

Most German Brakes On U. S. War Output Released, Arnold Says

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**Cartel Curbs Ended,
Although Some Sub Rosa
Work Still Is Noted**

By the Associated Press.

Assistant Attorney General Thurman Arnold told a congressional committee today that German influence still was affecting production of critical war materiel in some instances in this country, but said that it had been wiped out almost completely since the United States entered the war.

"A certain amount of it is still going on sub-rosa," he said, "but as far as the great American companies are concerned, it has stopped."

Mr. Arnold, testifying on defense contracts before a House Military Affairs Subcommittee, said production of nearly every essential war material was held down before the war by cartel agreements between domestic and foreign corporations.

He emphasized, however, that he was making no charge of lack of patriotism or accusation of an attempt "to disarm America" on the part of this Nation's industry, and said the agreements were motivated by an attempt to boost and control prices through monopolies by creating shortages.

He said that Germany utilized and violated the anti-productive cartel arrangements to get ready for war.

"We must guard against recurrence of these agreements after the war," he cautioned.

Mr. Arnold, who handles the Government's anti-trust cases, said that business had co-operated in the war effort "as a whole," but added that there were bound to be some attempts at profiteering.