

Major General Smedley Butler

How a Legendary Marine Thwarted a Planned Coup d'État

By SSgt Joseph Holman, USMC

Editor's note: The following article is the third-place winner of the 2021 Leatherneck Writing Contest. Major Richard A. "Rick" Stewart, USMC (Ret) sponsored the contest, which is open to enlisted Marines through the Marine Corps Association. Upcoming issues of Leatherneck will feature honorable mention entries.

Smedley Butler is one of the first names learned by recruits in the Marine Corps. "Two Marines, two medals" is the ditty associated with this iconic Marine as recruits are taught that Smedley Butler is among the few courageous and selfless individuals whose actions earned him the prestigious award twice. There is a lesser-known story involving Butler, one where an alleged plot to stage a coup d'état involved the conspirators attempting to convince Major

General Butler to lead in their plot.

Before going into the details of the story, it is important to know more about who Smedley Butler was. This can help understand why he was approached for this plan and why he reacted the way he did to the planned coup d'état.

Smedley Butler was born on July 30, 1881, in Pennsylvania where he was later appointed a second lieutenant in the U.S. Marine Corps in May 1898. During his time in the Marine Corps, he participated



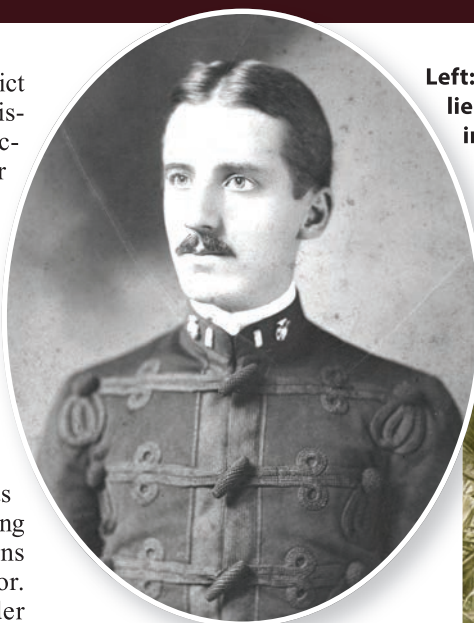
Smedley Butler arrives to inspect the Marine Barracks at Shanghai, China, in 1927.

in many battles including his first conflict which was the same year of his commission. Second Lieutenant Butler participated in the Spanish-American War and later received his promotion to first lieutenant in April 1899 before being assigned to a Marine battalion in Manila. Butler's next conflict would come in June 1900 when he was wounded during the Battle of Tientsin. He was promoted to captain, by Brevet Rank, for his conduct during the battle. In only two years, Butler managed to rise two ranks.

Butler continued to do tours overseas until 1907 when he was placed on recruiting duty. On April 22, 1914, Butler's actions earned him his first Medal of Honor. Butler was the battalion commander during the intervention at Vera Cruz, Mexico, where he was again noted for his "distinguished conduct in battle." At the end of the year, Butler reported to the 1st Brigade in Philadelphia, but he shortly departed to join in the Haitian Campaign. During this campaign, Butler again displayed leadership and courage. On Nov. 17, 1915, Butler led Marines through a small opening in a fort during an attack that turned into hand-to-hand combat with all enemy combatants killed, which led to his second Medal of Honor. After that, he was not involved in combat for the rest of his service, but he continued to excel as a leader within the Marine Corps. At the time of his retirement, he was the most decorated Marine to have ever served. After his retirement in 1931, Butler ventured into politics.

The Business Plot

Following his retirement, Butler began giving speeches and lectures around the nation, becoming known for his advocacy of veterans and animosity against war and how the U.S. was handling it at the time. Butler even wrote a short book in 1935 entitled "War Is A Racket," which was based on speeches he had been giving in the years prior. The highly experienced and decorated MajGen Butler made it known that he was against war, against servicemembers being sent to fight so some select individuals and businesses could profit. In 1934, after Butler had made this stance known, he reported to the FBI that some leaders of the American Legion approached him with the intent for him to lead an army of 500,000 men to stage a coup, removing President Franklin D. Roosevelt and helping install a dictator. Butler also mentioned that the effort allegedly would have the blessings and funding from some big businesses within



Left: Smedley Butler was commissioned a second lieutenant in 1898. His service was interrupted in the mid-1920s when he temporarily left the Marine Corps to serve as the director of public safety for the city of Philadelphia, Pa. During Butler's exemplary career, he received the Medal of Honor twice.



Above: Capt Smedley Butler fought in the Battle of Tientsin and was promoted to captain for his conduct during the battle. This photo was taken in China in 1901.

the U.S., which would become known as "The Business Plot."

According to Butler's accounts, he was first approached by Gerald MacGuire, a commander for the American Legion's Connecticut detachment and a Wall Street bond salesman. Butler's accounts of the meetings say that MacGuire disguised his intentions when approaching him, seeming to only want Butler's support regarding veterans' issues. He showed Butler his bank statements that amounted to \$2 million in today's economy, enough to bring veterans to an American Legion



Marine officers at Vera Cruz, Mexico, in 1914. Shown, left to right are, Capt F.H. DeLario, SgtMaj John H. Quick, LtCol Wendell C. Neville, Col John A. Lejeune, and Maj Smedley D. Butler.

convention. Throughout the meetings, MacGuire's intentions were revealed. MacGuire discussed his negative views of President Roosevelt's policies, specifically his "separation from the gold standard" and his New Deal policies, when it came to the relief for the poor and unemployed and the reform of the financial system. Later, MacGuire finally became comfortable enough with Butler to reveal that he wanted Butler to lead an army of veterans for a coup d'état.

Butler reported that MacGuire mentioned the group of wealthy parties that were backing this plan. This included Robert Sterling Clark, who had a \$30 million net worth as an heir of the Singer sewing machine fortune. Clark was more forward about his intentions, particularly expressing displeasure with Roosevelt's handling of the gold standard. Butler stated that once approached about leading the army, he pretended that he was in agreement with their plans and only went along with it to try to gather as much information as he could before passing information along to the FBI. This included the plans for obtaining supplies for the army including obtaining weapons and ammunition from Remington Arms Co., a company partially controlled by one of the supporting families.

Butler enlisted the aid of Paul Comly French, a reporter for the *Philadelphia Record*, to be a second witness for the claims being made by MacGuire and the co-conspirators. Once Butler felt he had enough information, he finally declined the offer from MacGuire, stating to him, "If you get 500,000 soldiers advocating for anything smelling of Fascism, I am going to get 500,000 more and lick the hell out of you, and we will have a real war right here at home." Following that, he contacted the FBI to present all the evidence he had and then headed to Congress to testify under oath.

Outcome

What followed when Butler presented the evidence was confusion on how to best proceed with the information given. Paul French's testimony was able to corroborate the story Butler presented. Initially, Butler's report to Congress was not very well-received. Despite the evidence he brought, many of his statements were

thrown out of consideration. Once French and MacGuire gave their testimony, more investigations into the planned coup d'état were initiated; however, the final report was still not ideal. It stated that it was very likely that all of the claims could be facts and that there were indeed "certain persons" who were making an attempt to establish a fascist organization in the country. The report also said, "There is no question that these attempts were discussed, were planned, and might have been placed in execution when and if the



Smedley Butler poses with bulldogs Bill, Sergeant Thunder and Jiggs II, as they watch the football game at Franklin Field in Philadelphia, Pa., between the Quantico Marines and the American Legion All Stars on Armistice Day in 1930.

financial backers deemed it expedient." Despite this statement and the evidence, a Congressional committee stated in their first report that they saw no reason to bring in any of the other alleged conspirators for questioning and decided to omit their names in the final report to avoid the bad publicity.

With all the evidence and the testimony given to further help the case Butler was making, nothing was done by the committee. Even President Roosevelt was dismissive of the plot. The case was mostly swept under the rug, and names of the wealthy and prestigious people who were said to be connected to the case were omitted. The president himself even had transcripts

from the hearing suppressed from the public. Freedom of Information Act requests were made to the FBI for files on MacGuire but were returned with "no responsive documents," despite the file the FBI released around the time of the case for Butler having numerous references to MacGuire. While there was some agreement through the intelligence provided that there was a plot for a coup d'état, the agreement ended there. Since it was never went beyond the planning stage and seemed far from execution, the committee

saw no need for any action to be taken. Butler was ridiculed by some of the media, saying that it was nothing but a hoax. MacGuire passed away just a month after the case was concluded, which his doctor stated was due to a combination of pneumonia and poor health due to the accusations. Many documents regarding this case were not released until decades later.

In the end, no one was prosecuted in this case. Butler's outstanding service in combat and his later political stances likely made him seem like the ideal candidate for MacGuire and his vocal support of veterans and his combat experience made him seem ideal to lead an army of veterans. His stances regarding war profiteering and the government's role in it likely also played a part. Despite his criticisms, Butler stated he felt a duty to take the opportunity to gather as much information as he could before he declined the proposal and exposed the plot. Even to this day, there has been no outright statement as to whether it was all factual or not, despite the evidence.

Regardless, Smedley Butler believed he saw a threat to his country, and he did what he thought was right while showing the courage and fierce spirit that earned him his decorations by boldly stating that he was prepared to bring an equal force back at the conspirators and give them a war to protect his country.

Editor's note: All photos are courtesy of Marine Corps Archives and Special Collections.

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