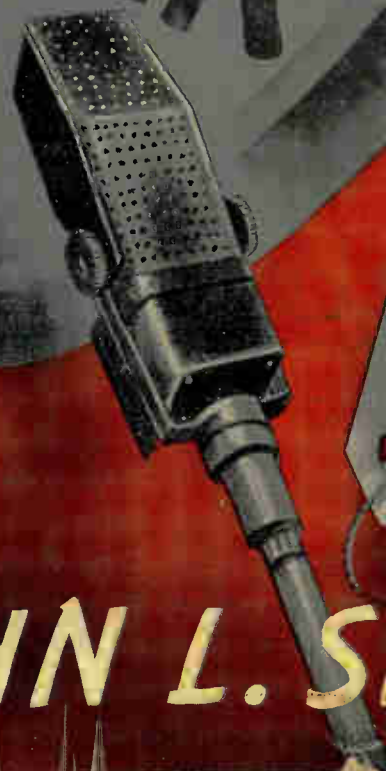


SHRINE OF THE SILVER DOLLAR



*The Documentary
Story of
Father Coughlin*

JOHN L. SPIVAK

What Prominent Catholics Say About Father Coughlin!

"Father Coughlin . . . is not authorized to speak for the Catholic Church, nor does he represent the doctrine or sentiments of the church."

—HIS EMINENCE, THE LATE GEORGE CARDINAL MUNDELEIN

"The only adequate answer is that Father Coughlin is eager, or at least willing, to promote anti-Semitism in the United States."

—RT. REV. MSGR. JOHN A. RYAN

"Whatever be his intention, Father Coughlin gives the impression that he appeals to force and in so doing he is morally in error. There is no excuse for inciting in the people the spirit of violent rebellion against conditions which do not actually exist and may never exist."

—MOST REV. JOHN T. MCNICHOLAS, ARCHBISHOP

"As a Catholic Priest I am grieved and humiliated that another Catholic Priest is in the vanguard of this Bigot Brigade . . . As a Catholic, I fear the consequences to my fellow Catholics in America from stirring up of bigotry . . ."

—REV. FATHER JAMES R. COX

"When a man presumes to address so great a number of listeners as Father Coughlin reaches, particularly if he be a priest, he assumes the responsibility of not misleading them by false statements. . . . From boyhood I was taught that a Catholic priest was under the divine injunction. . . . That includes the divine Commandment, 'Thou shalt not bear false witness against thy neighbor.'"

—ALFRED E. SMITH

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SHRINE OF THE SILVER DOLLAR

BY JOHN L. SPIVAK

ONCE more John L. Spivak lives up to his reputation as one of America's ablest reporters, this time in revealing a man, Father Charles Coughlin, whom many believe to be unworthy of the cloth he wears.

Spivak never depends on hearsay. He presents documents which tell their own story, and were it not for the documents included in this book the story itself would be unbelievable. As it stands, the volume is probably the most severe condemnation made of a public figure in our time. Father Coughlin addresses a vast audience over the air, through the press and in publications which he owns or controls. Spivak charges him with almost every practice of which the American public would disapprove and proceeds to lay the proof of his charges before this public. The nature and extent of Spivak's indictment make it inevitable that the agitation surrounding the radio priest will be brought to a head and official action of some sort taken.

MODERN AGE BOOKS

432 Fourth Avenue

NEW YORK CITY

SHRINE OF THE
SILVER DOLLAR

BY JOHN L. SPIVAK

1940
NEW YORK
MODERN AGE BOOKS

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**SHRINE OF THE
SILVER DOLLAR**

ALSO BY JOHN L. SPIVAK

Georgia Nigger

The Devil's Brigade

America Faces the Barricades

Europe Under the Terror

Honorable Spy

Secret Armies

TO
JACQUELINE AND ALAN

PREFACE

THIS VOLUME deals with some of the activities of the Reverend Charles E. Coughlin, the radio priest of Royal Oak, Michigan, of which even the Roman Catholic church knows little. When I showed some of the documents reproduced here to his ecclesiastical superiors in the Archdiocese of Detroit, they were startled and profoundly shocked.

Father Coughlin's activities fall into two distinct categories. There is the mysterious and possibly sinister one which includes dissemination of propaganda emanating from Germany, secret meetings with Nazi agents and propagandists and the establishment of a trained body of his followers drilled in military maneuvers and modeled on Hitler's storm troopers. His other type of operation is financial, involving the collection of several millions of dollars from the public to "save America" and "save

Christianity." No one but himself and a handful of underpaid clerks and stenographers in his employ ever sees the books or knows how much was taken in and what was done with the money. As I show in this volume, some of that money contributed to "save America and Christianity" was used to buy blocks of real estate and to speculate on the stock market. Certain aspects of Coughlin's business practices raise the question of using the United States mails to defraud: for example, he collected a large sum from the public with assurances that it was for a "non-political organization" and then used some of that money to build a political organization. Other ventures smack of common racketeering. The material I have gathered points to only one conclusion. Father Coughlin has apparently turned a place of worship, the Shrine of the Little Flower, into a Shrine of the Silver Dollar.

Back in 1933 a woman named Ruth Mugglebee published an adoring biography of the Reverend Charles E. Coughlin, entitled *Father Coughlin, the Radio Priest* (Garden City Publishing Co.). She tells of the many "wonderful interviews" she had with the priest, and during one of them she quotes him (page 127) as saying to her:

Do you know how I would live if I renounced religion and was illogical enough to disbelieve in a life beyond

—in the real life? Why, if I threw away and denounced my faith, I would surround myself with the most adroit hijackers, learn every trick of the highest banking and stock manipulations, avail myself of the laws under which to hide my own crimes, create a smokescreen to throw into the eyes of men, and—believe me, I would become the world's champion crook.

I have no way of knowing whether, deep in his soul, the Reverend Charles E. Coughlin has renounced his religion but, after digging around his various corporations with their incomes of several millions of dollars, I have concluded that he has certainly learned a trick or two of the "highest banking and stock manipulations." As for a smokescreen, he has spouted forth several of them, and each has covered some maneuver to bring in the money.

Coughlin's shrewdest trick is as old as Wall Street. One by one he has set up a series of enterprises and tied them together with a string of dummy directors. One of these corporations, he admits, is profit-making; others exist as non-profit institutions. One "charitable" corporation serves merely as a stockholding company for the profit-making corporation. All of them together accomplish several purposes not usually associated with the cloth: They enable Coughlin to tell his church to keep hands off; they offer ways of trying to avoid taxation; they

provide the priest with huge sums of money which he can and does use as he pleases.

In the past, when Father Coughlin was criticized even by high dignitaries of his church, he lashed out furiously at them. At other times he tried to construe criticism directed at him as an attack upon the Church, Catholicism and Christianity. Because of this I should like to make it clear that this study should in no way be considered a criticism of the Catholic church or its millions of followers. It concerns itself only with a man who is exercising a great influence upon this country and its people. That he wears a priest's robes does not exempt him and his acts from the same scrutiny to which any citizen playing a part in the political life of the country is subject.

Our people have been swayed before by those in whom they believed, but when they learned the facts they knew how to handle their problem. The material and documents in this book are offered in the hope that they will aid the reader to form a clearer picture of the man who seeks their following.

J. L. S.

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THE RACKET AND THE
“TRUE CROSS”

DETROIT SPRAWLS over a vast area, with the towns and villages on its outskirts almost a part of the industrial center. The stranger finds it difficult to tell where Detroit ends and a suburb begins. So it is with Royal Oak, where the Reverend Charles E. Coughlin holds forth from the Shrine of the Little Flower, twelve miles from the heart of Detroit, on what it known as 12 Mile Road and Woodward Avenue.

Scattered homes and roadside stands line the wide and well-built highway which runs by the Shrine. As you approach Woodward Avenue by bus or car you suddenly come upon the high, imposing tower of the Shrine to which thousands every year make their pilgrimages. A steady stream of cars is always parking in front of the Shrine to discharge pas-

sengers who enter the church on tiptoe, speaking in hushed voices. The auto licenses show that the visitors come from all parts of the country, with Michigan and its bordering states predominating.

The Shrine itself was built with an eye to attracting attention. Powerful lights, arranged with the skill of a Broadway advertiser, play at night upon the marble and granite tower, with its enormous relief of Christ crucified and the single word carved at his feet: Charity. The stone blocks, of which the church is built, are carved with inscriptions, some Biblical and some just good slogans.

Both the Shrine and the tower, rising out of a picture-book setting of green lawn, flowers, and trees, are good examples of church architecture. The latter, with its figure of Christ, is very impressive. The agonized face looks down upon the highway with its teeming traffic, on the Broadwayish lights and across the street to the church-controlled grounds where a huge sign "Shrine Super-Service" marks the gasoline station run as a little side venture. "Visitors Welcome," "Shrine Inn," "Hot Dogs," face the figure on the cross. After a glance at the Shrine school-building close by, you leave the "Hot Dogs" and the pepped up "Shrine Super-Service," cross the street and walk up the path to the heavy, massive doors of the church only to be

confronted with a sign stuck in the lawn: "Souvenirs." A finger points to a building where the Reverend Charles E. Coughlin sells mementos ranging from his own picture to anti-Semitic books and newspapers. You breathe a sigh of relief once you pass through the church doors. Sandwiches and souvenirs have been left behind. You recall something about money-changers—and as the heavy doors close silently, you stare at another sign with its finger pointing toward the chapel: "Souvenirs." It's just another shop within the church itself where, in the shadow of the altar, the Reverend Charles E. Coughlin sells crucifixes, the Bible, picture post-cards of himself, the same anti-Semitic books and the *Brooklyn Tablet*, a publication which is also carrying on an anti-Semitic campaign.

Through the open door of this shop you see the chapel. To the left is the patron saint of the Shrine; close by stands a desk with a sign: "Enroll here for the Radio League of the Little Flower."

Underneath the shop and the chapel are the offices out of which the various Coughlin corporations solicit funds from the public—funds which have never been audited by the Church upon whose property Coughlin's organizations operate. Here is the headquarters of *Social Justice* magazine which, as I shall show, is not an organ of the Church but a

privately owned publishing venture. Here the radio priest himself briskly directs his thriving money-raising outfits.

This church, with its shop, its Radio League and busy offices, was built by a man whose life began in an ordinary enough way. Born in 1891 of a middle-class, hard-working family in Hamilton, Canada, Coughlin appears, from the available biographical material, to have led the normal existence of one who prepares for the priesthood. Before he was ordained in 1916, he went through the usual courses at the University of Toronto. In 1926 he was assigned to the parish which has become famous as the Shrine of the Little Flower. Here, in the little wooden church, the ruddy-faced priest practiced his oratory, speaking with a pronounced Canadian accent and peering shrewdly at his parishioners through glasses.

But in a short time Coughlin was to experience the devastating effects of hate. The Ku Klux Klan, even more bitter toward Catholics than toward Jews or Negroes, had been very active around Royal Oak, and Klansmen proceeded to burn Coughlin's church to the ground. Disturbed and seeking a way to rebuild the church, the priest consulted a friend of his, Leo Fitzpatrick, who is at present head of WJR, the radio station in Detroit, and one of Coughlin's

followers. It was through Fitzpatrick that the Reverend Charles E. Coughlin began to preach sermons over the air and ask for money to finance a new building. No one, of course, knows just what Coughlin's thoughts were when he first began to plead for funds. But shortly thereafter, as I shall show later on, he started to use the money so collected for gambling on the stock market.

I couldn't help thinking of his background when I entered the souvenir shop, and how the years had brought profound changes to the man who began his career in Royal Oak by suffering from the Klan's hatred for Catholicism. I had some letters that showed how Coughlin had worked his religion as a "come-on," as it is called in the advertising world—letters revealing a promotion scheme in which Coughlin used a "relic of the True Cross" to attract subscribers for his privately owned *Social Justice* magazine. Compared with some of his other activities this was trifling. It interested me only because it showed how he had turned the deepest tenets of his faith into a commercial boost for his private business venture.

Coughlin bought wholesale lots of little chrome-plated crosses stamped with "Radio League of the Little Flower," and then distributed them free in letters designed to get circulation for the magazine.

REV. CHAS. E. COUGHLIN
ROYAL OAK, MICHIGAN

April, 1939

My dear Friends:

With this letter it is my privilege to send you a souvenir crucifix. As I announced over the air, it has touched a relic of the True Cross.

Unquestionably you are one of the Christian Americans who recognizes that we are face to face in a fight with anti-Christ. Christ's divinity is denied. His social order is rejected. His doctrine of brotherhood is flouted. His charity is virtually scorned. Anti-Christ is riding high, wide and handsome.

Meanwhile, the Jews of America have not officially condemned Communism. Meanwhile, the government of America is fostering relations with Communistic states. And meanwhile, the people of America are suffering from the rule of those who are opposed to our Christ.

It is very well to quote the Scripture and say, "Father, forgive them, for they know not what they do." But it is just as appropriate to remember that our battling is not against flesh and blood but against powers and principalities and rulers dwelling in high places.

Let's be militant and fight these people to the bitter end, cost what it may. Our Christ Who was crucified was no weakling when He drove the money changers from the temple by physical force. The day has come when we must stand up and fight for all that we hold dear.

Please carry this crucifix in your purse or in your pocket. It is the symbol of our mutual union.

Promising to remember you in our prayers at the Shrine, and thanking you for your cooperation and assistance, may I remain

Devotedly yours in Christ,

CEC:EM

Charles E. Coughlin

P.S. Will you please do me a personal favor and secure one more subscription for SOCIAL JUSTICE MAGAZINE this week or next? It expresses the suppressed truth. The enclosed card is for your convenience. God bless you!

P.P.S. If some friend wants a crucifix, let me know.

C. E. C.

Coughlin uses the crucifix and a "relic of the True Cross" as a means of boosting circulation for the privately owned *Social Justice* magazine. Where it "touched the True Cross" is a mystery, but it got subscriptions.

The recipient was told that this gift cross had touched a "relic of the True Cross." And then in a postscript, as if the priest had just thought of it, he wrote:

"Will you please do me a personal favor and secure one more subscription to *Social Justice* magazine this week or next. It expresses the suppressed truth. The enclosed card is for your convenience. God bless you!"

Below that: "P.P.S. If some friend wants a crucifix let me know. C.E.C."

I asked the hostess in the church souvenir shop if I could have a crucifix that had touched a relic of the True Cross.

"I'm so sorry," she said with an apologetic smile, "but we're all out. There has been such a demand for them. We wired three times for additional supplies, and we've already sent out thousands—oh, thousands and thousands of them. But you know it takes a little time to manufacture and stamp them. I'm expecting a new batch this week and I'll send you one."

"Perhaps I could get one back East," I said anxiously.

"Oh," she shook her head in disapproval, "I suppose so, but it wouldn't be blessed. Father gets them, blesses the whole lot, and then we ship them out."

"They come here direct from the manufacturer?"

"Oh yes," she answered and added impressively, "We have already ordered three times, each time in larger shipments."

There is no relic of the True Cross at the Shrine of the Little Flower. The wholesale manufacturer hasn't got a relic of the True Cross. The railroads carrying the shipments haven't got a relic of the True Cross. Just where, in the course of the manufacture, shipment, and distribution of these little advertising crosses they touched a relic of the True Cross is a mystery. The whole thing, I concluded, was a circulation raising scheme. However, I was a bit curious about one angle. I wondered where the Reverend Charles E. Coughlin got the authority to say that the advertising crosses had definitely touched the relic of the True Cross, and I decided I'd ask at the Archdiocese of Detroit. There were several questions I wanted to ask the priest's ecclesiastical superiors, anyway, questions as to whether they knew of his strange financial manipulations, whether he applied any of the money collected to church work and whether the Archdiocese received detailed accountings of what happened to the money.

I called upon the Reverend Edward J. Hickey, Chancellor of the Archdiocese of Detroit. When I

told him what I wanted to know, his first reaction was to excuse himself. I explained that, since apparently many of the priest's activities were exceedingly sharp practice and some even appeared to be illegal, the Church's refusal to explain its knowledge or lack of knowledge of these acts might be misconstrued as approval.

The Chancellor thought it over and finally said, "Just what is it you wish to ask?"

"There's a minor question I'd like to ask first. Are there any relics of the True Cross in the United States?"

"Those claiming to be relics of the True Cross can be numbered in the hundreds," he smiled, apparently surprised at the question. "If a person is willing to believe and finds solace in that belief, it is one thing. I am not saying there is no True Cross relic in the country."

"Could a Catholic priest give people definite assurances that something is a relic of the True Cross?"

"Only if he had documents which stand the test of the closest examination and have been approved by the Archbishop; otherwise he can use such a relic only for personal veneration."

"Could a priest of the Catholic church tell people that something has touched a relic of the True Cross

and use that flat statement for commercial advertising purposes?"

He dropped his eyes for a moment. I had a feeling that he knew about the circulation scheme.

"I don't think that question is considered in canon law," he said cautiously. "I don't believe it was ever thought of as a question for canon law."

"I see. Could you tell me what control the Church has over Father Coughlin's finances?"

"The pastor controls the finances of his parish. He sends in an annual report which states what his church property is—its income and disbursements. It is all itemized."

"Do you ever audit his books?"

"We don't audit the books of any church in the whole diocese."

"Then you have no way of knowing if his reports are accurate?"

"The Archbishop has authority to supervise the finances and make regulations regarding the finances of a pastor's church, but only of church property and monies. If he has a Radio League of the Little Flower or a *Social Justice* magazine, that is not under my supervision."

"What about the monies taken in by the Radio League and the magazine?"

"They are not included in the reports and are not under my supervision."

"Has any money from the Radio League or *Social Justice* magazine gone to his church?"

The Chancellor thought this over carefully. "I don't think he could have built the buildings and the school just with contributions made during his sermons," he said slowly. "He must have taken some of the money for his parish and church activities."

"Does the Church exercise any control over the non-profit-making corporations organized by her priests?"

"The only ones I'm familiar with are those like orphanages, of which, very often, the Archbishop is president—"

"I mean non-profit-making corporations which get control of profit-making corporations, as in the case of the Social Justice Poor Society——"

"The what?" said the Chancellor.

"The Social Justice Poor Society."

"I never heard of that one," he smiled.

"He organized it ostensibly to aid the poor. Actually its sole function has been to serve as a holding company for *Social Justice* magazine stock. On the other hand, the Radio League of the Little Flower is actively collecting money from the public with assurances that it is a non-political organization.

Some of this Radio League money, and parish money entrusted to his care, was loaned to a political organization he set up and controlled. So far as his parish money is concerned, I understand that he acts simply as treasurer or trustee for the church. It is also my understanding that when the treasurer of a company holds a firm's money in the firm's name, but can write a check for it, and then loans the firm's money without the firm's authorization, it's called larceny. What I want to know is: Did the Church authorize the loaning of parish money to a political organization?"

The Chancellor seemed startled. "He is supposed to keep parish funds in the name of the parish and it's supposed to be separate from his personal account," he said definitely.

"In relation to the Church and the state—what is the Church's attitude when money is raised by a priest for church activities and that money is then used to build a political organization?"

"I don't believe the use of parish funds for such a purpose is permitted under canon law."

"What control has the Church over Father Coughlin?"

"I can only say what the Archbishop said: Permission to speak or print does not necessarily mean approval."

"If what a priest says is proved to be false, and after evidence of its falsity is placed before him he deliberately repeats these false assertions, what can the Church do?"

"If it affects our morals or doctrine, it's the duty of the Church to take it up. If it is politics, economics and social conditions, then it does not come within the scope of the Church."

"If it is proved that a priest has violated state and federal laws?"

The Chancellor looked worried and sat thoughtful for a long time. "That's a vague question," he said finally. "If it's a law like speeding, the Church does nothing, but if it's a serious violation which might degrade a person, he would not be allowed to practice the sacred duties of a priest."

"What is the Church's attitude toward its priests' gambling on the stock market?"

"The Church cannot condone the use of church funds for gambling."

"Suppose money was raised ostensibly for church purposes and that money used for stock market gambling—"

"Wouldn't it be better if you left me out of this?" he interrupted gently.

"But I must quote a church authority," I explained. "I can't just say 'The Church said' or some-

thing equally vague. These questions concern a priest of the Catholic church who is wielding great influence in this country. Most people with whom I talk think he is speaking and acting for the Church. I've got to have someone in high authority whom I can quote directly."

The perturbed look on his face deepened. "But wasn't that money in the hands of a secretary and raised by the League of the Little Flower?" he asked.

"Yes. That's correct."

"Then it wasn't parish funds——"

"The League of the Little Flower was incorporated to raise money for the specific purpose of maintaining his church and to build a new one."

"Oh," he said. "I didn't know that. I didn't know anything about that."



A PRIVATE BUSINESS IN THE SHRINE

SINCE THE Archdiocese did not get any kind of accounting of the money collected and what was done with it, there was no use asking the Chancellor for light on the whole huge system of corporations Coughlin has built up. The two biggest Coughlin holdings are the Social Justice Publishing Company, which issues the weekly magazine, and the Radio League of the Little Flower. Each of these corporations requires detailed explanation to show how it is operated. In this chapter I shall touch only on the basic plan for their incorporation and control and on the way in which money collected for one purpose was used for another.

Social Justice at the time of writing has an enormous circulation, hovering around one million copies, with the priest plugging it over the air and by

mail. Few subscribers realize, however, that it is not an official organ of the Catholic church but is a privately owned publication. As a private institution it exercises certain privileges that the casual reader might not expect in a so-called religious paper. The best way to show how remote the magazine is from the Church, how indifferent it is to presenting the truth, how it has tried to evade taxation, is to quote from some letters. The first two concern Coughlin's relationship with his ecclesiastical superiors.

Acting on papal instructions, Archbishop Mooney of Detroit once tried to suggest that *Social Justice* ought to publish the truth in its pages. He was told to go roll a hoop—the magazine was a private business venture and not subject to direction by the Archbishop or anyone else. The occasion for this slap was an article in the issue of the magazine for October 18, 1937. This piece, entitled "Why Father Coughlin Determined to Cancel Broadcast Contracts," was deliberately written to mislead its huge reading public. That same day, immediately upon reading it, John M. Doyle, who preceded Edward J. Hickey as Chancellor of the Archdiocese of Detroit, wrote to E. Perrin Schwartz, editor of the magazine, urging that an accurate picture be presented because it was the Archbishop's job to see

that Catholic readers are not misled. Let me quote from the Chancellor's letter:

The action of the Archbishop is taken with a view to supplying the correct influence of full information and thus safeguarding your Catholic readers against misleading and disturbing inferences which the Archbishop fears they might, without such full information, draw from your article. The Archbishop's directions in this matter are given in accordance with papal instructions regarding the supervision which an Ordinary must exercise over publications edited by Catholics within his diocese.

Because of these papal instructions, the letter states, "Archbishop Mooney urges me to direct you to publish in your next issue the exact text of the published statements of Father Coughlin and Archbishop Mooney touching matters referred to in your article."

Obviously all that the Archbishop wanted was to get the real facts before *Social Justice* readers.

Father Coughlin and his editor promptly rushed to Prewitt Semmes, Father Coughlin's personal attorney, who has offices in the Penobscot Building, Detroit. The lawyer replied rather bluntly:

As attorney for Social Justice Publishing Co., I have been directed by the officers of that corporation to reply to this letter.

I beg to inform you that the publication *Social Justice* is now and has always been published by Social Justice Publishing Co., a corporation chartered under the laws of the state of Michigan Feb. 13, 1936. It is not and never has been a Catholic publication. The corporation has among its employees Catholics resident within the Archdiocese of Detroit, of whom Mr. Schwartz is one, but these employees are not the publishers of *Social Justice*.

I am directed to inform you, and through you, His Excellency, the Archbishop of Detroit, that while the columns of *Social Justice* are open at all times for any contributions which the officers of the corporation feel will be of interest to its readers, the corporation will continue to edit and publish *Social Justice* without supervision of anyone except its own officers.

So much for *Social Justice's* attitude toward papal instructions.

In his letter to the Chancellor, Coughlin's lawyer failed to explain two important points: who owned Social Justice Publishing Company, which in turn controlled *Social Justice* magazine, and who were the officers in charge of editing the magazine "without supervision." The answer to the first can be found in a letter dated March 5, 1937, from Amy Collins, the treasurer of Social Justice Publishing Company, to the Michigan Unemployment Compensation Commission. In this she asked that the

company be granted tax exemption because it was owned by a non-profit-making corporation named the Radio League of the Little Flower.

Let me quote the letter:

Pursuant the terms of the Unemployment Compensation Act, this corporation claims exemption from the taxing provisions thereof, upon its operations covering its initial period ending December 31, 1936, as well as subsequent periods.

The stock of this corporation is wholly owned by the Radio League of the Little Flower, a Michigan non-profit corporation; the income neither inures to the benefit of any individual or individuals, directly or indirectly; and its operations do not constitute such as are specifically excepted from such exemption under the provisions of said act.

For the aforesaid reasons, among others, this corporation claims it should be accorded a non-taxable status and now seeks such a ruling by your office.

Social Justice had been making the payments as required by the Unemployment Compensation Act, but once the exemption requested in this letter was granted, the publishing company would get a refund automatically. And, of course, its employees would be left without benefit of unemployment insurance.

If we go back now a little further in the history of the publishing company, it appears that its stock

Social Justice Publishing Co., Inc.

Box 180
ROYAL OAK, MICH.

REV. CHAS. E. COUGHLIN
Editor and Publisher

March 5, 1937

Michigan Unemployment Compensation Commission
Fox Building,
Detroit, Michigan

Sirs:

Pursuant the terms of the Unemployment Compensation Act, this Corporation claims exemption from the taxing provisions thereof, upon its operations covering its initial period ending December 31, 1936, as well as subsequent periods.

The stock of this Corporation is wholly owned by the Radio League of the Little Flower, a Michigan non-profit corporation; the income of neither inures to the benefit of any individual or individuals, directly or indirectly; and its operations do not constitute such as are specifically excepted from such exemption under the provisions of said Act.

For the aforesaid reasons among others, this Corporation claims it should be accorded a nontaxable status and now seeks such a ruling by your office.

Respectfully,

SOCIAL JUSTICE PUBLISHING CO., INC.

Amy Collins
Treasurer

Although *Social Justice* is incorporated as a privately owned, profit-making business, Amy Collins claims tax exemption for it on the grounds that the magazine is owned by the Radio League of the Little Flower, a "non-profit"-making corporation.

was not always "wholly owned by the Radio League of the Little Flower." On February 13, 1936, Charles E. Coughlin incorporated a venture which he called Social Justice Publishing Company. The corporation was recorded as one organized "for pecuniary profit" whose essential business would be publishing. The corporation, which means Charles E. Coughlin, authorized the issuance of five hundred shares of stock of no par value and fixed the price for sale at \$100 a share.

In the state of Michigan you can't start a corporation for profit with less than \$1,000, so Charles E. Coughlin took ten shares of this stock which he said was worth \$100 a share and thus had the \$1,000 necessary to go into business. He was the one and only stockholder in the concern. The address of the incorporator was given as 12 Mile Road and Woodward Avenue, Royal Oak, which is the same address as the Shrine of the Little Flower.

Corporations usually have a board of directors. In this instance, since Charles E. Coughlin was the sole stockholder, he called a meeting with himself and elected three members to a Board of Directors. Those three, all of Royal Oak, were Charles E. Coughlin, Eugenia Burke and Amy Collins. Both Eugenia and Amy were and are Father Coughlin's secretaries.

The amount of paid in capital with which this corporation will begin business is \$ 1,000.00 .
(This must not be less than \$1,000.00)

ARTICLE V.

The names and places of residence or business of the incorporators and the number and class of shares subscribed for by each are as follows:

Name	Residence or Business Address	Number of Shares		
		Common	Preferred	Non-Par
Charles E. Coughlin	12 Mile Road & Woodward Avenue, Royal Oak, Michigan	XXX	XXX	10 shs

ARTICLE VI.

The names and addresses of the First Board of Directors are as follows:

Name	Address
Charles E. Coughlin	12 Mile Road & Woodward Ave., Royal Oak, Mich.
Eugenie Burke	12 Mile Road & Woodward Ave., Royal Oak, Mich.
Ray Collins	12 Mile Road & Woodward Ave., Royal Oak, Mich.

ARTICLE VII.

The term of this corporation is fixed at thirty years.

ARTICLE VIII.

(Here insert any desired additional provisions authorized by the Act.)

The Board of Directors shall have power to mortgage and convey the assets of the corporation.

The big private publishing concern that gets out *Social Justice* magazine was launched with Coughlin as sole incorporator and stockholder. Its Board of Directors—Coughlin and two employees.

I might add that it is quite customary for the big business boys, who know the "highest tricks of banking and stock manipulation," to use what are technically known as "dummies" for officers and directors. We shall come across these two girls repeatedly in subsequent chapters dealing with the strange financial manipulations engineered by Father Coughlin. Here I should mention that Amy Collins, also known sometimes as Amy Pigeon, is the same girl who held 500,000 ounces of silver for Father Coughlin when he was orating "for the poor unemployed" but actually was trying to raise the price of silver which he had bought on a 10 per cent margin in the market he was publicly denouncing. Every time Silver Charlie orated and the price of silver went up one cent, he made \$5,000. The scheme worked perfectly until the Treasury Department let the cat out of the bag by publishing the names of the large silver-holders.

Another of the tricks a big business man uses when he wants to control a corporation, on which he has rigged a set of dummy officers and directors, is to get the signed but undated resignations of the dummies in his pocket—just in case. Then if a dummy starts to make any trouble the big fellow just dates the resignation and the officer or board member is out in the cold. Whether the Reverend

(Non-Profit Corporations)
ARTICLES OF ASSOCIATION
OF THE

The Radio League of the Little Flower

We, the undersigned, desiring to become incorporated under the provisions of Act No. 84, of the Public Acts of Michigan for 1921, providing for the "organization, regulation and classification of domestic corporations," etc., do hereby make, execute and adopt the following articles of association, to wit:

ARTICLE I.

The name or title by which said corporation is to be known in law is,

The Radio League of the Little Flower

ARTICLE II.

This corporation shall proceed under section **2** Chapter 1, Part 1, of the above named act

ARTICLE III.

The purpose or purposes for which it is formed are as follows: To broadcast and to obtain funds from those persons who voluntarily wish to assist in defraying the expenses entailed in radio broadcasting and in publishing, mailing the various pamphlets, sermons, prayer books, magazines and other printed matter, also religious articles, requested by those interested, either directly or indirectly in the said Radio League of the Little Flower. To enter into such contracts as may be necessary to carry on the purpose or purposes of this corporation, and to donate such sum or sums of monies to the Shrine of the Little Flower parish as may be necessary to help carry on its functions as such and to donate such sum or sums of monies to charity as the corporation may deem necessary

ARTICLE IV.

The principal office or place of business shall be at **Woodward Avenue and Twelve Mile Road,**
Royal Oak in the county of **Oakland**

ARTICLE V.

The total authorized capital is **None** dollars.
The number of shares of common stock is **None** of the par
value of **None** dollars each.

(a) The amount of assets which said corporation possesses is:

Real property:

None

Personal property:

Office Equipment
\$3750.00

The specific purposes for which the Radio League of the Little Flower is permitted to collect money do not include using collections to finance loans to a political organization.

(b) Said corporation is to be financed under the following general plan:

The corporation will broadcast sermons and services by radio, and accept voluntary donations therefor from any person or persons inclined to give. It will also publish periodicals and literature to which, for an annual fee, any person may subscribe.

Under the provisions of the above named act said corporation does not intend to issue shares of stock, said shares to be in denomination of no more than

ARTICLE VI.

The term of existence of this proposed corporation is fixed at thirty years from the date of these articles.

ARTICLE VII.

The Incorporating members of the association are as follows:

NAMES	RESIDENCE ADDRESSES.
Rev. Charles E. Coughlin,	Woodward and 12 Mile Rd., Oakland County
Eugenia B. Burke,	331 Dewey Avenue, Royal Oak, Michigan
Amy Collins,	1705 Fairlawn, Royal Oak, Michigan.

The names and addresses of the officers, trustees or directors (or attorney-in fact) for the first year are as follows:

NAMES	OFFICE	ADDRESSES
Rev. Charles E. Coughlin,	President,	Woodward and 12 Mile Rd. Royal Oak
Eugenia B. Burke,	Vice President,	331 Dewey Avenue, Royal Oak, Mich
Amy Collins,	Secy-Treasurer,	1705 Fairlawn, Royal Oak, Mich

Officers and incorporators of the Radio League of the Little Flower, one of Coughlin's big money raising organizations, are the priest and two employees.

ARTICLE IX.

(a) The qualifications required of officers and members are as follows:

Officers shall be chosen by the original organizers, or their successors in office.

ARTICLE X.

Any other statement required by law or desired by the incorporators to be included in the articles

In Witness whereof, We, the parties designated, as provided by law, associating
shown under Article VII of these articles, for the purpose of giving legal effect to these articles,

hereunto sign our names this 9th day of August A. D., 1930
Calvin Coughlin - President
Eugenia B. Burke - Vice President
Amy Collins - Secy. Treasurer

STATE OF MICHIGAN,

County of Oakland

On this 9th day of August A. D., 1930

before me, a Notary Public in and for said County
personally appeared Rev. Charles E. Coughlin, Eugenia B. Burke and
Amy Collins

known to me to be the persons named in, and who executed the foregoing instrument, and severally
acknowledged that they executed the same freely and for the intents and purposes therein mentioned.

My commission expires Aug. 2 1933

Coughlin makes sure that no outsider can have anything to say about the Radio League, the corporation receiving the largest sums from the public, by providing that officers of the corporation "shall be chosen by the original organizers or their successors in office."

Charles E. Coughlin has these resignations I don't know, but from the way he has learned the tricks I don't imagine he is taking a chance on his secretaries' putting one over on him with some unexpected majority ruling.

These three—the priest and his two secretaries—still constituted the board of directors of Social Justice Publishing Company in 1937, when the Archbishop of Detroit was told to go away and not bother them. The same trio were also the officers of the corporation: the Reverend Charles E. Coughlin, president; Eugenia B. Burke, vice president and secretary; “Half-Million-Ounces-of-Silver” Amy, treasurer.

But by this time, according to Amy Collins, Father Coughlin was no longer owner of the company on whose board of directors he sat. As Amy wrote to the Unemployment Commission, the stock of Social Justice Publishing Company now belonged to the Radio League of the Little Flower, making it the owner of *Social Justice* magazine in 1937 when the Archbishop was ticked off. And the officers of the Radio League were: president, the Reverend Charles E. Coughlin; vice president, Eugenia B. Burke; secretary-treasurer, Amy Collins. Its directors were: the Reverend Charles E. Coughlin, Eugenia B. Burke, Amy Collins.

This corporation, whose take from the public has been around one million dollars, was beautifully tied up, so that no outsider could possibly get a finger in the pie. Article IX of the Articles of Association of the Radio League provides specifically: "Officers shall be chosen by the original organizers or their successors in office."

The corporation operates under a specific grant which was clearly stated when it was incorporated. I shall quote it in full because, unless I am very much mistaken, there's a little question involved of using the United States mails to defraud, and that's a serious business.

The purposes for which the Radio League was incorporated and collects the money follow:

To broadcast and to obtain funds from those persons who voluntarily wish to assist in defraying the expenses entailed in radio broadcasting and in publishing, mailing the various pamphlets, sermons, prayer books, magazines, and other printed matter, also religious articles requested by those interested, either directly or indirectly, in the said Radio League of the Little Flower. To enter into such contracts as may be necessary to carry on the purpose or purposes of this corporation, and to donate such sum or sums of monies to the Shrine of the Little Flower Parish as may be necessary to help carry on its functions as such and to donate such sum

(Non-Profit)

ARTICLES OF INCORPORATION

OF

NATIONAL UNION FOR SOCIAL JUSTICE

These Articles of Incorporation are signed and acknowledged by the incorporators for the purpose of forming a non-profit corporation under the provisions of Act No. 327 of the Public Acts of 1931, known as the Michigan General Corporation Act, as follows:

ARTICLE I.

The name of this corporation is **NATIONAL UNION FOR SOCIAL JUSTICE** *l2*

ARTICLE II

The purpose or purposes of this corporation are as follows:

- To extend the knowledge of American principles and ideals and to reduce these principles and ideals to practice;
- To uphold and defend the right of private ownership of property within the United States but always subordinate to the inalienable supremacy of human rights;
- To protect the masses of the people within the United States against the greed and domination of and exploitation by powerful vested interests;
- To promote the common welfare by securing for all of the people within the United States, irrespective of race, creed or station in life, genuine application of the principles of social justice;
- To do any and all lawful things in furtherance of the above objects and purposes.

ARTICLE III.

The location of the corporation is **Royal Oak**,
in the County of **Oakland**, State of **Michigan**, Post Office
Address of registered office in Michigan is **Twelve Mile Road and Woodward Avenue**,
Royal Oak, Michigan.

The National Union for Social Justice incorporates. The address of this political organization is that of the Shrine of the Little Flower, a church exempt from taxation because it doesn't mix in affairs of state.

ARTICLE VI.

The names and addresses of the first board of directors (or trustees) are as follows

NAME	ADDRESS
Charles E. Coughlin,	12 Mile Rd. & Woodward Ave., Royal Oak, Mich.
Marie Rhodes,	12 Mile Rd. & Woodward Ave., Royal Oak, Mich.
Dorothy Rhodes,	12 Mile Rd. & Woodward Ave., Royal Oak, Mich.

ARTICLE VII

The term of this corporation is fixed at _____ years.

ARTICLE VIII

(Here insert any desired additional provisions authorized by the Act).

The Board of Trustees shall have power to make, alter, amend and repeal the By-Laws of the corporation.

IN WITNESS WHEREOF the incorporators have signed the certificate of Incorporation this 11th day of December, A. D. 1934

1 Charles E. Coughlin
 1 Marie Rhodes
 1 Dorothy Rhodes

STATE OF MICHIGAN }
 COUNTY OF Oakland }

On this 11th day of December, A. D. 1934, before me a Notary Public in and for said County, personally appeared Charles E. Coughlin, Marie Rhodes and Dorothy Rhodes

to me known to be the persons named in and who executed the foregoing instrument, and severally acknowledged that they executed the same freely and for the intents and purposes therein mentioned.

Filed - Dec. 12, 1934. Eugene B. Bueh
 Notary Public
 Oakland County, Michigan.
 My commission expires March 23rd, 1935.

The National Union for Social Justice is founded in typical Coughlin style: The priest himself and two employees are incorporators and the same trio constitute the Board of Directors. Coughlin sewed up the by-laws to keep in his own hands control of this organization which collected almost a million dollars from the public. It was through this tightly controlled corporation that he tried to put his own man in the White House as President of the United States.

or sums of monies to charity as the corporation may deem necessary.

After a close scrutiny of these purposes I have been unable to find anywhere any power permitting the Radio League to collect money for the purposes stated and then lend that money to build a political organization. In fact, Father Coughlin has collected money for the Radio League of the Little Flower with the definite assurance that it is a "non-political organization" and then used that money to build a political organization which he controlled.

The application card for membership in this Radio League of the Little Flower states in plain words:

You are invited to join this non-political organization in defending the principles of Christianity and of Patriotism and to assist in bringing back to the fold those who have fallen away.

Personally, I think that's a very pretty sentiment. But the important thing is the signed assurance that it is a "non-political organization." These assurances went through the United States mails, and money sent to this organization came through the United States mails. Now, let's see how the corporation used some of the money collected upon assurances that it was a "non-political organization."

On December 12, 1934, four years after he started the Radio League, the Reverend Charles E. Coughlin incorporated another non-profit-making corporation known as the National Union for Social Justice, a political organization which later gave birth to the Coughlin-Lemke Union Party. By means of this party the radio priest hoped to get enough votes to have the balance of power between the two major political parties in the country.

In typical Coughlin fashion the National Union for Social Justice had three incorporators who were also the Board of Directors. All of them gave their address as 12 Mile Road and Woodward Avenue, Royal Oak—the address of the Shrine of the Little Flower, which is exempt from taxation because it is a church and not the headquarters of a political organization. The incorporators, as usual, were the Reverend Charles E. Coughlin and two of his employees, Marie Rhodes and Dorothy Rhodes. Both of them are now employed by the Social Justice Publishing Company. Marie (Social Security Card No. 377-18-2129), after all the confidential work she has done for the priest, has been raised to a salary of \$35 a week, and Dorothy (Social Security Card No. 377-16-3163) has finally achieved a salary of \$33 a week. These were the incorporators of a political organization which was to make the estab-

lished parties holler uncle. Dorothy handled almost \$1,000,000 which the priest's followers were instructed to send in addressed personally to Coughlin.

When this political organization was incorporated, it needed money to start operations. The priest took \$2,000 of his church's money, from the funds of Sainte Therese Parish, and lent it to the National Union for Social Justice. The Catholic church permits its priests to handle church money by banking it in the name of the parish. This church and its money are exempt from taxation because it is claimed that neither is used for political purposes. The separation of the church and the state in this country is very sharp and distinct.

Then the Reverend Charles E. Coughlin took \$99,192.17 (I don't know what the 17 cents were for) of the money sent in by those who believed that the Radio League of the Little Flower was a "non-political organization" and lent that to the National Union for Social Justice. Finally, he took \$10,000 of *Social Justice* magazine money and lent that to the political organization which he and two of his stenographers controlled.

I think that the Catholic church is quite competent to deal with a priest who uses for political purposes parish money entrusted to his care and to decide whether it constitutes a violation of canon

"Golden Hour of the Little Flower"
Radio League of the Little Flower
 Royal Oak, Mich.

To Inform You:

1. This league is composed of Catholics, Protestants and Jews as well as non-religious.
2. Its objective: To spread truth, oppose injustice, to advocate charity.
3. Its method: To employ the facilities of broadcasting stations at their regular commercial rates.
4. Obligations: Those who join this league are the sponsors of the broadcast which originates from the station of the Little Flower.

You are invited to contribute to the political program of the Little Flower. Patriotic and to assist in bringing back to the fold those who have fallen away.

5. Fee: \$1.00 per broadcasting season per person.
6. Benefits: Remembrance in the daily mass offered at Calvary Hill, Jerusalem.

You may enroll your departed loved ones as a token of fond remembrance. Have their membership card sent to your address.

Cordially yours,
 Rev. Chas. E. Coughlin

National Union for Social Justice, Inc.
 Royal Oak, Michigan

Rev. Chas. E. Coughlin
 Member

1055
 February 26, 1937

Rev. South Trible
 Clerk of the House
 Washington, D. C.
 Honorable and dear Sirs:

Enclosed herewith is the complete report of receipts and expenditures of the National Union for Social Justice for the period of January 1, 1936 thru December 31, 1936, filed in accordance with the provisions of the Corrupt Practices Act of 1925.

This is a final statement. No further statements will be rendered as the National Union for Social Justice is no longer operative.

Very truly yours,
Donald R. Rindler
 Asst. Treasurer

	1936	1935
Total of the items listed on sheets 25 thru 31	266,364.71	
Less: Returns (Total, Item 27, sheets 3, 11)	300.00	
Total of the 264,064.71	264,064.71	267,661.75
Receipts resulting from the "Golden Hour of the Little Flower" radio program		
Cleveland, Ohio		
Columbus (10 @ \$20.00 each) of amounts for program sale	2,000.00	
Cincinnati, Ohio	250.00	
West Branch, Ohio	100.00	
West Branch, Ohio	100.00	
Chicago, Ill.	22,000.00	
Indianapolis, Ind.	100.00	
Indianapolis, Ind.	1,000.00	
Springfield, Mass.	1,000.00	
Windsor, Ohio	250.00	
St. Paul, Minn.	100.00	
St. Louis, Mo.	100.00	
Canton, N. Y.	100.00	
Madison, N. Y.	100.00	
Springfield, Ill.	100.00	
Pittsburgh, Pa.	100.00	
West Hill, N.Y.	100.00	
	26,500.00	267,661.75
Receipts resulting from Social Justice		
Radio League of the Little Flower, Royal Oak, Mich.	264,064.71	
Radio League of the Little Flower, Royal Oak, Mich.	100.00	
Total of the above receipts	264,164.71	267,661.75
Total of amount of loss from 1936 @ 100.00	100.00	
Total 1936	264,064.71	267,661.75

Using the mails to defraud? Coughlin seeks money with the promise that it is for a "non-political organization." Above is a letter to the United States government and the official statement of the Coughlin political organization, the National Union for Social Justice, showing that over \$99,000 of Radio League money was used to build a political organization. Money thus collected came through the United States mails. Coughlin also used money from *Social Justice* and from his own parish to build the same political organization.

law. I shall leave that problem to the Church. What interests me is that the Reverend Charles E. Coughlin collected money for a "non-political organization" and then used it for a political organization. I have heard that there are severe prison penalties for using the mails to defraud.



THE STRANGE CASE OF AIRCASTERS, INC.

BEFORE I go further into Coughlin's strange financial operations, I think the reader should know a little about the company which arranges the broadcasts by means of which the radio priest's voice reaches his millions of listeners. I should like to introduce you to Aircasters, Inc., whose president tells the world that this is just an advertising agency which happens to handle Father Coughlin's radio time and for which it gets its regular 15 per cent commission like any other agency.

In a period of two years this advertising agency which specializes in radio moved three times, each time into more swanky quarters. Today its headquarters are Suite 423 in the New Center Building in Detroit.

Stanley G. Boynton, president of the corporation,

and J. H. Gibson, secretary, came out of their offices almost simultaneously when I walked in. Boynton, a medium-sized, middle-aged man with thin hair and a ruddy complexion, looked inquiringly at me. I was immediately struck by his dress. The suit and worn shoes were not the attire of the president of an advertising agency doing a national business.

"I'd like an interview," I said.

"Oh, an interview." Boynton clasped my hand almost affectionately, and introduced me to Gibson, a cheery, rotund person with a perpetual twinkle in his eyes, whom he addressed constantly as "Jack."

"Sure. Oh, sure. What do you want to know?"

"Just some stuff about the Father Coughlin broadcasts, your organization, and so on."

"Certainly. Certainly. Glad to give you boys what you want. Come right in."

He and Gibson ushered me into his private office. Gibson slouched into an easy chair and eyed me with an amused air. Boynton put his feet on his big desk and leaned back in his chair. I felt that any minute he'd pull out a cigar. Somehow his position, his feet on the desk, and his expansive air required a cigar; but he produced only a weak little cigarette.

"Yes, sir," he began as soon as I took out a pencil and some paper to make notes, "there is one thing I ought to set you straight on before we start. This

is just an advertising agency, just like any other advertising agency, only we specialize in radio broadcasting. I want this made clear. Because we handle Father Coughlin's time on the air people think we're different from other advertising agencies . . ."

He went on like this for a minute or two without interruption. The twinkle in Gibson's eyes became more pronounced. Boynton seemed very anxious to put across the idea that his was an advertising agency which just happened to get the Coughlin business.

"What I want to know is, who sponsors these broadcasts," I said.

"That's another thing," said Boynton amiably. "Get this straight. Father Coughlin doesn't sponsor the broadcasts. *Social Justice* magazine sponsors them. It's a circulation scheme for the magazine, just like the sponsor of any product puts people on the air to call attention to the product."

"Does *Social Justice* pay him for the talks?"

Boynton looked at Gibson. Gibson looked at Boynton, and then Gibson said, "I don't see what that's got to do with us——"

"I don't know if the magazine pays him," said Boynton. "That has nothing to do with us——"

"Don't you handle the account?"

"We don't pay him," said Boynton definitely.

"I see. How old is Aircasters, Inc.?"

"About two years—it's the outgrowth of an old advertising agency. You see, you want to get this straight. We have nothing to do with Father Coughlin. We simply clear him through here, just as any other advertising agency would——"

"You just get a percentage——"

"That's right. Fifteen per cent. The regular commission."

"You're not working for Father Coughlin or *Social Justice* magazine?"

"Oh, no! No! No!" he exclaimed, taking his feet off the desk and turning to Gibson, who didn't stir from his lolling position. "We just clear time for him, that's all, just like any other advertising agency——"

"Yes, you told me."

"We function like an advertising agency," he persisted. "We have no relation with the Catholic church, Father Coughlin, or the magazine except as the agency to clear Father Coughlin's speeches. The client pays for the time."

"Who does the paying?"

"*Social Justice* magazine."

"And who owns *Social Justice* magazine?"

"I—I—" He looked at Gibson, whose eyes still twinkled merrily. "I don't know who owns it. I sup-

pose a corporation. But we get our money from *Social Justice*."

"You yourself don't work for *Social Justice* magazine?"

"No, sir!" he said emphatically. "Never worked for them. My background can be checked easily. I've been in the advertising business for twenty-five years. Before this organization was established I was a solicitor for WJR, the Good Will Station. Previous to that I had an agency in Detroit, my own agency——"

"That's too bad," I said half to myself.

"What is?" Boynton asked quickly.

"*Social Justice* magazine violating federal laws. Federal penalties are pretty stiff——"

Gibson sat upright in his chair, the amused twinkle gone. Boynton's face took on a startled expression.

"I don't get it," said the president of Aircasters, Inc. "I don't get it at all."

"There's a federal law which requires publishers to list the owners, editors, and stockholders of periodicals going through the mails. In the issue of March 8, 1939, your name appears as general manager of the magazine. But you say that you never worked for them. Consequently, the statement they

issued is fraudulent, and the penalty for false statements——”

“Oh, that!” said Boynton quickly. “Oh, I remember that. There was some talk about my taking over the management of *Social Justice* but I wouldn’t accept. My name was used for two or three issues but it was taken off right away——”

“Then you never were general manager or had anything to do with the magazine?”

“No, sir. We discussed it but it didn’t go through.”

“I see; then what you are saying is that the owners of *Social Justice* turned in a false report to the federal authorities——”

“Say!” he interrupted. Gibson stirred uneasily in his chair. “I didn’t say that.”

“Oh, I’m sorry. Maybe I didn’t understand you. Just what did you say?”

“Well—the thing is—now, you got to get this straight——”

“That’s what I’m trying to do. Now let’s see—you say you never worked for *Social Justice* magazine. Is that right?”

“Ye-e-s,” he said.

“You were never general manager?”

“Well——”

“Were you?”

“No. We only discussed it——”

SOCIAL JUSTICE, National Weekly, Copyrighted 1938, by The Social Justice Publishing Corporation; publication and editorial office, 1416 Woodward Ave., Royal Oak, Michigan. Subscription price, United States and possessions, \$3.00 per year. Unless otherwise directed all subscriptions begin with the current issue. Three weeks is required to effect change of subscriber's address. Give both old and new addresses. Entered as second class matter, March 12, 1937, at the Post Office, Royal Oak, Michigan, under the Act of March 3, 1879. Rev. Charles E. Coughlin, LL.D., Editorial Board (by permission of his Ecclesiastical Superior) Stanley G. Boynton, General Manager., E. Perrin Schwartz, Editor.

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Volume 1A.


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Number 2

Stanley G. Boynton, president of Aircasters, Inc., which arranges the Coughlin broadcasts, swore he never had any connection with *Social Justice* magazine. But the above official statement contradicts him.

“That’s what I thought you said. Now, the magazine filed a statement sworn to before a notary which declared that you were the general manager. This, then, was a deliberate falsehood and in violation of the federal laws——”

“Say, I’m not going to get involved in this!” he exclaimed, appealing helplessly to Gibson, who had

risen and was pacing the floor. "Jack, what do you think?"

"I don't see what all this has to do with the interview," said Gibson finally.

"All right, let's try it from another angle. You say you never got any money from *Social Justice* magazine?"

"That's absolutely right. Never! Except agent's commissions——"

"I understand that. I mean you never got any money as an individual employed by *Social Justice* magazine."

"Never!" He held his right hand up as if taking an oath.

"Would you mind getting your Social Security Card from your files?"

"My what? What for?"

"Mind if I see it?"

"Certainly I mind. Why should I show it to you?"

"Because you will find that your Social Security Card shows that you have been and are right now an employee of *Social Justice* magazine——"

Boynton stared at me.

"Your Social Security Card number is 378-01-8887—am I right? In 1938 you were on the payroll. In 1939 you are on the payroll. In both of these years you were president of Aircasters, Inc. In the

first quarter of 1939 you were paid \$600 salary——”

“Jack,” said Boynton, somewhat excited, “this is not an interview. It’s an investigation and we’re on the spot!”

“The investigation is over,” I smiled, “and I do think you’re on the spot. Now what about these *Social Justice* payments?”

“I don’t know anything about them!”

“You never got them?”

“No, sir!”

“Now, as you say, let’s get it straight. What you are saying is that *Social Justice* magazine is handing in false statements, claiming to pay money to people who never got it——”

“Say, look here,” Boynton interrupted. “You can’t do this to me. I’m not going to get caught in the middle of this rack— this situation. You can’t make me say that Father Coughlin is handling the finances of the magazine in a criminal manner——”

“I’m not trying to make you say anything. What I want to know is, are you or are you not on the payroll of the magazine?”

“I’m not going to talk about that any more,” he announced vehemently. “What has this got to do with Aircasters?”

“I’m just trying to find out who really owns this

corporation. Either you are on the payroll of the magazine or you are not. If you insist that you are not, you are accusing *Social Justice* magazine of turning in false reports——”

“Jack,” said Boynton, getting more and more nervous, “I tell you we’re on the spot.”

“Na-a-h,” Gibson drawled. “What are you getting flustered about? Don’t you remember how you got that \$600?” He turned to me and said smoothly, “I know how that got on the *Social Justice* lists. They asked him for advice and paid him personally instead of paying the corporation. It was personal service he was giving them——”

“Why, of course!” exclaimed Boynton delightedly. “Now I remember. Of course. I’m frequently called in for consultation by clients who pay me individually instead of the corporation. Maybe they marked the payment as salary instead of advice. I don’t know. I’m not responsible for the way they keep their books. Maybe they found it easier to list the payment as salary. I don’t know. That’s their business.”

Both Gibson and Boynton grinned at me, greatly relieved now that their memory had been refreshed.

“Then these payments were made to you personally?”

"Personally," said Boynton. "Just to me—for advice."

"And you are frequently consulted by clients who pay you personally and not the corporation?"

"Yes, sir! A number of clients. I'm not responsible for how they mark the payments on their books, am I?"

"Of course not. But, if you got those payments personally, why didn't you include them in your personal income tax report?"

Boynton stared at me for a moment and then leapt up. "God Almighty!" he exclaimed, waving his hands in Gibson's general direction.

"I wouldn't answer any more questions," Gibson snapped.

Boynton paused in his agitated waving and turned upon me.

"Say, who are you?" he demanded.

"Only a reporter. I just want to find out who really owns this outfit."

"I do," he exclaimed desperately. "All of it!"

"How many shares of stock did you issue?"

"That isn't necessary," Gibson interrupted before he could answer.

"All right. Who owns this stock?"

"I do. All of it."

"Any associates?"

"Yes, Gibson here. He's secretary."

“What happened to Arthur and E. G. Lenfesty, of New Baltimore, Michigan, who were officers and directors when you first organized?”

“Oh,” said Boynton.

“Oh,” said Gibson.

“He bought them out,” said Gibson, for by this time Boynton was just waving his hands and glaring in all directions while Gibson periodically advised him to take it easy.

“For how much?”

“I can’t tell that. It’s corporation business.”

“Well, now, let’s see. According to your books you authorized the issuance of a thousand shares of common stock at \$10 par value——”

“I don’t know anything about that,” said Boynton. “Gibson here handles the funds.”

“But I thought you said you own everything. Don’t you know what you own?”

“Yes, of course,” he shouted. “We authorized a thousand shares of stock.”

“Now, out of these you own a hundred shares valued at \$1,000. Your books do not show that you sold or transferred any of these shares to anyone else. So how did you buy out the Lenfestys?”

“That was done between the two of them,” said Gibson quickly before Boynton could answer. “He sold Lenfesty some stock and then bought it back at the same price.”

"Why didn't you note the sale on your books? And why didn't you report it to the Michigan Corporation and Securities Commission?"

"Jack, I'm not going to take the rap for this——"
Boynton began frantically.

"Take it easy," Gibson cautioned.

"Well, why didn't you record the exchange of those shares you say Lenfesty had?"

"I didn't think it was necessary."

"Now let's see. You started this corporation without a single dollar in cash. Since you had to have a minimum of \$1,000 to start a profit-making corporation in this state you put up 'property' in the form of what you pleasantly called a 'library' which was valued at \$1,000. That 'library' consisted of a prospectus you say you drew up for a client. Who placed the value of \$1,000 on that?"

"I did," Boynton murmured.

"Now your books show that you've lost money. Since no other stock was sold to anyone else, you did not get in cash from that source. Where did you get that money?"

"I told you not to answer any more questions," said Gibson sharply.

"That's right. I won't," Boynton shouted.

"Okay by me," I said, picking up my hat. "I think you've said enough anyway."

IV

HELPING THE POOR, INC.

THE EDITORIAL, business and circulation offices of *Social Justice* magazine are in Royal Oak. I went there to call upon E. Perrin Schwartz, editor of the magazine and president of the publishing company. I never thought that I'd meet with any difficulty in locating the offices of a publication with a big national circulation, or that there was anything mysterious about the location of the offices. When I got to Royal Oak I casually looked for the address and number in the telephone book. I couldn't find it. Perhaps, I thought, the editor and publishers have overdramatized their fear of "Jews and Communists" and have an unlisted number. I then tried to find the address in the city directory. The publishing firm wasn't listed there, either.

When I can't find a well-known or even a little-

known place in a town, I usually phone the city desk of the local newspaper, and the desk can almost invariably tell me. So I called the Royal Oak *Tribune*. The city editor didn't know where the Social Justice Publishing Company offices could be found, but he would ask his reporters. After five minutes, the city editor told me that neither he nor his staff knew where the big national magazine's offices were.

"Why don't you call the Shrine?" he suggested. "They'd know."

By this time I was beginning to suspect where the offices were located, but I wanted to check once more. I telephoned police headquarters and asked for the address. After ten minutes of querying policemen, the officer at headquarters said no one knew, but "Why don't you call the Shrine of the Little Flower? They'll be able to tell you."

I called the Shrine and asked the girl at the switchboard for the address of the Social Justice Publishing Company.

"Who's calling?" she asked.

"I just want the address of the publishing company," I said.

"You can write to the Shrine if you wish to get in touch with any of the departments."

"Oh," I said, "you get the mail at the Shrine?"

"Yes. This is where things are sent," she said cheerfully.

"Well, I want to talk with E. Perrin Schwartz, the editor."

"He isn't here at the moment but you can reach him here during regular working hours."

"Is that his office?"

"Yes. He's home at present, though."

"Is Mr. Leo Reardon, the business manager of *Social Justice*, in?"

"He just stepped out but you can get him here during working hours when he's not out of town."

"Is there any other office where I can get Mr. Schwartz or Mr. Reardon?"

"Not that I know of," she laughed. "This is the only place where you can reach them."

"What's Mr. Schwartz's address? Perhaps I can get in touch with him at his home."

"I don't know his address but you can write to him in care of the Shrine."

After a few more inquiries I learned that Mr. Schwartz's telephone number is Royal Oak 0997. His daughter answered when I rang up.

"Mr. Schwartz is not in," she said.

"Is he at his office?"

"I believe he is."

"Could you give me his office address?"

"I don't know the address," said the daughter.

"Could you let me have the last address and perhaps the building superintendent could tell me where they moved to?"

"I couldn't give you the address," she said with an embarrassed giggle. "You'll have to get that from him."

Additional inquiries and talks with *Social Justice* employees disclosed that phone calls to the privately owned magazine are received *via* the Shrine, mail for the magazine's various departments is received at the Shrine, the records of the publishing firm are kept in the church, and employees of the publishing company work in the church. Even the souvenir book about the Shrine, published with the priest's approval, states (page 5): "This group of offices [in the church basement] is caring for the Radio League, and the *Social Justice* newspaper." No rent is paid by this private publishing business. The church itself is tax-exempt because it is supposed to minister to the spiritual needs of its parishioners. It is not supposed to use the premises for a private business operating for profit, especially since the owners of the publishing business solemnly asserted in the letter to the Archdiocese of Detroit that *Social Justice* "was not and is not now an organ of the Catholic church."

Mystery also surrounds the home address of E. Perrin Schwartz, editor of the magazine and the president of the publishing company. I learned that Mr. Schwartz had been hopping around as if a sheriff were after him with a shotgun. Last year he lived at 1719 Sycamore Avenue. At the Shrine, after persistent attempts to get his address, they finally told me he lived at 1058 Oakridge. Actually he lives at 2215 Maplewood Avenue, a few blocks from the Shrine, in a two-story frame building.

Mrs. Schwartz, a strapping woman with a belligerent look, opened the door for me, and her husband came forward from another room when I asked for him. Schwartz is an old newspaperman, now in his late fifties, bald, with a little sandy mustache that quivers on his lip and a crouch to his shoulders as if he is always ready to duck some missile. He ushered me into his library, a narrow room with a commercial typewriter desk, a typewriter and a couple of books.

"I'd like an interview," I said when we were seated.

He jumped from his chair and grabbed my hand, pumping it vigorously. "Well!" he exclaimed. "What do you know! What do you know! Certainly! But, Christ! I'm not the personality guy. I'm hardly the personality——"

His wife had apparently overheard my introduction, and came in glaring at me.

"I'm hardly the personality sketch," he repeated. "Father's the one—he's the personality sketch——"

"What does he want?" his wife demanded.

"He's a reporter." Schwartz beamed. "He wants an interview."

"You're not going to give it to him?"

"Certainly! Certainly! Jesus! Why not? He's a newspaperman—just like me. Why not?—even though I'm hardly——"

"I don't think you should," she said.

"Please!" He turned to her and motioned irritably with his hands. "I can hardly think with you standing there beside me. Please!"

"I don't think you should talk," she repeated with a little more firmness. "You'll get into trouble and probably get fired."

"Please!" he begged. "Let me handle my own affairs. What the hell is this, anyway!"

"You're not going to give him an interview," she announced.

For the editor and president of a national weekly to be bullied by his wife and, of all places, in the presence of a reporter was apparently too much for him and he exploded. "The hell I won't! God damn it! Please!" he ended fiercely.

He turned to me: "What do you want to know? What do you want to know?" The words tumbled out as if he feared she would stop him at any moment.

"I should like to know—" I began.

His wife turned furiously upon me.

"If I had known who you were I'd never have let you in!"

The editor made frantic little gestures. "Please!" he shouted to his wife. "God damn it! Please!"

She subsided and I said, "I wanted to ask you something about the policy of the paper."

"I have nothing to do with the policy! I don't make the policy. Father Coughlin's the man to ask that. I'm just a newspaperman—I just carry out instructions. I'm just the technical help. He's the personality sketch!"

He jumped from his chair again and paced the narrow room. Suddenly he swore a beautifully rounded oath which was technically perfect. Then he turned to me.

"Who the hell wants a Schwartz paper?" he demanded. "Nobody gives a —— for what I have to say. It's what Father says. He's the personality——"

"Sketch?" I asked.

"That's right! He's the personality sketch! Now, so far as I'm concerned——"

His wife moved on him with a menacing tread and he suggested hastily, "Why don't you step down to the rectory? See any of Father's secretaries. They'll tell you everything. There's nothing to hide——"

"I came to you because you are the editor and, I believe, also the president of *Social Justice* magazine——"

"Yes. Of course. I'm the president and editor but I'm just a technical man. I don't have a thing to say. I just carry out instructions. Christ! Can't you see that?"

"I think I can." I grinned.

His wife turned balefully on me. "You can't stay here!"

"Oh, Jesus!" Schwartz groaned and sank into a chair. Suddenly he grabbed the telephone and called the Shrine number.

"Get me Leo Reardon," he shouted. Apparently Reardon wasn't in and Schwartz spluttered: "There's a reporter here— Yes! In my house! Right now! He wants an interview——"

"You're not going to give it," his wife interrupted again.

He looked up at her pleadingly.

"I don't know what the person at the other end said to Schwartz but the editor roared back: "It's

the God damned Heebs and Communists! Why don't you ask Father?"

There was another pause while somebody apparently consulted with the radio priest. Then Schwartz said, "All right, I'll tell him."

"Father's too busy to see you," he said. "You can go over if you wish but I don't think you'll get anyone to say a damned word."

"Is the Shrine your headquarters now?" I asked.

"Yes. Sure."

"You've talked enough," his wife said grimly.

Schwartz turned to me.

"I'd like to give you an interview," he said almost plaintively, "but I can't say anything."

He and his wife escorted me to the door. She opened it with a dramatic gesture.

He looked at me and shook his head in regret. "Jesus!" he said.

"I understand," I said sympathetically.

Two very important points came out in this brief conversation. First, the editor of *Social Justice* and the president of the corporation which issues the publication is "just a technical man" and has nothing to say about its policy or what goes into its pages. He just "carries out instructions." "Father" is the man who directs the policy and the magazine as well as the corporation which issues it. Second, offices of

Social Justice are admitted by its editor to be at the Shrine of the Little Flower, a tax-exempt church.

Even more flecked with mystery than the location of the magazine's offices was the ownership of *Social Justice*. There is one important thing the reader should bear in mind here. The direction of the entire publishing business has been, and is, controlled by ownership of ten shares of stock which the lone incorporator, Charles E. Coughlin, originally sold to the lone stockholder, Charles E. Coughlin.

Ownership of the magazine has allegedly changed hands several times since the periodical was founded in 1936. For a while three persons "owned" it. They were: (1) A timid twenty-four dollar a week bookkeeper employed by *Social Justice*. (2) A small-town but hopeful politician who worked closely with a man in secret communication with Nazi agents operating in this country. (3) A mysterious individual who heads another Coughlin-inspired corporation which collects hundreds of thousands of dollars from the public and who refuses to open his mouth without legal advice. At the present time the magazine is "owned" by three employees working in the Shrine of the Little Flower offices, who

act as trustees of the Social Justice Poor Society, details of which are given later.

Where the wandering ten shares of Social Justice Publishing Company stock have been since they were issued requires some explanation. We have already seen that, within a year after Coughlin issued the stock to himself, Amy Collins claimed tax exemption for the publishing company on the grounds that it was owned by the Radio League of the Little Flower.

But no matter who held the shares at any given moment, from the very beginning of *Social Justice*, Father Coughlin made it his own. He plugged it on the air, through the mails, in the pages of the magazine itself. He was anxious to get enormous circulation for it because of his already planned 1936 political campaign in which he tried to put his own man in the White House. In this period, when he used his office as priest to attack the President of the United States with personal insults, his ecclesiastical superiors expressed their profound displeasure. The radio priest was curbed a bit on the air, and for a while it looked as if *Social Justice* magazine, which was supposed to be owned by the Radio League of the Little Flower, might also be curbed.

By October, 1937, trouble with Coughlin's Archbishop seemed pretty likely. This was the time when

his attorney wrote the Chancellor of the Archdiocese of Detroit that *Social Justice* was a private business venture and that it didn't intend to submit to "editing" by anyone except its owners. But there was a possibility that if Coughlin could be kept off the air by his church superiors, the Social Justice Publishing Company might also be in danger.

At this point, then, the Reverend Charles E. Coughlin did two very interesting things. He resigned as president of the Social Justice Publishing Company, and he set up a strange new corporation called the "Social Justice Poor Society," with which I shall deal later in this chapter.

When the priest stepped aside as president of the publishing company, one Walter Baertschi, of Maumee, Ohio, took his place, according to a report made to the Michigan Corporation and Securities Commission. At the same time Edward Kinsky, of Brooklyn, New York, came in as vice president; and a lady named Catherine Wilson took the job of secretary-treasurer. As usual, the directors of the corporation were the same trio.

Let us first consider the lady who handles the books and the money. Catherine Wilson is an employee of the Social Justice Publishing Company (Social Security Card No. 371-05-9242). After holding down the important jobs of secretary and treas-

urer of a publishing firm doing a national business, she has finally achieved the munificent wage of \$24 a week.

NOTICE: It is required by statute that two originals of this report be forwarded to the Michigan Corporation and Securities Commission. Please read instructions before proceeding. August 31st is the last day for filing reports without penalty.

MICHIGAN ANNUAL REPORT

- To be filed by every corporation for profit, whether domestic or foreign.

(Name of Corporation) SOCIAL JUSTICE PUBLISHERS CO.
 (Postoffice Address) Royal Oak, Michigan
 (Street and No.) Woodward Ave. & Twelve Mile Rd.

Carl A. Olson, Commissioner.

Michigan Corporation and Securities Commission, Lansing, Michigan.

Sir:—In accordance with the provisions of Act No. 327, Public Acts of 1931, as amended, the above named corporation, by the undersigned officers thereof, submits the following report of its condition on the 31st day of December, 1937, etc. (close of fiscal year next preceding the time for filing, or the date of incorporation or readmittance during the year.)

1. (a) The place or places of doing business either within or without Michigan is or are Woodward Ave. & Twelve Mile Rd., Royal Oak, Michigan
- (b) Address of Registered Office Royal Oak, Michigan
- (c) Resident Agent (in Michigan) Walter Baertschi, Royal Oak, Michigan
(Name and Address)
2. Where Incorporated Michigan Date of Incorporation February 12, 1936
(State)
- Term of corporate existence _____ Date Admitted _____
(Specify corporation—date admitted to do business in Michigan)
- The act under which incorporated or reincorporated No. 327

3. The following are the officers and directors of the corporation.

NAME OF OFFICERS

RESIDENCE ADDRESSES

Mr. Walter Baertschi	President	<u>Columbus, Ohio</u>
Mr. Edward Kinsky	Vice-President	<u>Brooklyn, N. Y.</u>
Catherine Wilson	Secretary & Treasurer	<u>Royal Oak, Michigan</u>

NAME OF ALL DIRECTORS (or Trustees)

RESIDENCE ADDRESSES

Mr. Walter Baertschi	<u>Columbus, Ohio</u>
Mr. Edward Kinsky	<u>Brooklyn, N. Y.</u>
Catherine Wilson	<u>Royal Oak, Michigan</u>

Capital

Walter Baertschi, the president, is an old Coughlinitic with political ambitions of his own. He once tried to build a political group with the sales-line "Help your neighbor." He organized and incorporated Friends & Neighbors, Inc., elected himself president in Coughlin fashion, held meetings at his

NOTICE

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MICHIGAN REPORT
NON-PROFIT CORPORATIONS

ALL DOMESTIC AND FOREIGN NON-PROFIT CORPORATIONS ARE REQUIRED BY STATUTE TO FILE AN ANNUAL REPORT WITH THE MICHIGAN CORPORATION AND SECURITIES COMMISSION.

(Name of Corporation) Radio League of the Little Flower

(Postoffice Address) Royal Oak, Michigan

(Street and No.) Woodward Ave. and Twelve Mile Road

CHARL A. OLSON, Commissioner

Officers and directors of the corporation:

NAME OF OFFICER

RESIDENCE ADDRESS

Edward Kinsky	President	300 Sherman St., Brooklyn, N. Y.
Eugenia B. Burke	Vice-President	1922 Edgwood Blvd., Berkley, Mich.
Amy Collins	Secretary	623 W. 4th St., Royal Oak, Mich.
Amy Collins	Treasurer	623 W. 4th St., Royal Oak, Mich.

NAME OF ALL DIRECTORS OR TRUSTEES

RESIDENCE ADDRESS

Edward Kinsky		300 Sherman St., Brooklyn, N. Y.
Eugenia B. Burke		1922 Edgwood Blvd., Berkley, Mich.
Amy Collins		623 W. 4th St., Royal Oak, Mich.

4. The purposes of the corporation: Charitable and religious

Corporation reports here and on page 61 show that the mysterious Edward Kinsky was president and trustee of the Radio League of the Little Flower and vice president of Social Justice Publishing Company.

home and generally got nowhere. Disappointed but not discouraged, he hooked up with Coughlin when the priest was pushing the National Union for Social Justice. Directing the Coughlin-Lemke party, behind which was the National Union for Social Justice, was Newton Jenkins, of Chicago. During this period, Jenkins met secretly with Nazi agents operating in the United States. Baertschi worked closely with Jenkins.

On one occasion Baertschi addressed a huge protest meeting directed against Archbishop Mooney, who, as Coughlin's church superior, sought to curb the priest's harangues over the air. At this meeting, held on November 14, 1937, in Carmen's Hall, Ashland and Van Buren Streets, Chicago, Baertschi made a very significant statement.

He said that he had purchased *Social Justice* from Father Coughlin through an arrangement the terms of which he did not disclose, that he, alone, individually owned the paper and that he paid for it. There were some five thousand persons in the audience—five thousand witnesses.

On March 5, 1937, many months before Baertschi said he bought the magazine, Amy Collins, treasurer of the publishing company, wrote to the Michigan Unemployment Compensation Commission asking for tax exemption on the grounds that *Social Justice* was really owned by a non-profit-making corporation, the Radio League of the Little Flower. If, then, the Radio League owned the magazine, the ten shares of publishing company stock (no others were ever issued) were turned over to the League, and Coughlin was no longer the owner. If, on the other hand, Baertschi purchased the magazine from Father Coughlin, as the records show he did, then Amy's letter was a deliberate, fraudulent attempt

to avoid paying unemployment insurance for the workers about whom the priest worries so much—in his speeches.

The third officer and director of the Social Justice Publishing Company is Edward Kinsky of 300 Sherman Street, Brooklyn, New York, and 76 Beaver Street, Manhattan, in the heart of the financial district. Kinsky is a rather mysterious figure who likes to fly around in planes, even though it worries his mother half to death. He serves not only as vice president of the Social Justice Publishing Company but also as president of the Radio League of the Little Flower which Amy said owned the publishing company in 1937.

I found Kinsky, a tall, heavy-set man with clean-cut features, in the offices of Keelon & Co., Rooms 1205-6, at the Beaver Street address. Francis P. Keelon, head of this firm, is a foreign exchange speculator on whose estate in Great Barrington, Massachusetts, the Coughlin-Lemke Union Party was born in June, 1936.

"I'm sorry," Kinsky said somberly when I introduced myself, "I can't tell you anything about the Radio League or *Social Justice* magazine. You'll have to see my attorney."

"I'm just trying to check on whether you are president of the Radio League and vice president

of *Social Justice*. Why is it necessary to see your attorney for a simple matter like that?"

"He'll tell you," he growled.

"These are public and semipublic organizations. One of them, the Radio League, is collecting hundreds of thousands of dollars from the people. I assume there's nothing mysterious about the way the Radio League or *Social Justice* finances are handled?"

"You'll have to see my lawyer," he said again.

"Could you tell me what your business is?"

"My lawyer will tell you."

"But you have offices here——"

"He'll tell you that, too. I can't say anything."

"Who is your attorney?"

"Prewitt Semmes, Penobscot Bldg., Detroit."

"Isn't he Father Coughlin's personal attorney, too?"

"You'll have to ask him. I can't say anything."

So much for the officers and directors of the Social Justice Publishing Company who came in when Coughlin was getting nervous about possible action by the Church. Although the priest was no longer an official of the company, appeals for contributions and support kept going out from the Shrine of the Little Flower. To me the most charming thing about these appeals is the high moral, religious,

REV. CHAS. E. COUGHLIN
ROYAL OAK, MICHIGAN

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

June 6, 1939

My dear Friend:

I am deeply grateful to you for your letter of recent date and the encouragement which it conveyed.

Not only is the strain on my nerves and strength taxed doubly this year. The drain on the purses of those who have been supporting the broadcasting is doubled by our being on the air during the summer months.

As you know, this decision was not reached by choice, but by necessity. The opposition has become so hostile that I have been advised by radio experts that if our time on the air is relinquished, I shall be unable to secure contracts again.

I would appreciate it very much if you would interest two friends in subscribing to SOCIAL JUSTICE MAGAZINE. The revenue from this source will help to meet our heavy expenses.

With kindest personal regards, may I remain

Cordially yours,

Chas. E. Coughlin

CEC:MR

P. S. Kindly remember me in your prayers.

REV. CHAS. E. COUGHLIN
ROYAL OAK, MICHIGAN

February, 1939

~~_____~~
~~_____~~
~~_____~~

This week I was mailing out a letter to our friends whose subscriptions expire in the month of March.

Because I was enclosing a picture of Pal and myself in their letters, I thought you, too, would appreciate one. So, here is Pal whom I have hired for ten bones a week to be my assistant circulation manager!

We are forced to operate on such a close margin and to forego accepting the revenue obtainable from advertising that I can't do as other magazines do. I can't hire an expensive circulation manager.

Thus, Pal and I have taken on this added responsibility. In the capacity of his secretary I am asking you to help out the both of us on this new circulation job. Won't you please ask some friend this week to take out one subscription to SOCIAL JUSTICE MAGAZINE? It will mean more bones for Pal and less worry for me as I try to keep the wheels going.

May I also thank you from the bottom of my heart for the fine cooperation which you and your friends have extended in stopping the lifting of the embargo. It was our greatest victory, all things considered; for England and France followed suit the day after our Department of State decided not to pursue the cause of lifting the embargo.

I hope you will enjoy the picture of Pal and myself and I trust that I am not embarrassing you by asking you to secure one more subscription to SOCIAL JUSTICE.

May God bless you!

Cordially yours,

Chas. E. Coughlin

CEC:MR

The commercial uses of piety. With a "God bless you" and a "remember me in your prayers" Coughlin drums up subscriptions for the privately owned *Social Justice* magazine.

and patriotic plane on which they are issued. Father Coughlin's letters pleading for more subscribers to *Social Justice* are marked by a regular routine of "God bless you" and "Remember me in your prayers." Besides these matters of faith, Coughlin worries a good deal about the poor and destitute, but I'm always a little leery when he does so in public. The last time he took up his vocal and typesetting cudgels for the downtrodden it turned out that his orations tended to raise the price of silver. Oddly enough, it also turned out that he held half a million ounces of the metal in the name of his secretary, Amy Collins. That was several years ago. So when I discovered the Social Justice Poor Society, which turned up in connection with *Social Justice* magazine, I began to wonder.

All publishers of periodicals are required by federal law to list their owners, stockholders, editors and there are penalties for infringements of the law. On February 6, 1939, *Social Justice* published the required statement, sworn to, signed and sealed,

→

Who owns *Social Justice*? In the first clipping of the magazine's statement dated January, 1939, the owner is listed as Social Justice Publishing Company and Social Justice Poor Society. In February, 1939, the second clipping lists the owner as the Social Justice Poor Society, Charles E. Coughlin, trustee. In September, 1939, the last clipping shows Coughlin slipping out of the Poor Society altogether, although it is listed as owner of the magazine. The present "owners" are three employees of the magazine.

its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one per cent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.) Social Justice Publishing Co., Royal Oak, Michigan; Social Justice Poor Society, Royal Oak, Michigan.

That the known names of the stockholders, and the names and addresses of the individual owners, if owned by a firm, company, or other unincorporated concern, must be given.

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one per cent or more of total amount of stock. If not owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.) Social Justice Poor Society, Royal Oak, Michigan. Having the trustees Mr. C. W. ... of Royal Oak, Michigan.

3. That the known bondholders, mortgagees and other security holders owning or holding 1 per cent or more of total amount of bonds, mort-

that its owner was the Social Justice Publishing Company and the Social Justice Poor Society. Three weeks later, on February 27, 1939, it published another statement which gave the owner as the Social Justice Poor Society. This latter organization had no stockholders, so it simply listed the trustees. These, oddly enough, turned out to be an old triumvirate: the Reverend Charles E. Coughlin, Eugenia Burke and Marie Rhodes.

Apparently, then, the Radio League of the Little Flower, which was supposed to own *Social Justice*, transferred the ten shares of stock to the Poor Society.

As is usual with Coughlin corporations, the Poor Society started from scratch. It didn't have one red cent, not even a stick of furniture for the officers to sit on while they went into business. Let's examine this new corporation, its officers, trustees and finances.

It made its bow to the world on December 22, 1937, while Coughlin was still uncertain what his Archbishop might do. It announced, on that high Christian plane which the priest uses so much, that it was organized "to relieve sick and destitute persons and to perform such other charitable acts as may come before the society." Headquarters were established in the church of the Shrine of the Little

Flower. The officers of this charitable outfit were: president, E. Burke; vice president, D. Rhodes; secretary, Marie Rhodes; treasurer, Amy Pigeon.

As I have already pointed out, Eugenia Burke, Dorothy Rhodes and Marie Rhodes are underpaid employees of the Social Justice Publishing Company, and Amy Pigeon is none other than Amy Collins, of the half-million ounces of silver. Amy was married and used her husband's name in this instance; on other occasions she has used her maiden name. I suppose it just depended upon how she felt when she signed an official document.

The directors of this new corporation interested in the poor are the famous trio: Charles E. Coughlin, Eugenia Burke, Marie Rhodes.

By the end of 1937, a few days after it was incorporated, the new organization naturally made no effort to aid the sick and destitute or perform charitable acts. It was the Christmas season and the priest and the two girls were probably busy. By the end of 1938, however, the corporation had had a full year to get into stride and start its activities on behalf of the poor—and God knows, there are enough of them in the Detroit area.

After this year's efforts, the record of the organization's activities came to the grand total of:

NOTICE

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**MICHIGAN REPORT
NON-PROFIT CORPORATIONS**

ALL DOMESTIC AND FOREIGN NON-PROFIT CORPORATIONS ARE REQUIRED BY STATUTE TO FILE ANNUAL REPORT WITH THE MICHIGAN CORPORATION AND SECURITIES COMMISSION.

(Name of Corporation) **SOCIAL JUSTICE POOR SOCIETY**
(Postoffice Address) **Royal Oak, Michigan**
(Street and No.) **12 Mile Road & Woodward Avenue**

CARL A. OLSON, Commissioner
Michigan Corporation and
Securities Commission,
Lansing, Michigan.

Sir:—In accordance with Section eighty-one of Act No. 327, Public Acts of 1931, as amended, the above named corporation by the undersigned officers thereof, submits the following report of its condition on the 31st day of December, 1937, or _____, close of its Fiscal Year.

- The location of its registered office in this State is **12 Mile Road and Woodward Ave., Royal Oak, Michigan**
- (a) Date of incorporation **Dec. 22, 1937** (b) Term of corporate existence **thirty years**
(c) If foreign corporation, date when admitted to do business in Michigan
(d) The act under which incorporated or reincorporated **Act 327 - P.A. of 1931**
- The following are the officers and directors of the corporation:

NAMES OF OFFICERS.		RESIDENCE ADDRESSES.
E. Burke	President.	12 Mile Road & Woodward Ave., Royal Oak
J. Rhodes	Vice-President.	" " "
Marie Rhodes	Secretary	" " "
Amy Pigeon	Treasurer	" " "

NAMES OF ALL DIRECTORS OR TRUSTEES		RESIDENCE ADDRESSES.
Charles E. Coughlin		12 Mile Road & Woodward Ave., Royal Oak
Eugenie Burke		" " "
Marie Rhodes		" " "

The purposes of the corporation: **To relieve sick and destitute persons and to perform such other charitable acts as may come before the Society.**

Helping the Poor, Inc. Founded in Christmas week, 1937, the Social Justice Poor Society had no assets, no liabilities, no property and no members. The Misses Burke, Rhodes and Pigeon set it up "to relieve sick and destitute persons." Now look at the 1938 report of the Society on the following pages.

6. The authorized capital stock, if any:

CLASS:	APPROXIMATE	ISSUED	PAR VALUE
.....	0	0	0
.....	0	0	0
Total	0		

6. The amount of capital stock paid in in cash: 0

The amount of capital stock paid in in property: 0

7. The value of all property owned at time of filing this report: 0 NONE

8. The nature and kind of business in which the corporation has engaged during the year covered by this report:

(STATEMENT OF ASSETS AND LIABILITIES AS OF DECEMBER 31, 1937, OR CLOSE OF FISCAL YEAR)

9. ASSETS:

- (a) Real estate 0
- (b) Goods, chattels, merchandise, material and other tangible property 0
- (c) Cash on hand (including deposits in banks) 0
- (d) Patent-rights, copy-rights, trade-marks and formulas 0
- (e) Good-will 0
- (f) Value of credits owing to the corporation 0
- (g) All other property (specify kinds) 0

TOTAL 0 NONE

10. LIABILITIES:

- (a) Capital stock outstanding 0
- (b) Liability on real estate mortgage 0
- (c) Liability on chattel mortgage 0
- (d) Liability on all other secured indebtedness 0
- (e) Liability on all unsecured indebtedness 0
- (f) Other liabilities 0

(g) Surplus 0
 TOTAL 0 NONE

11. What, if any, distribution of funds has been made to shareholders during the year covered by this report:

12. Under what circumstances, if any, do your by-laws permit or provide for the payment of dividends, interest, rebates, or any other distribution of funds, or the allowance of discounts or credits, to members or stockholders? None

13. The aggregate amount of any loans, advances, overdrafts and/or withdrawals and repayments thereof made to or by officers, directors or shareholders of the corporation otherwise than in the ordinary and usual course of business of the corporation and on the ordinary and usual terms of payment and security. None

14. State briefly your method of financing: Voluntary contributions and dues from members

15. Do you ever pay interest or dividends to stockholders or members? NO

(CORPORATE SEAL)

GENERAL JUSTICE POOR SOCIETY (L.B.)
(Corporate Name)

E. Burke President or Chairman

and Marie Rhodes Secretary

or Amy Pigeon Treasurer
(Inscribed if two distinct individual officers required)

State of MICHIGAN
County of Oakland

I, Marie Rhodes, do solemnly swear that I am the Secretary of the above named corporation, and that the matters set forth in the foregoing report are true and correct.

Subscribed and sworn to before me, this 29th day of August 1920

Walter G. Smith
Notary Public, Oakland County, Michigan

My commission expires Aug. 31 1920

INSTRUCTIONS:

1. This report is required by ALL NON-PROFIT CORPORATIONS.
2. Reports shall be filed during July and August.
3. The fact that your company has no capital stock will not relieve you from filing the report. You are permitted to waive any portion of the report not applicable to your company by making a statement of facts.
4. This report should be forwarded in duplicate.
5. Two dollars filing fee must accompany the report.

Section of the law pertaining to report of non-profit corporations.

Section 61. (Act No. 327, Public Acts of 1931, as amended). An annual report accompanied by a filing fee of two dollars shall be filed with the Michigan Corporation and Securities Commission by all non-profit corporations, domestic or foreign. The said fee shall be in lieu of all other annual fees to be paid by such corporations, anything in any other statute to the contrary notwithstanding.

CHECKS SHOULD BE MADE PAYABLE TO THE MICHIGAN CORPORATION AND SECURITIES COMMISSION.

NOTICE

It is required by statute that two originals of this report be forwarded to the Michigan Corporation and Securities Commission. August 31st is the last day for filing reports without penalty.

**MICHIGAN REPORT
NON-PROFIT CORPORATIONS**

ALL DOMESTIC AND FOREIGN NON-PROFIT CORPORATIONS ARE REQUIRED BY STATUTE TO FILE AN ANNUAL REPORT WITH THE MICHIGAN CORPORATION AND SECURITIES COMMISSION.

(Name of Corporation) SOCIAL JUSTICE POOR SOCIETY
 (Postoffice Address) ROYAL OAK, MICHIGAN
 (Street and No.) WOODWARD AVE. & TWELVE MILE ROAD.

CARL A. OLSON, Commissioner,
 Michigan Corporation and
 Securities Commission,
 Lansing, Michigan.

Sir,—In accordance with Section eighty-one of Act No. 227, Public Acts of 1931, as amended, the above named corporation by the undersigned officers thereof, submits the following report of its condition on the 31st day of December, 1938, or _____, close of its Fiscal Year.

1. The location of its registered office in this State is Woodward Ave. & Twelve Mile Road,
Royal Oak, Michigan

2. (a) Date of incorporation Dec. 22, 1937. (b) Term of corporate existence thirty years

(c) If foreign corporation, date when admitted to do business in Michigan.

(d) The act under which incorporated or reincorporated Act 227 Public Acts of 1931

3. The following are the officers and directors of the corporation:

NAMES OF OFFICERS		RESIDENCE ADDRESSES			
<u>Any Collins</u>	President.	<u>Woodward Ave. & Twelve Mile Rd.,</u>	<u>Royal Oak,</u>		
<u>-----</u>	Vice-President.	"	"	"	"
<u>Marie Rhodes</u>	Secretary.	"	"	"	"
<u>Any Collins</u>	Treasurer.	"	"	"	"

NAMES OF ALL DIRECTORS OR TRUSTEES		RESIDENCE ADDRESSES			
<u>Any Collins</u>		<u>Woodward Ave. & Twelve Mile Rd.,</u>	<u>Royal Oak,</u>		
<u>Marie Rhodes</u>		"	"	"	"
<u>Bernice Marcinkiewics</u>		"	"	"	"

4. The purposes of the corporation: To relieve sick and destitute persons and to perform such other charitable acts as may come before the Society.

After one year of operation the Social Justice Poor Society had acquired \$1,000 worth of stock in *Social Justice* magazine—all the stock ever issued. The sick and destitute were still waiting the performance of "charitable acts." The Poor Society was set up purely as a holding company for *Social Justice* stock, using Christian charity as the cloak. It never collected nor spent one cent to aid the poor.

8 The authorized capital stock, if any: None

CLASS:	AUTHORIZED	ISSUED	PAR VALUE
	\$	\$	\$
	0	0	0
Total	0	0	

9 The amount of capital stock paid in in cash: \$

The amount of capital stock paid in in property: \$

7 The value of all property owned at time of filing this report: \$ 1,000.00
 (Important: Under the item "Cash on hand" - time of filing report - value of all property, real and personal, except it may have been shown under item 9.)

8 The nature and kind of business in which the corporation has engaged during the year covered by this report:
 Miscellaneous Charities

(STATEMENT OF ASSETS AND LIABILITIES AS OF DECEMBER 31, 1988, OR CLOSE OF FISCAL YEAR)

9 ASSETS:

(a) Real estate	\$
(b) Goods, chattels, merchandise, material and other tangible property	\$
(c) Cash on hand (including deposits in banks)	\$
(d) Patent-rights, copy-rights, trade-marks and formulas	\$
(e) Good-will	\$
(f) Value of credits owing to the corporation	\$
(g) All other property (specify kinds)	\$
10 shares stock in Social Justice Publishing Company	\$ 1,000.00
TOTAL	\$ 1,000.00

10 LIABILITIES:

(a) Capital stock outstanding	\$
(b) Liability on real estate mortgage	\$
(c) Liability on chattel mortgage	\$
(d) Liability on all other secured indebtedness	\$
(e) Liability on all unsecured indebtedness	\$
(f) Other liabilities	\$
(g) Surplus	\$ 1,000.00
TOTAL	\$ 1,000.00

11 What, if any, distribution of funds has been made to any member during the year covered by this report:

None

12 Under what circumstances, if any, do your by-laws permit or provide for the payment of dividends, interest, rebates, or any other distribution of funds, or the allowance of discounts or credits, to members or stockholders? None

13. The aggregate amount of any loans, advances, overdrafts and/or withdrawals and repayments thereof made to or by officers, directors or shareholders of the corporation otherwise than in the ordinary and usual course of business of the corporation and on the ordinary and usual terms of payment and security. None

14. State briefly the method of financing: Voluntary contributions and dues from members

15. Do you ever pay interest or dividends to stockholders or members? No

SOCIAL JUSTICE BOOK SOCIETY (L.S.)
(Corporate Name)
AMY COLLINS President or Chairman
and Marie Rhodes Secretary
or MARIE RHODES Treasurer
(Signatures of two different individuals officers required)

(CORPORATE SEAL)
(if any)

State of Michigan
County of Oakland

I, Marie Rhodes
Secretary
set forth in the foregoing report are true and correct.

do solemnly swear that I am the of the above named corporation, and that the matters

Marie Rhodes
Official signature (one of the above signatures)

Subscribed and sworn to before me, this 29th day of

August 1929

Katherine G. Smith
Notary Public, Oakland County, Michigan

My commission expires Aug 31 1940

INSTRUCTIONS:

1. This report is required by ALL NON-PROFIT CORPORATIONS.
 2. Reports shall be filed during July and August.
 3. The fact that your company has no capital stock will not relieve you from filing the report. You are permitted to waive any portion of the report not applicable to your company by making a statement of facts.
 4. This report should be forwarded in duplicate.
 5. Two dollars filing fee must accompany the report.
- Section of the law pertaining to report of non-profit corporations.
"Section 41. (Act No. 327, Public Acts of 1931, as amended). An annual report accompanied by a filing fee of two dollars shall be filed with the Michigan Corporation and Securities Commission by all non-profit corporations, domestic or foreign. The said fee shall be in lieu of all other annual fees to be paid by such corporations, any thing in any other statute to the contrary notwithstanding."

CHECKS SHOULD BE MADE PAYABLE TO THE MICHIGAN CORPORATION AND SECURITIES COMMISSION.

Real estate	None
Cash	None
Good Will	None
Credits due corporation	None
All other property	\$1,000
Total assets	\$1,000

The "total assets" of \$1,000 consisted of ten shares of Social Justice Publishing Company stock—the same old ten shares which have been whipped from Coughlin to the Radio League to Baertschi to the Poor Society: no dues, no cash, no members.

Between the time it was incorporated with the officers and trustees as I listed them, and the time the first year's "work" for the poor was finished, the priest decided he'd better step out of the picture, so Amy Pigeon became Amy Collins again and took over the presidency and (as always) the treasurership. Marie Rhodes remained as secretary. Since all non-profit-making corporations in Michigan must have at least three directors or trustees, a third girl, Bernice Marcinkiewicz, was added to Amy and Marie. They became trustees of the corporation "to aid the poor."

By October 9, 1939, Amy stepped out as trustee and Alberta Ward took over. Alberta is the girl who audits the books of the Social Justice Publishing Company for \$20 a week.

With this information before us, we find a signed statement by Coughlin himself which may interest the United States postal officials. On September 11, 1939, the priest published an announcement in *Social Justice* that E. Perrin Schwartz "has consented to accept the presidency of Social Justice Publishing Company which owns and publishes *Social Justice* magazine and always has . . ."

It seems to me that this dizzy whirl of alleged changes in ownership of the magazine and the sworn statements made to the federal authorities warrant a bit of investigation by the Post Office inspectors.

V

COUGHLIN'S LAWYER ADMITS

I HAVE some documents which show that the Reverend Charles E. Coughlin collected money "to build a new church," and while this money was flowing in from the public he began to play the stock market. It was during this same period that Coughlin, in his radio speeches, denounced stock market gambling as "shooting craps with other people's money." The documents I have also show that he took almost \$4,000 of the money sent by his listeners in response to his appeals and lent it to his father, Thomas J. Coughlin.

I tried several times to see the radio priest to ask for an explanation, if he had any, as to where he got the money to play the stock market and where he got the legal authority to lend his father money collected from the public to build a church.

Financial Statement
of
LEAGUE OF THE LITTLE FLOWER INCORPORATED

ASSETS

as of June 1st, 1930

Balance in Bank, Commercial	3,297.37
" " Savings	27,423.91
Furniture & Fixtures, Office	4,029.05
Household	1,024.82

Accounts Receivable

E. O. Lardie	52.06
L. Conley	252.06
W. J. Lynch	208.05
T. J. Coughlin	3,804.87
Surprise	3.85
O. Border	650.00
Fr. Lynch	98.18

TOTAL ASSETS

30,944.22

LIABILITIES

Reserve for Depreciation	
Office Furniture	283.33
Household "	75.67

Accounts Payable

Rev. Chas. E. Coughlin	87.16
------------------------	-------

TOTAL LIABILITIES 546.16

GAIN 30,398.06

30,944.22

30,944.22

The League of the Little Flower books were audited on Dec. 31, 1930

(See page 82)

There was a number of questions I wanted to ask, but each time I called I was told that he was too busy. After the interview I had with Prewitt Semmes, Coughlin's attorney, with which I deal in this chapter, Semmes agreed that some of my questions could best be answered by Coughlin himself. The radio priest, however, still refused to see me even

(Non-Profit Corporation)

ARTICLES OF ASSOCIATION
OF THE

League of The Little Flower

We, the undersigned, desiring to become incorporated under the provisions of Act No. 41, of the Public Acts of Michigan for 1921, providing for the "organization, regulation and the dissolution of non-profit corporations," etc., do hereby make, execute and adopt the following articles of association, to wit:

ARTICLE I.

The name or title by which said corporation is to be known is to be in

League of The Little Flower

ARTICLE II.

This corporation shall proceed under section ... 2 ... Chapter 1, Part 1, of the above named act

ARTICLE III.

The purpose or purposes for which it is formed are as follows:

To obtain funds, which will be donated toward defraying the expense of operating The Parish Shrine of The Little Flower, at Woodward Ave., and Twelve Mile Road, Detroit, Michigan; and further, to obtain funds, which will be donated toward the building of a new church in said parish.

ARTICLE IV.

The principal office or place of business shall be at Woodward Avenue and Twelve Mile Road
in the county of ... Oakland

The League of the Little Flower was organized, according to the Articles of Association above, to raise money for building a new church—not to lend \$3,904.87 to Coughlin's father, who used the money to set himself up in business. The money thus collected was also used to play the stock market.

after his attorney urged him to. Apparently he did not want to talk about where he found the money for his market flyers.

Ten years ago the Reverend Charles E. Coughlin had already started broadcasting in a modest way as the voice of the "Golden Hour of the Little Flower." Money to support his religious sermons over the air came in response to his appeals. The priest saw possibilities and promptly organized a League of the Little Flower, which he incorporated. (This was the predecessor of the present Radio League of the Little Flower.) The League of the Little Flower was incorporated on January 10, 1928, to function for thirty years. The specific purposes for which the state of Michigan permitted it to collect money from the public were unmistakably set forth in the Articles of Association as follows:

To obtain funds, which will be donated toward defraying the expense of operating the Parish Shrine of The Little Flower, at Woodward Ave., and 12 Mile Rd., Detroit, Michigan; and further, to obtain funds, which will be donated toward the building of a new church in said parish.

Apparently, even at that time, he had learned how the big boys in the financial world operate, for he sewed up his new corporation in the hands of a little trio right from the start by providing in the

Articles of Association that "Officers shall be chosen by the original organizers or their successors in office." He was going to be sure no one else horned in on it. The original incorporators and officers were the Reverend Charles E. Coughlin, Frank L. Wood and Eugenia B. Burke.

Over the small network of stations the priest's call for funds "to build a new church" met so encouraging a response that he decided to branch out. First, however, it was necessary to dissolve the already established corporation, so on July 19, 1930, he called in two of his secretaries, Amy Collins and Eugenia Burke (Frank L. Wood had been eased out and Amy took over the finances). At this meeting Coughlin and his two employees decided that thirty years was an awfully long time. Without any qualms they cut the life of the corporation to two years and seven months, thus bringing about its demise on August 10, 1930. Amy Collins then wrote to John S. Haggerty, Michigan's Secretary of State, notifying him that the corporation had gone out of business. The records, she added blandly, were at 1705 Fairlawn Avenue, Royal Oak—which happened to be her home.

So far as the state of Michigan was concerned, that was that. No one asked Coughlin or his secretaries what they did with the money collected from

the public. That, I learned, seems to be one of the beauties of organizing a non-profit-making corporation in the state of Michigan. All you have to do is announce that it is for a religious, patriotic or some other high-sounding purpose, pay two dollars to register your organization, and you may legally take in money from anyone you can persuade to shell out. What you do with the money after you get it seems to be your own business; nobody bothers you.

When the League of the Little Flower went out of existence it had \$3,297.32 in a commercial bank, \$27,423.91 in a savings account, and about \$5,000 worth of office and household furniture. The household furniture was worth over \$1,000, and why the League needed a thousand dollars worth of household furniture to build a church I never could figure out. When Coughlin and his two employees closed shop on the League of the Little Flower, they had almost \$31,000 which they had collected from the public.

The question I particularly wanted to ask Coughlin was how it happened that money from the League's bank account was used to meet payments on his stock market gambling accounts. I was under the impression, from the specified purposes for which the state permitted him to collect funds, that

MICHIGAN
NOTICE OF DISSOLUTION

(Name of Corporation) League Of The Little Flower
(Postoffice Address) Woodward & 12 Mile Rd, Royal Oak, Oakland County
(Date) July 24th, 1930

We, the undersigned, being a majority of the remaining members of the last board of directors of
League Of The Little Flower
a corporation doing business under the provisions of Act No. 84, Public Acts of 1921, do hereby certify and give notice in
accordance with the requirements of Section 7, Chapter 4, Part 1, of said Act, that the said corporation has been dis-
solved by " Expiration of its term (Resolution of Directors)

Walter Coughlin
Eugenia B. Burke
Ray Collins

Majority
of
Directors

State of Michigan
County of Oakland

On this 24 day of July, 1930, before me, a Notary
Public in and for said county, appeared the directors hereinbefore mentioned of the League Of The
Little Flower corporation.

The famous trio, Coughlin, Burke and Collins, dissolve the League before starting on a more ambitious plan.

Shrine of The Little Flower

National League of The Little Flower

WINDWARD AVENUE AND TWELVE MILE ROAD
DETROIT, (MICH. CH.) MICHIGAN

REV. CHAR. E. COUGHLIN
PASTOR

July 27th, 1930

*"The
Golden
Flour
of the
Little
Flower"*

Jorn S. Lapperty,
Secretary of State,
Lansing, Mich.

Honorable and Dear Sir:

This is to certify that I
am the custodian of the records of the League of
the Little Flower Inc.

The records can be viewed
at 1705 Fairlawn Ave., Royal Oak, Michigan.

Obediently yours,

Amy Collins

AC

Washington, Md.
WCAO
Boston, Mass.
WNAC
Buffalo, N. Y.
WMAK
Chicago, Ill.
WMAQ
Cincinnati, O.
WERC
Cleveland, O.
WME
Detroit, Mich.
WGHP
Detroit, Mich.
WJR
Kansas City,
Mo.
KMEC
New York City
WABC
Philadelphia,
Pa.
WCAU
Pittsburgh, Pa.
WJAS
Providence,
R. I.
WLAN
St. Louis, Mo.
KMOK

the money was to maintain his church and to help build a new one, and for no other purpose. I wanted to ask him also just what he meant when, in his radio broadcasts at this same period, he called stock market gambling "shooting craps with other people's money."

Let me illustrate. On February 27, 1929, about a year after the priest started to collect for the new church, he bought five hundred shares of Kelsey Hayes Wheel for \$30,000 at \$60 a share, through Paine, Webber & Co., brokers with offices in the Penobscot Building, Detroit. The subsequent illus-

Paine, Webber & Company								No. A21180	
100 PENOBSCOT BUILDING								DETROIT, MICH.	
For Delivery <u>2-27-29</u>									
DEBITANT for your account and risk according to the rules of the Boston, New York & Chicago Stock Exchanges									
BROWER	DESCRIPTION	PRICE	AMOUNT	STAMP TAX	COMMIT	NET AMOUNT			
	500 KELSEY HAYES WHEEL	60	30000 00		67 00	30067 00			
	<i>YH Coughlin</i>		<i>10,577.50</i>		<i>30110.50</i>				
		<i>2.190</i>	<i>30067.50</i>						
			<i>30110.50</i>						

Money contributed by the public in response to the priest's plea through the League of the Little Flower, for donations "to build a new church," was used to gamble on the stock market. This is the \$30,000.00 stock market transaction record showing his purchase of a large block of stock.

trations from his stock market accounts will give an idea of the extent of his "shooting craps with other people's money."

However, as I have said, Coughlin refused to see me. The president of the Radio League of the Little Flower, Edward Kinsky, who operates at the present time out of the offices of a broker interested in money speculation, saw me when I called upon him, but refused to explain what the Radio League did with the million dollars it had collected to date. I was quite impressed by the fact that the heads of these corporations collecting money from the public didn't like to tell what they did with it. Their activities were veiled in mystery. So, since Coughlin wouldn't see me, and the president of the

DIRECT LIABILITY

NAME: CHARLES COUGHLIN LINE OF CREDIT

ADDRESS: 10 1/2 W 53 STREET

DATE	NO	DESCRIPTION	DEBIT	CREDIT	BALANCE
10 OCT 30	12307	100 ON HELSEY HAYES WHEEL COOP	JUN 3	JUN 11	10 567.50
10 OCT 30	JUN 11	CE1151	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1232	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1233	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1234	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1235	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1236	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1237	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1238	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1239	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1240	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1241	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1242	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1243	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1244	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1245	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1246	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1247	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1248	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1249	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1250	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1251	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1252	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1253	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1254	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1255	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1256	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1257	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1258	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1259	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1260	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1261	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1262	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1263	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1264	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1265	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1266	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1267	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1268	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1269	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1270	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1271	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1272	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1273	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1274	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1275	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1276	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1277	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1278	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1279	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1280	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1281	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1282	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1283	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1284	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1285	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1286	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1287	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1288	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1289	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1290	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1291	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1292	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1293	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1294	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1295	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1296	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1297	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1298	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1299	SEP 2	SEP 4	10 567.50
10 OCT 30	JUN 11	CE1300	SEP 2	SEP 4	10 567.50

"Shooting craps with other people's money"—that is what Coughlin called gambling on the stock market. While he was thus denouncing speculators, he was playing the market heavily himself with money sent to him by the public "to build a new church."

money-collecting Radio League wouldn't talk, I called upon their attorney, Prewitt Semmes.

Semmes is the motion-picture type of successful

Q. Who owns Social Justice Magazine?

A. All of the stock of Social Justice Publishing Company is owned by Radio League of the Little Flower.

Q. How many shares are involved?

A. 10 shares at \$100 a share - \$1,000.

Q. How many shares of stock were originally authorized?

A. The Articles of Incorporation authorize 500 shares at par value of \$100 per share.

Q. How many were issued?

A. 10 shares issued.

Q. What has happened to the other 490 shares of its stock - the unissued stock belongs to whom?

A. To no one. In other words, it authorized the corporation to issue 500 shares at \$100 per share but only 10 shares at the price of \$100 per share were subscribed and paid for - the rest is unissued stock.

Q. Can the other 490 shares of stock be issued?

A. They can be issued at any time upon the payment of \$100 per share.

*Pages 1 to 17 attached by me - original with me and with my own approval
Prewitt Semmes
June 6/39*

Prewitt Semmes, Coughlin's lawyer, signs the stenographic notes of the Spivak interview.

lawyer, a man in the prime of life, meticulously dressed, cool and suave. He is a corporation lawyer and averages about \$50,000 a year.

"I'll be glad to answer any questions," he said amiably, and when I started to take notes, he suggested: "Why not let me call in my secretary? We'll have an exact record of the questions and answers. Then at the end of the interview you can initial my

copy and I'll initial yours." This was quite agreeable, and with his secretary making an exact record of the interview I began by asking him who owned *Social Justice* magazine.

"All of the stock of Social Justice Publishing Company was originally owned by the Radio League of the Little Flower," he said. "There were ten shares involved. These ten were the only ones ever issued out of five hundred authorized."

"When did the Radio League acquire ownership of these controlling ten shares?"

Semmes called for the *Social Justice* and Radio League files which he studied carefully.

"I don't seem to have it here," he said at last. "I'll have to get that for you."

He instructed his secretary to telephone Miss (Eugenia B.) Burke at the Shrine and ask her to get the information from the records. Several times during the interview Semmes referred to the records at the Shrine. The date I had asked about was February 28, 1936, but I was less interested in that than in where the records were kept. Subsequently, even though Semmes had called the Shrine for the records in my presence, both he and Coughlin denied that the records of this privately owned publishing company were kept at the tax-exempt church.

Semmes showed the stenographic notes to Cough-

lin the day after the interview, and the priest must have hit the ceiling when he saw his lawyer's admissions, for on November 8, 1939, the lawyer sent me a five-page letter in which he said:

Father Coughlin did not receive until today the copy of the answers I gave to your questions on Monday, November 6. He got the wrong impression from this interview and if he did it may be that others would also. . . .

The calls [to Social Justice Publishing Co.] do not go through the switchboard at the Shrine office.

The books and records, including financial records of Social Justice Publishing Co., are also kept at the Woodward Avenue office of Social Justice Publishing Co. and not at the Shrine.

This letter was obviously written at Coughlin's insistence, for not only had Semmes admitted in the interview that records are at the Shrine, but I had official documents which gave the tax-exempt church as the address for the private publishing business.

As the interview progressed I found that Semmes, who was attorney not only for Coughlin but for Social Justice Publishing Company and its officers, did not know even the names of the clients he represented. He had to telephone to the Shrine for them. When he got the official records they showed that the ten shares of stock, as I have already explained,

were shifted about from Coughlin to the Radio League to Walter Baertschi to the Social Justice Poor Society, Inc. He became a little uncomfortable as the interview touched on delicate aspects of Coughlin's activities, and went into another room to call the priest. When he returned he laughed and said Coughlin had advised him to throw me out.

"But I'll use my own judgment on it," he concluded.

"I'm glad to hear it," I said, "because there are a lot of questions I want to ask. For instance, does Social Justice Publishing Company, as a profit-making corporation, pay an income tax?"

"Oh, sure."

"Could you tell me how much?"

"I don't know that. I don't make up the tax returns."

"You would have those records at the Shrine?"

"Yes, at the office."

The words slipped out of his mouth apparently before he realized it. He had attached no particular significance to his earlier phone calls to the Shrine for the records, but with this statement he seemed to realize what I was driving at, and he added hastily: "I don't think—well, I'm not sure that the *Social Justice* office is at the Shrine. It might be at 13 Mile Road and Woodward. Anyway, that's where

the figures are available. One place or the other.”

“What’s the address and number of the offices at 13 Mile Road and Woodward?”

“I don’t know the number. It’s on Woodward Avenue at about 13 Mile Road.”

“I mean, is there a sign so that you know where the offices are?”

“No. It’s just a dwelling house. It looks just like an ordinary house. There are no signs to advertise what it is. I imagine it is listed in the telephone book.”

“Shall we look?” I suggested. I had already looked, and I knew it was not in the phone book.

Semmes turned the pages of the book, frowned and finally said, “It’s not listed.”

“You mean this big national publishing business doesn’t have a telephone at its offices?”

“Oh, no,” he said quickly. “I mean that the office at 13 Mile Road and Woodward is not listed in here. I mean—to telephone you go through the Shrine. Royal Oak 4122. But the street number at 13 Mile Road and Woodward isn’t listed here.”

“Just how many houses from the corner is this dwelling house?”

“I don’t know,” said the attorney for the publishing house whose address he didn’t know.

“Have you ever been——”

"Yes," he interrupted before I could finish. "That's where the business office is. That's where the publication is edited. That's where Mr. Schwartz's office is."

"Are the records kept there, too?"

"No, not the financial records. They are kept at the Shrine."

"I believe you wrote a letter to the Chancellor of the Archdiocese of Detroit that *Social Justice* is not an organ of the Catholic church."

"That's right," he said cautiously. "It has no connection whatever with it. The publishing company is a profit corporation."

"Why are the records kept at the Shrine, which is a tax-exempt church?"

"They are not kept at the Shrine. They are kept at the business office of the Shrine, which is a small part of the tax-exempt building."

"Does any part of the Shrine pay taxes?"

"No," he said a trifle irritably.

I saw no point in following up this angle. The attorney was all too uncomfortably trying to protect his clients, so I went on to the Radio League which had owned *Social Justice*.

"Is the Radio League profit-making?" I asked.

"No," he said, beginning to eye me with some wariness.

"Now, if a non-profit-making corporation owns a profit-making corporation like this publishing company, does that exempt the publishing company from taxation?"

"Oh, no," he laughed. "Quite the contrary. Social Justice Publishing Company isn't exempt at all."

"Would it be legitimate to ask for tax exemption?"

"We wouldn't even suggest it," he said with a motion of his hand as if the matter were too absurd even to be considered. "It wouldn't be allowed. There's no basis for asking it."

"I happen to have a letter," I said, "which Amy Collins wrote to the Michigan Unemployment Insurance Commission asking for tax exemption on the grounds that it's owned by a non-profit-making corporation."

"Now—wait a minute," he said quickly, turning around in his chair. "I haven't gone into the question of unemployment insurance on *Social Justice* and—and those things because—because I haven't been asked. But," he added with a shrug, "I don't know of any basis which would exempt it although I haven't studied it."

"Okay. If you don't know about it, then we can't very well discuss it. But you do know Edward Kinsky, president of the Radio League of the Lit-

tle Flower who is also the vice president of Social Justice Publishing Company?"

"I don't know if he is," said Mr. Kinsky's attorney, who also represents these two corporations. "I'd have to check it."

"Let's assume that I'm right until you've checked it. Mr. Kinsky told me you're his personal attorney. What's his business?"

"I don't know——"

I began to laugh and Semmes added, "I'm only his attorney on business for Social Justice Publishing Company and the Radio League. I don't handle his private affairs. I don't know anything about him."

"You didn't even know that he was president and vice president of these two corporations——?"

"I'm having it checked," he said with a frown.

"Do you know Francis Keelon, of Keelon & Company?"

"Yes."

"Mr. Kinsky works with Mr. Keelon?"

"I understand he's in his office but I don't know what he does."

"What is Keelon's business?"

"I don't know——" he began. Then he apparently changed his mind and added, "I think he's a trader in commodities."

“At the time the National Union for Social Justice was organized by Father Coughlin, wasn’t Keelon interested in the Union Party which tried to put Coughlin’s man in the White House?”

Semmes hesitated a moment and then side-stepped the question a bit lamely. “I know he’s always friendly to anything Father Coughlin sponsors,” he said.

“Are you familiar with the League of the Little Flower?”

“There isn’t any such thing—” he said quickly.

“Not now, but there was.”

I explained how the League was established and how it collected money “to build a church,” how Coughlin used that money to gamble on the stock market. Semmes interrupted me in the middle with “I don’t know. I never heard of it.”

“All right, but you are familiar with the present-day Radio League of the Little Flower which has been collecting money upon assurances that it’s a non-political body. Who gave it authority to lend money collected under such promises to a political organization?”

“There is no prohibition against lending it to anyone,” he said cynically.

“In your opinion, it’s perfectly all right to receive money through the mails with assurances that it’s

to be used for a non-political purpose and then lend that money for political purposes?"

"Now—" he said, with a swift gesture of his hand, "you're going beyond asking me for an opinion. I say it undoubtedly has the authority, but I wouldn't want to leave the impression that that is what they do, because they don't."

"They didn't lend the money to a political organization?"

"Not so far as I know."

"I believe you drew up the papers for the National Union for Social Justice. Money received by that body was used for political purposes?"

"Yes."

"And a report on its receipts and disbursements had to be turned into the Federal Government under the Corrupt Practices Act?"

"That's correct."

"Did you ever see that report?"

"No——"

"I happen to have it. That report shows that the National Union for Social Justice repaid a loan of some \$99,000 borrowed from the Radio League of the Little Flower. Now, the Radio League gave the public assurances that its contributions were for a non-political organization——"

"There's no prohibition whatever against a non-

profit or charitable organization lending money to anyone the directors see fit," he said quickly.

"I get it, so there's no use going on with that. How about the officers? As a rule all of them seem to be dummy incorporators, as you lawyers call it."

"I should say it's a natural thing," he said smoothly. "It's like the few corporations in which my friends and I are interested. We don't have any outside people in them."

"Then the directors and trustees of these various corporations are employees, but the control is really in the hands of Father Coughlin?"

"Not legally"—his words were cautious—"but—as I say—they naturally—actually—of course, as I say, it would be extraordinary if it were any other way."

"I guess that's that," I said, motioning to the girl that the interview was over. There was little more that could be got from the attorney. He had admitted that the private publishing business, which "is not, and never was, an organ of the Catholic church," was using tax-exempt church property in which to conduct its business. The attorney was willing to admit that money collected through the mails upon definite assurances that it was for non-political purposes was nevertheless used for a political organization, and he viewed it cynically with an at-

titude of "So what? There's no law against it." The attorney admitted that the various officers and directors of the Coughlin corporations collecting money from the public were "dummies" and the attitude was the same: "So what? We don't want anyone else horning in on it."

When the girl left to type her notes we continued talking informally about Coughlin. During the conversation I casually asked Semmes if he had ever met Ben Marcin. (Ben Marcin, according to *Social Justice*, is a Jew who writes a lot of anti-Semitic stuff for the magazine.)

Semmes glanced at me, his eyes twinkling.

"No, I never did," he said with a faint smile. Then just as casually as I had brought up the name, he asked: "Is there such a person?"

"No," I said. "There isn't. It's a phony."

"Well," he said quickly, "I wouldn't know anything about that. I wouldn't know anything about that."

The identity of Ben Marcin was one of the points about which I wanted to question the radio priest. When Coughlin launched his anti-Semitic campaign, "Ben Marcin" made his appearance, announcing that he was a Jew. It was under this alleged Jew's signature that some of the most vicious anti-Semitic propaganda appeared in *Social Justice*.

State of Michigan)
(ss
County of Wayne)

I, E. Lodge Robertson, being duly sworn, do depose and say that I reside at the Park Avenue Hotel in the City of Detroit. I was employed by Arnold Powers, Inc., located at 550 W. Lafayette Blvd., for a period of six and one-half months from March 3, 1939 to September 9, 1939 as Superintendent of the Plant.

Arnold Powers, Inc., is engaged under contract with Social Justice Publishing Company to design all of the art work and general layout of Social Justice Magazine, to set the type and make it up in pages, copies of which are furnished in suitable form for reproduction in photo-gravure or letter-press printing to the Cuneo Press at Chicago, Illinois. In the course of my work I was in constant contact and in consultation with Mr. E. Perrin Schwartz, who is the editor of Social Justice Magazine.

I heard the recent broadcast by Father Charles Coughlin at which time he offered a reward for proof that Ben Marcin, contributor to Social Justice Magazine and author of numerous articles on the subject of the validity of the Prodigals of Zion, and one Boris Prasol, were one and the same person.

On the Friday following the broadcast referred to, I held my regular conference with Mr. E. Perrin Schwartz and I asked him who Ben Marcin was. He laughingly replied that there was no such person as Ben Marcin, but that it was a name used by various members of the staff of the paper in writing articles where it was desired that the author appear to be someone other than a member of the staff of Social Justice Magazine. In this particular instance, the name "Marcin" which had been previously used on other articles, other than those dealing with the Prodigals of Zion, was composed of the combined initials of several members of the staff of Social Justice Magazine, and that the name "Ben" was added to give the fictitious Marcin the proper Jewish flavor.

I was told by Mr. Schwartz that the articles on the validity of the Prodigals of Zion were prepared by Mr. Schwartz himself, in collaboration with Mr. Joseph Patrick Wright, another member of the staff. He said that Father Coughlin was perfectly safe in offering the reward, as it would be utterly impossible for anyone to claim it.

H. Lodge Robertson

Subscribed and sworn to before me
this 29 day of September, 1939.

H. Wayne Dalton
Notary Public, Wayne County, Michigan
My commission expires Dec 14, 1942

The affidavit of the foreman in the plant where *Social Justice* magazine is made up discloses there is no such person as Ben Marcin, who, Coughlin said, is a Jew and the author of anti-Semitic articles in the magazine. (The stenographer who typed the affidavit had apparently never been exposed to the forged *Protocols of Zion*.)

Efforts to locate Ben Marcin were fruitless. Some people erroneously attributed Marcin's work to Boris Brasol, who helped spread the *Protocols of the Elders of Zion* in the United States. Coughlin, with his tongue in his cheek, promptly offered a fabulous reward to anyone who could prove that Boris Brasol was Ben Marcin. The priest was safe in offering it, for there is no such person. I have a complete list of all *Social Justice* employees, and this name does not appear. I have a complete list of all payments made for articles, and no payments were ever made to Ben Marcin. It's just one of Coughlin's cheerful little propaganda tricks. The stuff signed by the non-existent Ben Marcin is written by E. Perrin Schwartz, editor of the magazine, and Joseph Patrick Wright, one of its editorial employees.

The whole story is pointedly told by H. Lodge Robertson, superintendent of the Detroit plant of Arnold Powers, Inc., where the art work and the layout for *Social Justice* are prepared before the printing of the magazine. Let me quote Mr. Robertson's affidavit:

I, H. Lodge Robertson, being duly sworn, do depose and say that I reside at the Park Avenue Hotel in the City of Detroit. I was employed by Arnold Powers, Inc., located at 550 W. Lafayette Blvd., for a period of six

and one-half months from March 3, 1939, to Sept. 9, 1939, as superintendent of the plant.

Arnold Powers, Inc., is engaged under contract with Social Justice Publishing Co. to design all of the art work and general layout of *Social Justice* magazine, to set the type and make it up in pages, copies of which are furnished in suitable form for reproduction in roto-gravure or letter-press printing to the Cuneo Press at Chicago, Ill. In the course of my work I was in constant contact and in consultation with Mr. E. Perrin Schwartz, who is the editor of *Social Justice* magazine.

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I was told by Mr. Schwartz that the articles on the validity of the *Protocols of Zion* were prepared by Mr. Schwartz himself, in collaboration with Mr. Joseph Patrick Wright, another member of the staff. He said that Father Coughlin was perfectly safe in offering the reward, as it would be utterly impossible for anyone to claim it.

And the Reverend Charles E. Coughlin called President Roosevelt a liar!

VI

COUGHLIN AND HENRY FORD

AT 2:30 in the afternoon of February 9, 1939, Loren J. Houser, secretary-treasurer of the United Automobile Workers of America, with offices in Detroit, found that he had no money to meet the pay roll. He walked into the private office of Homer Martin, president of the independent union, and told him there was no cash available. (Martin had been president of the United Automobile Workers, C.I.O., but by this time had broken away and established his own opposition group which was desperately and deliberately trying to wreck the C.I.O. union.)

“How much do you need?” asked Martin.

“About \$10,000.”

Martin reached into the inside pocket of his coat and took out two cashier's checks drawn on a New

... were both cash
to me. I observed that one was a cashier's check for \$10,000,
and the other, to the best of my recollection, was for \$15,000.
I observed that both checks were on a New York bank. I further
observed that both checks were made payable to Homer Martin.
Martin then handed me the cashier's check for \$10,000 and imme-
diately went with me to the bank in order to cash it. We went
downstairs and into the Detroit Bank, which is next door. There,
in the bank, Martin indorsed the check for \$10,000, and, with me
standing at his side, presented the check to the cashier, who
paid out the sum of \$10,000 in bills to Homer Martin in my
presence. Martin then turned the \$10,000 over to me and I used
it in the payment of expenses as originally planned. Martin did
not tell me where the money came from, but when he gave the money
to me he said to me, "When that's gone there's more where that
came from."

~~All money that came in from local sources was~~

Homer Martin that he at no time ever considered that there was
any limitation upon the amount of money he was able to spend.
He never considered the expenses. He merely went about doing
things and authorizing things without consideration as to income
which was necessary to meet the expenses.

Loren J. Houser.

Subscribed and sworn to before me this
third day of March, 1939.

Evelyn O. Upton
Notary Public, Wayne County, Michigan.

My commission expires: *Nov. 6, 1942*

From the affidavit of Loren J. Houser, secretary-treasurer of the
United Automobile Workers, showing that Homer Martin had large
sums of money at his disposal. The source of these funds was a
mystery for a while.

York bank. One was for \$10,000 and the other for \$15,000. Each had been made payable to Homer Martin personally.

"Come on," he said, "let's go downstairs and cash it."

The teller in the bank next door to the Griswold Building where Martin's union had its offices, handed over the cash.

"Here," Martin casually told Houser, "use this. When that's gone there's more where it came from."

Martin, whose split with the United Automobile Workers, C.I.O., had seriously hurt the drive to organize the automotive workers, for a time did not have enough money from membership dues to run his organization. Funds came from a mysterious source. That source was, and is today, Harry Bennett, head of Henry Ford's Personnel Division, whose chief activity is labor spying to prevent the Ford plant from being organized by any union. Bennett established this amazing secret service organization several years ago; his operatives are now found not only in the Ford plants but in the unions and in the political life of the state. How Homer Martin was brought in contact with Henry Ford and finally began to take money from the Ford labor spy chief, brings us to the Reverend Charles E. Coughlin, the "friend of organized labor."

The story begins at the end of August, 1937, when Homer Martin was still president of the United Automobile Workers, C.I.O. Early this summer evening a car drove up to the rectory adjoining the Shrine of the Little Flower, and Homer Martin stepped out. With him was R. J. Thomas, another high union official who is now president of the U.A.W.-C.I.O. The street in front of the rectory, with its tall, heavily leaved trees, seemed asleep, for it was the dinner hour. Royal Oak burghers were at their dining tables, and it was long past the sight-seeing hours when visitors to the Shrine walk around the block eyeing the church and the rectory where the priest lives.

Thomas, a stocky, youngish labor leader, whose face normally has a stare of baby innocence which masks his keen observations, was frowning.

"I don't think we're doing a smart thing, Homer," he said.

"Don't worry about it," said Martin. "Dave Brand is an officer of the Dodge Local. He came to me; I didn't go to him. He lives somewhere around here, close to Father Coughlin, and is one of his staunchest followers. He came up to my office, as I told you, and personally invited us. Said Father wanted to see us. Now, I've known Brand for a long time and

I'd have gone by myself, but he said Father Coughlin wanted you to come along, too."

"I still don't think it's a very smart thing to do. Father Coughlin wasn't friendly to union labor even when he was building his church. He says he doesn't like the C.I.O., but he doesn't like the A.F. of L. either. He's got something up his sleeve, and I have a feeling it's not for our benefit. I've heard too many stories about how he says one thing but does another."



Coughlin denounces high dignitaries of the Catholic church. The clipping at the right is from *Social Justice*;—the other from the *Chicago Daily News*.

The radio priest had apparently been waiting for them with some eagerness, for he himself opened the door in response to their ring and took them into his spacious living quarters. After dinner, to which they had been invited, Coughlin immediately led the discussion from national problems to the labor

situation. He started off with a furious denunciation of John L. Lewis as a "stooge of the Communist party." Thomas listened in amazement, while Martin nodded. From Lewis the priest turned to a scathing attack on Monsignor John A. Ryan of Washington, D. C., who, he charged, was more interested in "promoting the policies of the Communist party than in the Catholic church," and proceeded from the church dignitary to John Brophy, Richard Frankenstein, and other C.I.O. leaders. In a final outburst, he lambasted those Catholic priests in the Detroit area who, with Monsignor Ryan, had viewed C.I.O. organizing efforts with friendly eyes.

Neither Martin nor Thomas had much chance to speak. It was not a conversation but an oration, and the more Coughlin talked the more hypnotized he seemed by his own voice. After a while, however, he noticed the look in Thomas's eyes and shrewdly dropped to a personal note.

"Homer," he said, assuming the air of an old friend, "Lewis and the C.I.O. are stooges of the Communist party. I think I've made myself clear on that. Now, if you want to fight Lewis and the C.I.O. I can give you a lot of help." He paused, and added slowly with emphasis: "You have possibilities in the labor movement and I want to help you. My newspaper, *Social Justice*, has an enormous cir-

ulation and following. Wait a minute!" he exclaimed as if a sudden inspiration had come to him. "Let me get a couple of my editorial men so we can discuss this thing and see what we can do for you. I'm anxious to help you."

He beamed upon Martin and telephoned to the Shrine office. The inspiration seemed beautifully timed; it just happened that the two persons he wanted were around. Within a few minutes E. Perrin Schwartz, editor of *Social Justice*, and Joseph Patrick Wright, an editorial assistant, came in. Wright had a peculiar smile, and Schwartz acknowledged the introductions standing with that hangdog crouch to his shoulders. Throughout the evening they didn't open their mouths, except once, unless Coughlin spoke to them. They just kept nodding their heads in approval at everything he said.

"You know, Homer," Coughlin said, taking a chair close to Martin, "I can call some meetings of priests. I have considerable influence with a lot of priests. I can arrange for them to see you, and they in turn have a great deal of influence."

Thomas couldn't figure it out. There was something behind all this, he felt—something the priest hadn't sprung yet. Coughlin rose and began to pace the room, his head bowed as if in deep thought. No one spoke. Both guests and employees eyed him.

The priest seemed to be wrestling with himself like an actor on the stage who wanted to be sure the audience didn't miss the wrestle. Suddenly he paused dramatically in front of Martin with the air of one who had reached a decision and was about to dispense a great gift.

"Homer," he said, "how would you like to have the auto workers organize the Ford Motor Company?"

Schwartz and Wright caught their breath audibly as if amazed at the priest's generosity. Martin himself didn't seem as startled as a labor leader offered such a gift should, and Thomas, for the first time, wondered if Martin hadn't known what was coming.

"Well," said Martin, "that would be very nice."

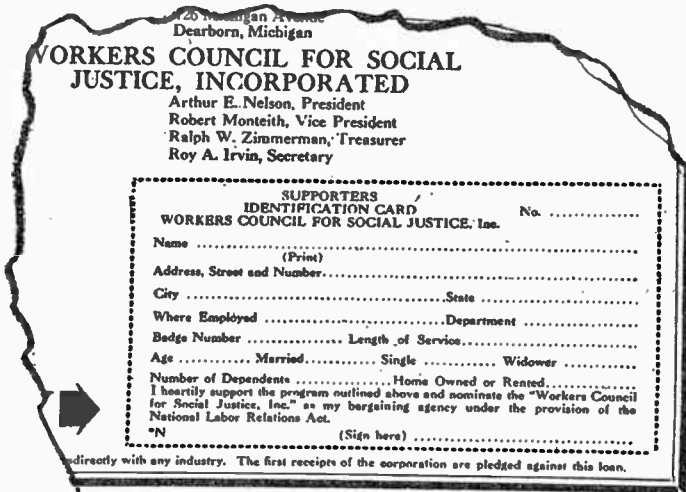
Coughlin looked at Thomas, whose baby-innocent stare hadn't changed. "The auto workers would very much like to organize the Ford plant," said Thomas.

The C.I.O. was making extraordinary efforts to organize the Ford plant. Ford was fighting them tooth and nail. The entire huge system of labor spies developed by Harry Bennett was in motion to stop the union. Yet here was this priest, known to labor as unfriendly despite all his protestations, offering to let the auto workers organize the plant. There was something behind this, and it made Thomas uneasy. He was familiar with Coughlin's labor

speeches and had long ago concluded that when the priest persuaded labor to follow his advice it almost invariably turned out that the employers got the benefit of it. Thomas remembered that back in 1934, when the auto companies fought unemployment insurance and old age pensions, Coughlin had raised a wail that the companies would go out of business. He remembered how Coughlin, while orating for union labor on the air, hired non-union labor to build this very church and the rectory where they were sitting. There was something in his unctuous speeches as a "friend of labor" that always seemed to hand labor the short end of the deal when you got right down to cases.

This offer to organize the Ford Motor Company employees, which neither the A.F. of L. nor the C.I.O. had been able to do, sounded a bit peculiar, especially since it came just when the union was making real headway. It was an old trick, Thomas knew, for employers to hire people to split a union's ranks by starting another union. Such tactics, in labor spy parlance, are known as using "disrupters." The priest had started the after-dinner conversation by attacking the C.I.O. and its leadership. This meant that the next step would be to set up a rival union, which in turn meant creating an internal fight that would inevitably disrupt the drive

to organize the auto workers. Employers had long followed such strategy, and Ford himself was annually spending a fortune on labor spies for similar purposes. Only a company union would be permitted in the Ford plant. Thomas thought he saw where Coughlin might fit into this picture.



Coughlin earmarks on this organization, the Workers Council for Social Justice, Inc. Officers of the corporation were Ford employees who were given a couple of weeks' "vacation" while they tried to become the bargaining agency for Ford employees—a new version of the company union.

There was no doubt that Coughlin wanted to enter the labor field. Take the case of the Workers Council for Social Justice, Inc., which had all the Coughlin earmarks. It had been financed by a mysterious

individual, and the officers were Ford employees whom Harry Bennett had given "leave of absence." A full-page newspaper ad announced the organization's existence one day in 1937, and the only trouble was that almost nobody but the officers turned out for the meetings. That effort fizzled, but it showed the Coughlin touch and the Coughlin desire to put a thumb in the labor union pie. It was well known that unscrupulous persons had made fortunes by getting control of unions.

Thomas knew little about Coughlin's other activities outside of the generally accepted fact that while the priest was denouncing stock market gambling in his broadcasts, he himself was surreptitiously playing the market. Thomas had wondered, along with many others, where the priest was getting the enormous sums of money to pay for his national broadcasts. Many of the broadcasts were directed against the C.I.O. There was something very phony about all this, and Thomas eyed his host questioningly.

Coughlin noticed the look but apparently mistook it for doubt that he could do what he had said. "I have a very influential person in my parish," he said quickly. "It's Vice-President Martin of the Ford Motor Company."

Schwartz, his editor, spoke up for the first time. "Yes, that's true," he said brightly.

Coughlin shot a disapproving glance at him, and the editorial brains promptly retired to his silence.

"You know," Coughlin continued, "I think it would be a good thing if I contact Vice President Martin. He can arrange a meeting between you and Henry Ford. I think Mr. Ford would like to hear your views, and I am sure you would enjoy meeting him."

Homer Martin nodded and glanced at Thomas with a what-do-you-say air. Thomas shrugged his shoulders without committing himself.

"I'll tell you what, Homer," the priest added. "You write me a letter saying you want to meet Henry Ford and I'll see to it that Vice President Martin makes the arrangements."

Thomas was at last convinced that this wasn't just a wild-cat offer but that the whole thing, dinner and all, had been arranged only for this purpose, and he asked innocently, "But, Father, don't you think Homer should meet Harry Bennett?"

"Oh no—no—no!" the priest exclaimed. "I don't think this is the time. I think he should first discuss matters with Mr. Ford directly."

Once this was settled, the priest gave the conversation a shrewd turn toward the country's political set-up. He didn't like it. Henry Ford didn't like it either.

"Mr. Thomas," he said at one point, "you haven't said very much this evening."

"I was listening, Father," said Thomas, his stare becoming even more naïve. "I was very interested."

"I am always interested in everybody's ideas, too. Now, I've got an idea I'd like to get your reaction on. I'm interested in protecting the interests of the workers, as you know. What do you think of this idea: Suppose we were to set up an entirely new political machine in this country so that workers would have representation in Congress as workers?"

"I think if workers had a strong say in Congress it would be very good," said Thomas, wondering what was coming next.

"Let me finish. What I've got in mind is that workers be represented in Congress, lawyers have an organization and be represented in Congress, doctors the same thing. Capital should have an organization and also be represented in Congress. What do you think of it?"

"Isn't that the corporate state idea?" asked Thomas. "It's the same sort of idea Mussolini put across in Italy and ultimately crushed the labor movement there. Hitler did the same thing in Germany. Personally, I think American workers are getting on all right under our democratic form of government. When the workers learn which side

their bread is buttered on they'll get what they want from Congress. If those in Congress won't give it to them they'll send representatives who will."

The priest dropped the subject and turned to his editor. "Perrin," he said expansively, "what do you think we could do to help Homer out? I'd like to help him, you know," and he added to Martin, "I can't go on the radio and speak for you but I can use my newspaper for that purpose. I can also call meetings of priests and influence them. But I don't believe I'll be able to do anything for you unless you pull out of the C.I.O."

Thomas stifled a smile. He had expected it, and the priest had finally come out plainly. That was the "punch line," as they call it in show business, in this drama played by Coughlin to help the Ford interests split the C.I.O.

There were several other meetings with the radio priest, the second one some two weeks later, after Homer Martin had written to Coughlin saying he wanted to meet Henry Ford. Thomas attended the second interview to see just how far matters had gone. At this session Coughlin for the first time launched into an anti-Semitic tirade, accusing Richard Frankenstein of being a Jew, charging that many C.I.O. organizers were Jews, that Jews on the

executive board of the union were interfering with efforts to bring his kind of peace in the labor field. Thomas recollected that Coughlin had protested repeatedly that he was not anti-Semitic, yet here he was charging that Jews were responsible for many of the C.I.O.'s activities. Hitler did the same thing in Germany before he got in power and finally crushed the labor unions.

Thomas refused to attend any more sessions after this second one. What happened between Homer Martin and the Reverend Charles E. Coughlin when Thomas wasn't present I don't know, since Thomas told me the details of the first two meetings. But it was shortly after this that trouble within the union started, which, after more than a year, culminated in Martin breaking away from the U.A.W.-C.I.O. During this period, Ford's labor spy chief, Bennett, began to turn over large sums of money to Martin. The members of Martin's union of course did not suspect that their "leader" was getting paid by Ford's secret service.

After Homer Martin had left the C.I.O. he found himself with plenty of funds to hire thugs. He supplied them with money to buy guns for raids and physical attacks upon C.I.O. organizers.

Let me tell the story of Harry A. Elder, of St. Louis, Missouri, formerly vice-president of Local

320 of the United Automobile Workers of America, who was hired as a plug-ugly by Homer Martin. On the following page are excerpts in photostatic form from Elder's affidavit which is in my possession.

By January, 1939, Martin was seeing Harry Bennett frequently. He needed some strong-arm men, and Elder was known as one. A Martin representative called on Elder in St. Louis to offer him a job at \$50 a week and \$6 a day for expenses. Elder arrived in Detroit on February 17, 1939, and checked into the Eddystone Hotel, where Martin was living.

Martin promptly told Elder that he wanted him to get some "boys" and some guns and raid the Communist party headquarters on Fourteenth Street, destroy the records, and "do plenty of damage generally." The reason for such a raid was that the Communists' analysis of Martin's quarrel with the C.I.O. came uncomfortably close to fact. It pointed to a deliberate split-the-union tactic and Martin was being denounced as a suspected stoolpigeon. Three labor organizers, Emil Mazey, John Ringwald, and Walter Reuther, were also attacking Martin's union-busting activities, and Martin wanted them "properly taken care of"—not killed but "just put in a hospital, a couple of arms broken, etc." As a starter Martin gave Elder \$250 to go to St. Louis for "some boys to help out and to get some guns."

~~like this.~~ ...ayed, in
Martin's room for some 15 or 20 minutes and then left.

19) After Gillespie left, Martin came out of the room and went downstairs. I met him in the lobby. Martin and I went out of the hotel to get a cab. When we were outside of the Hotel Martin banged one fist against another stating, "Boy, I got it! Got it! Got it!" He seemed very much pleased. He showed me a pack of bills. The bills were unfolded, flat, and were about two inches high. They

headquarters free of charge. He said that the building was a valuable building, fixing its value at \$50,000.00 or \$150,000.00, I cannot recall which. It was apparently a mansion of some kind. He said that the building was offered to him by Father Coughlin. He stated that he couldn't take the building, however, since there were strings attached to it and that there would be too much heat put on if he took it. On a couple of occasions Martin has told me that Henry Ford is behind Father Coughlin.

Harry A. Elder
Subscribed and sworn to before me this
2nd day of September, 1939.

Margaret E. Evans
Notary Public, Wayne County, Michigan.

My commission expires: April 21/1940

Henry Ford behind Father Coughlin, according to the affidavit of Harry A. Elder, Homer Martin's bodyguard. The affidavit also tells how Martin got thousands of dollars from Harry Bennett, head of Henry Ford's secret service.

Elder acted as Martin's bodyguard, and throughout this period Martin was in constant telephone and personal communication with Harry Bennett and John Gillespie, Bennett's chief assistant. Secrecy surrounded all these conversations and meetings, so that honest union members suspected nothing. Whenever Martin wanted to call Bennett he left the Griswold Building and telephoned from the Detroit Bank Building downstairs or from a booth in the Cunningham Drug Store across the street. It was Elder's job during these calls to stay outside the phone booth to be sure no one overheard the conversation.

In May, 1939, Martin and Elder, after a late but hearty breakfast at Stouffer's restaurant on Washington Boulevard in Detroit, hailed a passing taxi and instructed the driver to go to the Ford Administration Building. Martin kept peering through the rear window of the car to be sure no one was following him. At the Administration Building he went directly to Harry Bennett's office. It was obviously not the first time, for the man at the desk recognized Martin and hurried him and Elder out of sight into Bennett's office immediately.

As soon as the door closed, Martin brought up his union problems—just as any paid labor spy would. (The conversation concerned the choice of a judge

to sit in a case between Martin's group and the C.I.O. I shall not give the details here since I am mainly concerned with showing the rôle Coughlin played for the Ford interests while posing as a friend of labor.)

During this meeting with Bennett Martin explained to Elder that he had wanted to leave the C.I.O. long before the final split, but Henry Ford and Bennett sent for him and told him they didn't want him to resign. They were quite satisfied with him, they said. Ford personally promised to go along and give him financial help to fight the C.I.O. Ford had smiled amiably and said, "You can't get along without such financial help, you know."

When the discussion drew to a close Martin said he needed \$3,500.

"Some \$4,000 has been taken out of the fund this morning," said Bennett and added that when he found out how much was in the fund he would communicate with him. Bennett was obviously too shrewd to make payments in the presence of a third person, and he apparently didn't like Martin's telling what Ford had said, because he warned both of them, quietly but effectively, that the conversations in his office were to be kept strictly secret. "If anyone lets this leak out," he added, "he'll be taken care of."

The return to union headquarters was made in a Ford Company car placed at their disposal. The driver was told to stop near the Book-Cadillac Hotel to let them out, and they walked the short distance to the Griswold Building. On the trip back Martin confided that he couldn't have run his union if Henry Ford hadn't given him help.

The following day John Gillespie, Harry Bennett's chief aide, called upon Martin at the Eddystone Hotel. Elder was instructed to stand outside the door to keep anyone from walking in or overhearing the conversation. After fifteen or twenty minutes Gillespie left, and Martin came out striking his fist against the palm of his hand in glee. "Boy, I got it, I got it!" he exclaimed. Martin showed his body-guard a stack of bills about two inches high. The top was a twenty and the packets were flat, as if the bank had handed them out as they came. The bands were still around them.

Throughout this period, Martin was in constant touch with Coughlin, who apparently tried to play another angle which would give him a direct hold on Martin. On several occasions the radio priest offered him a building estimated to be worth between \$50,000 and \$150,000 for use as union headquarters. Martin was afraid of it; there were too many strings attached to the offer. Then, too, some

honest union members might ask too many questions, especially if it leaked out that Ford was behind Coughlin.

Let's see what all of this adds up to by now. To split the C.I.O. auto workers' union by an internal fight just when it was making considerable progress in organizing the Ford plant, would obviously be good tactics for anyone who wanted to halt the unionizing drive. To start an "independent" union would also be a first-rate way to confuse the workers and prevent their forming a solid front. If religious elements could be persuaded that the growing union was directed by "atheists," if patriotic Americans were convinced that the union leaders were "reds" and "agents of Moscow," many auto workers would be kept from even joining. Smart manufacturers, and the directors of their labor spy divisions, pay people to create these "smokescreens" while they pose as good union members or "friends of labor."

Oddly enough, we find that the Reverend Charles E. Coughlin in his efforts "to help labor" has done precisely such things as those for which labor spies and disrupters are paid. Again, oddly enough, his broadcasts even today are devoted to attacking the C.I.O., which has not ceased its efforts to organize the auto workers.

The story of Coughlin's strange tie-ups and his mysterious financial backing does not end here.

Coughlin's anti-Semitic activities, his dissemination of Nazi propaganda emanating from Germany, and his intense anti-union efforts coincide strangely with some of Henry Ford's interests and activities. Coincidences occur so often, in fact, as to suggest a possible source of Coughlin's support. I once jotted down some of them in an effort to clarify the picture in my own mind:

1. The Dearborn *Independent*, owned by Henry Ford and edited by William J. Cameron, published the *Protocols of the Elders of Zion*, which had been repeatedly exposed as a forgery. This anti-Semitic propaganda, disseminated by one of America's richest men, shocked and horrified all religious and racial groups. Ford was denounced and his automobile boycotted until the Ford Motor Company began to feel the pinch. To end this boycott and the denunciations Ford finally issued a public apology to the Jews and in 1927 discontinued publishing the Dearborn *Independent*. But, after this public apology, Ford made the editor of this newspaper his private secretary. Cameron never left Ford's employ and is today the Ford Company's official spokesman over the air and to the press.

Detroit and Wayne County

FEDERATION OF LABOR

Affiliated with the American Federation of Labor and Michigan Federation of Labor

LABOR TEMPLE, 274 EAST VERNOR HIGHWAY

Detroit, Michigan

August 23rd, 1939

Mr. Martin A. Dillman, Editor
St. Louis Union Labor Advocate
3019 North Grand Boulevard
St. Louis, Mo.

Dear Sir and Brother:

Thanks for your kind letter of August 16th with clippings from your own publication and another labor paper in which D.L.L. takes issue with the critics of Father Coughlin. I am afraid that correspondent D.L.L. is not in possession of the facts when he states that union labor was almost exclusively used and paid 10% above wage scale in the building of the Shrine of the Little Flower.

The Shrine of the Little Flower was built by the firm of Cooper-Little, non-union building contractors, and the first to attack the wage structure of the Building Trades unions in this community, and it was on the Shrine of the Little Flower job that this attack took place. Not only did the contractor not pay the 10% above the union scale, but paid much more than 10% below the union scale.

As to his further statement that the Detroit Building Trades Unions have given affidavit to that effect, he is again in error, because it was the Detroit Building Trades Council, representing all of the Building Trades Unions, that requested that we place before the American Federation of Labor Convention, the unfair and anti-union attitude maintained on Father Coughlin's building construction work.

There are those who claim today even that his printing is done by Union Labor. While this is partially true, it is also true that non-union labor works on the job and that the print shop doing the work is unable to place the union label on Father Coughlin's work.

The American people have a way of taking a faker's measure, and we rather suspect that they have already placed the yard stick on twelve-mile road Charley.

Fraternally yours,

Frank X. Martel

President
DETROIT & WAYNE COUNTY
FEDERATION OF LABOR

Coughlin denounced as anti-union and a "faker" by the conservative A.F. of L. in Detroit.

Coughlin revived the *Protocols* and started an intensive anti-Semitic campaign.

2. In 1933, when Hitler got control over Germany, he sent swarms of propaganda agents to the United States, one of their chief activities being the dissemination of racial and religious hatred. This was developed to a high point of efficiency by the German-American Bund. The leader of the Bund, Fritz Kuhn, recently sentenced to prison as a common thief, worked at the Ford plant. While he was on the Ford pay roll the Bund leader traveled around the United States organizing branches, with Henry Ford's full knowledge. Both Jews and Christians protested to Ford about these un-American activities. The protests were ignored.

When I was investigating Nazi agents' attempts to get a foothold in Mexico, I came across the Ford trail again. Hermann Schwinn, Nazi leader for the West Coast, helped organize the Mexican Gold Shirts headed by General Nicolás Rodríguez. In November, 1935, General Rodríguez thought he had sufficient power to seize the Mexican Government by force. He expected bloodshed and needed ambulances to take care of the wounded. On November 19, 1935, he wrote to Julio Brunet, manager of the Ford offices in Mexico City, asking for the ambulances, which were supplied. A number of persons

were killed and wounded in this attempted *putsch*. In 1939 I published the letters written to Brunet by Rodriguez. So far as I know, Brunet was not even reprimanded by Ford and continued holding his job.

Coughlin, as I shall show in detail later, has mysterious contacts with Nazi agents.

3. Shortly after Fritz Kuhn went to work at the Ford plant William J. Cameron, under whose editorship the *Protocols* were published, organized the Anglo-Saxon Federation, with headquarters in Chicago and Detroit. This organization promptly arranged speaking engagements for a pretty collection of anti-Semitic propagandists and started to disseminate the *Protocols*. Several of these were real clergymen, others masqueraded as ministers.

When public opinion was again aroused at Cameron's activities, the Anglo-Saxon Federation's headquarters were moved to the residence of Dr. Howard Rand at Haverhill, Massachusetts, so that Ford wouldn't be tied up with it, but Rand flies regularly to Detroit to confer with Cameron.

Gerald Winrod, a phony minister who is one of the chief Nazi agents and propagandists in the United States, raised money to launch a Nazi propaganda "news service." One of the persons from whom he got money was William J. Cameron.

4. The Nazi government, through its Bund in this country, did its utmost to defeat Roosevelt in the 1936 election. Just before this election Coughlin, who had been praising Roosevelt and the New Deal to the skies, suddenly switched into vitriolic attacks against them.

In preparation for this anti-Roosevelt campaign Coughlin started *Social Justice* magazine, with an initial investment of \$1,000. It costs around half a million dollars a year to run the magazine. Since it was founded the publication has run up a healthy deficit. The loss now averages between \$60,000 and \$75,000 a year which is met by somebody.

Simultaneously with launching this paper Coughlin extended his time on the air, seeking more and more radio stations. Contributions from his listeners to the Radio League of the Little Flower far from equal the costs of the stations in his net work. This difference is met by somebody.

The director of the Coughlin-Lemke party for the 1936 campaign was Newton Jenkins, who met secretly with Nazi agents and propagandists.

Henry Ford received a medal from Hitler—the highest honor any foreigner can be given by the Nazi state. No explanation of what Ford ever did to merit this Nazi honor has ever come either from Germany or from Ford himself.

5. The C.I.O. launched a drive to organize the Ford plant. Coughlin promptly denounced the C.I.O. as "red," "communist," etc.

Coughlin actively attempted to split the C.I.O. by persuading Homer Martin, now an A.F. of L. big shot to leave the C.I.O. and start his own union. A few months after he had had several sessions with the radio priest, Martin was getting large sums from Harry Bennett, head of the Ford labor spy organization.

Ford agents disseminate Coughlin's radio propaganda.

All of these, of course, may be only coincidences (and this isn't the complete list by any means) but it seems to me that there are just too many coincidences.

The story of Coughlin's strange tie-ups, of his mysterious financial backing, does not end here. Its ramifications are even more sinister, for they are closely linked with those of secret foreign agents and propagandists working for Nazi Germany in the United States.

VII

PHONY PATRIOTS NAZIS AND COUGHLIN

ON JULY 9, 1938, Vladimir Kositzan, one of the most active Nazi propagandists in the United States, wrote the following code letter to Ernst Goerner of Milwaukee, another active Nazi agent: "The seeds are on way to you. More of the Italian and English available yet. Polish will follow later, from my Erfurt nursery. I want to get rid of my supplies before my probable departure."

The "Erfurt nursery" is the press in Erfurt, Germany, where *World Service*, a Nazi propaganda organ, is published in various languages for distribution throughout the world. Nazi ships smuggle this material into the United States where secret German agents distribute it to groups, organizations and individual propagandists. The "seeds," of course, were copies of *World Service*, printed in the

languages Kositzan listed. It was part of Kositzan's work to keep Goerner supplied with propaganda material and informed of likely prospects who would help distribute the smuggled literature. Kosit-

July 8, 1938.

JUL 9-1938

Dear Mr. Goerner:

The seeds are on way to you. More of the Italian and English available yet. Polish will follow later, from my Briant nursery. I want to get rid of my supplies before my probable departure.

Your letter to rabbi Wise... I sympathise and agree with you that Felley has a good ability to "astrologize" and "crystal-gaze" every manuscript beyond recognition & necessity. Enough is to see the style and typography of his, or the way he "sneezed up" Klumaret's book! His latest stunt: wants me to scatter his subscription forms - without scattering ours, or advertising us in his organ. I resent the idea. Either full co-operation, such as we accept everybody, or none at all.

My slogan is: "United States for Americans, P.
See the Archer Madagascar for the Jews."

Convention of the Canadian Society for the Protection of Kosher Gases, under Aroand's leadership, was a complete success. Rabbi U.K.D. just came back from Toronto. You'll see the whole thing in the kosher newscreeper very shortly.

With my best wishes,

Veidman R.

A "code" letter from one Nazi agent to another in the United States. Bessie Burchett, a Philadelphia school official, whose name is written in the margin of the letter, is acknowledged as "very active" in Nazi propaganda. She suddenly popped up as a Coughlin defender, co-operating with members of the Bund, Silver Shirts and the anti-Catholic Ku Klux Klan.

zan was a sort of wholesaler, while Goerner was one of the numerous agents handling the retail end.

At the top of his letter to Goerner, Kositzan typed this name and address: "Miss B. R. Burchett, 3411

Miss B. R. Burchett,
3411 Race St.,
Philadelphia, Pa.
Miss B. R. Burchett,
3411 Race St.,
Philadelphia, Pa.
Miss B. R. Burchett,
3411 Race St.,
Philadelphia, Pa.

Race St., Philadelphia, Pa.” and scrawled in pencil: “Needs material. Mention me. Very active.”

July, 1938, was also the period when the Reverend Charles E. Coughlin, who had already begun disseminating Nazi propaganda issued by the Ministry of Propaganda in Berlin, launched his extreme anti-Semitic campaign. His efforts to arouse racial and religious hatred in this country brought immediate protests, not only from Jews but from high dignitaries of the Catholic church and prominent Catholic laymen. Several radio stations announced they would not sell time to the priest unless he submitted his script for advance reading to see if he was “bearing false witness” as former Governor Alfred E. Smith had publicly charged. When Coughlin would not agree to this “censorship,” the radio stations refused to let him go on the air.

Suddenly groups to defend Coughlin popped up. They called meetings to demand that he be given his “constitutional rights of free speech.” What these groups were and the leaders’ strange tie-ups will be dealt with in this chapter. At the moment I am interested in Bessie Burchett, formerly head of the department of foreign languages in the South Philadelphia High School for Girls, the lady whose name Kositzan had sent to Goerner.

Within a few weeks after the Nazi agent in Mil-

waukee received Kositzan's letter, Miss Burchett was on the public platform with Nazi and Silver Shirt leaders, demanding that Coughlin be returned to the air. Most of her talks, delivered in an atmosphere of Hitler salutes, were vicious anti-Semitic diatribes. At no time did she mention how she became involved in Coughlin defense efforts or that she had received material from Nazi agents.

At about this same period a young man named Edwin Westphall, hungry-looking, a bit shabby, and down at the heels, managed to eke out an existence by peddling razor blades to the dinner and theater crowds on Times Square in New York. Sometimes he made a couple of dollars, but it was hard sledding. Like most Broadway peddlers, the seedy Mr. Westphall had something quick and alert about him and he had that gift of gab so necessary if you're going to work the Broadway population.

Times Square, where Westphall roamed with the coming of night, was being made a concentration point by distributors of *Social Justice*. Frequently a *Social Justice* peddler and the hawker of razor blades found themselves side by side. Then one day Westphall disappeared, only to pop up again in the Bronx with new shoes and new suit, clean-shaven, spick and span—and an authority on the Constitution and the Bill of Rights. He was indig-

nant about the radio stations which would not permit Father Coughlin to go on the air. The same glib tongue that sold razor blades now sold the need of "saving America"—and Coughlin—through the "Crusaders for Americanism," which was headed by one George A. Van Nosedall with offices at 126 East 123rd Street, New York City.

From now on we get into a group of closely cooperating men, most of them native Americans, some of them phonies and others just hopeful of becoming spies for foreign governments under cover of ultrapatriotic rackets. All of them, I found, were galvanized into action to defend Coughlin's "right of free speech," and the unison in which these apparently separated individuals and leaders of groups raised the same rallying cry seems to point to one directive source.

Van Nosedall, who headed the save-America crew, was closely tied up with Nazi agents and was once publicly acclaimed as "the greatest living American" by Fritz Kuhn, head of the Nazi Bund in this country. Besides being a crusader Van Nosedall was also a bit sanguinary. At one of the Coughlin defense meetings, held at Triboro Palace, Bronx, New York, he gave the Nazi salute to the applauding crowd and shouted: "When we get through with the Jews in America they'll think the treatment they

"That this nation under God shall not perish from the earth"

Protestant War Veterans

OF THE
United States

ORGANIZED BY ACT OF CONGRESS
AND THE SENATE OF THE UNITED STATES
140 VERMILYEA AVENUE
NEW YORK CITY



ADDRESS ALL CORRESPONDENCE
TO THE ORGANIZATION

OFFICE OF CHAIRMAN
General Charles Coughlin
Edward James Smythe

July 21st-1939.

Mr. Van Nosedall.
126 east 123rd Street.
N.Y. City.

My Dear Van Nosedall:-

I would like to come and have a talk with
you the beginning of next week.

What would be a good time to see you?



Very truly,
Edward James Smythe,
Vernilvea Avenue
New York City
Organizer

COMMUNISM WILL NOT BE TOLERATED

When G. A. Van Nosedall was co-operating with Nazi propagandists, Edward James Smythe, one of Coughlin's aides, wrote to him for a conference.

received in Germany was nothing. . . . Judaistic gore will soon flow in the streets of New York City!"

One of the frequent chief speakers for these pro-Coughlin "Crusaders" was G. Wilhelm Kunze, press agent for the German-American Bund. Another who often conferred with Van Nosedall in secret sessions was Edward James Smythe, a drunk who ran an imposing outfit called Protestant War Veterans of the United States, with offices at 149 Vermilyea Avenue in New York. Smythe was one of the chief organizers of the Christian Front, Coughlin's potential corps of storm troopers which I shall deal with later in this chapter.

In the midst of Coughlin's row with the radio stations, his Eastern representative, the Reverend Edward Lodge Curran, arranged a big patriotic fest at the Hotel Iroquois in New York which was to defend Coughlin and save the Constitution at the same time. A number of organizations were hand picked to participate in this Coughlin defense drive. Let me list some of them:

Citizens Protective League, headed by Kurt Mertig, a Nazi and one of the chief propagandists for the German-American Bund. Associated with Mertig was Edward James Smythe, whom I have just mentioned.

League for Constitutional Government, headed by John B. Snow, a professional patriot.

Patriotic Service Bureau, Mrs. Elizabeth ("Red Network") Dilling's organization.

The International Catholic Truth Society, headed by Father Curran.

Catholic War Veterans of America, founded by the Reverend Higgins, who serves as pinch hitter for Father Curran.

Both Father Curran and Father Higgins batted a pretty good average in delivering anti-Semitic propaganda in their speeches.

This brings us to another Coughlin defender, one Allen Zoll, who went to Royal Oak to discuss with the priest the steps he should take to regain the lost radio stations. Zoll was later arrested for trying to extort \$7,500 from WMCA, in return for calling off the picket line of Christian Fronters he had thrown around the station. Part of Zoll's story is now in the police records, but before he was picked up Father Curran hailed him as "one of America's great patriots."

I don't know whether Father Curran knew that in his patriotic zeal to save America, Zoll had gone to Germany in 1936 to confer with Goebbels, whom he met at the Hotel Adlon in Berlin. Shortly after his return to the United States Zoll approached Dr. Roy Akagi, Japanese propagandist in this country, and offered the services of American Patriots, Inc..

which Zoll had organized, to the Japanese government for \$5,000 a month. Dr. Akagi smelled a rat and declined.

Several years ago Zoll went into the business of rescuing America by cultivating blueblooded dowagers with fat checkbooks and a holy horror that the reds were plotting to nationalize them. His incorporated patriotism arranged small luncheons to which select groups of the nice old ladies were invited to hear how the reds and the Jews were just about ready to gobble them up. The stated object of American Patriots, Inc., was "to preserve America and American principles"—a line invariably used by racketeers in patriotism. The luncheons were usually held at the Hotel Iroquois in New York, and a lot of the guests got indigestion from what they heard. When they were properly worried, the patriot appealed for contributions.

One of Zoll's close associates who watched the activities of American Patriots, Inc. was an elderly dumpy woman known as Mrs. Leslie Fry, who led a rather mysterious existence in Glendale, California. She had no visible means of support but never seemed to lack money. Zoll brought her to a couple of his meetings, which she observed with shrewd, appraising eyes.

I had come across this lady in the course of look-

ing into Nazi and Japanese espionage activities on the West Coast. The enigmatic Mrs. Fry had financed an important trip East for Henry Allen, a native American with a couple of prison terms behind him. Allen was the liaison man between secret Nazi agents in this country and Mexico. On this trip East he had been instructed to see Fritz Kuhn first, after which he called at the Italian and Rumanian embassies in Washington. When these calls were completed he met with James True, a well-known Nazi propagandist operating out of Washington, and True subsequently wrote to Allen that he was now in a position to get him U. S. Army supplies "in any quantity." When I published their letters, though I did not mention Mrs. Fry, she fled the country.

Among those who also worked closely with Zoll in the efforts "to save Coughlin's constitutional rights" was Robert Edmund Edmondson, whose activities as a Nazi propagandist are now too well known to necessitate my presenting evidence of them.

This gives some idea of Zoll's connections at the time he took his flying trip to Royal Oak to confer with Coughlin about WMCA's cutting him off the air. Upon his return Zoll organized the picket line around the radio station and then, the police charge, he tried the little flyer in extortion which landed him in jail.

The fact that this Nazi propagandist, would-be spy for Japan and leader of the Coughlin defense forces was arrested for attempted extortion is of less significance than that Seward Collins promptly bailed him out. Collins happened to be the man who put up \$5,000 as bail for Mrs. Maria Griebel, wife of the suspected Nazi spy who fled to Germany during the sensational case which resulted in the conviction of four German spies. How the man who supplied bail for persons involved in a Nazi spy ring suddenly popped up to bail out one of Coughlin's chief defenders, has never been explained.

Van Nosedall, Westphall, Goerner, Kositzan, Zoll, Mrs. Fry—and this is only a fraction of the list—all of them were tied up with Nazi agents in this country, and all were galvanized into action at the same time to save Coughlin's right to spread his propaganda. I mentioned these few names only to illustrate the strange and unexplained affinity between the radio priest and Nazi agents—and I haven't told the whole story by a long shot.

These "patriots," whom earnest and well-meaning Americans are following, eat, pay rent, travel around, put up money for halls to hold meetings, print propaganda, and support organizers. Contributions received at their meetings are frequently insufficient to cover even the cost of the hall. Innocents

with fat checkbooks are getting a bit scarce since too many "unselfish patriots" have turned out to be crooks. But the money is still coming from hidden sources that are anxious for Coughlin to continue with his propaganda.

Many of these super-patriots, closely tied up with Nazi agents, are found working with the Christian Front, Coughlin's storm troop organization which is guided in the East by the Reverend Peter Baptiste Duffe, pastor of St. Francis of Assisi Church, Seventh Avenue and 31st Street, New York City. Father Duffe acts as a sort of clearing house through which important problems are relayed to Coughlin. The chief contact man with Father Duffe is Carl Pinkston, president of Social Justice Distributors Club, with offices in Donovan Hall, 308 West 59th Street, a place also used for Christian Front meetings. Pinkston, as a side issue, organizes small military groups of Christian Fronters which drill twice a week in the hall, and the Social Justice Club pays him for the time he puts in drilling them. None of the units trained in military maneuvers is apprised of the existence of others, lest word get out that a large private army is being fostered and drilled.

I have never been certain, after looking into Coughlin's financial wizardry, whether the Christian Front was first organized to save Christianity or to

get peddlers for *Social Justice* magazine. It's not easy to find volunteer street salesmen, even though they do make a few cents on each copy sold, because the magazine doesn't attract crowds of buyers. I've watched salesmen in various cities, and frequently they spend a whole day without selling half a dozen copies. Even if they got the magazines for nothing, which they don't, it still wouldn't pay; they could earn more selling a local newspaper. But on a high religious and patriotic plane you can get volunteers, and this is one of the functions of the Christian Front.

I have noticed that when the sale of *Social Justice* seems in any way threatened, Coughlin gets really vicious. The period when the magazine started to lose money heavily—sums which were not met by sales or contributions from the public—is the same period when he apparently found an angel to make up the deficit. But oddly enough, it was also the period when he began to spread Nazi propaganda, launched his violent anti-Semitic campaign, and started to organize the Christian Front, modeled upon Hitler's Brown Shirts and Mussolini's Black Shirts.

The Christian Front was born during the days of the Spanish Civil War. It was organized with a great deal of secrecy, lest public denunciation follow the

discovery that storm troopers were being trained “to save Christianity,” since such a move could mean only an attempt to supersede the forces of law and order. Meetings were held stealthily in the Paulist Fathers’ rectory at 413 West 59th Street in New York, and mail was received through a post-office box to prevent the headquarters from becoming known. The box was 69, Station G; it was taken out in the name of, and paid for by, the Paulist Fathers.

Coughlin had cast longing eyes upon a storm troop organization for some years, but apparently felt that the time wasn’t ripe. Then came the Spanish Civil War and the accusation that Franco was fighting a red Spain. This, plus the knowledge that in the main the Catholic hierarchy supported Franco, supplied Coughlin’s excuse to establish storm troops “to defend Christianity.”

So far as I have been able to trace it, this desire for a body of plug-uglies goes back to the days when Newton Jenkins directed the Coughlin-Lemke party in the 1936 presidential campaign. Jenkins was openly pro-Hitler and tried to organize storm troopers on the Hitler model. When Coughlin’s attempt to put his own man in the White House flopped, Jenkins slipped out of the picture for a while. But Coughlin apparently never lost sight of

the need for a body of men trained in military fashion. With the launching of his anti-Semitic campaign, he invited his followers to establish "platoons," and on May 23, 1938, urged that each platoon "be composed of no more than twenty-five members."



CHRISTIAN FRONT
P. O. Box 69, Station G,
New York City

MEMBERSHIP APPLICATION FORM

Date.....

Name (print in full)

Address City

County State Telephone'

Date of Birth Where Born

State City Country

Married..... Children

Father's Name Where Born

Mother's Name

When the Christian Front first organized, it met secretly in the Paulist Fathers rectory, 413 West 59th Street, New York City. Fearing that the address would become known, it had mail addressed to P.O. Box 69, Station G. The box was taken out in the name of and paid for by the Paulist Fathers. Walter Ogden, Paulist registrar, is the leader of the Christian Front.

On June 13, 1938, he again addressed his following: "You and your group are directly affiliated to me." In one issue of *Social Justice* a spokesman for Coughlin said: "When the proper moment arrives, and not before that time, Father Coughlin will

assemble all organizations whose leaders care to follow him.”

This was the beginning of his attempt to use the Christian Front as an organization to which other pro-Hitler organizations could gravitate. These other organizations were loosely drawn together in the campaign to save his “rights of free speech.” A Committee for Defense of American Constitutional Rights was established under the guidance of Father Curran and Allen Zoll, and offices were opened at 11 Broadway in New York. Sometimes this committee was also known as Friends of Christian Social Justice.

Associated in the committee which was so anxious about keeping the Constitution off the rocks, were:

German-American Bund and German-American Business League. Both of these outfits are too well known as Nazi propaganda mediums to require further details.

Social Justice Distributors Club, whose purpose is “to organize the distribution and circulation of *Social Justice* magazine.”

American Nationalists, commanded by Dudley P. Gilbert, 2 West 45th Street, New York City, who started a few years ago in El Paso, Texas, and met secretly with Gen. Nicolás Rodríguez, commander of the Mexican Gold Shirts, which was organized by Nazi agents operating out of Los Angeles, California.

Citizens Protective League, headed by Kurt Mertig,

one of the German-American Bund's chief propagandists. Associated with Mertig is Edward James Smythe, Coughlin representative.

There are a few others, but this will give the reader an idea of the defenders of the American Constitution who, promptly after organizing themselves, inserted an advertisement on December 15, 1938, in the *Deutsches Weckruf Und Beobachter*, official organ of the Nazi Bund, for a "patriotic" rally at the Manhattan Opera House.

Much of the activity of these groups operating under the leadership of the Christian Front was devoted to pushing *Social Justice* magazine. But for all their hard work they came nowhere near selling enough copies to cover the cost of publishing the magazine. That Coughlin has few scruples about how or from whom he gets the money to make up *Social Justice's* heavy annual deficits I have already shown. This same unscrupulousness is also found in his deliberate dissemination of falsehoods. I say "deliberate" because, after he issued some of his anti-Semitic propaganda, perturbed Jews and Catholics laid evidence before him that his "facts" were inaccurate. The radio priest ignored the evidence and repeated the same falsehoods. Let me illustrate with one of the books he is peddling:

The souvenir shops at the Shrine display large

posters telling the visitor that he should not deprive himself and his family of *The Mystical Body of Christ in the Modern World* by the Reverend Denis Fahey, professor in Black Rock College, Dublin, Ireland. In letters which Coughlin has written he states:

It is because I am so anxious that my listeners will not be deceived that I am making it a point to urge them to supplement the broadcasts by reading *The Mystical Body of Christ in the Modern World* by Rev. Denis Fahey. For the convenience of those who desire to possess this most valuable book, I have arranged for a limited quantity to be shipped to me from abroad. This volume, beautifully bound, is priced at \$2.50.

In another letter he wrote:

If I could afford it, I would gladly present you with a gift copy of two of Father Denis Fahey's works. Inasmuch as I am unable financially to do this, I have ordered a limited supply of these books from abroad to have them available for prompt delivery to those persons, like yourself, who are genuinely interested in the real forces at work in the world today.

With this, of course, is the usual line of "What about a subscription to *Social Justice*?"

This work of Father Fahey spreads anti-Semitic propaganda. It quotes long extracts from the discredited *Protocols of the Elders of Zion* and offers

REV. CHAS. E. COUGHLIN
ROYAL OAK, MICHIGAN

December 16, 1938

Many thanks for your kind greetings!

For your convenience, I have printed the broadcasts of November 20th and 27th in one pamphlet.

In our contacts with our fellowmen, regardless of race, color or creed, let the brotherhood of Christ be our guiding star, always keeping in mind the admonition of St. Paul: "There is neither Jew nor Greek, there is neither bond nor free; there is neither male nor female. For you are all one in Christ Jesus."

If I could afford it, I would gladly present you with a gift copy of two of Father Denis Fahey's works. Inasmuch as I am unable financially to do this, I have ordered a limited supply of these books from abroad to have them available for prompt delivery to those persons, like yourself, who are genuinely interested in the real forces at work in the world today.

These books, beautifully bound, would make excellent gifts. They are entitled and priced as follows:

"The Mystical Body of Christ in the Modern World" . . . \$2.50
"The Kingship of Christ" \$1.25

I cannot urge you too strongly to read these two books. They contain a wealth of information that you cannot obtain elsewhere.

Please let me know immediately if you are interested, so that I may reserve a copy of the first shipment for you.

With best wishes, may I remain

Sincerely yours,

Charles E. Coughlin

CEC:MR

P.S. Every week SOCIAL JUSTICE magazine, which I edit, will carry further particulars on these questions. I am enclosing a subscription blank for your convenience.

C.E.C.

Father Coughlin also sells the anti-semitic books of Father Denis Fahey which spread anti-Semitic propaganda and historical "facts" which have been denounced as false by eminent Catholic church dignitaries.

them as factual "evidence." The falseness of many of the book's statements has been exposed and denounced by United States Government officials, high Catholic dignitaries, statesmen and scholars. For example, the volume lists twenty-five alleged "quasi-cabinet members" in Lenin's government in 1917, the objective being to show that twenty-four out of the twenty-five were Jews and that the Russian revolution was a Jewish-Communist plot to dominate the world.

This list of names has an interesting history. It came from a weekly paper published in London called *The Patriot*. *The Patriot* got its information from *Documentation Catholique*, of Paris. The French publication got it allegedly from a report made by the American Secret Service to the French High Commissioner. Frank J. Wilson, chief of the United States Secret Service, after an exhaustive examination of all reports preceding and following the Russian revolution, officially denied that any such report exists in the Secret Service files.

Alexander Kerensky, Russian Premier right after the revolution, stated that there was not a single Jew in the first government established by Prince Lvoff, whom Kerensky succeeded as Premier.

There are other instances of pure fabrication such as the charge that "Jewish bankers" financed

the Bolshevik revolution—a charge made originally by “World Service,” the Nazi propaganda medium from which Coughlin pilfered the accusation almost word for word.

Similar falsehoods were published in *Social Justice* and signed by the non-existent “Ben Marcin,” who claimed to give “evidence” that the *Protocols* were genuine. The number of such allegations which have been proved false would make a volume in themselves. For purposes of illustration I shall give only these cases:

“Ben Marcin” stated that the Rabbi Rudolf Fleischman, of Schochin, and Rabbi Grunfeld, of Swarzedz, admitted the authenticity of the *Protocols*. There are no such rabbis. I have a letter from the chief rabbi of Wilno, Poland, which states that he never heard of Rabbi Fleischman or Rabbi Grunfeld and that a careful search of all records failed to disclose any such persons. “Ben Marcin” also asserted that Dr. Ehrenpreis, chief rabbi of Stockholm, stated that the *Protocols* actually existed and were of Jewish authorship. I have a cable from him denying any such statement.

Much of Coughlin’s anti-Semitic propaganda spread to millions over his radio hook-up and through the pages of *Social Justice*, has been taken word for word from propaganda issued by the Nazi

Minister of Propaganda. Let me offer a few instances:

Goebbels said: "In November, 1934, the Chinese Marshal Chiang Kai-shek, made public the information that in the province of Kiangsi 1,000,000 people were murdered by the Communists and 6,000,000 robbed of their possessions."

Coughlin said: "In November, 1934, the Chinese Marshal Chiang Kai-shek, made public the information that in the province of Kiangsi 1,000,000 people were murdered by the Communists and 6,000,000 robbed of their possessions."

Goebbels said: "The Soviet statistician Oganowsky estimates the number of persons who died of hunger in the years 1921-22 at 5,200,000."

Coughlin said: "The Soviet statistician Oganowsky estimates the number of persons who died of hunger in the years 1921-22 at 5,200,000."

Goebbels said: "The Austrian Cardinal Archbishop, Monsignor Innitzer, said in his appeal of July, 1934, that millions of people were dying of hunger throughout the Soviet Union."

Coughlin said: "The Austrian Cardinal Archbishop, Monsignor Innitzer, said in his appeal of July, 1934, that millions of people were dying of hunger throughout the Soviet Union."

This could be repeated over and over to show the Reverend Charles E. Coughlin didn't even trouble

to rewrite the Nazi propaganda releases, but I think these will serve to illustrate the point.

While he was thus disseminating Nazi propaganda Coughlin was secretly communicating with Nazi agents active in this country, one of his choice contacts being William Dudley Pelley, head of the Silver Shirts. The Dies Committee investigating un-American activities has in its files telegrams and a record of telephone calls exchanged between Pelley and Coughlin. Don't ask me why, in his zeal to expose un-American activities, Dies has, until this writing, anyway, suppressed them; ask him.

Pelley, during this period, was meeting with Fritz Kuhn and Hermann Schwinn; and it was during this period, too, that Oscar O. Pfaus, director of the American section of the Fichte Bund, which issues much of the propaganda scattered by Nazi Germany throughout the world, planned to organize the various pro-Nazi and anti-Democratic groups into one powerful force. Among those whom Pfaus listed for this united fascist body were the Reverend Charles E. Coughlin, William Dudley Pelley, James True, of Washington, D. C. (who on February 23, 1938, wrote to a Nazi agent offering to get him United States army guns in any quantity), Gerald B. Winrod, who got money from Cameron, etc.

Nor is the Reverend Charles E. Coughlin averse,

according to an affidavit in my possession, to a little pogrom against the Jews. Let me tell about the conference he had with the Nazi Bund leader for the Middle West whom he invited to Royal Oak.

William Wernecke, the Nazi leader, lives at 6250 Wayne Avenue, Chicago, but is usually found at 30 North LaSalle Street, Chicago, where he poses as a broker. Most of his time is spent in the office of Newton Jenkins, who directed the Coughlin-Lemke campaign.

The affidavit I have is signed by a person still very close to the Nazi Bund leaders. At this time I should prefer not to disclose my informant's identity. I can produce this witness before any governmental body which really wishes to get to the bottom of the Coughlin-Nazi tie-up. Pending such disclosure, let me tell the story as it is contained in the affidavit:

On Wednesday night, February 8, 1939, the German-American Bund had a meeting in its headquarters at 3855 North Western Avenue, Chicago. After the meeting Wernecke took my informant aside and in high glee said that he had just come back from a very satisfactory conference with the Reverend Charles E. Coughlin at Royal Oak. My informant commented that it seemed unlikely that Father Coughlin would meet with known Nazi representa-

tives, whereupon Wernecke displayed a letter on Father Coughlin's personal stationery, setting the date and time of the conference.

"What did you take up with him?" Wernecke was asked.

The Nazi Bund leader laughed. "A number of things, but I myself was somewhat surprised at the lengths to which Father Coughlin went during our talk, which lasted over two hours. We met in his office in the basement of the Shrine of the Little Flower. A man whose name sounded like Richards was with Father Coughlin. In the course of our talk this man asked me when we were going to kill off three or four hundred Chicago Jews. I told him that I hadn't thought of doing that just yet. Father Coughlin laughed and said, 'It needs doing.'"

This would sound incredible had not Coughlin organized his own storm troopers and threatened in a national broadcast to show the country "the Franco way."

VIII

THE MYSTERY OF THE DEFICITS

I HAD INTENDED to show in more detail in this last chapter that Coughlin's broadcasts, which influence an estimated 3,500,000 listeners, cost much more than the public contributes for this purpose. I had planned to list all the forty-seven radio stations in his network and show that an hour's time on each plus the "line charges" cost over half a million dollars a year. (Line charges are costs met by the sponsor for the hook-ups between stations.)

The figures which I had from Father Coughlin's own books showed that neither the Radio League of the Little Flower nor *Social Justice* magazine, which back the weekly broadcasts, clears that much money. Since these are the only two corporations established by the radio priest which raise money

on a large scale, the natural questions were: Who met the difference, and for what purpose?

Father Coughlin, however, saved me the necessity of going into these details. He frankly admitted, in the December 18, 1939, issue of *Social Justice* in pleading for a \$200,000 radio fund that:

“Radio expense is now close to \$10,000 per week.”

This estimate, so far as I have been able to ascertain, is correct.

Let's see how the Radio League, which has already collected about a million dollars from the public and which is tightly controlled by Coughlin's little coterie of three, functioned right from the beginning.

By the end of 1930—only a few months after it was incorporated—the Radio League had taken in over \$44,000, but business was on the downgrade. I shall not go into the detailed take from the public in the first few years when the income fell to a pretty low figure (assets of only a little over \$6,000 by the end of 1934). It was in this period of small assets and a discouraged outlook that the radio priest began to waver in his fervent pro-Roosevelt and pro-New Deal speeches. He seemed to be uncertainly feeling his way to see what would happen. One week found him for the New Deal and the next against

6. The amount of capital stock paid in in cash: \$ None

The amount of capital stock paid in in property: \$ None

7. The nature and kind of the business in which the corporation has been engaged during the year

Broadcasting and publishing.

8. ASSETS:	In Michigan
(a) Real estate	\$ <u>0</u>
(b) Goods, chattels, merchandise, material and other tangible property	\$ <u>0</u>
(c) Cash on hand (including deposits in banks)	\$ <u>5,753.61</u>
(d) Patent-rights, copy-rights, trade-marks and formulas	\$ <u>0</u>
(e) Good-will	\$ <u>0</u>
(f) Value of credits owing to the corporation	\$ <u>545.12</u>
(g) All other property (specify kinds)	\$ <u>0</u>
<hr/>	
TOTAL	\$ <u>6,298.73</u>

9. LIABILITIES: <u>None</u>	
(a) Common stock outstanding	\$ <u>0</u>
Preferred stock outstanding	\$ <u>0</u>
(b) Liability on real estate mortgage	\$ <u>0</u>
(c) Liability on chattel mortgage	\$ <u>0</u>
(d) Liability on all other secured indebtedness	\$ <u>0</u>
(e) Liability on all unsecured indebtedness	\$ <u>0</u>
(f) Other liabilities	\$ <u>0</u>
<hr/>	
(g) Surplus	\$ <u>0</u>
TOTAL	\$ <u>0</u>

10. The aggregate amount of any loans, advances, overdrafts and/or withdrawals and repayments thereof made to or by officers, directors or shareholders of the corporation otherwise than in the ordinary and usual course of business and on the ordinary and usual terms of payment and security.

\$ 0

11. State briefly your method of financing: Voluntary donations.

12. Do you pay interest or dividends to stockholders or members?

Charles C. Smith
President or Chairman.
and
Angie Bellows
Secretary.
or
Treasurer.

1934

The silver-tongued Wallingford never ran up a shoestring like this.

8. ASSETS:

	In Michigan
(a) Real estate	\$ _____
(b) Goods, chattels, merchandises, material and other tangible property	\$ 46,400.00
(c) Cash on hand (including deposits in banks)	\$ 7,706.59
(d) Patent-rights, copy-rights, trade-marks and formulas	\$ _____
(e) Good-will	\$ _____
(f) Value of credits owing to the corporation	\$ 28,163.33
(g) All other property (specify kinds)	\$ _____
TOTAL	\$ 79,269.92

9. LIABILITIES:

(a) Common stock outstanding	\$ _____
Preferred stock outstanding	\$ _____
(b) Liability on real estate mortgage	\$ _____
(c) Liability on chattel mortgage	\$ _____
(d) Liability on all other secured indebtedness	\$ _____
(e) Liability on all unsecured indebtedness	\$ _____
(f) Other liabilities	\$ _____
(g) Surplus	\$ _____
TOTAL	None

1935

8. ASSETS:

	In Michigan
(a) Real estate	\$ 14,200.25
(b) Goods, chattels, merchandises, material and other tangible property	\$ 14,406.64
(c) Cash on hand (including deposits in banks)	\$ 12,002.71
(d) Patent-rights, copy-rights, trade-marks and formulas	\$ _____
(e) Good-will	\$ _____
(f) Value of credits owing to the corporation	\$ 22,117.77
(g) All other property (specify kinds)	\$ _____
TOTAL	\$ 202,727.37

9. LIABILITIES:

(a) Common stock outstanding	\$ _____
Preferred stock outstanding	\$ _____
(b) Liability on real estate mortgage	\$ 672.17
(c) Liability on chattel mortgage	\$ _____

1936

6. The amount of capital stock paid in in cash: \$

The amount of capital stock paid in in property: \$

7. The value of all property owned at time of filing this report: \$ 91,000.00

The nature and kind of business in which the corporation has engaged during the year covered by this report: Maintenance of church

(STATEMENT OF ASSETS AND LIABILITIES AS OF DECEMBER 31, 1937, OR CLOSE OF FISCAL YEAR)

9. ASSETS:

(a) Real estate	\$ 49,514.56
(b) Goods, chattels, merchandise, material and other tangible property	\$ 1,785.73
(c) Cash on hand (including deposits in banks)	\$ 22,571.52
(d) Patent rights, copy rights, trade-marks and formulas	\$
(e) Good-will	\$
(f) Value of credits owing to the corporation	\$ 118,355.51
(g) All other property (specify kinds)	\$

TOTAL \$ 189,227.32

10. LIABILITIES:

(a) Capital stock outstanding	\$
(b) Liability on real estate mortgage	\$ 4,532.20
(c) Liability on chattel mortgage	\$
(d) Liability on all other secured indebtedness	\$ 1,742.04
(e) Liability on all unsecured indebtedness	\$

1937

The "charitable and religious" Radio League of the Little Flower, Inc., and other Conghlin organizations turn a pretty penny. From assets of \$6,298.73 reported in 1934, to \$472,539.65 in 1938 is pretty good business. All this is controlled by Conghlin and a handful of clerical assistants. The Catholic Diocese of Detroit does not know how he got it or what he did with it. About \$100,000.00 of this money collected from the public was used to buy nice chunks of real estate.

4. The amount of capital stock paid in in cash: \$ _____
 The amount of capital stock paid in in property: \$ _____
7. The value of all property owned at time of filing this report: \$ 29,317.59
 (Important: Under this item, 7, show present value of filing report—value of all property, real and personal, owned at time of filing report may differ from that shown under item 3.)
- The nature and kind of business in which the corporation has engaged during the year covered by this report: Miscellaneous charities

(STATEMENT OF ASSETS AND LIABILITIES AS OF DECEMBER 31, 1938, OR CLOSE OF FISCAL YEAR)

(a) Real estate	\$ 29,317.59
(b) Tools, fixtures, merchandise, material and other tangible property	\$ 54,350.25
(c) Cash on hand (including deposits in banks)	\$ 190,680.63
(d) Patent-rights, copy-rights, trade-marks and formulas	\$ _____
(e) Good-will	\$ _____
(f) Value of credits owing to the corporation	\$ 116,151.49
(g) All other property (specify kinds)	\$ _____
	\$ _____

TOTAL \$ 472,539.65

IA. LIABILITIES:

(a) Capital stock outstanding	\$ _____
(b) Liability on real estate mortgage	\$ _____
(c) Liability on chattel mortgage	\$ _____
(d) Liability on all other secured indebtedness	\$ 3,557.18
(e) Liability on all unsecured indebtedness	\$ _____
	\$ _____
	\$ _____

it. By the end of 1935 he was chiefly anti-Roosevelt and anti-New Deal. Big industry and finance also hated the President and even his remotest ancestor; in Coughlin they heard a voice which reached the country and attacked the man they hated. In this very same period the money suddenly started coming in and assets boomed to almost \$80,000. Then funds appeared for launching *Social Justice* and for distributing Coughlin's talks free of charge to anyone who asked for copies. A political organization, the National Union for Social Justice, was started, and the radio priest sought more and more stations to reach the people. He didn't seem to have the slightest worry as to how the money to pay for them would come. By the end of 1936, when he was most active in attacking Roosevelt and the New Deal, the money he received, presumably in the dollar and two-dollar contributions from his audience, brought the assets of this neatly controlled corporation to a little over \$200,000 clear of all liabilities. Coughlin and his two stenographers took the money the public sent in for the Radio League and bought \$14,000 worth of real estate and \$54,000 worth of other tangible property, extended credits of \$125,000 and socked \$12,000 away in the bank.

By the end of 1937 the radio venture had assets of over \$190,000 and not a penny in liabilities. The

trio—Coughlin and his two secretaries—had bought about \$50,000 worth of real estate, extended credits of \$116,000, and had \$22,000 in loose change carefully put away in a bank. It was during this year that Coughlin quarreled with his ecclesiastical superior, the Archbishop of Detroit; and fearful that the Church might somehow stop him from running the Radio League, he stepped out as president, though he left Amy Collins and Eugenia Burke to keep an eye on things and run the outfit. The mysterious Edward Kinsky became president of the Radio League and vice president of the privately owned publishing business issuing *Social Justice* magazine.

Business continued booming, and by the end of 1938 (the latest balancing of the Coughlin corporation books) the triumvirate had bought around \$100,000 worth of real estate, almost \$65,000 worth of property, had extended credits of \$118,000, and had a nice nest egg of \$190,000 in cash in the bank.

The important thing is not that this trio ran the take up to almost half a million dollars or that they were buying real estate and other property, which they controlled exclusively, but that the money was collected from the public for “charitable and religious” purposes and, in 1937, for “maintenance of

church." I should like the reader to bear this point in mind; I shall come back to it.

Nineteen thirty-eight, the year when the take reached almost half a million dollars, is the year when Coughlin began his anti-Semitic campaign, disseminated Nazi propaganda manufactured in Berlin, and fought the C.I.O. drive in the auto plants with all his might. Incidentally, in this year when he got the most money, he did not employ as many girls to open the mail as when the contributions from the public were nowhere near as much—which arouses the reasonable suspicion that a good portion of this money did not come from small public donations.

Figures usually make dull reading, so I shall not go into greater detail on the income and expenditures of the Coughlin corporations. But there are several important aspects of the Radio League and *Social Justice* that should be summed up.

1. Father Coughlin's broadcasts, according to Stanley G. Boynton, president of Aircasters, Inc., which arranges them, are paid for by the Social Justice Publishing Company. This private publishing business, however, is operated on an annual deficit—in the past year or two, between \$60,000 and \$75,000. Its entire income, even if it did not pay for paper, printing, editorial and office help,

advertising, mailing, freight, etc., is insufficient to meet broadcasting expenses totaling half a million dollars a year. It uses its income to publish and sell the paper and at the end of the year has a hefty deficit. Consequently, it could not possibly pay the costs of the weekly national broadcasts; and just as logically the radio time and the magazine's deficits must have been and are now being met by persons other than the general public—persons who are interested in promoting Father Coughlin's pro-Nazi, anti-Semitic and anti-union activities.

2. These broadcasts, again according to Stanley G. Boynton, who arranges them, are commercial and intended to advertise the radio priest's privately owned *Social Justice* magazine.

3. If there are no sinister forces supporting Coughlin's dissemination of propaganda, then these enormous costs must have been met by the Radio League—the only other corporation collecting money from the public on a large scale.

4. Money collected by the Radio League of the Little Flower and used to advertise a private publishing business, cannot be considered as used for "maintenance of church," which the Radio League swore is the business it engages in.

5. If Radio League money, collected from the public for "Christian endeavors," has been and is

NOTE: It is required by statute that two originals of this report be forwarded to the Michigan Corporation and Securities Commission, Lansing, Michigan. Please read instructions before proceeding. August 31st is the last day for filing reports without penalty.

MICHIGAN ANNUAL REPORT

To be filed by every corporation for profit, whether domestic or foreign.

(Name of Corporation) SOCIAL JUSTICE PUBLISHING CO.
 (Postoffice Address) Royal Oak, Michigan
 (Street and No.) Woodward Ave. & Twelve Mile Rd.

Carl A. Olson, Commissioner.
 Michigan Corporation and Securities Commission, Lansing, Michigan.

Sir—In accordance with the provisions of Act No. 337, Public Acts of 1931, as amended, the above named corporation, by the undersigned officers thereof, submits the following report of its condition on the 31st day of December, 1937, or _____ (if not done this date) _____ (class of fiscal year next preceding the time for filing, or the date of incorporation or admission during 1938).

- (a) The place or places of doing business either within or without Michigan is (are) Woodward Ave. & Twelve Mile Rd., Royal Oak, Michigan
- (b) Address of Registered Office Royal Oak, Michigan
- (c) Resident Agent (In Michigan) Charles E. Wilson, Royal Oak, Michigan
- Where incorporated Michigan Date of Incorporation February 13, 1936
- Term of corporate existence _____ Date Admitted _____
- The act under which incorporated or reincorporated No. 337

3. The following are the officers and directors of the corporation:

NAMES OF OFFICERS.		RESIDENCE ADDRESSES.
<u>Mrs. Walter Beertsehl</u>	President.	<u>Maumee, Ohio</u>
<u>Mr. Edward Kinsey</u>	Vice-President.	<u>Brooklyn, N. Y.</u>
	Vice-President.	
<u>Catherine Wilson</u>	Secretary & Treasurer.	<u>Royal Oak, Michigan</u>

NAMES OF ALL DIRECTORS (or Trustees)		RESIDENCE ADDRESSES.
<u>Mrs. Walter Beertsehl</u>		<u>Maumee, Ohio</u>
<u>Mr. Edward Kinsey</u>		<u>Brooklyn, N. Y.</u>
<u>Catherine Wilson</u>		<u>Royal Oak, Michigan</u>

4. Capital stock:

Shares with Par Value	Amount Authorized	No. of Shares Authorized	Amount Subscribed	Amount Issued	Par Value per Share
Common . . .	\$ 100.00		\$	\$ 20	\$
Common . . .			\$	\$	\$
Preferred . . .			\$	\$	\$
Preferred . . .			\$	\$	\$
Total . . .			\$	\$	\$

Shares Without Par Value	No. of Shares Authorized	No. of Shares Subscribed	Amount Subscribed	No. of Shares Issued	Book value per share and price fixed for sale or exchange.
Class:	shs. 200	shs.	\$	shs. 20	Book value \$ Price fixed for sale or exchange \$ 100
	shs.	shs.	\$	shs.	Book value \$ Price fixed for sale or exchange \$

If the corporation has purchased, or otherwise acquired, any of its capital stock, state separately the number of shares of each class of stock acquired, the consideration paid by the corporation for such stock, the purposes for which such stock was acquired, the terms and disposition (if any) of such stock at December 31, 1937 (or close of fiscal year).

Social Justice Publishing Co., a private business, gives as its address Woodward Ave. and Twelve Mile Rd.—which is the address of the tax exempt Shrine of the Little Flower. This document shows that only 10 shares of stock were ever issued. The second document

3. The following is a true statement of the assets and liabilities from the books and records of the corporation; the same balance sheet statement as furnished to shareholders, showing the condition at the date stated, and segregated to show for the purpose of computing this tax, the nature, location and value of all property owned by the corporation both in and without Michigan, itemized as follows:

ASSETS	Amount	In Michigan	Without Michigan
1. Cash			
2. Notes	540,000 00	540,000 00	
Less reserve for bad debts		1,120 00	
3. Deferred payment notes, contracts, etc.			
4. Inventories (To include raw materials, work in process, finished goods, supplies, etc.)			
5. Investments			
6. Leases			
7. Deferred charges: Prepaid insurance, taxes, etc.			
8. Capital assets:			
Land and building		20,953 00	
Buildings			
Machinery and equipment			
Furniture and fixtures	13 91	13 91	
Delivery equipment			
Total			
Less reserve for depreciation and depletion			
9. Patents (To include copy-rights, trade-marks, etc.)			
10. Good-will			
11. Other Assets (describe fully):			
Total Assets		570,796 91	
LIABILITIES			
12. Accounts Payable		109,400 00	
13. Accrued expenses		439 00	
14. Other Liabilities (describe fully):			
Subscriptions paid in advance	100,000 00	100,000 00	
15. Capital Stock:			
Preferred stock (non stock in treasury)			
Common stock (non stock in treasury)	1,000 00	1,000 00	
Non-par stock (No. of shares)			
16. Retained Earnings (Excess profits in 1933):	671 76	671 76	
Excess			
Appreciation of value			
Paid-in surplus from			
Amount of surplus applied to purchase of its capital stock			
Total Liabilities		210,710 76	

6. Number and kind of shares issued for property since August 31, 1933.

Description of such property

Value at which such property was taken

7. The aggregate amount of any loans, advances, overdrafts and/or withdrawals and payments thereof made to or by officers, directors or shareholders of the corporation otherwise than in the ordinary and usual course of business and on the ordinary and usual terms of payment and security.

8. Property exclusively used in interstate commerce.

(This section is to be filled out, with own directions, etc., when so used in interstate commerce.)

shows how a business starting with \$13.91 worth of furniture drummed up assets of a quarter of a million dollars in a hurry.

The Social Justice Publishing Company tells the state of Michigan that it lost over \$75,000 during 1938. See text for the mystery surrounding this deficit.

5. The amount of capital stock subscribed \$ _____

6. The amount of capital stock paid in $\left\{ \begin{array}{l} \text{(a) in cash \$ } 1000 \\ \text{(b) in property \$ } \end{array} \right\}$ Total \$ 1000

(Good-will, patents, franchises, etc., or any intangibles for which stock has been issued, are considered property.)

7. The following is a true statement of the assets and liabilities from the books and records of the corporation: the same balance sheet statement as furnished to shareholders, showing the condition at the date stated, and segregated to show for the purpose of computing this tax, the nature, location and value of all property owned by the corporation both within and without Michigan. (Instruction as to intangible assets: All cash, notes, accounts receivable, deferred payment notes, contracts, etc., stocks, bonds, or other investments, loans, deferred charges, patents, good will, and all other intangible assets, located or owned in Michigan, or used in or acquired from the conduct of the corporation's business in Michigan, must be listed in the Michigan column, irrespective of the domicile of the corporation).

ASSETS	Amount	In Michigan	Without Michigan
1. Cash		62 342 78	
2. Notes and Accounts Receivable	43 887 50	43 887 50	
Less reserve for bad debts			
3. Deferred payment notes, contracts, etc.			
4. Inventories: (To include raw materials, work in process, finished goods, supplies, etc.)			
5. Investments			
6. Loans			
7. Deferred charges: Prepaid insurance, taxes, etc. Repairs		706 89	
8. Capital assets:		14 168 45	
Land			
Buildings			
Machinery and equipment			
Furniture and fixtures	96 28		
Delivery equipment			
Total of item 8	96 28		
Less reserve for depreciation and depletion	5 91	90 37	
9. Patents (To include copyrights, trade-marks, etc.)			
10. Good-Will			
11. Other Assets (describe fully):			
12. Total Assets		180 870 38	
LIABILITIES			
13. Notes and Accounts Payable		166 808 51	
14. Accrued expenses \$500,000. Mich. Unemploy. Taxes		212 64	
15. Other Liabilities (describe fully):			
Subscriptions paid in advance	37 406 80	37 406 80	
16. Capital Stock:			
Preferred stock (see stock in treasury)			
Common stock (see stock in treasury)	1 000 00	1 000 00	
Non-par stock (No. of shares)			
17. Residuals of surplus and undivided profits (Enter deficit in red)	75 956 47	75 956 47	
Earned			
Appreciation of value			
Paid-in arising from:			
Amount of surplus applied to purchase of its capital stock			
Total Liabilities		180 870 38	

being used to advertise a private business, then the people who contributed it in the belief it was for religious purposes were defrauded—an act punishable by imprisonment, I am informed by competent attorneys.

One thing is certain, according to the direct statement made to me by the president of the firm which handles the broadcasts: They are paid for by the Social Justice Publishing Company, publishers of *Social Justice* magazine. This private business is now “owned” by another corporation organized by Coughlin and called the Social Justice Poor Society, which was incorporated “to aid the poor and destitute.” Actually this outfit never gave a second thought to the poor and destitute; it was organized under the guise of carrying on Christian charity but really functioned only as a holding company for the private publishing business established by Coughlin.

I think that, before I close, you should come with me to meet one of the “owners” of this private business. It will give you a better picture of how Coughlin operates.

The auditor for the various Coughlin corporations is Alberta Ward of 807 North Washington Avenue, Royal Oak. Alberta, who works in the tax-exempt Shrine of the Little Flower, gets \$20 a week

(Social Security Card No. 364-12-9190) paid by the Social Justice Publishing Company. For this \$20 a week, she acts also as "trustee" of the Social Justice Poor Society, which owns the publication for which she works. As one of the three "trustees" she is one of the owners of the magazine.

I had been curious about this lady and about Dorothy Rhodes, Marie Rhodes, Eugenia Burke and the rest of them—all underpaid employees of the Social Justice Publishing Company and all holding high offices in the Coughlin corporations. In trying to locate their homes I looked them up in the 1938 Royal Oak city directory, the latest edition. Like everyone else the ladies listed their occupations along with their addresses. Dorothy and Marie Rhodes, both living at 826 Knowles, stated that they are "stenographers"—this while they were supposed to be presidents, secretaries, treasurers, directors and trustees of Coughlin corporations collecting vast sums of money from the public. Eugenia Burke of 1922 Edgewood Boulevard, Berkeley, another high officer in the Coughlin corporations, gives her occupation as "clerk." Alberta, who gets less pay than any of them, had the most impressive listing; she is an "accountant."

I found Alberta at her home, a two-story frame building a few blocks from the Shrine. She opened

the door and ushered me into the parlor with its spotless three-piece suite of upholstered furniture. Alberta is a timid woman approaching middle age and, I'm afraid, given to rouging her cheeks a bit too heavily. Her most striking feature in an otherwise plain face is a pair of deep, dark eyes which look out wonderingly at the world through octagonal-shaped glasses. When she becomes frightened the pupils seem to dilate until the eyes become two dark balls.

"I understand you're the auditor of Social Justice Publishing Company," I said.

"Yes." She smiled in a friendly fashion.

"And you're also a trustee of the Social Justice Poor Society?"

The pupils in her eyes widened immediately. She nodded without speaking.

"Could you tell me when you were elected trustee?"

"I—I wouldn't—I can't—I can't give you any information at all," she said, her lips suddenly quivering. "Who are you? Why do you come to me?"

"You're a trustee of the Social Justice Poor Society which owns Social Justice Publishing Company which issues *Social Justice* magazine," I explained, "and you also audit the books of the So-

cial Justice Publishing Company. That's why I came to see you."

"I don't see why I should make any statements——"

"Aren't you the auditor?"

"Yes, I handle the records at the Shrine."

"That is why I came to see you. The Social Justice Poor Society is a public organization which controls *Social Justice* magazine which in turn is collecting money from the public——"

"I don't care to answer any questions," she said, her eyes big and black behind her spectacles.

"Surely you have no objection to telling me when you were elected trustee of an organization devoted to aiding the poor and destitute?"

She shook her head and swallowed hard.

"I can't answer any questions. Why do you come to my house? The place to see me is at the Shrine. My work is there. All my records are there."

"I was at the Shrine but you had left so I came here. You keep the records of *Social Justice* magazine and the corporation at the Shrine?"

"Yes," she said.

"I still don't understand why you decline to tell me when—approximately will do—you were elected trustee of the Poor Society."

She motioned nervously with her hands and shook her head.

"I'll be wanting to see the other trustees, too. Will I be able to find them at the Shrine?"

"Yes, we all work there."

"Let's see, how many other trustees are there in the Poor Society?"

"I don't know," she said hesitantly with a slow shake of her head.

"Aren't there three—you, Bernice Marcinkiewicz and Marie Rhodes?"

"I don't know," she repeated with a worried shrug.

"There are only three trustees of a big publishing company and you don't know the other two associated with you as owners of the business?"

"We have several organizations up there," she said. "It's a little complicated. I don't know which ones they're trustees of without looking up the records. I'd have to see those records."

"Those records show that you're a trustee of the publishing business—and you're one of the three owners?"

"I guess so," she said.

"What is the circulation of *Social Justice* now——?"

"Oh, I wouldn't know that."

"Perhaps you could tell me how much print paper was bought last year?"

She looked blankly at me and again shook her head. "I really don't know."

"Have you met with the editors lately to decide on policy——?"

"Oh, no. I have nothing to do with that——"

"But you're one of the three owners of the magazine——"

"Oh, please——" she interrupted. "Please, I can't answer any questions. If you wish to see me, you will have to come to the Shrine. My records are all there and—I'll tell Father you wish to see him."

"But Father Coughlin is not an officer or director of the corporation which owns *Social Justice*. You and two other girls are the owners, you know."

She made bewildered motions with her hands. "Please. I don't know what the records show. I'd have to look at them."

I really felt sorry for this woman who, in the process of holding down her \$20 a week job, had been picked as one of the dummy "trustees" of Coughlin's private publishing business. She all too obviously didn't know that she was being played for the "fall guy" and I left her in peace. To me she was just another illustration of the methods

Coughlin has developed in manipulating the corporations he organized.

As I proceeded with my study of his activities I came across so many statements the radio priest had made while he did precisely the opposite, that it seems to me that, before I conclude this book, we should again examine the statement he made to Ruth Mugglebee, his biographer. She quotes him as saying to her:

Do you know how I would live if I renounced religion and was illogical enough to disbelieve in the life beyond—in the real life? Why, if I threw away and denounced my faith, I would surround myself with the most adroit hijackers, learn every trick of the highest banking and stock manipulations, avail myself of the laws under which to hide my own crimes, create a smokescreen to throw into the eyes of men, and—believe me, I would become the world's champion crook.

The two important points in this statement concern the creation of a “smokescreen to throw into the eyes of men” and learning “every trick of the highest banking and stock manipulations.” Let us see if there are any grounds to believe that he has followed this policy to hide his real activities.

1. He created an organization called the League of the Little Flower, whose function was to collect money from the public to maintain his church and

to help build a new one. He used money thus collected to gamble on the stock market while he was publicly denouncing those who played the market.

2. He raised money for the Radio League of the Little Flower upon solemn assurances that it was a "non-political organization" and then used some of that money to build a privately controlled political organization.

3. He created a corporation with the Christian charitable objective of aiding the poor and the destitute, called it the Social Justice Poor Society, but never lifted a finger for the poor and the destitute. The corporation was used as a holding company for his privately owned publishing business.

4. While speaking and writing as a "friend of labor," he secretly tried to split labor's union ranks.

5. While denouncing Nazism over the air and in his magazine, he was disseminating Nazi propaganda sent out from the German Ministry of Propaganda.

I could continue with this list, but I mention these five points only by way of illustration. I believe they can reasonably be considered as creating smoke-screens to hide what Coughlin really did.

Let us consider "learning the highest tricks of banking and stock manipulations."

1. Coughlin established corporations which raised

several millions of dollars from the public and controlled these corporations through employees acting as dummy officers and directors.

2. The books of these corporations were sewed up so that no one outside his little coterie would know the sums taken in and what happened to them.

3. He claimed tax exemption for his profit-making corporation on the grounds that it was really owned by a non-profit-making corporation.

4. He ignored his Archbishop's request, made on papal instructions, that *Social Justice* magazine be truthful, by asserting that his publication, whose offices were in a Catholic church, was a private business which had nothing to do with the Church.

5. He used monies contributed by the public to one corporation he controlled to aid another corporation he also controlled.

These, too, could be extended, but again I offer them only as illustrations. I believe that such actions can reasonably be considered "tricks."

Certainly one thing is obvious: The Reverend Charles E. Coughlin of Royal Oak, Michigan, has collected several millions of dollars from the public, which was under the impression it was aiding him in "Christian work." If there is nothing wrong with his many strange activities, the radio priest should voluntarily open his books to public ex-

amination, explain the various transactions, what is behind his dissemination of Nazi propaganda and his anti-union efforts. This procedure would eliminate any unjust suspicion not only of his motives but of his financial transactions.

If, on the other hand, he thinks it wise not to do this voluntarily, then it seems to me that it becomes the duty of the law-enforcing agencies to do it for him, so that the millions of people who have been sending him money and who believe he is actuated by "Christian" and "patriotic" motives may know what sinister forces motivate him and expose them to the full glare of public knowledge.

