

AXIS LINKS DENIED BY CONCERNS HERE

Organizations Named by the
British in Blacklist Proposal
Hold Allegations Untrue

EXPLAIN THEIR ACTIVITIES

NYF 5/3/41

Chase Bank, American Express,
Pioneer Import and Stinnes
Retort to London Ministry

Allegations of Axis connections made against United States concerns by the British Ministry of Economic Warfare in its proposal for the United States to cooperate on its blacklist of firms "trading with the enemy" were vigorously denied here yesterday.

The Chase National Bank pointed out that the Ministry of Economic Warfare was in error when it said that a subsidiary of the Chase National Bank was functioning in Axis-occupied territory. The bank's statement explained that the American Express Company, named by the British as the "subsidiary," had not been affiliated in any manner with the Chase National Bank for seven years.

At the same time the American Express Company, corroborating that point, explained that its activities in various European countries were being carried on with the full knowledge and cooperation of the State Department and that those activities included aid to numerous stranded Americans.

The Pioneer Import Corporation declared that its activities were carried on with the knowledge of the State and Treasury Departments and of the British Ministry of Economic Warfare, which had issued the concern one of the largest permits for shipment of German merchandise ever issued by the British Government while it was engaged in war with Germany.

Flow From Reich Reported

The Hugo Stinnes Corporation, citing its 3,500 United States stockholders and eight Americans on its directorate of eleven, explained that it had been organized to refinance the estate of the late Hugo Stinnes, German industrialist, and that, far from sending money to Germany, it had been busy bringing money from Germany to the United States.

The Chase National Bank took steps at once to correct the error concerning it appearing in the London dispatches. The bank sent the following message to the manager of its London branch:

"New York newspapers this morning attribute to Dr. Hugh Dalton or Ministry of Economic Warfare statement substantially as follows: 'The British cite the Chase National Bank, whose president, Winthrop Aldrich, is one of Britain's best friends in the United States and heads the British War Relief Society. They say that the American Express Company, a Chase subsidiary, is functioning fully in Axis-occupied countries.' Please inform Dr. Dalton at once that the American Express Company has not been affiliated in any manner with the Chase National Bank during the past seven years. It is surprising to us that such a statement should be made without responsible inquiry."

Robert L. Clarkson, chairman of the board of the American Express Company, made this statement:

"The American Express Company (no longer affiliated with the Chase National Bank) is a world-wide service organization which for many years has maintained offices throughout the world, including most of the largest countries in Europe, for service to Americans.

"The activities of the American Express Company in the various European countries are being carried on in full cooperation with and with the knowledge of the State Department of the United States.

"The European offices of the American Express Company have been of considerable assistance to the State Department in the various European countries, and in fact

imagination by linking the payment, which any American importer of necessity must make to his source of supply, to the use of propaganda funds of the government with which his government happens to be at war. It would be just as well to claim that the remittances made by American importers of Scotch whisky and English woollens are put to use for the financing of British propaganda in the United States of America.

"As law-abiding citizens, in the community in which we live, we cannot help but feel that the United States Government is capable of developing its efforts on behalf of one of the belligerents without the advice of foreign Cabinet Ministers."

Mr. von Clemm is a brother of Carl von Clemm, who for a short time until 1939 was European manager for William Rhodes Davis, who arranged for shipments of oil under a barter arrangement from Mexico to Germany until the British blockade stopped the shipments.

Dr. P. H. Saunders, president of the Hugo Stinnes Industries, Inc., 420 Lexington Avenue, explained that the Hugo Stinnes Corporation and the Hugo Stinnes Industries, Inc., had been organized in 1926 to refinance the estate of the late German industrialist.

The corporation, which is full owner of Hugo Stinnes Industries, issued \$12,500,000 in callable notes and \$12,500,000 in debentures to pay off claims held against the estate by German banks. Up to 1933 the corporation, according to Dr. Saunders, paid full interest of 7 per cent on the loan and later paid 4 per cent, issuing certificates to cover the deferred payment of 3 per cent. Up to the present, Dr.

The Hugo Stinnes Corporation, citing its 3,500 United States stockholders and eight Americans on its directorate of eleven, explained that it had been organized to refinance the estate of the late Hugo Stinnes, German industrialist, and that, far from sending money to Germany, it had been busy bringing money from Germany to the United States.

The Chase National Bank took steps at once to correct the error concerning it appearing in the London dispatches. The bank sent the following message to the manager of its London branch:

"New York newspapers this morning attribute to Dr. Hugh Dalton or Ministry of Economic Warfare statement substantially as follows: 'The British cite the Chase National Bank, whose president, Winthrop Aldrich, is one of Britain's best friends in the United States and heads the British War Relief Society. They say that the American Express Company, a Chase subsidiary, is functioning fully in Axis-occupied countries.' Please inform Dr. Dalton at once that the American Express Company has not been affiliated in any manner with the Chase National Bank during the past seven years. It is surprising to us that such a statement should be made without responsible inquiry."

Robert L. Clarkson, chairman of the board of the American Express Company, made this statement:

"The American Express Company (no longer affiliated with the Chase National Bank) is a world-wide service organization which for many years has maintained offices throughout the world, including most of the largest countries in Europe, for service to Americans.

"The activities of the American Express Company in the various European countries are being carried on in full cooperation with and with the knowledge of the State Department of the United States.

"The European offices of the American Express Company have been of considerable assistance to the State Department in the various European countries, and in fact the State Department and the American Red Cross have been and are today referring numerous cases of stranded American citizens and refugees to the American Express Company for assistance and guidance.

"The American Express Company is able to assist these persons both by providing the needed funds and by arranging facilities for their transportation.

"The situation is similar to that which prevailed during the last war, when the American Express Company kept its offices open in all of the largest European countries until the entry of the United States into the war. The American Express Company was of inestimable service to stranded American citizens and refugees. It received the express commendation and thanks of the British Government for its assistance to British prisoners of war."

Corporation Disputes Claims

Werner von Clemm, president of the Pioneer Import Corporation, 157 Chambers Street, made this statement:

"This corporation is an American organization owned and controlled by purely American interests. It had been engaged before the outbreak of the war in the importation of merchandise primarily from Central Europe. Its affairs are intimately known to both the American Treasury as well as the State Department. Any allegation made by Hugh Dalton, the British Cabinet Minister and head of the Ministry of Economic Warfare, can of necessity not be founded on fact, but must be the result of speculation or hearsay.

"This corporation has in the course of the last year been repeatedly in communication with the British Ministry of Economic Warfare through a well-known firm of British lawyers and succeeded in securing from this Ministry one of the largest permits for the shipment of German merchandise ever issued by the British Government while engaged in warfare with Germany.

"As a result of the European war this corporation has been forced to curtail its operations in so far as the importation of goods of German origin is concerned. Like other American importers hard hit by the hostilities, it is endeavoring to develop new lines of business. There is nothing sensational about the operations of our company and nothing that would lend itself to be developed into an interesting newspaper story.

"Mr. Dalton shows considerable

imagination by linking the payment, which any American importer of necessity must make to his source of supply, to the use of propaganda funds of the government with which his government happens to be at war. It would be just as well to claim that the remittances made by American importers of Scotch whisky and English woollens are put to use for the financing of British propaganda in the United States of America.

"As law-abiding citizens, in the community in which we live, we cannot help but feel that the United States Government is capable of developing its efforts on behalf of one of the belligerents without the advice of foreign Cabinet Ministers."

Mr. von Clemm is a brother of Carl von Clemm, who for a short time until 1939 was European manager for William Rhodes Davis, who arranged for shipments of oil under a barter arrangement from Mexico to Germany until the British blockade stopped the shipments.

Dr. P. H. Saunders, president of the Hugo Stinnes Industries, Inc., 420 Lexington Avenue, explained that the Hugo Stinnes Corporation and the Hugo Stinnes Industries, Inc., had been organized in 1926 to refinance the estate of the late German industrialist.

The corporation, which is full owner of Hugo Stinnes Industries, issued \$12,500,000 in callable notes and \$12,500,000 in debentures to pay off claims held against the estate by German banks. Up to 1933 the corporation, according to Dr. Saunders, paid full interest of 7 per cent on the loan and later paid 4 per cent, issuing certificates to cover the deferred payment of 3 per cent. Up to the present, Dr. Saunders explained, the corporation has retired \$20,000,000 of the \$25,000,000 loan, and instead of sending money to Germany it has been "busy getting money out of Germany."

The Transocean Coal and Transport Company was organized in 1933, Dr. Saunders explained, to import coal from Germany. Since the outbreak of the war, this concern has exported American coal to South America, but Dr. Saunders insisted that it had not shipped one ton of coal to any concern on the British blacklist. It stopped shipping to one concern after that organization had been placed on the blacklist, Dr. Saunders said.

E. Barreau, president of Steel Union-Sheet Piling, Inc., 21 West Street, commented as follows:

"There's not an ounce of truth in the whole thing. I don't have any connections over there. It is true that in peacetime we bought merchandise from Germany, but since the war started we have been totally disconnected from those sources. All we're trying to do is to make an honest living."