

Indexed

FOR RELEASE SUNDAY, APRIL 25, 1943 AND THEREAFTER

THE WASHINGTON MERRY-GO-ROUND

(Trademark)

By Drew Pearson

MEXICAN CASE WILL TEST OUR POLICY ON POST-WAR MONOPOLY AND CARTELS; ROOSEVELT BELIEVES THAT JIMMY NOE, NO YES MAN, WON'T SAY NO TO HIM; SLASHING OF RED TAPE WILL SPEED PAYMENTS TO DEPENDENTS OF SOLDIERS; POLITICAL AND ECONOMIC COMPLICATIONS KEEP ARGENTINE MEAT FROM U.S.

WASHINGTON -- While trust-busting Thurman Arnold is wearing his pants shiny in his new job on the serene Court of Appeals, the first big test of post-war monopoly and German cartels is taking place in Mexico, where various German drug and chemical companies are about to be handed over to the American Cyanamid Co., which itself had monopoly agreements with the Nazi cartels before Pearl Harbor.

The issue is extremely important, because what happens in Mexico may set the stage for what will happen in other Latin American countries and perhaps here.

After the last war, the Alien Property Custodian unconcernedly dumped all the highly valuable German patents into the laps of big U. S. corporations, many of which almost immediately proceeded to trade or even give them back to Germany. The trades were worked out on a monopoly basis so that the American firms and the German cartels agreed to divide up world markets and keep certain patents off the market.

The Aluminum Corporation for instance, held back magnesium production, which is vital to aviation; while Standard Oil of New Jersey held back synthetic rubber as far as the United States was concerned, while Germany went ahead with it.

Complete details regarding this control of world materials is given by the Justice Department's Joe Borkin and OPA's Charles Welsh in their book "Germany's Master Plan" in which they predict that Germany will attempt to gobble up these patents again as soon as this war is over.

HISTORY OF MEXICAN DEAL

That is why the proposed American Cyanamid deal with Mexico is so important. Here is the inside story of how the deal came about.

Mexico's Finance Minister Suarez was looking for a plan to operate the dozen or so German drug and chemical companies orphaned in Mexico, when Joe Rovensky suggested that American Cyanamid take them over. Joe Rovensky is vice president of the Chase National Bank, loaned to the Rockefeller Committee for Coordination of Inter-American Affairs. The Chase Bank has handled American Cyanamid's business.

Later a deal was worked out whereby American Cyanamid would take over the German drug and chemical firms in Mexico, giving them the groundwork for a complete monopoly. There is no question but that the German firms would be efficiently operated, but two questions have been raised in Washington:

1. Monopoly is supposed to be contrary to the law of the United States and the spirit of free competition in Mexico.
2. American Cyanamid once had patent hook-ups with the Nazi cartels, and despite present intentions, the question has been raised as to whether it might not drift back to its old affiliations after the war.

Decision of this vital question is up to the State Department and the Alien Property Custodian. The State Department claims that it has the final word, but the office of the Alien Property Custodian thinks its word is final.

Nobody knows what the decision will be, but whatever it is, it will be important.

NOE NO WORRY TO FDR

The President has a few pet hates which he will never forget, but for the most part he forgives and forgets easily.

When a delegation from the Democratic National Committee called at the White House last month to register political complaints, most forthright complainant was Louisiana committeeman, ex-Governor James Noe.

"Mr. President," he said, "my name is Noe. I'm not a yes man."

Noe's blasting of bureaucrats which followed, was so blunt that White House advisers got the idea Noe himself might jump the reservation and refuse to support the ticket in 1944. The President, however, doesn't share this view. At a White House meeting the other day, young Representative Edward Hebert of Louisiana asked Roosevelt what he thought of "our Jimmy Noe."

"He's a great old boy," chuckled Roosevelt. "I'm very fond of him."

After a few more pleasantries, Hebert was about to leave, but the President called him back and said:

"Don't worry about Jimmy Noe. He's an old friend of mine."

CHECKS TO SOLDIERS' WIVES

Here's good news for thousands of dependents of men in the Army who have been wondering what has happened to their dependency checks from the government. Their checks soon will begin arriving on time.

After months, during which many unemployed mothers and wives had to depend on charity for food and fuel, the War Department has taken two steps to insure quick delivery of dependency payments.

First, the office of the Adjutant General has relaxed its rigid identification requirements for dependents. Second, the Army has greatly reduced the number of improperly executed dependency forms by sending out a general order to all newly-inducted men, stressing the importance of accuracy and clarity in designating the names, addresses and relation of their dependents.

The Adjutant General of the Army paid out a record total of \$150,000,000 in dependency checks during March and this will be increased substantially during April.

CAPITAL CHAFF

Harry Blanton, efficient U.S. district attorney in St. Louis, has been so busy about becoming a federal judge that the Justice Department has begun to wonder what has become of his war frauds case against the St. Louis Ordnance Co. charged with passing defective shells. At the time Rubber Czar Jeffers was proposing Illinois farm leader Earl Smith as chief of Civilian Supply, the President was getting a report that Smith and his Congressional stooge Illinois Representative Dirkson were among his chief political enemies. Smith has been going round the country telling anyone he meets in smoking cars how he is going to keep Roosevelt from ever being re-elected..... Governor Gene Talmadge's charges against ex-Governor Ed Rivers of Georgia turned out to be just so much smoke. The indictments have now been dismissed. John D. Rockefeller had to pay out a pretty penny annually in taxes on land around Jackson Hole, Wyo., which he had purchased to give to the Government as a national park. The state of Wyoming opposed the park, however, because it cannot tax the federal government and it could tax Rockefeller. So for a long time John D. has had to keep on paying taxes on land he didn't want.

COAL MINER PLANS PEACE

One of the most optimistic factors about our future chances of world peace is the way in which the American people are thinking about it. For instance, Raymond M. Davis of Morgantown, W. Va., a coal mine operator who came up the hard way and never had much education, has recently written a book on a "Proposed New International Order," which he has sent to all members of Congress.

Coal Miner Davis has made world peace his hobby. His plan for keeping it is more ambitious than most people's -- an international government, international administrative board of 15 men, and an international congress. But he is not anxious to put across his own specific plan as much as he is in getting people to think.

"The strength of a nation," writes Coal Miner Davis, "is found in the character of its people. One of the greatest elements of a strong character of an individual is his ability to think. If the masses of the people can be stimulated to independent thought, I have no fear of the conclusion they will eventually reach."

(NOTE TO EDITORS -- Your attention is called to the trade name in the following story, which may be used at your own discretion).

CENSORING WINCHELL

Walter Winchell is having censorship troubles, but this time not with the Blue Network. Ever since the brief censorship brush last February, the Network has followed a liberal policy on news comment, but Jergens Lotion has not.

Jergens suddenly has become worried about a 4th term, wants Winchell to cut all political references from his broadcast, even such as reporting a public statement by the Governor of Georgia favoring the re-election of Roosevelt.

Jergens has its own censor stand beside Winchell every Sunday evening, and this censor so gets in the hair of the famous Broadway commentator that he may quit his lotions of love.

Note: Suspicion is that Republican bigwigs Taft and Bricker, neighbors of Andy Jergens, have nudged him about Winchell being pro-Roosevelt.

NO ARGENTINE MEAT

Despite the disastrous meat shortage, the American housewife will not have a chance to purchase Argentine beef, as proposed recently by Representative Celler of New York. There are two chief reasons:

1. Almost all of Argentina's beef is now being purchased by the British. The British are also acting as agents for the U.S.A., so the two Allies will not bid against each other, and are shipping canned meat to the American Army in North Africa. We ship the tin to Argentina, and the British handle the rest.

2. Special purchases of beef from Argentina now, regardless of the hoof and mouth disease embargo, would enrage other Latin American neighbors which have broken relations with the Axis, while Argentina has not. They would claim that Argentina was benefiting from being pro-Axis, since her ships were immune from the submarine and were carrying meat to the U.S.A.

Note: Though most people don't realize it, Brazil grows more cattle than Argentina.

MERRY-GO-ROUND

When Capt. Cunningham-Reid complained in the British Parliament that the American public was not well informed about Britain's part in the war, Information Minister Brendan Bracken shot back: "How could the honorable gentleman know anything about it when he was beach-combing in Hawaii?" ... Bracken might have added that Cunningham-Reid was the attentive guest of Doris Duke, the tobacco heiress, who was later divorced from ex-Minister to Canada Jimmy Cromwell....When a Truman subcommittee visited Wright Field, Dayton, O., one Senator remarked that the Power Plant laboratory was dirty. Commanding generals took this so seriously that work was stopped for six days while paint was applied copiously. Other Wright Field laboratories are following suit. They will now look pretty, but the loss of man-hours will be considerable... Though her father was a British officer in the last war, and she is British born, the State Department is holding Mrs. Rene Tanqueray, wife of the French consul in New York, a virtual prisoner in Hershey, Pa. Not allowed to communicate with friends by telephone or even letter, she and her three sons are about to be deported to France, which probably means a concentration camp. Her husband was consul in New York for 17 years, long before Vichy.

(Copyright, 1943, by United Feature Syndicate, Inc.)