

NAZI CAPITALISTS FACE U. S. CHARGES

American Representatives Will Try to Convict Some Once Powerful Industrialists

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NUREMBERG, Feb. 1—The theory that German industrialists and financiers were the men who pulled the strings behind the Nazi regime, brought it to power, profited by it and were fundamentally responsible for its aggressions and other crimes will be put to judicial test in trials which, after some delay, are now due to begin in March and will last throughout the year if not longer.

The indictment of Friedrich Flick and associates in his mammoth steel combine is expected in the coming week and will be followed by the cases of I. G. Farben, Krupp and the Dresdner Bank, Kurt von Schroeder, the Cologne banker who arranged the reconciliation of Hitler with Franz von Papen and President von Hindenburg; the Goering works and the administrative officers who directed industry from the Government side may also be prosecuted.

These are the most difficult and significant of the series of trials under the direction of Chief of Counsel Brig. Gen. Telford Taylor. The United States Military Government undertook them after a negative recommendation to President Truman by former Chief of Counsel Justice Robert H. Jackson had ended the prospect of further quadripartite international trials. The trials of twenty-three Nazi doctors and Field Marshal Erhard Milch are already in progress, and those of Oscar Pohl, business manager of the SS and of officials of the Ministry of Justice and other ministries will begin soon.

Evidence Accumulated

With the key charges of "crimes against the peace" or "aggressive warfare" the prosecution intends to show that the industrialists were far more than the pawns they now claim to have been. Great files of documentary evidence have been accumulated showing that they knew what was coming domestically and in foreign aggression and that they participated in and even on occasion initiated decisions. In some cases they bid in advance for markets in the countries to be occupied.

Additional charges of war crimes and crimes against humanity will cover the profits they reaped by the "Aryanization" of Jewish property, spoliation of property in occupied territories and the acquisition and abuse of slave labor. A letter will be produced in which one great industrialist wrote that the manner in which some of the properties were being acquired "might subject us to prosecution by an international court."

German big business developed in the middle of the last century in combination with the remnants of feudalism, in contrast to the development of American big business, which was limited by democratic processes and measures such as the Sherman Anti-Trust Act. For some eighty years German industrialists wielded economic, political and military power far exceeding the wildest dreams of their American counterparts. The prosecution will contend that Hitler realized the lines of thought which they long had preached.

Prosecution's Plan

There will be no effort to build up a case against industrialists or capitalists in general or the contention that the manufacture of arms as such is criminal. Rather the effort will be to delineate the social responsibilities of the makers of arms and the bounds imposed by international and moral law, and to show that these German industrialists knowingly made arms for criminal purposes.

The defense on which Hjalmar Schacht was acquitted will not apply to them. For in contrast to Schacht, who withdrew from the regime and even struggled against it, according to the findings of the International Military Tribunal, they, with a few exceptions, stayed with it to the bitter end. One of the exceptions who will escape prosecution on the basis of the Schacht precedent will be Fritz Thyssen.

The difficulties of gathering rec-

INDUSTRIALISTS' TURN



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ords scattered throughout Germany will prevent bringing an aggressive-warfare charge against Flick. Charles S. Lyon, formerly of the New York law firm of Alvord & Alvord, will probably build his case around "Aryanization," particularly the confiscation of the lignite mines of Julius and Ignatz Petschek; the spoliation of occupied territory, particularly of the Romback coal mines, in Lorraine, and slave labor exceeding 10,000 persons.

Himmler's Friend

Since Flick belonged to Heinrich Himmler's "circle" of friends, the charge of aiding and abetting the SS may be added. Mr. Lyon will tell how Flick developed a fantastic empire amounting to some \$400,000,000, became probably the richest man in Germany and wielded political power to his advantage.

Flick, now 62 years old, is expected to argue that he is merely a German version of the self-made man, a sort of latter-day Jay Gould. In the dock with him will probably be Otto Steinbrinck, his right-hand man until 1939; Bernhard Weiss, his nephew, and several others.

For the I. G. Farben trial it has been possible to gather overwhelming evidence relating to aggressive warfare from its headquarters in Frankfurt. This was the largest chemical combine in the world, if not the largest corporation of any kind. Without its know-how and productivity, there could have been no war. According to the evidence, its investment policy was identical with that of the Wehrmacht after 1936; its commitment to a program of autarchy by an ever-increasing emphasis on uneconomic synthetics anticipated the needs of war and could have been paid for only by victory.

Hermann Schmitz, chairman of the board of directors, and Karl Krauch, chairman of the board of supervisors, will be among the defendants. Probables are Georg von Schnitzler, who pledged 400,000 marks as Farben's contribution to the Nazi election campaign at the famous meeting with Hitler, Schacht and other industrialists in February, 1933; Max Ilgner, Farben's liaison man with the Wehrmacht and South American specialist; Fritz Ter Meer, who pressed the Wehrmacht to use a deadly gas called tabun, and Otto Ambros, who formerly operated the Farben nitrogen plant at Friedrichshafen.

Krupp to Stand Trial

Alfred Krupp von Bohlen und Halback, whom the British have agreed to turn over to the Nuremberg court along with other Krupp executives, will stand trial in place of his father, Gustav, who is suffering from advanced paresis.

After supporting a variety of nationalist groups and participating in secret arms production in the Twenties, the Krupps jumped on the Hitler bandwagon in 1933 and thereafter made effective use of the Government to win international arms contracts. Knowledge of Hitler's intentions can be shown. During the war they were among the most ruthless users of slave labor.

The trial of the Dresdner Bank will probably come last. Its early cooperation with the air force indicates a knowledge of the Nazis' aggressive plans. Its close connections with the Hermann Goering works and the SS fostered by Directors Karl Goetz, Karl Rasche, Fritz Kranefuss and Emil Meyer permitted it to rise from semi-bankruptcy to prosperity and a control of financial institutions throughout occupied territory.

Obstacles in the way of this ambitious program have led some members of the prosecution to despair of success and resulted in the resignation of Abraham L. Pomerantz, senior trial counsel, before Christmas.

Lack of Personnel

Complaints that have for the most part still to be alleviated were that it was difficult to obtain lawyers and other personnel capable of coping in a brief period with the complexities of foreign organizations in a foreign language. Documents from foreign countries and Washington were slow to come. Finally some were disturbed by the inadequacies of the judges selected, following the Chief Justice's decision not to release Federal judges for the task. There was talk of the "international fraternity of industrialists" and of efforts to sabotage the trials.

The prevailing view among responsible officials in Nuremberg at present, however, is that the trials will take place even if delayed, and that the evidence will be sufficiently clear to obtain convictions whoever the judges may be. It remains remarkable that capitalist America is going ahead with the trials of industrialists and financiers while socialist Britain, Communist Russia and France have made no moves to do likewise.