



COMMUN XI

HISTORICAL CRISIS COMMITTEE

The McCormack-Dickstein Committee

*Background Guide*

Authored by Aditya A. '26 and Natan S. '27

Edited by Aadi K. '26

## Letter from the Crisis Head

Dear Delegates,

Welcome to COMMUN XI's McCormack-Dickstein Committee of 1934. I'm Aditya, COMMUN XI's Secretary of Crisis, and I'm your chair for this conference. I'm also playing Smedley Butler, so **you'll be questioning me**. I'll be moderating your discussions as you navigate the unfolding crisis, but the rest is up to you: MUN is best when you all practice constructive communications to find resolutions, a skill that I hope you will take back to your communities. I also hope you all will have fun and make some friends along the way. To best facilitate the conversation, **position papers will be required** to win an award on this committee. For sources, feel free to use those I've listed, or anything else linked throughout the document; additionally, you may want to search through libraries or the internet.

Our committee is a crisis committee, meaning delegates will have to respond to events in real-time, voting on a course of action that helps them support their own and their room's position. Use your role's skills and abilities to affect the situation directly; to use these portfolio powers, which you can find under your role, you should pass notes to your chairs. *Don't worry if it doesn't make sense yet, we'll get things sorted at the beginning of the conference, and I, along with your chairs, will be there to support you throughout!*

I'm so excited to see your resolutions on the day-of. If you have any questions about the topic or your background guides, please feel free to email me at the address below!

Sincerely,

**Aditya Anand**

Crisis Head, McCormack-Dickstein Committee

aanand@commschool.org

**“War is a racket. It always has been. It is possibly the oldest, easily the most profitable, surely the most vicious. It is the only one international in scope. It is the only one in which the profits are reckoned in dollars and the losses in lives.”**

Major General Smedley Butler, *War is a Racket* (1935)<sup>1</sup>

## **Background History**

### The Great War (or, the First World War, WW1, etc...), at Home and Abroad

The Great War, later called the First World War and World War I, began in the summer of 1914, when Bosnian Serb Gavrilo Princip shot and killed Archduke Franz Ferdinand of Austria. This assassination on imperial faultlines, coupled with a growing arms-race, complex alliance system, the decline of the Ottoman Empire, and simmering tensions between great powers in Europe, led to the outbreak of war.<sup>2</sup> The Allies, made up primarily of France, the United Kingdom, and Russia, fought the central powers (mainly Germany, Austria-Hungary, and the Ottoman Empire) in the bloodiest war in human history. Millions died in the trenches or in futile infantry charges, as they were poisoned by chlorine gas and shelled by newly developed artillery. The United States watched the bloodshed from across the Atlantic, but remained isolated and uninvolved. President Wilson hoped that by staying out of the war, the United States could act as a peacemaker when the fighting wound down.

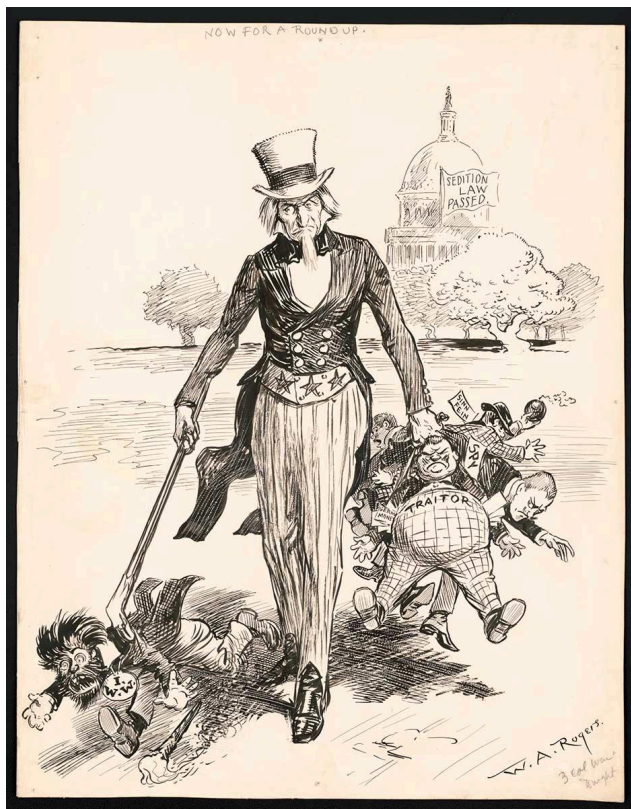
Wilson’s plans went awry when, in early 1917, a German telegram to Mexico was intercepted. In the Zimmerman telegram, named after German Secretary of State for Foreign Affairs Arthur Zimmerman, Germany offered Mexico help if the nation wished to ally with Germany and seize back territory from the

---

<sup>1</sup> I’ll be adding footnotes like this, to give context, and to add fun facts. **But you only need to know the notes written in bold.**

<sup>2</sup> For a fascinating and nuanced discussion of the outbreak of the war, see Michael Howard, “Europe on the Eve of the First World War,” in *The Lessons of History* (Yale University Press, 1991).

United States; the American people were outraged. This event, along with continued German attacks on American commercial vessels, pushed America into war. On April 6th, 1917, Congress declared war on Germany. Immediately, the United States began tamping down on dissent and free speech in the name of national unity. Some ways that the government did this were silly: the US federal government mandated that Sauerkraut be renamed to “Liberty Cabbage.” But Congress also passed the Espionage Act in June of 1917, which allowed the postal service to ban “treasonous” mail, and the Sedition Act in 1918, which made it a crime to “willfully utter, print, write, or publish any disloyal profane, scurrilous, or abusive language about the form of government.”<sup>3</sup>



These laws weren't just empty threats; scores of perceived dissidents were prosecuted and sentenced to prison, most famously union leader and socialist Eugene V. Debs. Debs spoke out against the Great War in a 1918 speech, where he declared that congressmen were “misrepresentatives of the masses” and accused Wall Street of stoking the war to make a profit; he was indicted and convicted under the Espionage Act, and sentenced to a decade in prison. Eugene Debs appealed to the Supreme Court, which upheld his conviction in a unanimous decision.<sup>4</sup> This decision (and the

many that followed) was based upon a principle seen throughout the progressive era: **individual rights were less important than national unity and the greater good.** Perhaps it was Deb's constitutional right

<sup>3</sup> **Now for a round-up** / W.A. Rogers. digital file from original drawing <https://lcn.loc.gov/2010717793>

<sup>4</sup> *Debs v. United States* wasn't the only Supreme Court case which restricted free speech rights at the time. *Debs* was preceded by *Schenk v. United States*, where the Court ruled the Espionage Act constitutional; *Debs* was followed by *Abrams v. United States (1919)* and *Gitlow v. New York (1925)*, both of which continued to uphold the free-speech restrictions of the Espionage Act.

to protest the war under normal circumstances, but in this time of national crisis, the safety of the nation was more important than personal liberties.<sup>5</sup>

Free speech restrictions weren't limited to Supreme Court cases; the FBI worked aggressively to tamp down on ideology they saw as subversive. After a series of bombings in 1919, the Attorney General A. Mitchell Palmer, aided by FBI lawyer J. Edgar Hoover, began rounding up suspected anarchists, bolshevists,<sup>6</sup> radicals, and foreigners. Hoover planned a huge series of raids on thousands of suspected radicals, all of which were to occur at the same time across thirty-three cities in over twenty states. Over five thousand people were detained over two days of raids, and the public reaction was initially positive. Unfortunately for Hoover and Palmer, details started coming out about the raids, and they weren't pretty. It was revealed that deportation rules had been totally ignored, the detainees had been mistreated and denied access to basic rights and amenities, and thousands of arrest warrants had been obtained under legally dubious circumstances. These mass arrests, later called the "Palmer Raids," destroyed Palmer's political career, but the FBI's suppression of speech in the name of anti-radicalism wouldn't stop anytime soon—J. Edgar Hoover was let off the hook, and the Palmer Raids were only the start of his decades-long abuses of power at the FBI.

### Rise of Communism and the Red Scare

The Great War devastated communities across Europe. Violence and economic strain only made poor communities poorer, and nowhere fared worse than the rural Russian Empire. Before the war, the world feared the Tsar's power, believing him to command the world's strongest army. That army fell quickly under the stress of German Imperial technologies.<sup>7</sup> Centuries of feudal mismanagement came to a

---

<sup>5</sup> When you're studying American history one day, keep in mind this balance.

<sup>6</sup> **One major reason for the raids was the fear of Communism in America; after the October Revolution in Russia, "bolshevists" and communists were seen as foreign bogeymen. See the "Rise of Communism and the Red Scare" section of this background guide for more.**

<sup>7</sup> **Before fascism or communism gained a foothold in Europe, technology had scarred the generation which had fought in the Great War. The Lost Generation, as historians now aptly call them, feared an age where warmachines and technology could reshape the world, and crush human beings. People feared the future.**

**Often, that fear got entangled with the [futurism](#) of large-scale, anti-Democratic movements, like Nazism or Communism. Proponents of these ideologies claimed that humanitarianism and democracy had no place in an**

head, as soldiers mutinied and civilians rose up. They brought down the Tsar's absolutist government and established the Russian Provisional Government.<sup>8</sup> Woodrow Wilson declared that democracy had spread to Europe; yet, not even a year later, a second revolution, led by the Communist radical Bolshevik party, would see all hopes of democratic reforms dashed: they established the Soviet Union.<sup>9</sup>

The Soviet Union, formally known as the Union of Soviet Socialist Republics (USSR), was run by Vladimir Lenin from 1917 till his death in 1924. It was an authoritarian state, with control of the government, secret police, military, and economic policy squarely in the hands of Lenin and his political allies. When Lenin died in 1924, many expected that power would pass to his close ally, Leon Trotsky; unfortunately for Trotsky, an ambitious and cutthroat Georgian politician named Joseph Stalin had other plans. Stalin, through a web of complex alliances and betrayals, managed to cut Trotsky out (expelling him from the country in 1929) and take power in the Soviet Union. What had already been an overbearing government became a terroristic and oppressive one. Stalin used the secret police to arrest and assassinate his political opponents, and he would brook no dissent. Stalin advocated for an economic policy of total agricultural collectivization—that is to say, he wanted the government to seize private land and turn it into large, state-controlled farms. Peasants with land who resisted this change, derisively called *Kulaks*,<sup>10</sup> had their property taken and were executed or sent to prison camps. Stalin and his policy advisors expected that grain yields would skyrocket after collectivisation, but they were sorely mistaken. Mass collectivisation of agriculture was an unmitigated disaster for the peasants, with impossibly high quotas of

---

**advanced, futuristic world.**

Hollywood star Charlie Chaplin [put it nicely](#) in his movie *The Great Dictator*, in which he impersonated and mocked Adolf Hitler and his Nazi regime's futurist rhetoric.

<sup>8</sup> The revolutionaries planned to hold an election to decide what form of government Russia would adopt, be it a liberal democracy, a welfare democracy, moderate communism, or a more traditionalist, Orthodox theocracy of some kind. Very few predicted the Bolsheviks' success.

<sup>9</sup> The Soviet Union of the time was multiethnic, as Russia is today. **Divisions in Communism are drawn along class lines, not on race or religion. Overlap often exists, though. Communists rebuked the idea of national identity, especially wartime nationalist panics, and marked it as a weapon of establishment control. Why did that scare the US government?**

<sup>10</sup> *Kulak* translates directly to "fist" in Russian, but is best understood to mean something like "greedy" or "tight-fisted."

grain to hand over to the government. The policy led in large part to what was later known as the Great Soviet Famine of 1930–33.

Although Stalin and the Communists rebuked ethnicity, violence, and genocide on principle, the reality was much different. The Great Soviet Famine affected the grain-producing region of Ukraine most heavily, likely an intentional attempt by Stalin to target Ukrainian nationalism. Called the *Holodomor* (roughly translating to “death by hunger” in Ukrainian), this famine is often considered a genocide, and was certainly a man-made disaster. American anti-communists were scared of a situation just like the *Holodomor* happening in the U.S if the American communist movement was allowed to flourish. While the “Red Scare” of 1919–20, characterized by Palmer’s FBI raids (see “The Great War” above), was no longer on the front of everyone’s minds, communism was still a threat to the American public and their perceptions of freedom. A communist country meant death by hunger, and Americans were afraid.<sup>11</sup>

### Rise of Fascism, and the Nazi Scare

Across the Atlantic, new and dangerous political ideas were spreading; one of them was fascism, founded by Benito Mussolini in Italy.<sup>12</sup> Benito Mussolini was originally a socialist, but his political ideology shifted over time to one of extreme nationalism, authoritarian state control, anti-leftist action, and racism. In 1922, he installed himself as prime minister of Italy and founded the first fascist government in history. Fascism is difficult to pin down; one historian wrote that “trying to define fascism is like trying to nail jelly to the wall.” Despite this, some characteristics of the ideology are clear: fascist governments are totalitarian, very militaristic, and ultranationalist. They have no democracy, and the “state” is prioritized over the individual. That’s intentional: fascism taps into humans’ tribal mentality.<sup>13</sup>

---

<sup>11</sup> As always, things are more complicated. Communism experienced a resurgence in America during the 1930s, and while it was still often distrusted, some Americans who had previously shunned the movement began to support it. That being said, there was still plenty of institutional fear of the communist party, perhaps rightly so—the party received support and instructions from the Soviet Union.

<sup>12</sup> Fascism, or *fascismo* in Italian, comes originally from the Italian *fascio*, a political group or syndicate. A few years after Mussolini began to use the term, an association with the classical Roman *fascēs*, or bundle of sticks, began to emerge. The *fascēs* was a symbol of authority and power, and Mussolini’s fascist party used it as a powerful political symbol,

<sup>13</sup> **This is made possible by a combination of biases. Social Proof, for example, holds that if other people are doing something, we should do it too, because their participation is proof enough that the thing is beneficial to**

Racism is also a crucial part of the equation; the Italian fascists saw Africans, Slavs (Russians, Ukrainians, etc.), and other groups as inferior to ethnic Italians.

Germany experienced the same political transition. After losing the Great War, Germany was forced to pay massive reparations, which, along with other factors such as debt from the war effort, tanked the German economy. The nation's currency suffered from hyper-inflation—in 1922, 320 German marks were equivalent to one US dollar, but by the end of 1932, one US dollar was worth over four trillion marks. A charismatic former soldier in the German army named Adolf Hitler, inspired by Mussolini's Italian fascism, wanted to mold Germany in the same vein. He thought that the economic unrest and shame from the recent military defeat would buoy his cause to victory, and in 1923 he staged a failed coup known as the Beer Hall Putsch. Police arrested him and his cronies, and he was sentenced to prison for high treason.

After only a year in prison, Hitler was released. He resumed his political activities with the National Socialist German Workers' Party<sup>14</sup> (the Nazis), stirring up racial tensions and promising a cure to the economic issues facing Germany. Party propaganda framed Hitler as a savior, the only one capable of giving Germany a powerful enough government to ensure peace and prosperity. While the Nazi Party was also extraordinarily racist and antisemitic, it toned down this messaging in order to appeal to a broader set of voters. Eventually, through clever manipulation and an effective political machine, Hitler managed to get elected as Chancellor of Germany on January 30th, 1933. He slowly concentrated power in the hands

---

**us. Identity Protective Cognition is our ability to twist how we perceive reality to confirm our membership in a group identity (i.e. we cling onto our identity for comfort and a sense of community, and skew our perceptions of the world to protect them). These are only a couple examples. Such biases are amplified in times of paranoia, especially when someone feels physically endangered.**

**The name, tribal mentality, stems from an evolutionary theory: that the tribes which banded together and put aside individual identity in times of danger survived. Fascists and other radicals take advantage of these impulses to gain power.**

<sup>14</sup> **Though the name includes "socialist," the Nazis were not a socialist party. In fact, socialists and communists were some of their greatest political rivals. Nazis, and fascists in general, seek to capitalize on paranoia to stimulate the tribal psychology of their populations. Scapegoating, especially during war is one way to do that.**

**Because tribal psychology and paranoia are emotional, fascist movements often end up in a deathspiral: governments must drive their people into increasingly extreme, artificial and unreal terrors to maintain support.**

of himself, his allies, and the Nazi Party, taking advantage of an arson attack on the German Parliament in February in order to suspend basic legal rights and fill the parliament with loyalists. On March 23rd, 1933, the newly Nazi-majority parliament passed the enabling act, which gave Hitler supreme power over the country and began the Nazi dictatorship. Hitler immediately cracked down on all opposition, banning all political parties except for the Nazis and murdering hundreds of political rivals. Hitler targeted his attention to leftists and Jews, but also eliminated members of the Nazi Party and authoritarian-right who weren't fully in line with his ideas. Germany had gone from one of the most liberal parliamentary democracies in the world to a totalitarian regime in only a few months.

### The Great Depression in the US, and the New Deal

Like in Europe, the Depression saw many lose employment and fall into poverty. In the US, conditions were worse than abroad, though: the depression coincided with heat waves and droughts in the midwest, America's agricultural breadbasket.<sup>15</sup> The region's farmers flooded into cities to seek industrial jobs that no longer existed. Banks failed, businesses closed, and tariffs strangled the global economy.<sup>16</sup> Streets teemed with breadlines and beggars, and Prohibition-related crime remained at an all-time high.<sup>17</sup> This was, and still is, considered the worst economic catastrophe ever.

To some, the Depression signaled the end of capitalism, and the end of the liberal democratic order associated with it. Like in Europe, Communism and Fascism thrived off of fears of decline (remember the Ottomans?), and the paranoia of an era where an unprecedented amount of people struggled to find housing or food security. Fear described the attitude of most, who just wanted to get by, and feared radicals might endanger public safety or freedom.

---

<sup>15</sup> **In 1930, 21% of the population was employed in agriculture.**

<sup>16</sup> Especially now, you should know what this is. **A tariff, or import tax, is a duty imposed by a government on foreign imports. Proponents argue that by disincentivizing imports, the US could develop its own industry, strengthen its own production, and export. Critics argue that it hurts global economic cooperation, and raises prices.** In this case, the **Smoot-Hawley Tariff Act of 1930** was in effect.

<sup>17</sup> **Remember, this was during Prohibition: violent crime, gang activity and corruption ran rampant during this era. Both became a major concern for the government.**

Franklin Delano Roosevelt preached to that audience. Once the governor of New York, FDR promised the American Public a “New Deal,” mimicking his distant cousin Theodore’s “Square Deal” twenty years prior.<sup>18</sup> The hundred days that followed were a period of massive legislative progress, as FDR and Congress managed to pass many major bills which made up the “New Deal.” Firstly, Roosevelt attempted to reform the banking system, which Americans had lost confidence in after banks had failed one after another at the start of the Great Depression. He declared a national bank holiday, during which he passed legislation that ensured that the banks would have enough money for every legitimate withdrawal.<sup>19</sup> FDR also passed the Glass-Steagall Act, which regulated the banking industry and prevented banks from engaging in speculation, as well as insuring bank deposits throughout the country with the FDIC (Federal Deposit Insurance Corporation). Also notable, FDR ended the gold standard, untying the value of the dollar from the value of any precious metal. These reforms were technical and may not be very interesting, but they were crucial to increasing public faith in a previously free-falling economic system.

Other bills that FDR passed in his New Deal were much flashier. One of his most popular bills repealed prohibition,<sup>20</sup> allowing Americans to drink alcohol again. Perhaps most importantly, FDR created a series of administrations, organizations, and agencies to employ millions of Americans and jumpstart the economy. The FERA, CCC, PWA, NRA, and TVA were just some of the “alphabet soup” agencies that FDR brought into existence, and they were truly unprecedented.<sup>21</sup> FERA, the Federal Emergency Relief Administration, provided jobs and education for many millions of Americans; these jobs ranged

---

<sup>18</sup> That’s President Theodore “Teddy” Roosevelt, if I was unclear.

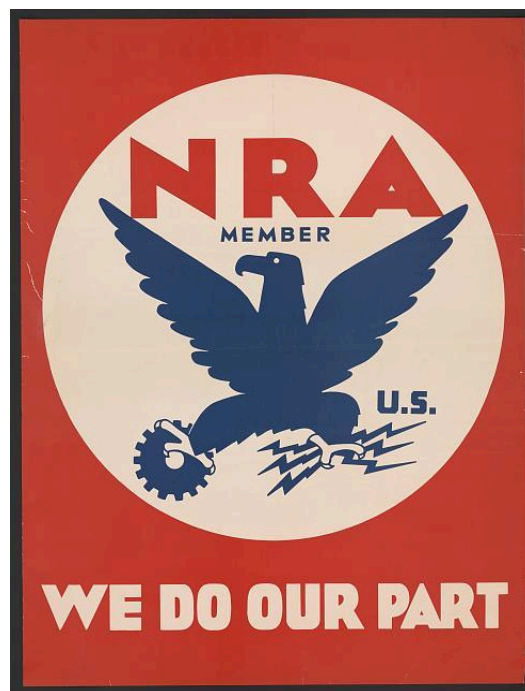
<sup>19</sup> This Act, the Emergency Banking Act, was passed so quickly that many members of Congress did not even have a chance to read it before voting it into law.

<sup>20</sup> Technically, FDR signed a bill which made alcohol sales legal, and began the longer and more complicated process of amending the Constitution to fully end Prohibition. The 21st amendment, which ended Prohibition for good, was ratified on December 5th, 1933.

<sup>21</sup> One of the reasons the Civil Rights Movement resurged in the 1950s-60s was because of the Great Depression. Its effects lasted longer for Black communities, who often found themselves excluded from color-blind New Deal programs. They faced the recession until well into the 1950s.

As such, much of the early movement fought for **full employment (you should know what that is)** as well as equal rights (e.g. the [1963 March on Washington for Jobs and Freedom](#), at which Dr. Martin Luther King Jr. delivered his famous [speech](#)).

from unskilled labor in construction or factories to a variety of public works projects, and educational opportunities were offered to millions of children and adults. The CCC, or Civilian Conservation Corps, put young, unmarried men to work in government-owned forests, state, and national parks across the country—many national parks still have the trails, lodges, campgrounds, and other infrastructure that the CCC built almost a century ago. The PWA, or Public Works Administration, built massive public works projects such as schools, dams, and airports, with a budget of billions of dollars. Similarly, the Tennessee Valley Authority (TVA) created energy infrastructure and otherwise modernized, you guessed it, Tennessee. Finally, the National Recovery Administration (NRA) allowed businesses that followed certain practices (like minimum wages for employees and fair labor rules) to display the NRA Blue Eagle in their storefronts. While completely voluntary, businesses without the Blue Eagle would sometimes get boycotted, making it often mandatory in reality.<sup>22</sup>



#### The McCormack-Dickstein Committee, and the Business Plot

Of course, FDR didn't go unchallenged. His economic policies were unrivaled in scale and drew comparisons to European communism. Politically, he served four terms—the longest presidential tenure

---

<sup>22</sup> NRA member, we do our part digital file from original <https://lcn.loc.gov/2017659342>

ever. When the Supreme Court moved to oppose his policies on constitutional grounds, FDR threatened to pick and appoint six more justices; the court backed down, but Roosevelt lost a good amount of public respect.

Regardless, from the earliest days of his administration, American businessmen of all stripes organized to oppose him. One such group, the American Liberty League, soon came under fire. A Great War hero, Major General Smedley Butler, revealed their alleged plot to overthrow the US government, and replace it with a fascist-style dictatorship they could control. According to Butler, the Liberty League conspired to overthrow the American government, and approached him to take the role of a popular demagogue.<sup>23</sup> In short, a fascist coup.

The House Un-American Activities Committee saw the ensuing trial as a way to prove its value, and convened to begin its investigation on **November 20th, 1934**.

## ROLES

### The McCormack-Dickstein Committee

Later renamed the *House Un-American Activities Committee (HUAC)*, it served as a way for US congressional representatives to put down groups they deemed to be “subversive”. Over their history, they would investigate labor unions, civil rights organizations, the Ku Klux Klan, etc..., all in the name of protecting American identity, democracy, capitalism, and law, each to varying degrees. Now, the committee finds itself at odds with the American Liberty League, and must question war hero Major General Smedley Butler. Is he lying? That’s up for you to research, and to discuss in committee.

### **John W. McCormack (D-MA)**

- A staunch anti-Communist and anti-Fascist, McCormack seemed a perfect candidate to lead the hearing. He supported the New Deal tooth and nail, and so, where others dismissed the plot as a

---

<sup>23</sup> Soldiers and veterans respected Butler, and he’d proved himself as a military leader. This is why he was chosen, among other candidates.

hoax, he took it seriously. McCormack also painted himself as a rational bridgebuilder. All these things will be essential for his questioning.

- As a portfolio power, McCormack, a committee leader, can call Congress' and the Presidents' support and attention. As a nationally respected, level-headed figure, he can help to settle public hysteria. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **Samuel Dickstein (D-NY)**

- The son of Jewish refugees from the Russian Empire, Dickstein grew up in a xenophobic era of American history. Regardless, he persevered in his legal and political career, and became the chairman of the House Committee on Immigration and Naturalization. And, in this role, he became aware of antisemitic Nazi propaganda entering the country. That was the basis for this committee's formation. While McCormack provided calmness to the trial, Dickstein provided urgency: he threw himself fully into prosecution. He pushed for the public exposure of anti-Democrats, and took Smedley's words as fact. Ironically, in 1999, researchers Allen Weinstein and Alexander Vassilev uncovered that Dickstein was, in fact, an NKVD affiliate: a Soviet spy.
- As a portfolio power, Dickstein has immense public sway. As a portfolio setback, Dickstein is a radical: he can't support any bipartisan resolution.

### **Charles Kramer (D-CA)**

- Kramer's family lost everything during the Depression, forcing him to quit medical school and take menial jobs like so many other traveling laborers nationwide.<sup>24</sup> But he built back a political career as an economist, and part of FDR's brain trust. He was also widely accused of being a Soviet spy, and likely a member of the Communist Party of the United States of America

---

<sup>24</sup> Read John Steinbeck's *Of Mice and Men*.

(CPUSA), but charges were never brought against him. His support for the New Deal is staunch, perhaps too staunch, and his allegiance to the committee is fraught.

- As a portfolio power, Kramer can call on FDR's cabinet advisors to testify. Additionally, his working-class origins give him some respect among the nation's impoverished populace.

### **Thomas A. Jenkins (R-OH)**

- Jenkins is anti-isolationist, perhaps to a fault. When debating Democrat John D. Kelso over supporting Britain, he was called the "Congressman from London." In turn, he referred to Kelso as the "Craven stooge for Herr Hitler." At this time, though, Jenkins advocated silently through prosecution, lawmaking, and coalition building. He is a supporter of the New Deal, but only so far as he is convinced it safeguards Americans' constitutional rights. He took special interest in FDR's Tennessee Valley Authority (TVA), which electrified one of America's poorest regions.
- As a portfolio power, Jenkins can call on FDR's cabinet advisors to testify. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **James Will Taylor (R-TN)**

- A leading member of the Republican party, Taylor generally voted with the Conservative side of the court. He had, after all, been a lawyer, and had qualms about the New Deals' constitutionality. But he also opposed extremism on any grounds, supported desegregation, and supported the New Deals' welfare programs in his home state.<sup>25</sup> So he took Smedley's testimony seriously. Most of all, he opposes corruption.
- As a portfolio power, Taylor can gain information from intelligence sources, like the FBI or the Treasury's anti-Corruption authority.

### **Ulysses Samuel Guyer (R-IL)**

---

<sup>25</sup> The Tennessee Valley Authority (TVA) worked to develop and electrify one of the country's poorest regions.

- A lawyer and Republican, Ulysses Guyer aligned with his party's conservative wing. He opposed the New Deal, likely on constitutional grounds, and dismissed the plot as a hoax. Perhaps he approached Smedley's testimony close-mindedly. But, as one of the most seasoned members of the committee, his support will be essential in determining a course of action.
- As a portfolio power, Guyer is able to report testimony findings to FDR's administration. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### Liberty League

America's famous, anti-New Deal coalition, funded by the country's wealthiest and most well-to-do. Many feared FDR's welfare and redistribution policies, and labeled him as a communist—playing up Americans' old Red Scare fears. Others sought to protect their business interests. And others, still, opposed the administration on constitutional grounds, claiming the president had no legal right to enforce new economic freedoms, or to intervene so resolutely and robustly.

### **Gerald P. MacGuire**

- A prominent businessman, bond salesman, and commander of Connecticut's American Legion,<sup>26</sup> MacGuire was, allegedly, the first to approach Butler. Earlier, MacGuire had travelled to Italy and Germany to study how veterans helped fascists take power there, so his trial was especially salient.
- As a portfolio power, MacGuire can use his Legion support to rile up veterans. He can also communicate directly with the other Liberty Leaguers through notes while on the stand, and ask business associates for relevant information.

---

<sup>26</sup> A veterans' organization that was much more significant after the Great War and Second World War. Though, it still exists.

### **Grayson M.-P Murphy**

- A military officer, then a company director, Murphy was a magnate and mogul by the trial's time. He ardently opposed prohibition. Murphy quickly used his past public platform to criticize the New Deal, eventually becoming the Liberty League's treasurer.
- As a portfolio power, Murphy can call vast sums of money to finance his defense. He also controls the Liberty League's finances, and is responsible for keeping the organization afloat. If all else fails, he can attempt to strong-arm the government by cutting his support for federal programs. However, as a portfolio setback, as a publicly hated suspect, Murphy's actions will be heavily scrutinized.

### **Robert Sterling Clark**

- An heir to the Singer sewing machine fortune, an art collector, a horse breeder, and a philanthropist, Clark was many things. Fascist financier might have been one of them. Allegedly, Clark had funded Gerald P. MacGuire's trip to Europe to study fascism, and had continued to fund him as he approached Butler.
- As a portfolio power, Clark can call vast sums of money to finance his defense. If all else fails, he can attempt to strong-arm the government by cutting his support for federal programs.

### **Al Smith**

- Once the governor of New York, then the 1928 Democratic presidential nominee, Al Smith lost the primary to Roosevelt, and got slighted. His opposition to the New Deal on virtually all grounds was predictable, so much so that he became one of the primary members of the Liberty League, distributing flyers broadcasting on the radio to oppose Roosevelt's measures.
- As a portfolio power, Smith can use the Liberty League's vast propaganda network to influence public opinion. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **John W. Davis**

- Davis once worked as the Solicitor General and Ambassador to Britain under Woodrow Wilson. Now one of the country's most prominent lawyers, Davis opposed the New Deal in various cases for various reasons, but mostly because he was paid to do so. He'd earlier represented J.P. Morgan Jr., who'd been called to the Senate for his bank's possible role in setting off the Depression.
- Davis is a licensed member of the bar. So, as a portfolio power, he can challenge the trial on constitutional grounds (but only if he has a valid constitutional argument).<sup>27</sup>

### **James E. van Zandt**

- As the commander of the Veterans of Foreign Wars, van Zandt was, allegedly, also approached by the Liberty League. He eagerly confirmed all of Butler's testimonies. When he spoke, his military background showed in his tone, his drive, the euphemisms he chose and his radical campaigning style. Some dismissed him as an opportunist, but van Zandt certainly added credibility to the plot.
- As a portfolio power, van Zandt can use his leadership to rile up or calm veterans. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **J.P. Morgan Jr.**

- Son of the illustrious John Piermont Morgan, Morgan Jr. inherited mountainous sums and questionable banking practices, which may or may not have been a factor in jumpstarting the Depression. Morgan's financial network was, allegedly, at the center of the business plot.
- As a portfolio power, Morgan Jr. can call vast sums of money to finance his defense. If all else fails, he can attempt to strong-arm the government by cutting his support for federal programs.

---

<sup>27</sup> I'd do some basic reading [here](#), maybe make some flashcards for each amendment. See what comes from it. Or, you could waste the committee's time with a dumb argument that bogs down the trial. That works too. It's up to you.

However, as a portfolio setback, as a publicly hated suspect, Morgan's actions will be heavily scrutinized.

### **Irénée du Pont**

- President of the DuPont chemical company, Irénée was one of the wealthiest businessmen in the country. His companies supplied much of the US' chemical weaponry during the Great War. Allegedly, du Pont is at the center of the plot, alongside other financiers. He must fight tooth and nail to defend his reputation, and his business interests.
- As a portfolio power, Du Pont can call vast sums of money to finance his defense. If all else fails, he can attempt to strong-arm the government by cutting his support for federal programs. Additionally, his connections in the US military run deep. Du Pont would be wise to use these during the trial, possibly flexing government contracts or calling in favors from military figures. However, as a portfolio setback, the public suspects Du Pont, and so his actions will be heavily scrutinized. So pick your words carefully.

### **Brig. Gen. Hugh Johnson**

- One of the other candidates for the leader of the proposed fascist government, the Brigadier General was disconsidered after accepting a role as the leader of the NRA.<sup>28</sup> His most ardent initiative was the "blue eagle" campaign, which licensed blue eagle emblems to businesses which participated in certain government regulations, or "codes." However, Johnson was, seemingly, a fascist sympathizer, and aligned himself with Italian fascists economists like Bruno Biagi.
- As a portfolio power, Johnson controls the NRA, a federal apparatus for the New Deal's programs. He can grant or strip the blue eagle emblem of businesses, possibly to strong-arm them

---

<sup>28</sup> **Not the National Rifle Association, the National Recovery Administration, one of FDR's primary New Deal organizations.**

into complying with the trial. But, he should be careful, or he might just prove the Liberty League's point.

### FDR's Delegation, and National Figures

In the President's words, "I am only allowed to go as far as the people let me." The New Deal kicked off four decades of Liberal economic governance, namely the Great Society programs of the 1960s, and would last until the "Reagan Revolution" of the 1980s.<sup>29</sup> Central to his New Deal and foreign policies was the brain trust, a crew of advisors from every corner of American life. Here are a few of its members.

#### **Frances Perkins**

- As the Secretary of Labor, Perkins worked with labor unions to create a set of worker supports and welfare regulation. In fact, she was often referred to as "the principal architect of the new deal," as the goals she carried with her into office would become defining traits of the administration. Businesses didn't like her, often hated her, and actively opposed her. Regardless, she stood as one of the government's fiercest and steadiest advocates.
- As a portfolio power, Perkins can communicate extensively with labor unions. That could be used to encourage strikes, to strong-arm businesspeople into disclosing information. But use this wisely, as it may damage your reputation.

#### **J. Edgar Hoover**

- Head of the FBI, appointed during the First Red Scare, Hoover firmly suppressed groups he saw as subverting the US as part of the FBI's COINTELPRO program. That ranged from deporting those he saw as radical anarchists in the 1910s, to infiltrating and weakening the Ku Klux Klan and Nation of Islam in the 1950s, to arresting the leaders of the Black Panther Party of the

---

<sup>29</sup> This era is where modern welfare came from, e.g. social security, disability support, etc...

1970s.<sup>30</sup> Now, you're faced with a dilemma: FDR's brain trust is fighting extremism, just as you'd want, and they're creating investigative organizations to combat corruption...is the FBI being replaced? You can't let that happen.

- As a portfolio power, J. Edgar can use his intelligence network to request information into the finances and operations of subversive organizations throughout the US, including the Liberty League, or the President's New Deal coalition if he so chooses. He may also use investigations to harass those organizations, although if his role is uncovered, it will be a very, very bad look. So use that sparingly.

### **Henry J. Morgenthau Jr.**

- As the Secretary of the Treasury, Morgenthau played an instrumental role in financing the New Deal. He appeared to the public to be level-headed, a bridgebuilder, one who strongly supported the New Deal only so far as he felt it protected Americans' constitutional rights. While not dismissing the plot as a hoax, Morgenthau certainly tried to tangibly fight extremism. His ambitions weren't political, anyways. He was an economist.
- As a portfolio power, Morgenthau controls the funding for New Deal programs. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **Fiorello Henry La Guardia**

- A young immigrant, and the famous, Socialist mayor of New York City (huh?).<sup>31</sup> Regardless, La Guardia was respected as a level-headed bridge-builder. Partially due to his rational persona, he

---

<sup>30</sup> J. Edgar Hoover was old. He was appointed Assistant Director of the Bureau of Investigation in 1921, and died in 1972 as the 1st Director of the Federal Bureau. That means he served under presidents Warren G. Harding, Calvin Coolidge, Herbert Hoover, Franklin Delano Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, Lyndon B. Johnson, and Richard Nixon.

<sup>31</sup> **Believe it or not, this isn't the first time. Socialism was much more prevalent in the US until the 1950s' Second Red Scare. However, most Socialists of this time were more like modern Democratic Socialists in their policies. They described themselves as Sewer Socialists, bebenefitedcause they mainly focused on charity and building local infrastructure... like sewers...or fast, free bbenefiteduses.**

The other Democratic Socialist mayor was David Dinkins in the 1990s.

dismissed the hoax, trying to bring attention back to furthering New Deal programs and tangibly fighting extremism.

- As a portfolio power, La Guardia is seen as a leading critic of the New Deal...for not being radical enough. As such, he can draw on a wide base of disillusioned urban Americans who haven't yet benefited from federal programs. However, as a portfolio setback, he is a bridgebuilder: any resolution he supports must be bipartisan.

### **Huey Long (AKA "The Kingfish")**

- The infamous governor of Louisiana, deemed by the President to be a crackpot: no one knows what Huey Long was trying to do. A left-wing populist demagogue, and vocal critic of the Roosevelt administration, which he deemed too moderate in its economic approach, Long became an icon in the South, and infamous among more seasoned politicians.
- As a portfolio power, Long is seen as a leading critic of the New Deal...for not being radical enough. As such, he can draw on a wide base of disillusioned rural Americans who haven't yet benefited from federal programs. As a portfolio setback, Long is a radical: he can't support any bipartisan resolution.

### **Position Paper Questions**

1. What should America do to fight the Depression? Should the government intervene at all?
2. Americans are scared: How do we cope with anti-democratic movements in Europe? What about the anti-Democratic movements at home?
3. How credible are Smedley Butler's claims? Should the American Liberty League be disbanded?
4. What are a couple questions you would like to ask Major General Butler?
5. How do you plan to communicate with delegates you disagree with? Who do you plan to work with when you draft resolutions?

## Bibliography

- BABEROWSKI, JÖRG, Steven Gilbert, Ivo Komljen, and Samantha Jeanne Taber. "Dictatorship of Dread." In *Scorched Earth: Stalin's Reign of Terror*, 174–314. Yale University Press, 2016. <http://www.jstor.org/stable/j.ctt1gxxpnb.8>.
- Charles, Douglas M, and Aaron J Stockham. "Palmer Raids (1919-1920)." In *The Federal Bureau of Investigation*. United States: Bloomsbury Publishing USA, 2022.
- Debs, Eugene V. "The Canton, Ohio Speech, Anti-War Speech." Marxists.org. Last modified June 16, 1918. Accessed January 31, 2026. <https://www.marxists.org/archive/debs/works/1918/canton.htm>.
- "Debs v. United States." Oyez. Accessed January 31, 2026. <https://www.oyez.org/cases/1900-1940/249us211>.
- Figes, Orlando. *A People's Tragedy*. Penguin Books, 1998. PDF.
- Fitzpatrick, Sheila. *The Russian Revolution*. Oxford: Oxford University Press, Incorporated, 2017.
- Greene, Stephen. "Emergency Banking Act of 1933." Federal Reserve History. Federal Reserve Bank of St. Louis. Last modified November 22, 2013. Accessed January 31, 2026. <https://www.federalreservehistory.org/essays/emergency-banking-act-of-1933>.
- McCauley, M., Conquest, R., Dewdney, J.C., Pipes, R.E. "Soviet Union." *Encyclopedia Britannica*, January 25, 2026. <https://www.britannica.com/place/Soviet-Union>.
- "NRA Member, We Do Our Part [Graphic]." 1933. [Washington, D.C.]: [National Recovery Administration].
- Oxford English Dictionary, "fascio (n.)," July 2023, <https://doi.org/10.1093/OED/7693952444>.
- Payne, Stanley G.. *A History of Fascism, 1914-1945*. Madison: University of Wisconsin Press, 1996.
- Rogers, William Allen. *Now for a Round Up*. May 9, 1918. Illustration. Accessed January 31, 2026. <https://www.loc.gov/exhibitions/world-war-i-american-experiences/about-this-exhibition/over-here/surveillance-and-censorship/sedition-law-passes/>.
- "Schenck v. United States." Oyez. Accessed January 31, 2026. <https://www.oyez.org/cases/1900-1940/249us47>.

Stone, Grant Hamilton. "The Business Plot Smedley D. Butler, Anti-Democratic Dissidence, and the Recession of the American Right 1932-1936." Master's thesis, The University of Chicago, 2021.

Viola, Lynne. *Peasant Rebels Under Stalin: Collectivization and the Culture of Peasant Resistance*. New York: Oxford University Press, 1996.  
<https://hdl.handle.net/2027/heb05425.0001.001>. PDF.