he was a Communist, following an investigation. Jerry Voorhis arose to point out that this person, from California, was promoted after the investigation by a priest and others proved that he was not a Communist, but way before he got around to daying that Voorhis said, addressing himself to the question of the fifth column (emphasis mine): "May I also say a work about some toehr things that have been said previously today. We have heard today the "fifth column" emphasis mine): "Hat is a distortion of the truth." and so forth. And Voorhis is supposed to be one of the liberals and friends of labor.

Probably this does not really show how completely hysterical and made our legislators are. Here are two of the several observations made on the floor of the House yesterday during the "debate" on the reorganization plan. Carolina O'Day, Mrs. FDR's friend: " I am afraid that my good friend ( reference to Noah Mason, who is not her good friend, or any kind of a friend, or good) is overcome by the hysteria which now seems to be sweeping over the country". Sammy Dickstein, chairman of the House Committee on Immigration and Naturalization, who knew nothing about FDR's intentions with until they appeared in the press; In view of the sentiment now prevailing in this House I feel that nothing I can say will change the stand the House has taken on this Reorganization Plan". (This was before the vote).

Twice again today Marcantonic was the only flissenting vote on administration "national defense" bills. One of the vote on the airplane bill, there were 405 who were recorded, one of the largest, if not the largest, votes of the year. There only are 435 Members, and some are usually out of town, sek, or at the ball game. It shows how they are all anxious to be recorded for the day when they stand for reelection, as they all de. The other bill passed, with a few less votes, allows, the President's presty speech of two days ago notwithstanding, for a 48-hour week in shipyards. Thus are the "social gains" bof the past 7 years preserved.

Norris has let it be known smood his friends that when the reorganization plank shifting the immigration service to the Department of Justice comes up in the Senate for approval he will speak and vote against it. In spite of this I feel he will not, or at least not much. He has failed to vote against any of the "national defense" bills and was saims completely silent during the debate yesterday on the La Follette bill.

The executive council of the CIO will meet here next week. I don't have their sgenda, but it seems likely that the little act John Lewis pulled last year at the convention about resigning might be repeated, likewise his anti-red distribe.

When things get any worse here we will be in the war.