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WAR DEPARTMENT

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War Department General Staff
Military Intelligence Service
Washington

April 8, 1942

SUMMARY OF DOMESTIC SITUATION - March 15 - April 1, 1942.

A total of 1,035 reports were examined during subject period. Summaries of the domestic situation contain no information which is not based on two or more reliable reports.

I. SUBVERSIVE ACTIVITIES.

1. Communist.

Distr:

a. "Smear" campaign.

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- 1st Army & E.T.O.
- 2nd Army
- 3rd Army
- 4th Army
- 2nd Army Corps
- C.A.'s 1-8
- W.D.C.
- P.C.D.
- P.R.D.
- H.D.
- Chief, I. Group
- Chief, A. Int.
- Chief, Info.
- Control
- O.P.D.
- Army Ground Forces
- Army Air Forces
- Services of Supply
- ✓ ONI
- FBI
- File

In an endeavor to undermine Army command prestige, the Communist press on the Pacific Coast is using the evacuation of Japanese as ammunition to disparage the activities of higher authorities. A law firm, which is counsel for Communists in Southern California, has instructed Japanese nationals to stand on constitutional rights and refuse to evacuate. Officers of the Southern California branch of the American Civil Liberties Union sent a letter to the Secretary of War challenging the right of the Federal Government to force evacuation of Japanese from military zones.

Party propaganda now focuses on a campaign to release Earl Browder and to discredit Martin Dies. The customary agitation to free the negro from alleged discrimination continues.

b. Smoke-screen.

Russian War Relief, in common with a number of other Communist-dominated organizations, is making false claim to State Department approval. The social prestige of numerous sponsors of this "front" has made it a Party fund-raiser's dream.

The German-American Conference To Get Hitler is a new "effort" supported by such well-known Party liners as Lillian Hellman.

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Reportedly connected with the underground Communist movement, the India League of America, 7 East 48th Street, New York City, is actively anti-British.

2. Nazi.

a. Espionage and fifth columnists.

Rumors persist that German agents are being landed from submarines along the Caribbean and Atlantic coasts, particularly in New Jersey, Rhode Island, New Hampshire, and Georgia. ✓

What appears to be a German submarine crew member's dark blue jacket has been found near Richmond, Virginia. The jacket, which bears a manufacturer's label printed in German, is being examined in the office of the Assistant Chief of Staff, G-2, Third Corps Area. ✓

Agents are allegedly put ashore and submarines refueled by local boats. The owner of Hotel Pierre in New York City maintains a large yacht which is stated to be contacting and supplying enemy submarines in the Gulf of Mexico. He is also president of a midwestern aircraft company, and boasts of close association with Goering, Goebbels, and Hitler. The Hotel Pierre is reported to be the residence of several Nazi and Falange operatives. In Metuchen, New Jersey, the German owner of Metuchen Inn organizes fishing parties which have been the object of suspicion. ✓

Headquarters for agents working along the waterfront are the Terminal Hotel and one of Bickford's restaurants in New York City. Both the Glass Ceiling Tavern in Union City, New Jersey, and John's Tavern in Harrison, New Jersey, have served as points of rendezvous for German couriers. ✓

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Nazi agents are reported at Upper Darby, Pennsylvania; Spring Lake, Phoenix, and Keasby, New Jersey, the latter two being near General Ceramics Company and Raritan Arsenal.

Nazi espionage agents have been instructed to secure detailed information and diagrams concerning railway block systems used in the United States. Significantly, persistent requests for such information are being received from various Latin American countries through diplomatic channels. Requests are not being granted. ✓

The German Schwab element in Philadelphia is lining up with Hungarian groups, possibly as a camouflage or to actively propagandize Hungarian-Americans.

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Cincinnati, St. Louis, and Denver are reportedly underground stations on the route being used by German aliens in an exodus from the Middle Atlantic states.

3. Japanese.

a. Psychological warfare.

Rumors are rife on the West Coast concerning simultaneous bombing of California, Hawaii, and the Panama Canal. Although dates specified as the time for attack have passed uneventfully thus far, the fifth column grapevine is effectively keeping the population perturbed.

b. Exploitation of negroes.

Increasingly influential among negroes are the Japanese-sponsored movements which use the "league of dark races" appeal and promise liberation from white domination after the war. The most influential of these organizations are the Ethiopian Pacific Movement and the Onward Movement of America. The former is stated to be connected with the Black Dragon Society of Japan. Principal organizer is Ashima Takis who has found particularly fertile ground in Harlem; Kansas City, Kansas; and East St. Louis, Illinois. Other focal points are Detroit; Chicago; Gary; Pittsburgh; Cairo, Illinois; Hampton, Virginia; Raritan, New Jersey; Washington, D. C.; and San Angelo, Texas.

4. Falange.

The Spanish Legation in Panama is attempting to secure data from Axis internees concerning alleged unjust treatment of local German nationals at the time of internment for use in a proposed German White Book.

5. Fascist.

Negative report.

6. Damage to facilities.

Investigation is being made of a fire, believed to be of incendiary origin, which destroyed two trestles on the Southern Pacific Railroad between Niland, California, and Yuma, Arizona, on March 29, 1942.

Four railroad accidents, ten incidents involving damage to sixteen Army planes, and ten incidents concerning serious damage to

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industrial facilities were reported. In no case was sabotage indicated.

In addition, one incident of malicious mischief was reported.

II. LABOR

1. Strike statistics.

Estimated figures released by the Labor Department indicate that during the month of February, 190 new strikes in all industries occurred involving 57,000 workers and the loss of 425,000 man-days of work. The time lost in February was about .08 of one per cent of the time worked as compared with .06 of one per cent in January.

The only significant labor dispute during subject period occurred on March 24 at the Fall River Spinning Association, Fall River, Massachusetts, which produces textiles for the Army. The strike, which involved approximately 15,000 members of the American Federation of Textile Operators, was settled on March 30.

One jurisdictional dispute occurred at the Aluminum Company of America plant at Mobile, Alabama, between the Aluminum Workers of America and the American Federation of Labor Building Trades, but this strike was settled on the 23rd and involved only 850 employees.

2. CIO and Civilian Defense.

Recurring reports emphasize the probable intention of the CIO to gain ultimate control of the Civilian Defense organization. Opening wedge of the drive is an attempt to secure authorization for arming members of CIO Defense Units, many of them under Communist influence, which have been formed ostensibly to guard against sabotage of defense facilities.

3. New labor union.

Numerous reports have been received indicating that John L. Lewis and Harry Bridges are beginning their organization plans for a third labor union to include the National Maritime Union, United Mine Workers, National Association of Die Casters, International Union of Mine, Mill, and Smelter Workers, painters' union, and such locals of the United Automobile Workers' Association as they can persuade to affiliate. The fact that the CIO does not have a great deal of financial backing, dependent as it is upon income from the member unions, lends credence to the possibility of the establishment of this third union. The United Automobile Workers' Union is reported to be running substantially

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in debt and is able to subsist only on the basis of loans from the United Mine Workers' Union; and recent attacks on Lewis by the United Automobile Workers' Union may cut off this source of revenue which would leave the union without much support.

The establishment of this third labor organization may eventually mean the establishment of a third political party, labor in nature, but Communist-dominated. This third union will probably be anti-Roosevelt, anti-New Deal, and, possibly, pro-appeasement in case the war goes badly for the United States.

4. Labor, Congress, and public pressure.

The past two weeks have also seen the offer to waive double time pay except for the seventh day of work by the heads of the CIO and the AF of L. This action on the part of the union leaders was followed on March 30 by action of the CIO United Electrical Radio Machine Workers, Westinghouse Local 61, to waive double time pay for Sunday and holiday work except when such work was performed on the seventh day. This agreement was probably the result of the intense pressure brought upon Congress and the Administration during the past two weeks to change the forty-hour week and overtime pay laws.

Continued pressure is being exerted upon Congress to put into effect for the duration of the war a forty-eight hour week with no overtime paid until at least forty-eight hours have been worked during the week. In view of labor concessions with respect to double time pay for Sunday, it is expected that substantial opposition to this proposal from the ranks of labor will be forthcoming. It is significant, too, that no Administration approval for the establishment of a forty-eight hour week has been obtained, indicating that labor's position is still quite strong.

For the Chief, Military Intelligence Service:

T. E. Roderick
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Colonel, General Staff,
Executive Officer, MIS.

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