

THE GERMAN INVASION OF AMERICAN BUSINESS

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THE GERMAN INVASION OF AMERICAN BUSINESS

I. THE NEW TECHNIQUES

The above subject might sound sensational, but as a matter of fact, what I have to say might be entitled simply "The German Invasion of the United States". In spite of all that we have witnessed since the outbreak of the War on September 1, 1939, including the fall of nine capitals over-whelmed by startling new techniques of conquest, we are still learning and still unearthing new and subtle methods of invasion.

We are fairly well educated as to "Fifth Column" activities of the sort pursued by the Federal Bureau of Investigation and the Dies Committee, but we must piece together a pattern of hobbling restrictions successfully manacled to American industry by shrewdly legalistic methods of penetration. The isolationists talk of the "three thousand miles of ocean" separating us from any possibility of bombing attacks and invasion. Let us hope they are right and leave the proof to history, but we should note now without further delay that the distinction between bombing a vital plant out of existence from an airplane and preventing that plant from coming into existence in the first place, is largely a difference in the amount of noise involved.

History has already shown that France¹ and England, rising in self-defense, discovered crippling limitations on industrial production when the demands of mechanical and scientific warfare brought them to light. What of the situation here in our own country which we are accustomed to regard as the greatest industrial nation on earth?

Let us make it quite clear as to any American companies or individuals which I may mention, that no charge is made of deliberate collaboration with the military aims of Germany. You may draw your own conclusions from the facts, but I think the worst charge which can be made against many companies is that the virus of the German cartel system has infected them. Substantial portions of American business have unquestionably been seduced and tempted down the easy highroad to profits by offer of (1) exclusive production rights, (2) division of the world markets, and (3) controlled prices.

Is it a mere coincidence, however, that German control or influence on productive capacity, through contract, patents, or stock ownership -- frequently through dummy subsidiary companies which are outwardly not under German control -- happen to be found at certain nerve centers of armament production for modern warfare? Let's look at the record.

1. See Maurois, *The Tragedy of France* (1940).

1. MAGNESIUM

Do you know what magnesium is? The Germans have known for a long time and lead the world in its production and use. This vital metal, lighter than aluminum, partially accounts for the success of the Stuka Dive Bomber and the greater carrying capacity of German bombing planes. Three parts of aluminum are equivalent to two parts of magnesium in weight. It is said that the landing gear of a bomber made of magnesium is about 100 pounds lighter than one made of aluminum and some aeroplanes have more than 50 pounds of magnesium alloys in crankcases, in supercharger diffusers, blowers, intake manifolds, oil pumps and valve covers, Numerous other parts in airplane construction are also made of magnesium.

The highly destructive German-made bombs used in the Spanish Civil War in the bombing of Barcelona were enclosed in a magnesium alloy shell,² The magnesium bombs were lighter, thereby increasing the carrying capacity of each plane.

Seventy per cent of all magnesium castings produced in 1937 were used in aircraft, and in 1938, the consumption of magnesium alloy castings and other structural products of the aircraft industry probably established a new peak,³ Germany led

2. Bureau of Mines Mineral Year Book 1939.

3. Bureau of Mines Reports for 1939.

the world in 1938 with 12,000 tons out of the total world production of 22,000, the United States producing only 2,400 tons. Germany's already adequate raw material sources for magnesium were greatly increased by acquisition of the magnesite reserves in Veitsch Valley, Steirmark, Austria.

Now the holders of the principal patents on the production of magnesium, as well as on aluminum, were in Germany, as might be expected, in the I. G. Farbenindustrie of Bitterfield, Germany.

The Aluminum Company of America has produced 100% of the virgin aluminum in the United States for the last 47 years as disclosed by trial of the antitrust suit pending against this company,⁴ and it has not been to the interests of that company to encourage production of magnesium in this country. Potential competing enterprises have been obstructed or bought out and the company has engaged in a series of cartel agreements which have divided world markets and fixed prices since 1886.

It is scarcely surprising, then, to find the Aluminum Company of America in a cartel agreement with the I. G. Farbenindustrie of Bitterfield, Germany, providing for the joint control of a domestic company to hold patents relating to

4. United States v. Aluminum Company of America, et al., filed on April 23, 1937, in the District Court for the Southern District of New York. The case has been tried and is awaiting decision.

magnesium. This company is known as The Magnesium Development Company and is jointly owned, 50-50, by the German company and the American Aluminum Company.

By virtue of this ownership a German company has controlled productive capacity in this country. The Magnesium Development Company has licensed only one company -- the Dow Chemical Company. This company is the only producer of magnesium in the United States. Its productive capacity in magnesium does not exceed 6,000⁵ tons per year (1940) while German production has been estimated at 50,000 to 75,000 tons per year. And so it is that with a productive capacity in the aluminum industry inadequate to meet the numerous demands of the expanding airplane industry, as has recently been made clear by Senator O'Mahoney,⁶ we are also simultaneously confronted with a limited capacity for the manufacture of magnesium -- the only competing metal! This is all the more appalling when it is realized that of the sources for magnesium, brine deposits and magnasite are plentiful in this country.

2. MILITARY OPTICAL INSTRUMENTS

Every Boy Scout knows that the best field glasses are made in Germany. It has long been true that the best

5. Report of the Bureau of Mines for 1940 is not yet completed (January 1941) but informal estimates indicate production may have been 6000 tons.

6. See Senator O'Mahoney's statement on lack of aluminum capacity, The Baltimore Sun, January 13, 1941.

military optical instruments were made by Carl Zeiss, Inc., of Jena, Germany, manufacturer of bomb sights, range finders, altimeters, bore sights, torpedo directors, gun sights, telescopes and periscopes. An American company of Rochester, New York, the Bausch & Lomb Optical Co., manufactured about 50% of all military optical instruments in the United States and almost all of the instruments for heavy uses, such as range finders for heavy artillery and naval guns, aeroplane machine gun sighting devices, fire control equipment for anti-aircraft guns, and periscopes.

The two companies -- Bausch & Lomb and Zeiss -- once competed with each other but on April 28, 1921, they entered into an agreement⁷ to divide the world market for sale of these instruments into geographical areas, the United States to be exclusive territory for the Bausch & Lomb Company, and the rest of the world for Zeiss. They agreed not to sell in each other's territory and, through patent control, to forbid any other manufacturer to sell in violation of the territorial agreement. Considering that Zeiss, and its subsidiary company in Holland,

7. Facts taken from the record in United States of America v. Bausch & Lomb Co., et al., as set forth in the indictment, complaint and consent decree in the District Court for the Southern District of New York, July 1940.

manufacture the greater part of all military optical instruments sold in Europe, this has resulted in world control of this business.

By one paragraph of the contract both companies agreed to conceal the existence of the contract from third persons, and insofar as practicable not to disclose the contract even to their employees. The Bausch & Lomb Company agreed to create a new department solely responsible to the Board of Directors charged with the development of military instruments and with maintenance of close cooperation with the Zeiss Company in Jena. It was even provided the two companies had to agree as to who would be placed in charge of this military department. In other words, the head of this all-important military instrument division of an American company had to be acceptable to the German company, and actually a German from the Zeiss Company was placed in charge.

Note that by contract obligations to pay royalties on every instrument sold, the German company had complete information as to the manufacture of all military optical instruments of major importance in the United States. The number of periscopes would indicate the number of submarines under construction and the number of range finders of a given size would indicate the number of guns of a certain caliber. The American company, of course, turned down many opportunities to sell outside of the United States because the Zeiss Company refused to give its consent.

Back in 1935 the French and British tried to place an order for range-finders, periscopes, gun-sights, and fire control instruments with the Bausch Company totalling over \$1,500,000. The Bausch Company refused to fill this order and in a public statement by a high ranking official of the company assigned a patriotic motive for refusing the orders. As stated in the Literary Digest⁸ of December 12, 1936:

Business from these two Governments would have exceeded \$1,500,000. Various smaller nations have also sought to make contracts and have been refused. Self-sufficient Germany, however, has shown no needs.

* * * * *

* * * 'They are not prepared for war over there',
* * * and if we refuse to help them prepare, it
puts it off that much.'

It was not until the Antitrust Division of the Department of Justice investigated this matter that the relations between Bausch and Zeiss were discovered to resemble a military treaty between two sovereign powers. Critically important military devices have been denied to these democratic countries while their adversary, Germany, was not only arming, but using our country to prevent the democracies from arming. All of this was terminated by the consent decree under the Antitrust laws in July 1940.

8. Literary Digest, December 12, 1936.

3. BERYLLIUM

There are not more than one or two people in every 10,000 who know what beryllium is, and in many industrial communities, no one has heard of it! And yet beryllium is one of the magic metals of this decade, two per cent of which mixed with copper makes an alloy harder and stronger than the toughest structural steel. I don't pretend to be a scientist but I understand that everything in the universe is made up of 92 different elements. The four lightest being - first, hydrogen, the second helium, the third being lithium, and the fourth beryllium. Copper, nickel, silver, nitrogen, oxygen, are other familiar examples. Beryl ore, the source of beryllium, is found in many places in the world including 22 states in this country, but the exploration of its uses has yet barely commenced - as usual, years behind the German developments!

On a fatigue testing machine, the best steel spring broke after three million vibrations. Phosphor bronze vibrated as many as four hundred thousand times, but beryllium-copper alloy and beryllium-nickel alloy vibrated fifteen to twenty billion times before breaking.⁹

9. Facts taken from testimony before Temporary National Economic Committee, 75th Congress of the United States, Part V, Development of Beryllium Industry.

The endurance of such metals is almost beyond belief and its significance is perfectly apparent for use in altimeters, cowl hinges, feed lines for aeroplanes, magneto parts, and other points where continuous wear and functioning is vital.

We know that up to 1938, 15,000 beryllium bushings were used in Germany on aeroplane propellers, with a known service of over 12,000 hours without any apparent signs of wear, whereas the average bushing formerly used on aeroplane propellers (and now, I believe, abandoned by reason of change of design) lasted some 300 hours. Beryllium-nickel is as strong at a temperature of 400° or 500° centigrade as at room temperature and hence is a perfect metal for valve springs for high speed aeroplanes which will soon be traveling from four to six hundred miles per hour and for distances which challenge our imaginations, weary as we are with new mechanical revelations in this startling age.

Now, as usual, the basic patents are in Germany, under the control of the gigantic Siemens & Halske Company near Berlin. Mr. Andrew Cahagen, President of the American Beryllium Corporation, experimenting and groping in the early stages of exploration of beryllium uses in 1930, noticed an article about the Siemens & Halske Company in Berlin producing beryllium alloys and went there to investigate. He found an enormous plant, highly developed, represented in New York by the Metal and Thermit Corporation.

Mr. Gahagan negotiated vainly with the Metal and Thermit Corporation which was holding the Siemens & Halske patents in this country, seeking to get an agreement for an exchange of patent processes. Correspondence between the Siemens & Halske Company and its New York representative, the Metal and Thermit Company, in regard to having the American Company hold patent rights of the German Company in the United States is illuminating. I quote from a letter from Siemens & Halske to the Metal and Thermit Corporation in New York, which shows how clearly the German Company understood, and utilized to the full, the legal controls available through the American patent office to block American development and why Mr. Gahagan was given what is known in the vernacular as the "run around". In regard to a basic patent application the writer of this letter said:

I would at once agree to have the application assigned to your firm, if thereby the matter could be better pursued, when it appears under American auspices before the Patent Office, in a new shape or form. Since you, as I was happy to learn from Dr. Frank, have decided to take up the Beryllium matter in America, I assume that you, too are interested in the fight for these patent rights, so that outsiders, like the Beryllium Corporation /and/ the General Electric Co., etc., cannot secure any ground in the realm of the Beryllium-Heavy-Metal Industry.

Mr. Gahagan, President of the Beryllium Corporation of America, finally succeeded in entering into a cross-licensing agreement with the Siemens & Halske Company in 1934 only by indicating in a conference in Berlin that he was proceeding to Paris immediately to reach an agreement with the Alios Forges et Camarque - the French Metal Trust. He did go to Paris but promptly received a telegram to return to Berlin. He returned and an agreement was

then reached for an exchange of patents and for use in this country of the German patents.

Soon after, one Dr. F. A. Kertess, representing the Deutsche Gold-und-Silber-Scheidenstalt, tried to cartelize the American beryllium industry by proposing that any companies interested in beryllium manufacture get together for the control of the market and prices.

Your own P. R. Mallory Company of Indianapolis, wishing to do certain beryllium business in England through a subsidiary, ran squarely into the threats of Siemens & Halske to sue the Mallory Company for patent infringement unless the P. R. Mallory Co. agreed to purchase all of its beryllium from the Beryllium Corporation of America. The Mallory Company had to yield to this pressure.

At the outbreak of the War, the German company ordered the Beryllium Company of America to stop shipments to England. But this was not done and shipments are going forward, the English having belatedly discovered the importance of this amazing metal.

We, too, are discovering it and beryllium is now used for parts in the new Garand Rifle.¹⁰

10. Collier's, December 21, 1940, p. 46.

4. TUNGSTEN CARBIDE

As a nation fond of calling itself the greatest industrial nation on earth, we have been slow indeed to grasp one of the great secrets of production — the use of tungsten carbide. This is the hardest cutting substance known except diamonds. Its performance as a cutting edge for machine tools is really sensational. It cuts the hardest steel and is absolutely essential to the shaping and cutting of armor plate. Projectiles made of tungsten carbide are in the experimental state, but they can pierce the toughest armor plate of a battleship and demolish the ordinary steel tank.

The use of tungsten carbide in Germany is twenty times that of the United States according to expert opinion.¹¹ It is also the opinion of experts that the widespread use of tungsten carbide would result in a twenty-five percent increase in the total industrial production of the United States.

But that widespread production has been strangled under the following circumstances: The Krupp Company of Germany, through its

11. The facts are as alleged in the case of United States of America v. General Electric Company, an indictment under the Antitrust laws now pending in the District Court of the United States for the Southern District of New York, the indictment having been returned August 30, 1940.

research, developed patents on tungsten carbide about 1925, while the General Electric Company was also conducting similar research in this country. Up to 1928 the Krupp Company exported tungsten carbide to the United States and sold it for about \$48 a pound.

On November 5, 1928, the General Electric and the Krupp Company entered into an agreement to fix minimum prices, terms and conditions of sale which each signatory to the agreement, and a limited number of General Electric licensees, were compelled to maintain. The General Electric Company was paid a royalty of \$5.00 a pound for all hard metal composition sold its licensees in the United States, of which one-third was to be used for patent litigation and the other two-thirds to be paid to Krupp.

The General Electric Company operated in this country through its subsidiary, the Carboloy Company of Detroit, Michigan, and each licensee of the Carboloy Company thereafter sold at prices dictated by the parent company. As a result of the agreement prices sky-rocketed from \$48 a pound to \$453 a pound, and at no time during the 12-year period of this Krupp-General Electric domination of the tungsten carbide market did the price fall below \$205 a pound, although manufacturing cost was approximately \$25 a pound.

This agreement, bad enough as it was, was amplified in 1936 by a further agreement whereby Krupp agreed not to sell tungsten carbide products in the American market, and General Electric in turn agreed not to export from the United States. Krupp reserved the power to prohibit the General Electric from issuing additional licenses in the United States. Of course, substantial royalties were to be paid to the Krupp Company.

Our country now pays the price of these illicit agreements. As the second largest manufacturer of tungsten carbide stated:^{12/}

"The control of the tungsten carbide patents by the General Electric Company and the Krupp Company has resulted in keeping the prices at exorbitant levels. Now when the emergency has come, industry has not learned how to use tungsten carbide and has not the machines, the skilled men, or the technique which it would have had if the material had been available at the same low price at which it was available to German industries."

An attack from the Antitrust Division of the Department of Justice is breaking up this situation. For example, the new General Electric - Carboloy price lists feature three typical price reductions on their line of standard tools tipped with

^{12/} Gerald Firth, President of Firth-Stirling Steel Company, as reported in The Detroit News, January 1, 1941.

tungsten carbide, reduced in price as follows: \$6.02 to \$2.65; \$8.66 to \$3.95; and \$9.50 to \$4.70. But it will take at least a year before the use of tungsten carbide becomes really widespread.

II. GERMAN PATENT STRATEGY AND STOCK OWNERSHIP IN AMERICAN COMPANIES.

The confidential character of other information on these vital fronts of German penetration precludes me from giving other available illustrations. Suffice to say that the American Patent Office has been a happy hunting ground for German agents. When research down a particular avenue of development discloses possible or probable inventions, a skillful operator can file application for patents in such broad and ambiguous language that they tend to cover an entire industry. The Siemens & Halske Company, the Krupp Company and the I. G. Farben-industries have filed a number of these umbrella patents, which have been the subject of bitter complaint from large companies.

We can all remember the problem of getting dye stuffs before World War No. 1. In connection with the beryllium hearings before the Temporary National Emergency Committee, it was testified "you see we had a situation with which I was familiar before the war, a number of patents in dyestuffs were taken out in this country and as a result no dye businesses were started in this country. The patents were held merely* * *

as a means of preventing business in this country."^{13/}

A large domestic company is at present being sued by Krupp under one of these umbrella patents and there are clear indications that such patents are used as excuses to institute costly litigation whereby companies outside of a cartel agreement can be forced into it or excluded from the field.

In addition to patent controls, the ownership of subsidiary companies in this country or stock ownership in American companies, sometimes concealed and sometimes openly known in American industry, is used as a technique of penetration. I have already mentioned the Magnesium Development Company, owned 50% by the Aluminum Company of America and 50% by the I. G. Farbenindustrie.

We know from authoritative sources that the ownership of stock in American firms by Norwegian, Dutch, and most of all by Swiss banks, has been more often than not beneficial ownership for the I. G. Farbenindustrie, Krupp and the Siemens & Halske Company. The reasons are obvious. Laws relating to belligerents are different from those relating to neutrals in many vital respects, most obvious of which would be the payment of royalties which have given millions of dollars to the German interests annually,

^{13/} Part 5, p. 2036.

creating a credit basis in this country and simultaneously giving vital statistical information as to the production of military instruments and supplies.

Indeed, knowledge of the amount of magnesium produced in this country, must be one of the principal reasons for joint ownership of the Magnesium Development Company by the Farbenindustrie with the Aluminum Company of America, for the output of the only licensee of the Magnesium Development Company has been relatively insignificant and the royalties must be an inconsequential dribble to the Great I. G. Farbenindustrie. That dribble, however, definitely measures the production of magnesium here so that the Germans know exactly what is being done in this field, and are also advised of all improvements and technical information in the development of magnesium uses.

The same thing is true of the tungsten carbide patents, issued by the United States Patent Office. General Electric and Carboloy hold title to them. In fact they have brought suits under them in their own names. Yet they have agreed with the Krupp Company not to issue licenses in this country under these very same patents without the express approval and consent of Krupp. Furthermore, a breakdown of the royalty payments to Krupp undoubtedly will indicate the use to which tungsten carbide is being applied in this country.

Similarly, in respect to the agreement between Bausch & Lomb Optical Company and the Zeiss Company in Germany, the correspondence introduced in the antitrust suit against the Bausch & Lomb Company clearly reveals the appreciation of the importance of the military information conveyed in the royalty reports as to manufactured products, such as antiaircraft range finders, periscopes, telescopes, etc.

Furthermore, the exchange of patent information seems to have been somewhat one-sided, for in some of the patent formulas given by the German companies, certain steps or elements are omitted. We learned of this practice during the World War when the United States Government confiscated all German patents. It also found that missing information prevented production under these patents. The defective production of Salvarsan in the United States during this period resulted in the death of several thousand soldiers because of faulty preparation; the correct process having been concealed by the Germans and not included in their patents on file here.

This device was worked most successfully on England where in the production of one hundred needed serums and medicines, the missing element concealed by the Germans in patents on file in England, completely blocked production in England. Only after spending many millions of dollars were English chemical interests able to produce forty of these essential medicines,

This all makes a pattern. The English and the French know what we are belatedly learning. While these agreements may be commercial in character to the American business man, they are treaties to the German Government accomplishing definite objectives of German foreign policy in this country. They bear all the earmarks of supervision by the German Government. As recently as last week a prominent American business man told me that while making an agreement in Berlin, he asked the question point blank whether or not the agreement had to be submitted to the German Government for approval. He was advised that it did!

III. WHICH WAY, AMERICA?

Against such a background as this, and in the face of these facts, we heard within the last few days the testimony of a famous American flyer who first successfully flew the Atlantic in 1927 and therefore speaks with authority on international affairs in 1941. This famous flyer testified before the Foreign Affairs Committee in the House of Congress:

In our present position there is no danger of an invasion of North America and very little in South America.

Now this statement is utterly untrue as to both North America and South America! Another witness ^{14/} was far closer to the truth when he said that according to qualified observers

^{14/} Ex-senator E. W. Gibson testifying on the Lease-Loan Bill (H. R. 1776) on January 25, 1941. See also former ambassador William C. Bullitt's statement on the same day.

"Hitler could take Brazil by telephone" if the British fleet were out of the way. As for North America, I have given you evidence, and overwhelming additional evidence could be submitted, to show that the German invasion is already here on the economic front.

It is not the facts which are dangerous but failure to recognize the facts and their implication to American life. We can meet the facts squarely as is being done now by slashing attacks from the Antitrust Division of the Department of Justice which has in hand the pattern of German penetration and cartelization. Other agencies of Government in ways which lie beyond the scope of this address are effectively at grips with the problems outlined. Industrially, we at least have the "know how" of production in every vital industry I have mentioned. Access to an improved process of magnesium production, backed by ability and adequate resources will see the production of magnesium within six or eight months. We can safely leave to a now enlightened Congress the needed modification of patent controls and a damming up of royalties flowing to German interests - belatedly, of course, because the German Government taxed out of existence royalties payable to American concerns as early as 1933. These funds, deposited in American banks, are used as a credit basis for German purchases and, undoubtedly, for the activities of German agents in this country and South America.

I say that these problems can be, will be, and are being met although we must squarely face an interim period while production limitations are being overcome as rapidly as humanly possible and industry is expanded and converted to national defense needs. In that crucial period, our real danger is in the advice of such men as Lindbergh. We credit him with sincerity in having first opposed aid to Britain, and even now when he says:

We can endure in this hemisphere regardless of what happens abroad. 15/

Lindbergh may be quite sincere, but unenlightened sincerity is dangerous. I mention Lindbergh not because he himself, is important, but only as a symbol or spokesman in a school of what I call the "innocent appeasers". Their sincerity, like Lindbergh's, is not at issue, but the validity of their point of view in the light of national safety is. This group includes two classes of opinion: first, a great body of well-meaning American citizens who, like all of us, are horrified at the awful slaughter and destruction of modern warfare as invented and applied by the Germans, and who therefore instinctively and emotionally follow anyone who talks about "staying out of war" and effecting a "negotiated peace" without thinking through to the ultimate result when continental resources could be mustered against us,

15/ Testimony before Foreign Affairs Committee, House of Representatives, January 23, 1941 on H. R. 1776.

with shipbuilding facilities alone four times our own. The second group is composed of business or industrial leaders who contemplate with equanimity doing business with a Hitler-dominated Europe.

The facts which I have given you perhaps demonstrate why this latter group is so large. A pool taken by Fortune Magazine in September, 1940, showed that out of 15,000 - Presidents, Directors and executives of 750 of the largest corporations of the country owning 52% of the United States' corporate assets, 48.3% thought that American business could go on as usual after a Hitler victory. Only 2.6% were opposed to doing business with a Hitler-dominated Europe.

This is not by any means a vote of disloyal Americans or pro-Nazi Americans. They simply do not see the basic incompatibility in our American order of things and the totalitarian pattern. They do not fully realize what German businessmen rapidly learned that while labor problems were suppressed with a strong hand, and free unions liquidated, the businessman himself soon went down before the same juggernaut of the totalitarian state. I talked with one of the German factory owners recently who walked out leaving all behind him, because he could not stand the Nazi pattern of destruction. This group of "innocent appeasers", or should I say simply "uninformed appeasers", are not fully aware of the scheme of penetration I have described to you, with world

domination as the ultimate objective. This credulous group believed Hitler when he told Carl Von Weigand, the Hearst correspondent, last summer that he, Hitler, had no interest in America; that statements about "Fifth Columnists" were lies; and that as far as he was concerned America was for the Americans and Europe for the Europeans.

It is this group which in the face of known facts such as I depicted to you, might be the foundation for an appeasement policy such as that of the Chamberlain Government in England where those in command waited calmly like ostriches with their heads in the sand until their tail feathers were blown off by bursting bombs from German airplanes.

Many in this group in American life think as Lindbergh said before the Foreign Affairs Committee, that the War was in vain and that England should have submitted - that now America's role should be to assist in concluding a "negotiated peace". As an American recently returned from London aptly answered Colonel Lindbergh: "Ask the people living in Belgium, Holland, Norway, Denmark, Poland, Czechoslovakia, and France, what they think of a negotiated peace." Each of these countries has had a negotiated peace with Hitler. The people know what it means.

It is because of the danger from this group that I was glad to come here in the heart of the isolationist country, in the City in which I was born, to tell you bluntly such facts as

I am at liberty to state. We are too complacent, too at ease, too unaware. The women are playing too much bridge and spending too much time having their hair fixed. The men are playing too much golf. The youngsters are playing with high cylindered toys upon our highways; drinking too many chocolate malted milks and graduating too early to cocktails. What we need is a hundred Paul Reveres to ride the length and breadth of this land and tell the country - "wake up! Wake up! America! "

When I was at school in this very city and later at college nearby, I used to think, sometimes with envy, of the Americans who had lived at the time of the American Revolution. Those were the days of deeds and hard-won achievements, of goals to be fought for and principles to be written down immortally. Compared to those days, our own period of history seemed tame indeed - even the Western frontiers were gone!

My friends, these are such days. The liberty which our forefathers fought for, and which we take for granted and unconsciously enjoy from day to day, is again at issue. A barbaric invasion of proportions unexcelled in history is upon us, fortified by science and dedicated to destruction, - an old form of tyranny in a new disguise of ruthless mechanical efficiency - bombing and machine-gunning helpless men, women and children who thronged the highways and by-ways of Holland, Belgium and France, laying waste communities as happy and prosperous as this one where people

who are our very kith and kin lived under free Governments, with priceless institutions of law and justice erected through centuries of human progress. Now all are obliterated before a juggernaut of barbaric conquest.

Let us squarely face the fact that the world cannot exist half Nazi and half free. Let us clearly and calmly confront the fact that the greatest crisis of our history is here and that as surely as the clock ticks by each tragic second in Europe, the kind of the World our children will live in is being determined.

We of this generation inherited - we did not earn the institution of democracy. With gratitude for the past, let us clearly perceive that those relatively happy carefree days which we have known in the greatest democracy on earth, are now numbered. Hereafter, that kindly human world which we have known, epitomized by the great figure of the Lincoln Memorial, which I have gazed upon with renewed reverence as I drive to my office each morning in Washington, D. C. - that kindly world with "malice towards none, with charity towards all, with firmness in the right as God gives us to see the right" - that world will be preserved only as we earn and re-earn the right to our inherited liberty. We must think clearly, decide fearlessly, and act decisively. Only then will we keep faith with, and discharge the trust reposed in us by citizenship in this great land.