

# Handmaiden to Hitler

I. G. FARBEN. By Richard Sasuly. New York: Boni & Gaer. 1947. 312 pp. \$3.

TREASON'S PEACE. By Howard Watson Ambruster. New York: The Beechhurst Press. 1947. 438 pp. \$3.75.

Reviewed by JOSEPH PRENDERGAST

"I. G. FARBEN" was written as a result of Richard Sasuly's military assignment with the American Section of the Allied Control Council in Germany in 1945 and his civilian work thereafter as the head of Intelligence and Liaison of the Finance Division of that council. Mr. Sasuly begins his story with a vivid picture of Germany in the closing days of the war and strips the camouflage nets from old and new German factories to reveal a high industrial potential in a temporarily defeated but unconquered country. He describes I. G. Farbenindustrie A. G. before the war as dominating more than 380 other German firms and as the center of a network of international cartels which controlled an imposing array of products from oil to rubber, from nitrogen to nickel, and from dyes to synthetic silk. Outside Germany it encompassed 500 other firms—the biggest and strongest chemical combine in the entire world—able to hold its own against the most powerful corporations, including Standard Oil of New Jersey, Dutch Royal Shell, the Aluminum Company of America, the British Chemical Industries, and DuPont.

The author pays particular attention to Hitler's rise to power with the help of the industrialists and he points out that the Nazis' decline in 1932 was halted by a huge election fund of which I. G. contributed some ten per cent. The countless services which I. G. performed for the Nazis abroad included contributing liberally to the support of German culture in foreign lands, fostering Nazi propaganda, and putting pressure on local papers for publicity favorable to Germany. As for its espionage, it was done on so unprecedented a scale that it became one of the main props of both army and Nazi Party intelligence and did its best to weaken the economic strength of other nations.

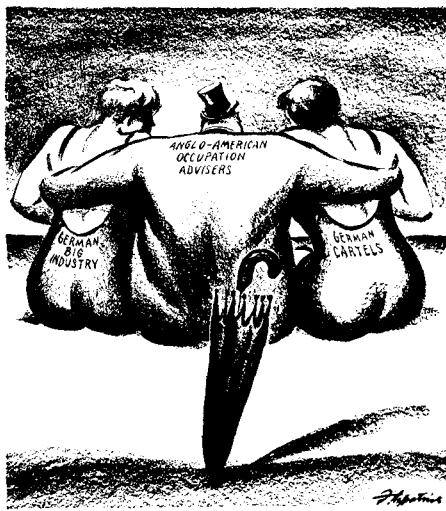
Outside of Europe the biggest concentration of I. G. agencies and camouflaged subsidiaries was in Latin America, where there were at least 117 I. G. branches as well as several manufacturing plants. The success of I. G.'s economic warfare against the Western Hemisphere was to be re-

flected later in the critical shortage America's war effort was to suffer in such important materials as aluminum, magnesium, atabrine, tungsten, carbide, and rubber.

Farben was very active in adapting the industries of the conquered countries to the purposes of the German war machine. It also played a part in sending millions of slave workers from these countries to work in Germany, and in some I. G. plants the bulk of the unskilled work was done by slave labor from the farms of central Europe.

From its inception I. G. Farben had been at war with the rest of the world, with the United States as a main target. After Pearl Harbor the United States hit back. There were at least seven companies here which could be called assets of I. G. Several of these were cartel links between I. G. and American corporations which were broken, at least temporarily, by the war. They could, of course, be resumed in the future. The most important of the other companies were General Aniline and General Dyestuffs. These were taken over by the United States Government during the war, but the question of their future ownership has not yet been settled. The main danger in the handling of I. G.'s American assets is a return to German control. In this connection, it should be remembered that after World War I the German assets which had been seized reverted to German control in an astonishingly short time and the movement toward international cartels proved too strong to be resisted by American companies.

In the last analysis the future of I. G. Farben hinges on the program adopted by the Big Three at Potsdam,



—Fitzpatrick in "St. Louis Post-Dispatch."

Upper-Level Fraternization.

their occupation policies, and the terms of the final peace treaty. Sasuly believes that the Russians have moved generally in the direction of a peace treaty which would end in a thorough wiping out of the German war-making potential; that the British, from the very beginning of the occupation period, have fought consistently for a program much easier on the Germans, and that the representatives of the United States have tried to move both ways at once but have landed alongside the British. As a result, in the American zone at least, the denazification, the demilitarization, and the deindustrialization of Germany have been a complete failure.

By concentrating on the transfer of machinery instead of payments in cash or goods, the Potsdam system would shift the balance of industrial power from the world center of fascism to the countries which suffered the most from German aggression. Reparations are the key to the control of Germany and its supreme war producer, I. G. Farben. Relations with Russia are the key to reparations. In the heat of strife, therefore, between the Western powers and the Soviet Union, the work of the military occupation of Germany is paralyzed and I. G. Farben gains strength once more.

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"Treason's Peace" is the story of the hidden influence of the German dye trust inside America before and during two world wars, with a glimpse into its influence in Latin America. The story ranges from an exposé of commercial corruption on the part of American representatives of German dye interests in 1912 to the Nuremberg trials of 1946. Particular attention is given to Congressional committee hearings and to administrative investigations by the SEC and other Government agencies. Mr. Ambruster cites some of his own untiring efforts, beginning in the 1920's, to warn the American public, and to induce the Government to act against the Farben conspiracy to disarm this nation in preparation for a new war.

Farben's relations with such American companies as Standard Oil of New Jersey, DuPont, the Dow Chemical Co., the Aluminum Company of America, and the Ford Motor Company, consisted of agreements, partnerships, and subsidiary controls of every conceivable kind for sharing processes, patents, profits, and markets, as well as verbal understandings and personal ties and obligations. The almost complete abandonment of anti-trust law enforcement, the author points out, made many of their combinations inevitable and made Farben's technique possible. At first every

attempt was made to camouflage Farben's interests, but towards the end of the 1920's there was a period when they were openly pursued, as in the case of the formation of the American I. G. Chemical Corporation in 1929. Later Farben was to regret this frankness and was to do everything it could to Americanize that company.

A considerable amount of space is devoted in the book to a discussion of the activities of the Anti-Trust Division of the Department of Justice and the many actions brought against Farben interests and affiliates. The activities of the Treasury Department and the Alien Property Custodian in relation to Farben interests are also reviewed in detail. Mr. Ambruster claims that members of the Senate and the House of Representatives uncovered evidence of Farben's plans in almost every session of Congress from the end of World War I to the beginning of World War II, and that they knew the identity and activities of the hordes of lobbyists who haunted Washington in the interests of Farben—but did nothing until the 1941 and 1942 exposures and prosecutions. The failure of Congress to act was not due to lack of ample information or of repeated warnings.

The book concludes with the statement that "the foregoing constitutes a small part of the record, and of the proofs available that the conspiracy to save the Farben war criminals from punishment, to revive the Farben structure, and to renew the Farben carry-over tie-ups, here and elsewhere, is proceeding on schedule."

As a piece of crusading journalism and as an emotional appeal to the conscience of the nation "Treason's Peace" is an excellent bit of writing. The author is, however, under too much compulsion to prove that I. G. Farben "must" be recognized as a "cabalistic" organization aiming at world conquest to make the book a well-balanced study. While the author's judgment may be questioned and his facts challenged, there can be no questioning of his sincerity, honesty, and zeal. However, he shows little discrimination in the valuation of authorities and no appreciation of what constitutes evidence. Too many of his alleged authorities are referred to as "trade rumors," "common knowledge," and "general reports," and too many of his so-called facts are introduced by such phrases as "it is said" and "it was reported."

At times he fails to appreciate that, as a layman, he may have misunderstood or misinterpreted the law or submitted his facts to officials who did not have the power or authority to act. Nor does the author take into account that in a democratic non-

totalitarian society such as the United States there are definite limits beyond which the power and authority of the state cannot and should not go. This does not mean that the people are therefore helpless to protect themselves or to correct abuses. It merely means that law and force have their limits and beyond those limits we must turn to public opinion and to education for the control and the

correction of abuses of freedom.

The story of I. G. Farben in the United States is not, in the last analysis, a story of the failure of law enforcement but of the failure of social controls other than statutory.

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## Correspondents' Résumé



*THE BALKANS: Frontier of Two Worlds. By William B. King and Frank O'Brien. New York: Alfred A. Knopf, Inc. 1947. 278 pp. \$3.50.*

Reviewed by ROBERT LEE WOLFF

THIS correspondents' summary of recent events in the Balkans (including Turkey) makes available for the first time in book form an account of some of the post-war political and economic developments which have led to the present sharp division of Southeast Europe into mutually hostile Soviet and Western spheres of influence. The most important part of the story which King and O'Brien might have been expected to tell is the success of the USSR in asserting its domination over the four northern Balkan countries. The main techniques of the Russians have been similar throughout the area; the details of the process have varied depending upon the strength and reliability of the indigenous Communists, upon the degree of native pro-Slav sentiment, and upon the amount of counter-influence which the Western powers have been able or willing to exert. Despite these local variations, however, a remarkably uniform pattern of political and economic behavior has emerged, a pattern which the American reader must understand to appreciate the problems which con-

front his government in dealing with Moscow. Unfortunately, the country-by-country organization of the material in this book obscures this overall pattern, only portions of which emerge from the narrative.

The authors have outlined fairly accurately the transformation of the Yugoslav Partisan resistance movement with its mass non-Communist base, into Tito's Communist, totalitarian regime. Their account of the Mihailovich case is without bias. They cleverly sketch the leading personalities of the Soviet-sponsored puppet government in Rumania, and the political developments which led to its installation. They detail sympathetically the one-man fight of Mr. Maynard Barnes, United States political representative in Bulgaria, against growing Communist influence. They know much less about Albanian affairs; their chapters on Turkey are pedestrian, while those on Greece are altogether inadequate to explain the present continuing internal and external crisis in which that unhappy country finds itself plunged, and which has given rise to the Truman doctrine.

The contents of the book add very little to what a regular reader of the newspapers will have learned over the past two years. Only a feeble attempt has been made to present background material on the Balkans, all-important in enabling anybody not an expert to understand the complex issues involved. Such basic historical and economic material as is to be found in the book is superficial and often inaccurate. The statement, for example, that "the Balkans have always bred anti-Semitism" is seriously misleading, since, of the countries considered, only Rumania has ever had a genuine anti-Semitic movement. Again, repeated references to Rumania as "fabulously wealthy" would seem to indicate that, like many foreigners, the authors have been dazzled by the glitter of Bucharest's small upper class. Although Rumanian agricultural and industrial resources are greater than those of the