

Senate Defense Investigating Committee today that the "facts and the record are exactly contrary" to charges the company frustrated American synthetic rubber developments through agreements with a German firm.

Farish Insists Rubber Cartel Helped U. S.

Standard Oil Head Says Work in Many War Lines Were Aided

W. S. Farish, president of the Standard Oil Co. (New Jersey), today denied categorically to the Senate Defense Investigating Committee that Standard, through a cartel arrangement with I. G. Farbenindustrie, the German dye trust, had "delayed," "retarded" or "stifled" the development of synthetic rubber in this country.

"The facts and the record," he told the committee, "are exactly to the contrary."

Answering charges made before the committee last week by Assistant Attorney General Thurman Arnold, the Standard Oil president, in a lengthy prepared statement, said that any charges "that the Standard Oil Co. or any of its officers had been in the slightest respect disloyal to the United States is unwarranted and untrue."

"I repel all such insinuations with all the vigor at my command. I do so with indignation and resentment.

Called Advantage to Nation.

"Moreover, I wish to assert with conviction that whether the several contracts made with the I. G. did or did not fall within the borders set by the patent statutes or the Sherman Act, they did inure greatly to the advance of American industry and more than any other one thing have made possible our present war activities in aviation gasoline, toluol and explosives and in synthetic rubber itself."

Mr. Farish said that his company had sought as early as January, 1939, to interest this Government in the development of synthetic rubber to guard against the eventuality of a war that would cut off supplies.

"This began eight months before the war started and nearly three years before Pearl Harbor," he added.

When asked if any Standard Oil employees were here as dollar-a-year men, Mr. Farish digressed from his statement to warn that the Government will lose the war without the services of the dollar-a-year executives.

The only alternative for getting their vital services, he said, was to take away all private rights and put them in the Army or Navy. Without them, he said, "your production will fall and your war effort will fall."

Enters Specific Denials.

Mr. Farish entered specific denial also to charges as follows:

"That as late as 1939 Standard was engaged in an effort to establish relations with Japan contrary to the interests of the United States and without the knowledge of our Government; that after the fall of France, Standard assisted German interests to establish hydrogenation plants in occupied France, or that Standard made shipments to Italian and German airlines in Brazil, contrary to the wishes of the State Department." He declared these charges "untrue" and "unfounded."

His discussion of the delivery of aviation gasoline to an Italian airline in Brazil in 1941 brought about an extended exchange with Hugh Fulton, committee counsel, who sought to determine what State Department official had sanctioned the transaction—the witness saying it had the approval of both the department and the American Embassy in Rio de Janeiro. The witness said the letter of approval is "available for confidential examination by the committee."

Says Appreciation Was Given.

Referring to the Government's efforts to build up good will in the Latin countries, he said the State Department's letter "expressed its