

NEWS LETTER

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Figures in Text Indicate Reference Notes at end of Issue.

No. 122. December 25, 1940

CANT BEHIND THE CROSS

Reich Nazis and American-born camp-followers of theirs still apply the same propaganda technique. Everything is grist that comes to their mills -- even a religious holiday such as Christmas.

Debasing the spirit of Peace on Earth, *Deutscher Fichte Bund* 1) once more embarked upon a special campaign to exploit Christmas sentiments for its own totalitarian ends. In an appeal to all American prospects on its political sucker list, Theodor Kessemeier 2), manager of the USA department of *Fichte Bund*, issued a suitably decorated circular (illustration on page 2) to impress American susceptibles with the fact that

Christmas, the season of happiness and good will for all those who earnestly wish that mankind may be blessed with a real "Peace on Earth", is near again.

Kessemeier goes on in the same unctious manner, eventually slipping into Nazi propaganda when stating:

What we Germans had to suffer under the infamous Treaty of Versailles after the World War was nothing else but a continuation of the warfare with but other weapons! We suffered under this inhuman "Treaty" till our leader liberated us! Only during the year of 1932 - the year preceding the establishment of the leadership of Adolf Hitler - Germany lost people through suicides in the number of a whole army corps! They did chose to leave this world voluntarily because life in Germany was at that time no longer worth to live! But as the New Germany, the Germany of 1933, started to live up to the doctrines of the new and better order of things, that is to help the workers and the poor, the revengeful reaction of the Plutocrats forced us to defend our country against the threatened destruction.



Reproduction of Christmas, 1939, issue of Dr. Robert Ley's organ, *The German Textile Worker*. Note haloed swastika atop Christmas tree.

the Paris paper, *Crapouillot* of November, 1931. This French paper has always been known as the mouthpiece of the *Cagoullards* (The Hooded Ones), comparable to the Ku Klux Klan insofar as both organizations are definitely nationalist and reactionary.

In the course of the *Fichte Bund* pamphlet, the statement is made:

There are three main British tenets which can be quoted as good instances of "cant":

As to the term "cant" itself, the *Fichte Bund* expert explains it as follows:

1. When England oppresses colonial races or nations who are her allies, "cant" asserts that this is not done to serve British interests, but those of the nations themselves.
2. England, and England alone, is entitled to use brutal methods of suppression in the name of humanity. Other nations who adopt the same methods are barbarians and deserve extinction.
3. Englishmen are God's chosen race. That is why the "Times", on October 1, 1937, seriously advanced the claim that the English had sprung from the ten lost tribes of Israel who settled in the British Isles after their migration across the Continent. Side by side with a divine call, England thus has a divine theological mission for her policy. Those who oppose her are at the same time opposing the divine rule.

Originally "cant" was used to describe the pious mutterings of a beggar. But as time went on, the term acquired the meaning now only too familiar in its practical application to the nations who are the victims of British exploitation. In every social, political and religious sphere, the Englishman will find a use for the word "cant".

Dr. Goebbels Prescribes

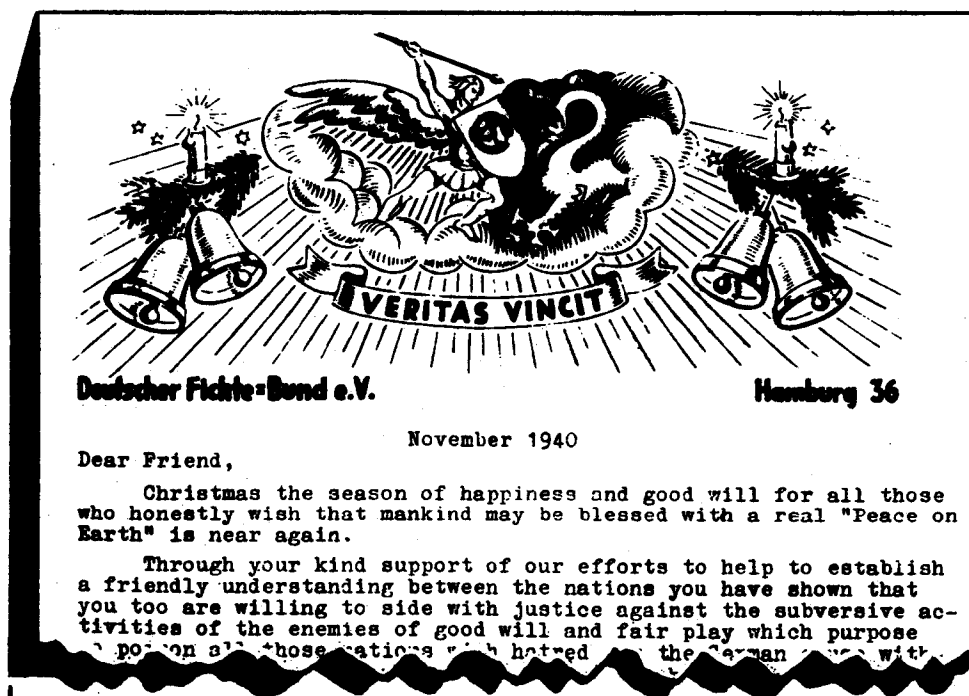
It is important to remember that last year, as every year since the inception of the Hitler Era, strenuous efforts were made by the Reich to make Christmas subject to *Gleichschaltung* (coordination). To this end, comprehensive measures were decreed, some of them embodied in

*General Instructions: Duties of the Police.
Solstice and Yule Celebrations 1939*

The spirit of these measures became especially evident in the first two "orders" which decreed as follows:

1. *So far, every year on December 21st, solstice was celebrated in the open by burning solstice logs; Yule celebrations were arranged as family celebrations indoors.*

2. *On December 21st, SS (Stormtroopers) units will arrange only a Yule celebration in keeping with our usual tradition and customs. The main purpose of this celebration is to give gifts to the families of our comrades who are doing military service and those of our SS men who died in action.*



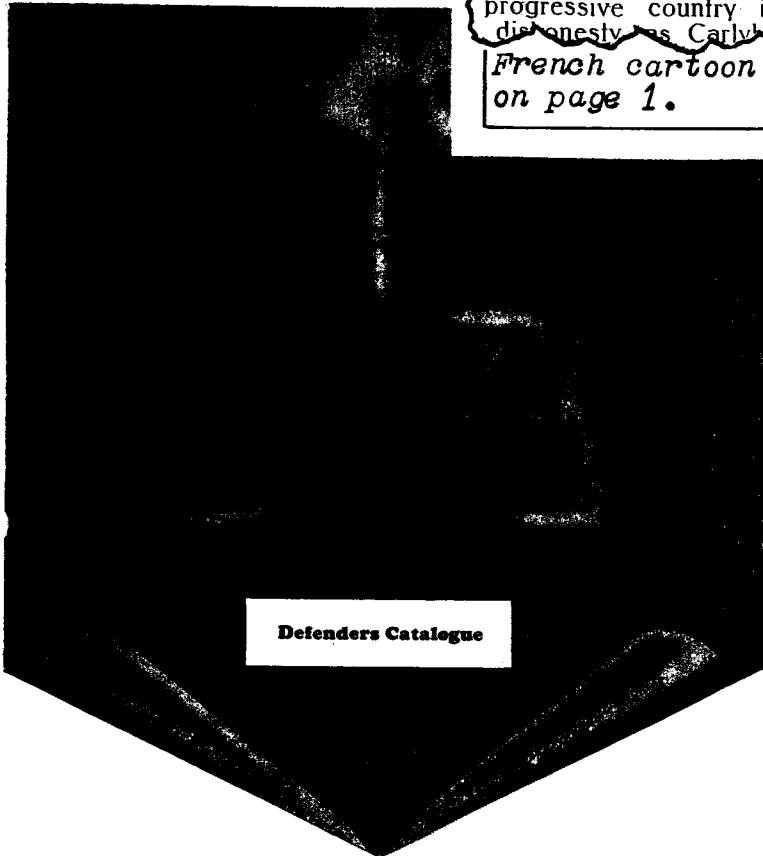
Letterhead of "Deutscher Fichte Bund", especially designed to exploit Christmas sentiment for Nazi propaganda. Note that letterhead carries legend: "Veritas Vincit" (Truth Conquers).

Dr. Robert Ley³), in charge of the German Labor Front, is also doing his share to paganize Christmas. Last year, as a wedge to sabotage any attempt at re-viving a religious Yuletide spirit, he utilized *Der*

Deutsche Textilarbeiter (The German Textile Worker), one of the most completely "co-ordinated" German guild papers. With blatant blasphemy, it depicted (illustration on page 1) a haloed swastika atop a Christmas tree, around which a typical Aryan family of racial comrades dances "joyously in The Lord".

According to The Nazi Pattern

That professional hater, the "Reverend"



A GUIDE TO QUALITY IN CHRISTIAN MERCHANDISE

IN THESE PAGES YOU WILL FIND HUNDREDS OF USEFUL ITEMS AND VALUABLE GIFT SUGGESTIONS. YOUR PATRONAGE WILL BE SINCERELY APPRECIATED. PURCHASES MADE WILL HELP THE DEFENDER MAGAZINE AT A TIME WHEN MANY LINES OF CHRISTIAN WORK ARE SUFFERING, DUE TO THE FINANCIAL STRINGENCY WHICH EXISTS IN OUR COUNTRY. PROMPT DELIVERY IS ASSURED.

DEFENDER PUBLISHERS . . . WICHITA, KANSAS

Front cover of "Rev." Gerald B. Winrod's Christmas catalogue. Story, this page.

own fact that the presiding figure in fields. But they wholly ignore the fact of f — a is slight — h hard in f why mal complishake the t con blan "Con lishr You man, the t self then

The British are coming — every man for himself!
(from the Parisian paper "Crapouillot", November 1931)

progressive country in the world. You need not be in the right. Keep the law, and you will be in the right.

French cartoon as reproduced by Fichte Bund. Story on page 1.

Gerald B. Winrod 4), who has so consistently followed in the footsteps of Herr Doktor Goebbels, now pays his Nazi master a new compliment by imitating his method of Yuletide exploitation for propagandistic purposes. Winrod's Defender Publishing Company is circulating "A Guide to Quality in Christmas Merchandise", in which he offers for sale literature of the conventional religious type. However, behind this protective cover, he sneaks into his catalogue three full pages of small ads, offering the most vicious hate literature imaginable (illustration on page 4).

By these tactics, Winrod seizes upon Christmas as a camouflage in exactly the same way that this holiday is exploited by the Nazis. Neither hesitates to indulge in cant to the utmost, thus distorting Christianity's great message of Peace on Earth into a cruel travesty whose sole object is to spread intolerance and discord among men, instead of good will.

For additional information on names and facts referred to, see back issues as follows: 1)-#111; #96; #80; 2)-#115; 3)-#98; #81; #77; 4)-#98; #88; #52.

The "Rev" Gerald B. Winrod in action and a random collection of ads, featuring hate literature, from his Christmas catalogue.

AIDING AND ABETTING....THE JAPANESE!

Caught between the two proverbial horns of the dilemma -- with "friends" to the right and "friends" to the left -- the United States increasingly faces encirclement by a totalitarianized New Europe on the one side, and a totalitarianized New Asia on the other.

There are those who preach that, after all, the big bad Nazi wolf is really a most amiable house-pet, provided it is treated "right"; and there are others who make it their business to sell the United States the idea that the Japanese, far from constituting a potential danger to the United States, in reality are our best friends.

One of the most notable among current Japanophiles is one William J. Baxter, mentioned in last week's NEWS LETTER as quoting George H. Cless, Jr., to reinforce his vilification of William Allen White. Editor of an intellectually pretentious Wall Street dope sheet (illustration on page 5), put out "confidentially" -- at \$80.00 per annum! -- under the firm and style of "Baxter International Economic Research Bureau, Affiliated with Canadian Economic

Research Bulletin", he is the author of "Japan and America MUST Work Together". This book (illustration on page 6), of the type of super-pamphlets recently so popular, was prominently advertised in The New York Times Book Review (illustration on page 7) as

an amazing story of what the author believes to be one of the greatest mistakes ever made in our international relations. Here is the Dynamic Program for American Recovery!...This book shows why we must prevent Nazi Germany from becoming Japan's partner in the development of Asia. It contends that America's present policy in the Far East can only lead to war and chaos. It argues the most powerful recovery move America could make in solving the problem of unemployment would be for America and Japan to get together on a sane basis....

Baxter's Background

As to Baxter personally, he belongs to the same clique which counts among its fellow-travelers Charles E. Coughlin ¹⁾ and Ralph Townsend ²⁾. His connections with the temporarily silenced radio rabble-rouser of Royal Oak, Mich., are so tightly knit that an excerpt of his speech of May 6th, last, before the Economic Club of Detroit, was not only reprinted in Social Justice ³⁾ of May 20, 1940 (illustration on page 7), but also received the Coughlin accolade by being quoted in his broadcast. Baxter also professes profound admiration for Henry Ford personally and Fordism generally.

As to business affiliation, Baxter has been a Wall Streeter for the last two decades. His weekly releases are primarily filled with financial matters, with every single article written from the pro-totalitarian point of view.

An analysis of some of these weekly releases indicates that, not only by direct statements but also by insinuations and implications, his publication is increasingly becoming a propaganda medium for the Germans and the Japanese.

Baxter continuously hammers away on the theory that England is facing a complete breakdown and that totalitarian Germany and Japan must necessarily triumph because of their impressive mass production organization. In connection with this conviction, he stated in his October 14 release that

when countries resort to war to bring about the new balance of power, the usual cry is raised that the war is being fought about some abstract issue such as "Christianity", "democracy", "the common man's rights", etc.

Baxter's bulletin on page 5 of the same issue (illustration on page 8) advises



Baxter

International Economic Research Bureau

Affiliated with

Canadian Economic Research Bulletin

CONFIDENTIAL

*A world economic service that anticipates
price trends and business movements*

Monetary Policies
Commodity and Security Markets and Trends
Trade Figures and Forecasts

October 14, 1940

Address communications to
76 William Street, New York

Germany Has Completed Her Program

If there ever was a time when one needed a sense of humor in running an economic service, it is now. For example, during the first eight months of last year, these weekly letters went definitely on record that war was coming

Masthead of Baxter's weekly bulletin.

Japan and America MUST Work Together!

BY WILLIAM J. BAXTER, M.B.A.

*A Program for American Recovery
that will work*

EVERY AMERICAN MUST READ THIS BOOK TO LEARN

- The truth about Japan's amazing progress
- Why it is vital for America and Japan to work together
- Why America and not Nazi Germany must be Japan's partner
- Why every patriot must help keep us out of a perilous war

Price \$2.00

INTERNATIONAL ECONOMIC RESEARCH BUREAU

76 William Street New York

Cover of Baxter's latest publication, pushed by many book stores all over the country.

ly illustrated by a graph (reproduced on page 9) which is as self-explanatory as it is absurd.

Among those whom Baxter regards as intellectual fellow-travelers are, for example, Bruce Barton of "Barton, Martin and Fish" fame, and Rodney Gilbert, author of "What's Wrong with China". This book is sufficiently characterized by Baxter's recommendation. He quotes from it almost as extensively as from Ralph Townsend's "excellent" (Mr. Baxter's encomium) "Asia Answers". Baxter is also greatly impressed by Roy W. Howard of the Scripps-Howard Newspapers, and quotes him at length in the introduction of his book.

As Baxter Sees Japan NOW!

Baxter's opinions, as he regularly expresses them in his weekly releases, are faithfully and, at the same time, very elaborately mirrored in his recent publication, "Japan and America MUST Work Together". It is indeed noteworthy that he published this over-life-size pamphlet at a time when the book market was notoriously in its worst doldrums of many decades. However, the very conditions which brought on this drop in the book market -- namely, the presidential election campaign -- may have been the precise reason for Baxter to put out his book just then.

his clients to buy German bonds, stating:

I believe German obligations of all types are still very cheap and that German bonds are a more attractive speculation even now than when I first recommended them last December.

In the same spirit in which Baxter endorses Germany's financial status, he discourages help to Great Britain. He resorts to such Wall Street tricks as putting out a bulletin under the insinuating title, "Why All Armament Securities Should be Sold". In this issue, Baxter advised his readers that the war is nearly over and that this is not the time to buy stock in armament industries. This advice was unquestionably based on Mr. Baxter's conviction, emphatically expressed in the same issue, that Wendell L. Willkie would win the presidential election.

Baxter, to all appearances, is absolutely starry-eyed over "totalitarian efficiency". At the same time, he is violently anti-British. His political and economic viewpoints are strikingly

New Book

"JAPAN AND AMERICA must WORK TOGETHER!"

by WILLIAM J. BAXTER, M. B. A.

LAIID BARE in this new volume, is an amazing story of what the author believes to be one of the greatest mistakes ever made in our international relations.

Here is a Dynamic Program for American Recovery!

This 80,000 word booklet, profusely illustrated, tells why the Japanese have adopted more American methods than any other nation; why they are literally the "Henry Foods of Asia"; how they have met every foreign financial obligation ever undertaken; why they have become a world power in the face of the most disastrous handicaps of Nature; why Japan is far from bankruptcy; why, in fact, she is the most solvent major nation in the world today. Why England, the shrewdest of all commercial nations, extends a consistently friendly hand to Japan.

How Mass Markets in Asia—Will they go to America or Nazi Germany?

This book shows why we must prevent Nazi Germany from becoming Japan's partner in the development of Asia. It contends that America's present policy in the Far East can only lead to war and chaos. It argues the most powerful recovery move America could make in solving the problem of unemployment would be for America and Japan to get together on a sane basis—in getting a market for our oversupply of foodstuffs and cotton; for putting our iron, steel, copper, farm machinery, oil, machine tool and other industries on a prosperous basis.

Order now, through your bookseller, **\$2.00** or send your remittance direct to

INTERNATIONAL ECONOMIC RESEARCH BUREAU
76 WILLIAM STREET NEW YORK, N. Y.

Reproduction from The New York Times Book Review, advertising Baxter's book.

There is no question but that it is admirably organized. To anybody whose mind runs along totalitarian channels, Baxter's chapter headings must sound most enticing. There is, for example, one recommending the semi-slave state, phrased as follows:

Why the Japanese People Were Successful, at the Same Time Waging a Great War and Making Enormous Economic Progress

In connection with all his pro-totalitarian statements, Baxter repeatedly takes to task those whom he considers "False Liberals". He characterizes this species as follows:

But in recent years control over America's foreign relations has been exercised by a group of what might be best described, "False Liberals." First this group conducted a great propaganda campaign to the effect that Russia and her people had almost everything in common with the American people. They were both supposed to stand for real democracy and for crushing oppressors all over the world. American youth became so excited about Russian-American relations, thousands rushed to study the Russian language so as to be able to get in on the bonanza of Russian-American trade which was "just around the corner." No words need be wasted here in discussing the results of this idealistic dream.

Since Baxter recommends totalitarian methods in general, he naturally is enthusiastic about what may be called "sweatshop farming". He expatiates upon this by preaching "Complete Absence of Thrift and Waste of Natural Resources", a chapter certainly not written in a way to endear the author to the American farmer.

To illustrate to his own satisfaction "Japan's Record as an Empire Builder", Baxter speaks of "Korea Disorganized Before Japan's Control", but he fails to mention that, no matter to what extent the Japanese speeded up the industrialization of Korea, they also enslaved that unhappy country just as they enslaved Manchukuo. The author refers to Manchukuo as "An Unusual Record of Japanese Empire Management".

MAY 20, 1940

Highlights of the Broadcast

World Heads Toward Total War, Issue at Stake Is 'Capitalism'

If Belligerents Bankrupt Each Other in War of Long Duration, Victory May Go to Stalin and Marx

By FATHER COUGHLIN

(From the Broadcast of Sunday, May 12, 1940. All rights of reproduction reserved.)

THE TOTAL WAR long since predicted is evolving rapidly. Germany is engaged in it according to schedule. Great Britain is somewhat behind schedule, due to internal difficulties which, under democracy, meet more obstruction than under dictatorship.

As expected, Belgium and Holland have been invaded. Possibly, by the time these words are read, the total war will have spread to

Economist Forecasts Readjustment for England

Speaking before the Economic Club of Detroit on May 6, Mr. William J. Baxter, managing director of the International Economic Research Bureau, said:

Whereas her (Britain's) opponents went through the wringer and eliminated the debts of the last war, England entered this war with the whole debt of some \$43-billion of the last war still on her shoulders—the one major 'hotel' of Europe which did not go through receivership. What is the history of English

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After citing all these proofs of totalitarian efficiency, Baxter avers that "Japan Enjoys Lowest Cost of Empire Operation" and that "Law and Order Supposedly

Reproduction from "Social Justice", showing reprint of Coughlin's radio broadcast and quotation from Baxter's speech.

Means Higher Living Standards for a Growing Population".

In view of Japan's ability to perform such a miracle, Baxter has no difficulty in indulging in a sweeping financial white-wash of Nippon's notoriously corrupted finances. Explaining away Japan's looming bankruptcy, Baxter tries to show that Japan, from a fiscal point of view, is thoroughly healthy. At the same time, he raises the question: "Has Private Capitalization Any Limitations?" and then goes on to ask: "Are There Rules to the Game of Private Capitalism?" He arrives at conclusions which are strikingly similar to those already put into practice by Dr. Hjalmar H. G. Schacht 4). At the end of his book, Baxter claims that "Japan Fulfills Every Requirement of the Rules of Private Capitalism", conveniently and completely ignoring the fact that Nippon's economy is based on sweatshop labor raised to the 'nth degree.

As Baxter Saw Japan in 1935!

Baxter's current praise of Japan's economy is the more surprising as it denotes a complete reversal of opinion on his part. A mere five years ago, his International Economic Research Bureau prepared a survey showing that the development of the Japanese sweatshop industry was threatening to become increasingly inimical to American industry. In order to collect the necessary data, Baxter's staff assembled statistics and personal opinions. In a methodical manner, independent manufacturers and manufacturers' associations were contacted, and most of them complained bitterly about Japan's sweatshop competition. It was on the basis of this material that Baxter compiled his survey which, in effect, was as anti-Japanese as the facts warranted. He is apparently none too anxious to have it unearthed at this juncture. When NEWS LETTER wired Mr. Baxter for data on this survey, he did not avail himself of the suggestion to answer "collect", but remained significantly silent.

People who know Baxter claim him to be a man of conviction and integrity of the rationalizing type. They believe he has become so greatly impressed with "totalitarian successes" that he has now thrown in his lot with the anti-democrats at the risk of being counted among Nazi sympathizers. Because Baxter now sees the light of fruitful Japanese-American cooperation, he is consistently quoted by such men as Coughlin and Townsend. Together with them, he fosters the impression that the United States, in antagonizing Japan, is alienating a potential and valuable friend.

That this sentiment is completely in line with the propaganda carried on by so-called "American Newspapers Printed in the German Language" 5) once more is borne out by the fact that the issue of the *California Staats-Zeitung* 6) of December 20, last, spread across its front page the banner-line (illustration on page 9): "Ambassador Makes Challenging Speech at Tokyo". It is in

German Bonds markets.
In my report of December 15th of last year I replied to a question of what was the best speculation in all markets. At that time France, Holland and Belgium were intact and the popular view was that Germany had made a disastrous move in going to war. Replying to this question I stated:
"After considering this question it is my judgment that the best speculation at present is the two German Stamped dollar bond issues which are listed on the New York Stock Exchange. These two issues are the German Government 5-1/2% bonds due in 1965 and currently selling at \$8. and the German Government 7% issue due in 1948 and selling at \$10."
"Since that time these and all other German obligations have risen materially. At this time I would say that I am convinced that the large expenditures which the German Government has made in armaments in recent years have been fully justified - and that the "dividends" will more than amply repay for the amount expended. I believe German obligations of all types are still very cheap and that German bonds are a more attractive speculation even now than when I first recommended them last December.
England was the labor leader, Devlin. At the beginning of the war the popular belief was, just as in the World War
breakdown in Germany so

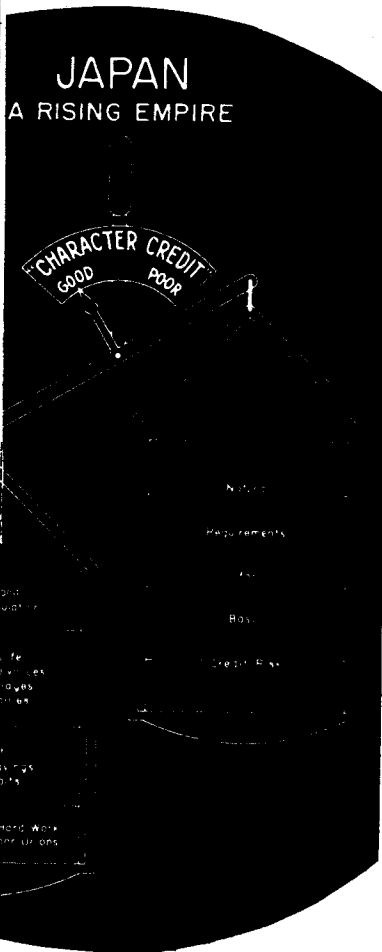
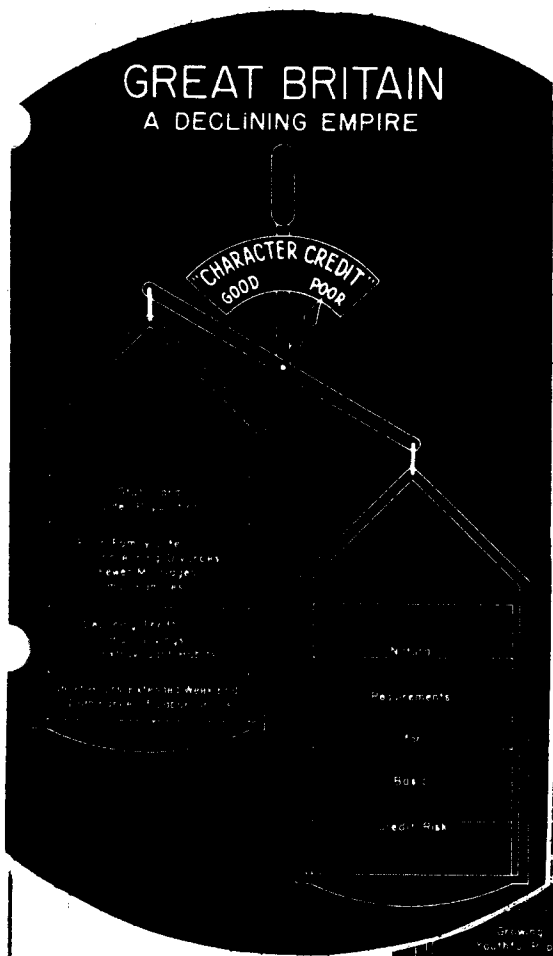
Reproduction from page 5 of Baxter's bulletin of October 18, last, advising clients to invest in German bonds. (Examination of a great number of these bulletins shows no attempt at all to advertise any other domestic or foreign-country bond!)



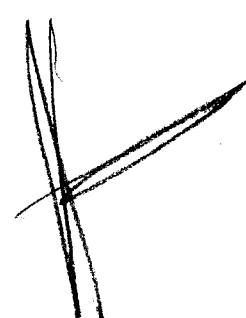
this subtly propagandistic phrasing that the caption alludes to the warning speech which United States Ambassador Joseph C. Grew made at the farewell luncheon for Admiral Kichisaburo Nomura, now en route to Washington to assume his post as ambassador to the United States.

The *California Staats-Zeitung* has been repeatedly analyzed by NEWS LETTER, especially in connection with "Transocean" 7), which was extensively used as news source by the Americagerman Los Angeles organ. Since "Transocean" has become the object of a federal grand jury investigation, the *California Staats-Zeitung* has made it a practice to omit the telltale "T.O." by-line. However, the great preponderance of its distinctly pro-Nazi cable news, regularly plastered over its front page, is unquestionably of "Transocean" origin.

Together with native-born Americans such as William J. Baxter, Herr Edward Stuetz of the *California Staats-Zeitung* is aiding and abetting ...the Japanese.



For additional information on names and facts referred to, see back issues as follows: 1)-#110; #90; #75; 2)-#109; 3)-#111; #70; #67; 4)-#68; #58; #56; 5)-#115; #111; #106; 6)-#105; #100; #50; 7)-#118; #108; #54.



Reproduction, from Baxter's book, of graph which is as self-explanatory as it is absurd.