

Standard Oil, Supplier of Japan, Gets Key Posts in War Machinery

Vice-President of Firm Named Dictator On Oil

(This is the last of a series of articles on the administration-sanctioned activities of American munitions makers and the oil trust in providing war supplies to the Axis powers as well as to Great Britain.)

By Adam Lapin

(Daily Worker Washington Bureau)

WASHINGTON, D. C., June 16.—Harold L. Ickes, who was once considered something of a foe of the oil trust, selected his assistant last week to help him in his job of coordinating the nation's oil supply for the arms program.

And his choice for the post of Deputy Coordinator of oil was none other than Ralph Davis, vice-president of the Standard Oil Co. of California.

So the number two official in charge of the oil supply is a high executive of a corporation which has never been noted for its tender regard for the interests of consumers, which has admitted selling huge quantities of oil to Japan, and which is believed to be sending oil to Nazi Germany and Italy through indirect channels.

Perhaps more than any other single corporation, Standard Oil has been instrumental in keeping the Japanese war machine going in China with a continual stream of essential petroleum products.

In addition Standard Oil has long had close business arrangements with the huge Nazi Chemical Trust, the I. G. Farbenindustrie Aktiengesellschaft.

S.O. Power in OPM

It is a curious and revealing thing that the administration has rewarded Standard Oil for this record with an unusual number of key positions in the OPM.

Chief petroleum consultant for OPM is Robert E. Wilson, Vice-President of the Pan American Petroleum and Export Company, which is Standard Oil controlled.

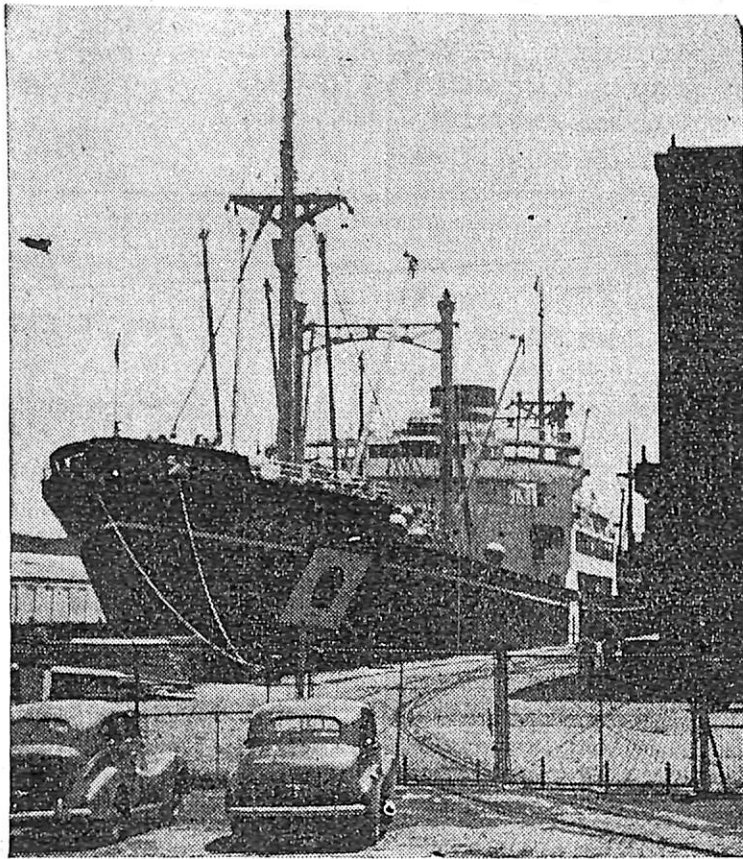
Another Standard Oil man, Channing R. Dooley, Industrial Relations Director for Socony Vacuum, is director of training within industry under Sidney Hillman.

As a matter of fact OPM is chockfull of dollar-a-year men who represent corporations which have maintained up to the present date intimate business ties with Nazi companies and which have played an important role in building up the Nazi military machine.

Many of these companies whose executives are prominent in OPM still have large-scale holdings in Germany which are producing for the Nazi war effort at substantial profit.

Germany has frozen the profits of these companies but has not confiscated them.

Similarly the President's executive order freezing German and Italian credits here does not mean confiscation of profits of Nazi and Italian controlled corporation and investments in the United States but simply means that these funds



Japanese Freighter Loads Oil: The Azuma Maru at a Philadelphia pier where she is taking on thousands of drums of oil, as well as machinery, motor parts and iron. Nipponese ships leaving the Delaware River every week or ten days, fill all available space with containers of oil or gasoline brought from Texas by American tankers.

are being kept intact in American banks.

The President's executive order makes possible continued indirect trade with Germany and Italy through Spain, Portugal and Finland since the latter countries may obtain licenses to unfreeze their credits here.

And most significant of all, the complete omission of Japan from the executive order marked an important phase of the administration's appeasement program in the Far East.

No official barriers are to be placed in the way of American war shipments to Japan.

Assistant Secretary of State Dean Acheson declared recently that behind this appeasement as an effort to keep Japan from moving into the rich oil lands of the Dutch East Indies controlled by Standard Oil as well as other American and British corporations.

Axis Connections

United States News, well-informed Washington publication, suggested an additional reason that the State Department still hopes to woo Japan from its partnership with Germany. This publication declared that the administration "still is seeking to give the Japanese an opportunity to avoid fulfilling Nippon's commitment to Nazi Germany.

And the policy of appeasing Japan by supplying its oil needs has worked out very satisfactorily, both as far as the State Department boys and Standard Oil are concerned.

Standard Oil has other profitable Axis connections too. Since 1927, it has had an agreement with the Nazi trust, I. G. Farbenindustrie, for joint exploitation in the United

States of hydrogenation process for the purpose of synthetic petroleum products from coal or low grades of oil.

The process was originally invented by I. G. Farben, and Standard Oil pays royalties on the patents. As part of the two domestic producers have agreements, licenses or affiliations with the principal foreign makers of these products."

Another powerful American monopoly, the Aluminum Corporation of America, has commercial relations with I. G. Farbenindustrie Alcoa and the Down Chemical Corporation sole producers of magnesium in this country made an agreement with I. G. Farbenindustrie in 1931 to keep down the production of magnesium, fix prices, and divide up markets. As a result of this agreement, the administration's defense program is faced with a severe shortage of magnesium, a vital element in the manufacture of airplanes.

Alcoa was also instrumental in forming a world cartel to curtail production, fix prices, and divide up markets for aluminum. In 1931, through a Canadian subsidiary, aluminum, Alcoa was responsible for the organization of the Alliance Aluminum Company, which was an agreement between French, Swiss, German, British and Canadian producers.

Company's Trade Not Affected by Freeze Orders

Cut Aluminum for U.S.

In this case, too, the International agreement worked to keep down the aluminum supply in this country and resulted in the tremendous shortage now existing. Alcoa has had complete monopoly of the domestic supply and has also pegged prices at high levels as a result of this agreement.

While there are no direct representatives of Alcoa in the OPM Grenville Holden, Aluminum and Magnesium consultant in the OPM, was recently criticized by the Truman Committee for this partiality to the Mellon-controlled trust.

But the Mellon interests are represented in the defense.

The SEC stated that it also had "substantial investments in other American companies manufacturing chemicals or allied materials including Sterling Products, Inc., Eastman Kodak Co., and E. I. duPont deNemours and Co."

In addition, General Anilene had 50 per cent ownership in the American Magnesium Corporation, the other 50 per cent being held by the Aluminum Corporation of America.

Through its holdings in Sterling Products and in Wintrop Chemical Corp., General Anilene has indirect control and ownership over such products as Bayer's Aspirin, Phillips Milk of Magnesia, Dr. Lyons Tooth Powder and many other well known products.

Tied to Nazi Firms

As a matter of fact most of these products are made on the basis of German patents, owned by I. G. Farbenindustrie, who receives royalties for their use.

I. G. Farbenindustrie also has ties with the duPonts in connection with their manufacture of plastics. Certain synthetic acrylate resins known as acryloids and made by the duPonts, originated in Germany with patents held by I. G.

Rohm and Haus of Philadelphia, makers of plexiglas, another acoglate resin which goes into the manufacture of dive bombers and all aircraft, have a direct connection with the German firm, Rohm and Haus, which is in turn owned by I. G.

The Tariff Commission, in a publication called Synthetic Resins, had this to say about the connections of these two companies:

"There have been no recorded imports of acrylate resins. The agreement, Standard Oil turned over to a company organized by I. G. Farben 200,000 shares of its

stock. And Walter Teagle, president of the Standard Oil Company, is a director of that I. G. Farben controlled company.

A Chemical Monopoly

This company, which now goes under the name of the General Anilene and Film Company, was recently blasted by the Securities and Exchange Company as illustrating the use "of an investment holding company by foreign interests to retain control of certain chemical operating companies domiciled in the United States."

I. G. Farbenindustrie organized the American I. G. Chemical Corporation, now known as the General Anilene and Film Company in 1929 under the laws of Delaware. The real purpose was to gain control of chemical and drug companies in the United States.

Besides Teagle, other prominent members of the Board of Directors are Edsel Ford, president of the Ford Motor Company, and Charles Mitchell, chairman of the National City Bank of New York.

When Teagle was asked by the SEC who the controlling owners of the firm were he said he did not know and the SEC has not been able to trace the beneficial owners of the stock held by General Anilene yet all the directors are not talking.

General Anilene has a controlling interest in many firms. It controls completely the AGFA-ANSCO Corporation which is one of the biggest manufacturers of photographic materials, and which has all the patent rights to I. G. Farben inventions.

Set up by E. R. Weidlein, consultant in the Chemical Section, who was formerly director of the Mellon Institute.

Looking out for the duPont interests, as well as for General Motors which has a profitable subsidiary in German, the Adam Opel A. G. is the big boss of production, William S. Knudsen, OPM Director. Knudsen was formerly head of the duPont-dominated General Motors.

Another high OPM official, John D. Biggers, director of production, is president of Libby-Owens-Ford Company, which also has a Nazi subsidiary, Deutsche Libby-Owens Actiengesellschaft.

Biggers' Deputy Director, William L. Batt, Sr., is head of the SKF Industries, Inc., the American Division of the Swedish-German ball bearings trust.

This is only part of the study of the far-flung foreign connection of OPM dollar a year men.

So it boils down to this. OPM and administration officials shout "foreign agent" and "subversive influence" at Communists and progressive labor leaders at the same time that they sanction war trade with Japan and maintain profitable direct and indirect relations with German and Italian war industry.