

Authority	By	RG	4667
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DECLASSIFIED		File	Art Objects
		Box	8

COPY 1w.

1316 HOURS
03 JULY 48UFB VUFH
009/03 JULYFROM: CINCEUR
TO : OMG BAVARIA

INFO: EUCOM FOR REPARATIONS RESTITUTION BR PROP DIV OMGUS KARLSRUHE

REFERENCE NUMBER CC 4997

CONFIRMING RECENT DISCUSSIONS HELD BETWEEN REPRESENTATIVES YOUR OFFICE AND OMGUS PROPERTY DIVISION BERLIN REPRESENTATIVES RELATIVE TO RESTITUTION PROGRAM, YOU ARE TO ARRANGE TO MAKE THE FOLLOWING ACTION WITH RESPECT TO THE MUNICH CENTRAL COLLECTION POINT:

1. TRANSFER BY QUANTITATIVE RECEIPT TO THE MINISTER PRESIDENT NOT LATER THAN 31 AUGUST 48 (BALE) ALL GERMAN PRIVATELY OWNED PROPERTIES (B) ALL PUBLICLY OWNED PROPERTIES SUCH AS BAVARIA STATE PICTURE COLLECTION AND FRANKFURT CITY INSTITUTE (C) PRUSSIAN STATE OR REICH OWNED PROPERTIES (D) NAZI OWNED PROPERTIES, PUBLIC OR PRIVATE.

2. THE MINISTER PRESIDENT IS TO BE RESPONSIBLE FOR THE RETURN OF GERMAN PRIVATELY OWNED PROPERTIES AND PUBLICLY OWNED PROPERTIES SUCH AS BAVARIA STATE PICTURE COLLECTION AND FRANKFURT CITY INSTITUTE.

3. THE MINISTER PRESIDENT IS TO ACT AS BAILEE FOR ALL PRUSSIAN STATE OWNED OR REICH OWNED PROPERTIES AS WELL AS BOTH PRIVATE OR PUBLICLY OWNED NAZI PROPERTIES UNTIL SUCH TIME AS NEW GERMAN GOVERNMENT IS FORMED AND PLAN WORKED OUT BY SUCH NEW GERMAN GOVERNMENT FOR DISPOSITION OF THESE ITEMS.

4. THE MINISTER PRESIDENT WILL RETAIN CONTROL UNTIL FURTHER INSTRUCTED OF ALL PROPERTIES WHICH MAY BE RESTITUTABLE TO ALL SECTORS OF BERLIN, THE SOVIET AND FRENCH ZONES OF GERMANY.

5. THE MINISTER PRESIDENT WILL ALSO BE RESPONSIBLE IN EVENT CLAIMS ARE ESTABLISHED AT LATER DATE FOR RESTITUTION OF ITEMS WHICH MAY HAVE BEEN RELEASED AS PRIVATELY OWNED GERMAN PROPERTY FOR RETURN TO THEIR RIGHTFUL OWNERS.

6. AS AGREED DURING RECENT VISIT OF OMGUS BERLIN REPRESENTATIVES SMALL SPACE IN CENTRAL COLLECTING POINTS IS TO BE RETAINED BY MILITARY GOVERNMENT SO THAT ALL JEWISH PROPERTIES WILL RETURN UNDER CUSTODY OF MILITARY GOVERNMENT AS WELL AS THOSE ITEMS THAT ARE STILL SUBJECT TO INTERNAL AND EXTERNAL RESTITUTION.

7. REQUEST RESTITUTION BRANCH, PROPERTY DIVISION, OMGUS, BERLIN BE INFORMED AS TO DATE ABOVE WORK IS COMPLETED

SIGNED CLAY

RECEIVED IN CODE ROOM AT 0750 HOURS 03 JULY
DECIPHERED BY HEFLIN
RECEIVED IN SECRET CODE

12278-

5211

DEPARTMENT OF STATE

Memorandum of Conversation

DATE: March 14, 1949

SUBJECT: Indemnification to Nazi Victims Under General Compensation Law -
March 11, 1949.

PARTICIPANTS: Department of State - Mr. ²⁰⁹²Hammondinger. *Mr. Lewis in Gen.*

Dr. Philipp Auerbach, General Attorney for Rehabilitation and Restitution, Bavarian State Ministry of Finance accompanied by Mr. Harry Torczyner of New York (personal friend).

COPIES TO: Mr. Reinstein
EF - Mr. Oliver
FN - Mr. Spiegel
OS - Miss Hall

Jeff Lewis

Dr. Auerbach stated that he was anxiously awaiting the decision of Military Government on the general compensation law which had been passed by the Laenderparlament, and asked if I could tell him anything of its status. I said I could tell him only that the law was under study by COMUS. In reply to my question, Dr. Auerbach expressed the opinion that the law should be approved subject to two amendments: Deutschmarks to be paid under the law should be computed at 30% of the claim rather than 10% as provided in the law, and displaced persons should be included, as urged by the IRO. For the rest, Dr. Auerbach considered that the law had defects, but that it would be wise to accept it rather than try to get a totally different measure enacted.

In Dr. Auerbach's opinion the law would include foreigners who were in German concentration camps and former German nationals who were in German concentration camps if they were resident in Germany before 1947. Dr. Auerbach believed that the assets of Nazis which have been confiscated under the denazification laws will be adequate to pay claims under the compensation law, and this is the source of revenue which it is contemplated to use. It became evident that Dr. Auerbach was interested principally in the administration of the Bavarian law, and assumes that the assets confiscated in Bavaria will be applied under the Bavarian law, without any pooling of confiscated assets by the respective states. Dr. Auerbach said that he relies principally as source of assets upon some 6000 paintings of former Nazis, including the Hitler and Goering collections, which are now in the Munich Collecting Point. He said that he has the authorization of the Minister of Finance and the Minister of Education and Cultural Affairs to sell these pictures in the United States, subject only to the approval of Military Government. He believes that he can realize from the paintings and other art works about \$200,000,000, if the paintings are exhibited here and sold with appropriate publicity.

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By WMI 7/1/66

-2-

publicity. Included among them are Rembrandts, Rubens, Hals and other old masters, mostly German or Flemish. Dr. Auerbach's thinking is that the proceeds would be made available through JALIA principally to pay the claimants in Germany in Deutschmarks, but he also contemplates the use of some of the foreign exchange to pay claimants outside Germany. With respect to persons who have claims and have emigrated to Israel, he contemplates the possibility of assigning 20% of the dollars to JALIA, against which there would be delivered to the claimants in Israel prefabricated houses made in Germany. He also contemplates the possibility of using the dollars as a source of foreign exchange with which to pay Law 59 claimants resident in the U.S. who will have Deutschmarks blocked in Germany. These Deutschmarks would then become available to the compensation fund in Germany.

Dr. Auerbach went on to describe an idea for making dollars available to pay blocked Deutschmarks realized by residents of the U.S. under Law 59, which he discussed with bankers in New York. As I understood it, the basic idea is to acquire at perhaps 50¢ to the dollar Deutschmark claims held by U.S. residents, who would probably be willing to realize whatever dollars they could. These Deutschmarks could then be loaned to German enterprises - an electrical generation plant was suggested by Dr. Auerbach - which could pay the dollar service charges by selling a portion of its product outside Germany. The enterprise, he said could be built from resources available entirely within Germany.

I told Dr. Auerbach that the last scheme suggested by him appeared impractical and in any case was not something which I could discuss with him. With respect to the realization of the paintings and other works of art confiscated under denazification laws, I told him that off-hand it seemed to me that the figure of \$200,000,000 must be over-estimated. Nevertheless, I stated, the disposition of the paintings presented a question of policy on which some decision would have to be made, and while there were other possibilities than the one proposed by Dr. Auerbach, his proposal would have to be given serious consideration. I continued, however, to state that in view of his official position in Germany, I could not consider his discussion with me as being an official presentation of the proposal to the Department of State, and that it would have to be submitted through the proper channels to the Military Government in Germany for approval. It would be considered in Washington if submitted to this Government by COMUS for a policy decision. The Department was, however, glad to hear from him his analysis of this problem.

HEMendinger:lk
8/11-8/14/49

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By WBIH 7/11/88

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 08-14-2001 BY 60322/UC/STP

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HARRY TORCZYNER
Attorney at Law
521 Fifth Avenue
New York 17, N. Y.

Vanderbilt 6-6327

March 22nd, 1949

Mr. Monroe Karasik
Department of State
Room 717
Potomac Park Apartments 21
Washington, D. C.

My dear Mr. Karasik:

It was a pleasure to be able to confer with you on March 11th, 1949, and I have the privilege of forwarding herewith to you a copy of the memorandum of March 17th, 1949, submitted by Dr. Philip Auerbach of Munich, Bavaria, to Ambassador Robert Murphy.

With kindest personal regards, I am

Very sincerely yours,

Harry Torczyner

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By MBI [signature]

Considerations
for the use of confiscated
national socialist assets
and of frozen funds
belonging to beneficiaries
of compensation or restitution
for the benefit of the victims
of national socialism and of
the State of Bavaria.

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By WSP 1/11

1. The State of Bavaria wishes to meet its obligations towards the victims of national-socialism without increasing, in so far as possible, the financial burden of the State.

2. The South German Landerrat on September 27th, 1948 has adopted a Law for the Reparation of National Socialist Wrongdoings, which awaits the ratification and approval of the United States Military Government. In accordance with a conservative estimate one-fifth of the persons entitled to compensation pursuant to the aforementioned Law reside outside of German territory, and a large number of the emigrated victims are residents of the United States of America.

3. The State of Bavaria in accordance with Law #103 and Law #104 has taken possession of confiscated national-socialist property, and in accordance with Controlguidance #50 of confiscated property formerly belonging to the national socialist party.

These confiscated assets to a large extent consist of works of art normally acquired in the course of the years by their convicted owners and are therefore not subject to the application of the Restitution Laws of 1947.

Paintings and sculptures are presently located at the official "Collecting Point" within the State of Bavaria, and their value has been appraised as between One Hundred and One Hundred Fifty Million Dollars according to opinion of American art experts.

4. It is the intention of the Government of the State of Bavaria, subject to the approval of the United States Military Government, to dispose of these works of art on the foreign market against payment in hard currency.

It is the intention of the State of Bavaria to earmark twenty percent of the proceeds obtained from such disposal for the compensation of claimants residing outside Germany, and eighty percent of such proceeds for the compensation of claimants residing in Bavaria.

The hard currency earmarked for the compensation of claimants residing in Bavaria, would be paid such claimants in Deutsche Mark by the Government of Bavaria, whereas the hard currency could be used by the State of Bavaria for the financing of imports from hard currency areas.

5. In order to avoid any dumping of art works on the American market the disposal of the works of art is intended to be made gradually through the services of highly responsible American firms of art dealers and after the fixing of minimum prices by a committee of experts to be appointed by the Government of Bavaria, subject to the approval of the United States Military Government.

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By WSH [unclear] 7/1/88

An exhibition in the United States of a selected number of the works of art would precede their disposal and such exhibition would be organized for the benefit of the victims of national socialism.

6. The Attorney General in the Department of Reparations of the Government of Bavaria during informal conferences in the United States with the representatives of Jewish and other organizations concerned with the problems of restitution and reparation has submitted these suggestions and has met with a very favorable response, and it is his intention to have these suggestions formally endorsed by said organizations.

II.

The existence outside of Germany of large numbers of claimants for restitution or reparation, and also of "successor organizations", results in the freezing for the benefit of such claimants or organizations of assets in Germany, which are of no practical benefit or use to the claimants and which might constitute a source of economic and possibly of political irritation.

The liquidation of such frozen assets could however be used for constructive purposes which would serve the claimants and the economy of the State of Bavaria.

Such "liquidation" is possible —

- A) By way of "transfer agreements" especially with the State of Israel, and
- B) By way of private financing of Bavarian industrial projects especially from the United States.

A.

The value of unclaimed assets in the State of Bavaria to which successor organizations have received title amounts to more than Three Hundred Million Deutsche Mark. In addition individual claims against Bavaria of claimants residing outside Germany amount to more than One Hundred Million Deutsche Mark.

It is suggested that the State of Israel may settle all these claims on a basis to be agreed upon and receive in consideration of such settlement equipment or products from Bavaria, the State of Bavaria paying for such equipment or products with the blocked or

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 By WSI

frozen funds which will be the subject of such transfer arrangements, such as prefabricated houses which are presently a highly desirable commodity for such a transfer arrangement.

B.

Some private groups in the United States are interested in the financing of industrial projects in Bavaria.

Funds in Deutsche Mark earmarked for the compensation of claimants residing outside Germany might be put at the disposal of such groups against the obligation of such groups to compensate the claimants on a basis to be agreed upon between all the parties concerned.

III.

These remarks constitute merely a summary outline of constructive suggestions and merely constitute the basis of exploratory discussions to be implemented by full data for the start of official negotiations based upon the ideas outlined in the present memorandum.

Respectfully submitted,

Dr. Philip Auerbach
Generalanwalt in the Department of Reparation,
State of Bavaria.

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By MSB

noted also by [unclear] 8
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 Entry 160A
 File Art Objects
 Box 8



OFFICE OF ECONOMIC AFFAIRS
 Property Division
 APO 757

OFFICE OF THE UNITED STATES HIGH COMMISSIONER FOR GERMANY

11 JAN 1950

SUBJECT: Claims Involving Cultural Objects whose Location is unknown

TO : Restitution Authorities, US Zone

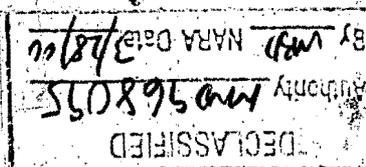
In dealing with claims under MG Law 59, many claims may be found by the Restitution Authorities which include cultural objects whose location was not known to the petitioners at the time the petitions were filed.

As may be known to the Restitution Authorities, there are in the custody of the Wiesbaden Central Collecting Point many art objects which are potentially subject to claims for internal restitution. A list of the objects in this category, is being compiled, as completely as is possible on the basis of available information, to indicate the names of apparent rightful owners of paintings and other objects, and briefly describing the objects. This list, which will be completed in the near future, will be made available to the Restitution Authorities. The Restitution Authorities should use the list for cross reference against names of persons claiming cultural objects whose location is unknown. In the event that further information is desired after such cross reference, the Restitution Authorities should communicate with the Cultural Property Adviser, Property Division; OEA, HICOG, Wiesbaden Central Collecting Point, APO 633.

In the meantime, Restitution Authorities are urged to communicate with the Wiesbaden Central Collecting Point in any instances in which cultural properties are claimed and the location thereof is unknown, and in which cases it is considered possible that the properties may be in the custody of the Wiesbaden Central Collecting Point. The Wiesbaden Central Collecting Point, upon receipt of such inquiries, will advise the inquiring Restitution Authority whether it has record of the properties about which the inquiry has been made.

FRANK J. MILLER
 Chief, Property Division

122793



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 Entry 160A
 File Art Objects
 Box 8



PROPERTY DIVISION
 APO 757

OFFICE OF THE UNITED STATES HIGH COMMISSIONER FOR GERMANY

JAN 1950

An die Wiedergutmachungsbehoerden in der US Zone

Betrifft: Ansprueche auf Gegenstaende von kulturellem Wert, deren Verbleib unbekannt ist

Bei der Bearbeitung der Ansprueche nach Militaer-Regierungs-Gesetz Nr. 59 werden die Wiedergutmachungsbehoerden auf viele Ansprueche stossen, die sich auf Gegenstaende von kulturellem Wert beziehen, von denen die Antragsteller bei der Einreichung ihres Antrags nicht wussten, wo sie sich befinden.

Wie den Wiedergutmachungsbehoerden bekannt sein duerfte, hat der Central Collecting Point in Wiesbaden viele Kunstgegenstaende in Verwahrung, in Bezug auf welche moeglicherweise Ansprueche auf Rueckerstattung gestellt worden sind. Eine Liste von Gegenstaenden dieser Art wird zur Zeit zusammengestellt, und zwar so vollstaendig als es auf Grund der verfuegbaren Unterlagen moeglich ist, in der die Namen der offenbar rechtmassigen Eigentuerer der Gemaelde und anderen Gegenstaende aufgefuehrt werden und eine kurze Beschreibung der Gegenstaende gegeben wird. Diese Liste, die in Kuerze fertiggestellt sein wird, wird den Wiedergutmachungsbehoerden zugaenglich gemacht werden. Sie soll von den Wiedergutmachungsbehoerden dazu benutzt werden, die Namen auf der Liste mit den Namen von solchen Personen zu vergleichen, die Ansprueche auf Gegenstaende von kulturellem Wert gestellt haben, deren Verbleib unbekannt ist. In Faellen, in denen nach solcher Pruefung weitere Angaben gewuenscht werden, koennen die Wiedergutmachungsbehoerden sich mit dem Cultural Property Adviser, Property Division, OEA, HICOG, Wiesbaden Central Collecting Point, APO 633, in Verbindung setzen.

Inzwischen ist es erwuenscht, dass die Wiedergutmachungsbehoerden in all den Faellen sich an den Central Collecting Point, Wiesbaden, wenden, in denen Ansprueche auf Vermoegenswerte kultureller Art gestellt worden sind und deren Verbleib unbekannt ist, und in denen es moeglich erscheint, dass diese Vermoegenswerte sich im Gewahrsam des Central Collecting Point, Wiesbaden, befinden. Bei Erhalt solcher Anfragen wird der Central Collecting Point, Wiesbaden, der anfragenden Wiedergutmachungsbehoerde mitteilen, ob die Vermoegenswerte, auf die sich die Anfrage bezieht, bei ihm verzeichnet sind.

FRANK J. MILLER
 Chief, Property Division

122794

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 Entry 160 A
 File Art Objects
 Box 8

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 Authority: 5508950W
 DATE: 11/18/87

RG 466
 Entry 160 A
 File Art Objects
 Box 8

COPY: LOBLA/LA: eg.
 COMPARED: ECBLA/LA: eg:me.

W. HARRISON

Munich, Germany
 210 Tegernseer Landstr.
 January 13, 1950.

Dr. Hans Ehard,
 Minister President of Land Bavaria,
 7 Prinzregentenstrasse, Munich, Germany.

Dear Dr. Ehard:

*not
 answered*

In keeping with the policy of the Office of the United States High Commissioner for Germany to turn over to competent German governmental authorities increasing responsibility for German matters, you are notified that the property of Nazi Party members is released effective December 15, 1949 from Property Control custody under Military Government Law No. 52; that such property is henceforth subject only to Property Control custody under the Law for Liberation from National Socialism and Militarism (as amended); that German Property Control authorities are, with respect to this category of property, no longer bound by MGR 17 or other regulations or directives of the Occupation Authorities relating to properties in Property Control custody; and that the supervision of administration of the custody of such properties shall thereafter be entirely a German responsibility.

The provisions of this Directive are not intended to apply to properties which are subject to restitution, or to cultural properties physically located at the Munich Central Collecting Point, 10 Arcisstrasse, whether under United States or German custody.

Sincerely yours,

Basis for this letter is HICOG Policy
 Directive No. E...1, dtd CLARENCE M. BOLDS
 6 December 1949, signed Acting Land Commissioner
 by Eric G. Gratton, Staff
 Secretary.

Encl.

10/28/50
 BY NARA DATE
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 Box 8

McClure

May 9, 1950

MEMORANDUM FOR THE RECORDS

SUBJECT: Dr. Auerbach's Intentions Concerning Valuable Art Objects Deposited in Central Collecting Point Munich.

Mr. Miller returned this Memo requesting that a statement of Dr. Auerbach to the effect that his attorney, Mr. Rosden, is holding discussions with the State Department regarding this matter be further checked. This investigation is no longer necessary in view of the fact that Mr. Rosden has submitted a lengthy statement describing the action taken by him in this matter to Mr. McCloy.

A combination of the attached Memo and Mr. Rosden's statement to Mr. McCloy will be made by Mr. Dreman, and the matter may therefore be considered as settled as far as the Branch is concerned except that a copy of Mr. Rosden's statement to Mr. McCloy should be obtained and be made part of this file.

IRSB: W.M. Loewenthal:lw

*Redraft for
USPOLAD
when DM Gills
cable goes out*

DRAFT TELEGRAM

RESTRICTED

USPOLAD

BERLIN

DEPT requests that ^{inform} ~~AMERICAN~~ GERMANY authorities be ~~informed~~ that cultural property of the Class I Nazis as the Goering and Hitler collections should continue to be held apart under ~~the~~ custody of ~~the~~ Laender authorities pending the final post-war settlement of cultural property. DEPT has never approved either the sale or use of Nazi cultural property by the German authorities. French GOVT in a note of protest reports Dr. Auerbach on return to Germany publicly announced in Bavarian press informal approval by DEPT of sale of Nazi collections. DEPT position as stated in A-50, December 24, 1948 and A-736, December 24, 1948 has been that ~~no~~ disposition of this property ~~should~~ should remain in public ^{custody} ~~custody~~ and not be sold, and that the ultimate disposition should be satisfactory to the European Allies.

*cleared in EP
WJW
act. CWC MK*

OEX:ILI:ARHall:mms 5/25/49 EP GAE

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By WJW 7/1/88

Nov. 1949

Sale of \$150,000,000 Worth of Nazi Art

Alec Kiefer - GA

Ardelia R. Hall - ILI

Look up previous file on Auerbach.

Herb First: Displaced Persons, attorney for Dr. Philip Auerbach, talking about using dollar permit for sale of Nazi confiscated art. He is chief prosecutor for restitution matters Bavarian official. All Nazi confiscated property - art works transferred to respective states \$150,000,000 who were deprived of property and they have title. Indignous and legitimate purchase. He wants to use property to sell for payment of claims - for loss, injury in concentration camp.

From general point of view disinclined to acquire dollars and pay a special set of claimants. From general point of view and turn dollars into German economy.

Internal restitution: return to individual when taken by duress.

OEX: ILI: ARHall:mas

Nov. 1949

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 By MSH 1/1/49

- 2 -

Mr. Rosden - attorney for Auerbach - 50% in banks in the United States. Taken title to National Socialist Property. Painting, sculpture and jewels. Pursuant to - Use above mentioned art treasures - have to be liquidated.

Raised two questions - Export of art works from Germany not possible from Germany. German --

Use of dollar proceeds cannot be given on the spur of the moment.

Cut figure in half.

Under occupation statute have we any rights to control property?

OEX: ILI: APHall:mms

DECLASSIFIED
122799 Authority MM968071
By MSH W. J. Hillas

March 10, 1951

Mr. S.L. Faison, Jr.
Munich Central Collecting Point
OLCB - APO 407 A
c/o Postmaster, New York, N.Y.

Dear Lane,

I have yours of February 20 and Tom's magnificent epistle precipitated by my last. He will get the long letter this time, in view of the number of new questions he has raised and will probably send you a copy, so I will confine this to the question of the Linz films.

I can't give you much help on this question, because I never actually saw any of the famous film myself and didn't know until you mentioned it that a set of prints had been made from it. Until it was brought to my attention shortly before your arrival that the films were allegedly in the safe in Steve's Amerika Haus office, I was always under the impression that the films, from the time of the 1949 turnover, were in custody of either Dr. Hoffmann or Dr. Hearn-Fischer, because Miss Weber was supposed to have been working on them for some time afterward.

I believe that Edgar Breitenbach consulted them at the time he was advising on problems connected with the turnover and he may be able to recall accurate details. At the time I discovered the absence of the films, Munson was in America and as his return was almost simultaneous with your arrival I naturally could do nothing further about it. We very often from Wiesbaden requested information based on the films right up to the time of my departure, and generally got the answers we needed, though it is perhaps possible that this information had previously been transferred from the films to the property cards and therefore didn't necessitate reference to the films themselves. Herr von Schmidt can undoubtedly recall very accurately the details of these consultations, which were mostly made by him to Dr. Hoffmann.

You can determine locally whether there would be any point in questioning the girl who got involved with Topic and now lives in Cologne. There is a remote possibility that she might in pique have concealed the films. The three people on our side who should know most about them in recent years are Munson, Breitenbach and Stuart Leonard. I am certain they were intact when Stuart left. Edgar must be very well acquainted with the whole history. As I never had any personal meetings with the Austrian contingent I can't profitably speculate on whether suspicion should fall in that direction, but I am inclined to think in view of the wild inaccuracy of their démarches to Washington that they could not have had possession of any documentation so detailed as the films.

I hesitate to make unkind remarks about Steve but, unless the German neighbors around the corner of the balcony are lying, they were

AHL / FAISON

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Date: 11/18/87

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Enclosure 3

COPY

16 Frankfurt am Main
Headquarters Building

April 9, 1951.

My Dear Minister President:

I have followed with interest the efforts during the past year of the respective Laender in the Federal Republic, acting through the General Claims Coordinating Committee (Koordinierungsbuero der interministeriellen Arbeitsgemeinschaft fuer Wiedergutmachungs- und Entschadigungsfragen in der Bundesrepublik Deutschland), to secure through Equalization of Burdens legislation a means of financing compensation payments to victims of Nazi persecution. In the US Zone, Article 39 of the respective Laender General Claims Laws envisages the financing of Class II and Class III compensation payments through Equalization of Burdens legislation. However, I am advised that the current draft of the proposed Equalization of Burdens law makes no provision for aiding the Laender in the financing of compensation payments; the Federal Cabinet having taken the position that the financing of such payments is not appropriate to Equalization of Burdens legislation but should be provided for within the frame-work of special legislation.

I feel that it was not the intention of the Bavarian government to restrict the scope of compensation payments in the event the financing of such payments through Equalization of Burdens legislation as envisaged by Article 39 of the respective General Claims Laws should prove to be impracticable. Since this method of financing does not now appear feasible, the Land Bavaria is faced with the problem of providing funds by other means for payment of Class II and Class III claims. This conceivably could be accomplished by the Land Bavaria by its own means or with the financial aid of the Federal Government. In this connection the Office of the Federal Chancellor on February 20, 1951 wrote to the Allied High Commission

that

Dr. Hans Ehard,
Minister President for Land Bavaria,
Bayerische Staatskanzlei.

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that, in order to equalize as far as possible the varying financial burdens of the individual Laender due to compensation payments, the Federal Government would endeavour to make arrangements which would enable all the Laender to meet their compensation obligations on a uniform basis.

As you are aware the compensation of victims of the Nazi regime is a matter in which the United States is extremely interested. I would therefore greatly appreciate your informing me of the plans of your government with respect to the financing of Class II and Class III compensation payments under the Bavarian General Claims Law.

Sincerely yours,

John J. McCloy
 United States High Commissioner
 for Germany

E:PV:Rehfeld/rw
 Tel: 8332
 March 28, 1951.

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10/27/50
 NARA Date
 350895
 Authority
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 Entry 160 A
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OFFICE OF THE U.S. HIGH COMMISSIONER FOR GERMANY

OFFICE MEMORANDUM

To: Mr. Miller, Chief, Property Div., OEA Date April 21, 1950

From: Mr. E.A. Leber, Property Div., OEA *EL*

Subject: Dr. Auerbach's Intentions Concerning Valuable Art Objects
 Deposited in Central Collecting Point Munich.

During the conference held on April 6, 1950, in Munich Dr. Auerbach indicated that he has certain plans with some art objects now deposited in the Central Collecting Point Munich. By a telephone conversation between the undersigned and Dr. Auerbach on April 19, 1950, the following detailed information was obtained:

The Central Collecting Point has approximately 5300 art objects in its possession which were formerly owned by Nazi leaders and confiscated in execution of sentences passed by tribunals established under the Law for Liberation of National Socialism and Militarism. Dr. Auerbach has no list of those art objects, he knows, however, that they are of a considerable value and that they have already been valued by American authorities at 100 million dollars.

Dr. Auerbach first intends to prove that none of the art objects is subject to restitution under Mil. Gov. Law 59.

Dr. Auerbach knows that an external claim has been raised by France who requests those art objects or at least part of them as compensation for certain losses suffered by well-known French museums such as the Louvre in Paris during the German occupation. Dr. Auerbach said that he has entered already negotiations with French authorities and that he thinks that France will waive her claim if he, on his part, will grant indemnification for deprivation of liberty under the General Claims Law to French nationals who have been inmates of Bavarian concentration camps and who otherwise in view of Article 6 of the General Claims Law would not be entitled to compensation. The Bavarian Landesentschadigungsamt would in such case accept approximately 4000 claims for indemnification for deprivation of liberty from France.

Dr. Auerbach plans then to sell the art objects mainly in the United States. Such objects which promise to sell better in Europe shall be disposed of in Switzerland. All sales would be

"Spare Copy"

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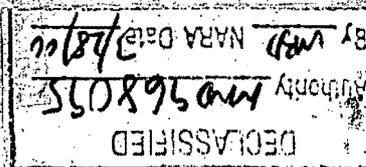
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made in concurrence with the Bavarian Minister President and the Ministry of Cultural Affairs who would be entitled to retain one or the other object of particular cultural or historical value. The proceeds of the sales would according to Dr. Auerbach partly be used to pay monetary compensation under the General Claims Law to persons outside Germany partly they would be transferred to the Bank Deutscher Laender. All transactions would be made under the supervision of US authorities.

Dr. Auerbach also indicated that, provided you will wish him to do so, he would be very glad to come to Frankfurt and to discuss the entire matter personally with you.

E.A. Leber:gf
Tele: 8445



RG A66
 Entry 160A
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Copy
 gm.

16 Frankfurt am Main
 Headquarters Building

May 16, 1951

My dear Minister President:

I am gravely concerned about the present lack of administration of the General Claims Program in Bavaria, and about the tardiness of the Bavarian authorities in providing further implementation of the General Claims Law. These matters form the basis of numerous complaints from individuals whose claims are not being treated in accordance with the provisions of the Law, and from organizations representing the interests of such persecutees.

I realize, of course, that the discovery of serious frauds may have made it necessary to temporarily close the Bavarian General Claims Office and that the appointment of a new President with substantial change of administration could reasonably be expected to result in some delay in the resumption of the normal processing and paying of claims. However, this unsatisfactory state of inactivity in the Bavarian General Claims Office has now continued for over three months. Further police custody of records and files of the General Claims Office in such manner as to seriously interfere with the processing of claims does not appear to be justified, since the responsible authorities have had ample time to work out methods of permitting police investigation without undue interference with the administration of the General Claims program. Any further delay in the resumption of normal procedures must be regarded as most unreasonable.

It is an entirely justified cause of complaint that Bavaria is the only Land of the United States Zone which has not yet made any payments on settled or adjudicated claims for loss of life or damage to health. These are Class I claims, which are listed in Paragraph 1 of Article 38 of the General Claims Law ahead of claims for compensation for deprivation of liberty - the only type of claim paid to date by the Bavarian General Claims Office.

Implementation

Dr. Hans Ehard,
 Minister President for Land Bavaria,
 Bayerische Staatskanzlei,
 7 Prinzregentenstrasse,
 Munich, Germany.

DECLASSIFIED
Authority: 550895
Date: 11/18/82

RG 466
Entry 160 A
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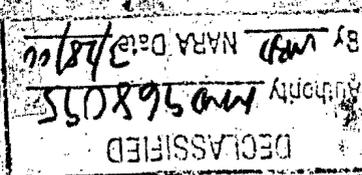
Implementation of these provisions of the General Claims Law providing for compensation for damage to economic advancement (Article 21 et seq.) is also long overdue. Dr. Auerbach assured representatives of HICOG as early as July 1950 that the necessary implementing ordinance would be promulgated without delay. The absence of this ordinance is depriving claimants of their right to sue the Land pursuant to Article 45 inasmuch as the Munich Claims Chamber has held that claims for compensation for damage to economic advancement cannot be brought before the Chamber prior to the promulgation of the implementing ordinance.

I would appreciate being advised as to the results of the remedial actions which have been, or may be, undertaken by the Bavarian Authorities.

Sincerely yours,

John J. McCloy
United States High Commissioner
for Germany.

E:PY:ERehfeld/eb
8352
May 15, 1951



RG 466
 Entry 160 A
 File Art Objects
 Box 8

Enclosure 2

COPY

DER BAYER. MINISTERPRASIDENT

June 19, 1951

The Hon. John J. McCloy
 US High Commissioner for Germany

Frankfurt a. Main
 Headquarters Building

Subject: Financing of Class II and Class III Compensation
 Payments.

My dear Mr. McCloy:

In reply to your letter of 9 April 1951, I wish to inform you as follows of the plans of the Bavarian Government in regard to financing of Class II and Class III compensation payments:

The Bavarian Land Office for Restitution in Munich has received appr. 175,000 applications for restitution. Exact figures on the total amount for satisfaction of claims in all three classes are not yet available. The applications have not been completely sorted yet; and in many cases, one application contains several types of claims. Therefore, no survey of types and total number of applications could so far be made. At the present time, the total amount to be appropriated by Land Bavaria under the General Claims Law is to be estimated at 300-500 million DM.

Since the currency reform appr. 60 million DM have been paid for compensations under the General Claims Law; out of this sum, 20 million DM were paid by virtue of valid decisions on applications for compensation for confinement. The rest was spent for advances on claims and will be set off the final settlements.

These vast payments have used up the funds appropriated for compensation of the victims of national socialism by the restitution funds and by the Foundation for Redress of National Socialist Wrongs. Despite the precarious fiscal and budget situation of Land Bavaria, a monthly amount of 1 million DM for compensation payments is at present being appropriated out of the budget proper of Land Bavaria. The revenues budgeted for are very limited. They cannot cover any more extensive compensation payments. Those expenses must be defrayed by extraordinary revenues. For this purpose, funds raised by loans and the proceeds from the evaluation of former party property now under control

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of Land Bavaria are to be taken into consideration.

So far, an amount of 40 million DM has been raised by short-term loans granted by the State Bank. This short-term loan was to be redeemed by a medium term foreign loan of 60 million DM. The pertinent negotiations have been stopped by the incidents that had occurred in the Bavarian Land Office for Restitution in January. We will attempt, however, to resume those negotiations and to bring them to a satisfactory conclusion. But this would also mean a merely temporary relief; for the evaluation of former party property, which may be cautiously estimated at least at 200 million DM, is, as far as it consists of landed property, very difficult to carry out and can hardly be expedited under the present circumstances.

It is not the intention of the Bavarian Government to restrict the scope of compensation payments despite the strained financial situation of Land Bavaria. On the contrary, we are willing to continue as heretofore and, if possible, to increase the compensation payments with the help of extraordinary measures and regardless of the present difficult financial situation.

This plan, however, can be carried out only by raising a major loan. But since the conditions pre-requisite therefor do not exist within the Federal Republic at the time being, the only way out would be a foreign loan which could be covered by the party property which has come to Land Bavaria.

The Bavarian Government would welcome any assistance in its intention to satisfy its obligations in the field of restitution by a long-term foreign loan and would be highly appreciative if realization of this task could be facilitated by the extreme interest the United States take in the compensation of the victims of national socialism.

The appropriation of Federal funds could also expedite the settlement of compensation claims, and we shall not be able to do without this aid with regard to satisfaction of compensation claims under Classes II and III.

In its meeting of 19 January 1951, the Bundesrat has studied the bill of the Federal Government concerning the general equalization of burdens. Among other things, it has adopted the motion to branch off funds from yields of the equalization of burdens for restitution purposes. The opinion

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 AUTHORITY: 5508950W
 DATE: 12/18/83

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by the Special Committee on Equalization of Burdens of the Bundesrat on that bill was, therefore, completed by amending Arts. 1 and 4 and by adding Art. 259a. This amendment is to create the legal basis for branching off, from part of the yields of the equalization of burdens, a bulk amount to be allocated to the Länder for restitution purposes. This opinion by the Special Committee, as amended, together with the decision by the Bundesrat on said bill has been transmitted to the Federal Government.

These motions were adopted upon approval by the Länder of the US Zone which are well aware of the important obligations arisen to them from the enactment of the General Claims Law. Of all Länder, Bavaria bears the heaviest burden in consequence of the large number of applications received. In its meetings of 9 and 10 May 1951, the convention of the Supreme Restitution Authorities of the Federal Republic of Germany, in realizing that compensations must be paid within the next time in order to satisfy the demands by the victims of the national socialist regime, has in a unanimous resolution welcomed the decision by the Bundesrat, dated 19 January 1951. We now have to wait for the pertinent comment by the Federal Government.

In conclusion, and in the interest of the restitution program, I wish to point to the still unclarified situation in the Central Collecting Point in Munich, Arcisstrasse 10. If the Office of the US High Commissioner for Germany could bring itself to discontinue the American administration of the Central Collecting Point and to leave those property assets finally to Land Bavaria, it would be possible to deal with these items according to existing legislation (Control Council Directive No. 59 23.11.1948, Restitution Law) and to appropriate the sale proceeds of a major part of these properties to the restitution program.

Very sincerely yours,

Dr. Hans Ehard

Bavarian Minister President

122809

DECLASSIFIED
 AUTHORITY: 56805
 DATE: 11/18/80

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Enclosure 2

COPY 1w.

Nr. 12314
 Der Bayerische
 Ministerpraesident

Munchen, den 19. Juni 1951

An den
 Amerikanischen Hohen Kommissar fuer Deutschland
 Mr. John J. McCloy
 Frankfurt a/M.
 Headquarters Building

Betr.: Finanzierung von Wiedergutmachungszahlungen der
 Anspruche der Klasse II and III

Sehr verehrter Herr Hoher Kommissar!

Gemaess Ihrem Schreiben vom 9. April 1951 beehre ich mich,
 Sie ueber die Plaene der Bayerischen Staatsregierung bezueglich der
 Finanzierung von Wiedergutmachungszahlungen der Anspruche der
 Klasse II und III wie folgt zu unterrichten:

Beim Landesentschaedigungsamt in Muenchen sind rd. 175.000
 Entschaedigungsantraege eingegangen. Genaue Unterlagen ueber die
 Hoehe des Gesamtbetrages der in allen drei Klassen zu befriedigenden
 Anspruche sind noch nicht vorhanden. Die Antraege sind noch nicht
 gaenzlich gesichtet und in den Antraegen werden oft mehrere Ent-
 schaedigungsanspruche zugleich geltend gemacht. Es besteht daher
 noch keine Uebersicht ueber die Art und Gesamtzahl der gestellten
 Anspruche. Die Gesamtbelastung des Bayerischen Staates durch das
 Entschaedigungsgesetz kann z.Zt. nur schaatungsweise mit 300 - 500
 Mio DM angenommen werden.

Seit der Waehrungsreform sind zur Befriedigung von Wiedergut-
 machungsanspruchen nach dem Entschaedigungsgesetz rd. 60 Mio DM,
 davon 20 Mio DM fuer die Bewirkung von Leistungen auf Grund rechts-
 kraeftiger Haftentschaedigungsbescheide gegeben worden. Der Rest
 entfaellt auf Vorleistungen verschiedener Art, die auf endgueltige
 Wiedergutmachungsleistungen angerechnet werden.

Durch diese grossen Geldleistungen sind die fuer die Entschae-
 digung der Verfolgten des nationalsozialistischen Regimes vom
 Wiedergutmachungsfonds und von der Stiftung zur Wiedergutmachung
 nationalsozialistischen Unrechts bereitgestellten Mittel erschoept.
 Trotz der schwierigen Kassen- und Haushaltslage des Bayerischen
 Staates wird z.Zt. zu Lasten des ordentlichen Haushalts des Bayerischen
 Staates monatlich ein Betrag von 1 Mio DM fuer Entschae-digungsleistungen

122810

7/18/51	DATE	BY	RG	Abb
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bereitgestellt. Das Volumen der Einnahmen des ordentlichen Haushalts ist beschränkt. Umfangreichere Entschädigungsleistungen finden in ihm keine Deckung. Diese muss durch ausserordentliche Einnahmen beschafft werden. Als solche kommen Anleihemittel und der Erlös aus der Verwertung des dem Bayerischen Staat zugefallenen Parteivermögens in Betracht.

Bisher sind auf dem Anleiheweg 40 Mio-DM durch kurzfristige Staatsbankdarlehen aufgebracht worden. Die kurzfristige Schuld sollte durch eine mittelfristige ausländische Anleihe von 60 Mio abgelöst werden. Die Verhandlungen über diese Anleihe sind durch die Ereignisse im Landentschädigungsamt in Jänner dieses Jahres ins Stocken geraten. Es wird aber versucht werden, die Anleiheverhandlungen wieder aufzunehmen und zu einem günstigen Abschluss zu bringen. Diese Anleihe würde aber nur eine vorübergehende Erleichterung bedeuten, denn die Verwertung des Parteivermögens, das vorsichtig mit mindestens 200 Mio bewertet werden kann, ist, soweit es aus Liegenschaften besteht, praktisch schwierig und kann unter den obwaltenden Verhältnissen auch kaum beschleunigt werden.

Die Bayerische Staatsregierung beabsichtigt keinesfalls, den Umfang der Entschädigungszahlungen trotz der angespannten Haushalts- und Kassenlage des Bayerischen Staates zu beschränken. Sie ist im Gegenteil gewillt, ohne Rücksicht auf die augenblickliche schwierige Situation durch ausserordentliche Massnahmen die Entschädigungsleistungen im bisherigen Umfang fortzuführen und gegebenenfalls zu erhöhen.

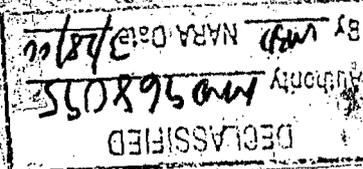
Dieses Vorhaben kann aber nur durch Aufnahme einer grösseren Anleihe durchgeführt werden. Da die Voraussetzungen hierfür im Inland z.Zt. nicht gegeben sind, kommt nur eine ausländische langfristige Anleihe in Betracht, zu deren Deckung das dem Bayerischen Staat zugefallene Parteivermögen dienen könnte.

Die Bayerische Staatsregierung wäre für jede Unterstützung ihrer Absicht, durch eine ausländische langfristige Anleihe den uebernommenen Verpflichtungen auf dem Gebiete der Wiedergutmachung nachzukommen, dankbar und würde es begrüssen, wenn durch das grosse Interesse der Vereinigten Staaten an der Entschädigung der Opfer des Nationalsozialismus die Verwirklichung dieser Absicht erleichtert würde.

Durch Bereitstellung von Bundesmitteln könnte ebenfalls eine raschere Abwicklung der Entschädigungsansprüche bewirkt werden. Auf diese Hilfe wird man zwecks Erfüllung der in den Klassen II und III zu bewirkenden Wiedergutmachungsleistungen nicht verzichten können.

Der Bundesrat hat sich in der Sitzung am 19.1.1951 mit der Gesetzesvorlage der Bundesregierung über einen Allgemeinen Lastenausgleich befasst. Er hat u.a. dem Antrag, dass der Wiedergutmachung Mittel aus dem Lastenausgleichaufkommen zugeführt werden sollen, zugestimmt. Die Stellungnahme des Sonderausschusses Lastenausgleich beim Bundesrat zu dem Gesetzentwurf wurde deshalb durch eine Ergänzung der Paragraphen 1 und 4 und durch

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Einfuegung eines neuen Paragraphen 259a vervollstaendigt. Durch diese Aenderung und Ergaenzung soll die gesetzliche Grundlage fuer eine globale Abzweigung eines Teiles des Lastenausgleichaufkommens geschaffen werden, der den Laendern fuer Zwecke der Wiedergutmachung zugefuehrt werden soll. Diese ergaenzte Stellungnahme des Sonderausschusses ist der Bundesregierung mit dem Beschluss des Bundesrates zum genannten Gesetz-entwurf zugeleitet worden.

Die Antraege sind mit Zustimmung der Laender der amerikanischen Zone angenommen worden, die sich der grossen durch die Verkuendung des EntschaeDIGungsgesetzes uebernommenen Verpflichtungen bewusst sind. Unter ihnen ist das Land Bayern bei der grossen Zahl der eingegangenen Antraege am meisten belastet. In der Erkenntnis, dass Wiedergutmachungsleistungen in absehbarer Zeit erfolgen muesseten, um die Verfolgten des nationalsozialistischen Regimes zu befriedigen, hat die Konferenz der Obersten Wiedergutmachungsbehoerden der Bundesrepublik Deutschland in der Tagung am 9. und 10.5.1951 in einer einstimmig gefassten Entschliessung den Beschluss des Bundesrates vom 19.1.1951 begruesst. Die Stellungnahme des Bundestages zu dieser Frage wird abzuwarten sein.

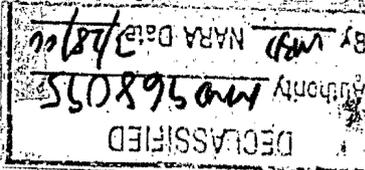
Abschliessend darf im Interesse der Wiedergutmachung noch auf die ungeklaerten Verhaeltnisse im Central Collecting Point in Muenchen, Ardisstrasse 10, hingewiesen werden. Wenn sich das Amt des Amerikanischen Hohen Kommissars fuer Deutschland entschliessen koennte, die amerikanische Verwaltung des Central Collecting Point aufzuheben und diese Vermoegen- werde dem Bayerischen Staat endgueltig zu ueberlassen, wuerde es moeglich sein, mit diesen Gegenstaenden nach Massgabe der bestehenden gesetzlichen Bestimmungen (Kontrollratsdirektive Nr. 50, Einziehungsverordnung und Rueckerstattungsgesetz) zu verfahren und den Erlaos eines grosseren Teiles dieser Vermoegenwerte der Wiedergutmachung zuzufuehren.

Mit veraezuglicher Hochachtung

/s/ Dr. Ehard

(Dr. Hans Ehard)
 Bayerischer Ministerpraesident

122812



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COPY 1w.

Enclosure 1

OFFICE OF THE UNITED STATES HIGH COMMISSIONER FOR GERMANY
 OFFICE OF LAND COMMISSIONER FOR BAVARIA

Munich, Germany
 July 2, 1951

Dear Mr. McCloy:

I am forwarding herewith, at Dr. Ehard's request, a letter dealing with some aspects of the compensation problem. As you will note, it stresses readiness to meet obligations, while calling attention to the financial problems involved. The possibility that a foreign loan might be secured for such a purpose is remote, but there is obvious value in the suggestions concerning Federal assistance and liquidation of property assets.

Perhaps I should add that the Bavarian Government is sensitive about being told that on a comparative basis it has not done as well as other Laender. The fact seems to be that although it has not settled as many claims percentage-wise as some other Laender, it has actually paid out more money. And, of course, it is not a wealthy government.

Sincerely,

/s/George N. Shuster
 George N. Shuster

Enclosure:

Letter from Dr. Ehard,
 dated June 19, 1951,
 in German and English.

The Honorable John J. McCloy,
 United States High Commissioner for Germany,
 Frankfurt.

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	File	Art Objects
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RESTRICTED

1526

FRANKFURT.

152 July 14, 1951

There is forwarded herewith for your information material received by the Department relating to the enforcement of the General Claims legislation in Bavaria. The Department is concerned with the apparent reluctance of Bavarian officials to implement this legislation and suggests that Hicog, at its discretion, take whatever further action may appear feasible to improve this situation. The Department would appreciate the most recent information available, so that a reply can be made to Senator Lehman.

ACHESON

Enclosure:

Two copies of
 Letter June 29 from
 Senator Herbert H. Lehman.

DECLASSIFIED
AUTHORITY: 550895
DATE: 10/27/87

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File Art Objects
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Enclosure 4

COPY

Office of the U.S. High Commissioner for Germany

Date _____

TO: Mr. Debevoise,

Can you give me the implications and the possibility of the transfer of the central collecting point to German administration? Is this something that could be legally done in order to provide proceeds for the partial liquidation of the restitution program?

J.J. McG.

July 24th

DECLASSIFIED
 AUTHORITY: 550895 aw
 BY: [signature]
 DATE: 10/27/87

RG 466
 Entry 160A
 File Art Objects
 Box 8

INFO COPY
 LEGAL ADVICE DIVISION

RE - Mr. Bailey

July 21, 1952

CC - Mr. [unclear]

Funds for Payments under the Austrian General Claims Law

Reference is made to Dr. Hunter's letter of July 2, 1952 enclosing a letter of June 19 from Dr. Shurd concerning funds for the payment of Class II and Class III claims under the Austrian General Claims Law. (Enclosures 1 and 2). Dr. Shurd's letter is a reply to your letter of April 9, 1952 (Enclosure 3).

The question raised by Dr. Shurd's letter and by your note (Enclosure 4) concerning the transfer to the Austrian authorities of art objects presently located at the British Central Collecting Point to provide funds for payments under the Austrian General Claims Law is under consideration by the USA Division of the Office of Public Affairs and by the Legal Advice Division.

A report and a coordinated draft reply to Dr. Shurd's letter will be submitted to you as soon as the question has been clarified. A proposed interim reply to Dr. Hunter is attached (Enclosure 5).

There is still outstanding a reply to your letter to Dr. Shurd of May 16, 1952 dealing with the reception of mural paintings by the Austrian Compensation Office, the failure of Lord Bessie to make payments on certain Class I claims and to implement those provisions of the General Claims Law providing for compensation for damage to cultural monuments. According to our latest information the activities of the Austrian Compensation Office including the rate of processing of claims and the payments on claims have not improved to any appreciable extent.

As the Department is concerned by the apparent reluctance of the Austrian officials to carry the program forward and as the situation in the Austrian Compensation Office is not satisfactory, we have prepared the attached draft letter to Dr. Hunter with which is enclosed a copy of the Department's Message 152 and a copy of your letter to Dr. Shurd of May 16.

Enclosures 1 - 5

W. A. [unclear]
 Tel. 2159

DECLASSIFIED
Authority: 550895
Date: 11/27/87

RG A66
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File Art Objects
Box 8

Enclosure 5

DECLASSIFIED
Authority: 550895
Date: 11/27/87

RG A66
Entry 160 A
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Box 8

OFFICE OF THE U. S. HIGH COMMISSION FOR GERMANY
~~Office of General Counsel~~
Office of General Counsel
Date August 1, 1951

FROM: GC:AJ:IRSB:WMLoewenthal
TO: GC:OD - Miss Freda Barker, HQB 430 b

Freda:

Attached is a set of copies we made of the basic correspondence and of the correspondence which this office prepared in connection therewith.

Will you please see to it that these copies be referred to Legal Advice Division so that they can start working on the case in compliance with Mr. McCloy's note to Mr. Debevoise as soon as Mr. Debevoise has signed the enclosed memo to Mr. McCloy.

I have discussed this matter with Mr. Karro who has agreed that Legal Advice Division will handle it. The basic correspondence now identified as Enclosures 1, 2 and 4 will probably have to go to Mr. McCloy together with the proposed letter from Mr. McCloy to Dr. Shuster. It appears advisable however that it be submitted to Legal Advice Division after Mr. McCloy has signed the letter.

WML. *WML*

(GPO: 1949 O-2825 LAD: Sept. 49 20M REP)

By *WMA* NARA Date *7/28/51*
 Authority *WMA 568055*
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 Entry 160 A
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Enclosure 5

August, 6.

200 757-4, President

My dear Mr. Storer:

I have your letter of July 2, 1951 with which is enclosed Mr. Board's letter to me dated June 19, 1951 concerning funds for the payment of Class II and Class III claims under the Russian General Claims Law.

Mr. Board's proposal to transfer to the Russian authorities art objects presently located at the British Control Collecting Point to provide funds for payments under the Russian General Claims Law is under consideration here and I will notify Mr. Board of my decision at a later date.

I have not received a reply to my letter to Mr. Board of May 16 which deals with, among other things, the cessation of normal operations by the Russian Compensation Office. I am informed that the activities of the Compensation Office including the rate of processing of cases and the payments on claims have not improved to any appreciable extent. The Department is concerned by the apparent reluctance of Russian officials to carry the program forward. A copy of the Department's message 152 and a copy of my letter to Mr. Board is attached. I would appreciate it if you could give this matter your early attention.

Sincerely yours,

John A. Bailey
 United States High Commissioner
 for Germany

Enclosures:

1. Copy of Message 152
2. Copy of letter to Mr. Board of May 16, 1951

Mr. George H. Storer,
 Legal Attaché for Russia,
 200 437, Berlin, Germany.

CC:AJ:IRSB:WMLoewenthal/lw.
 Tel. 8150 July 31, 1951

CONFIDENTIAL

OFFICE OF ECONOMIC AFFAIRS
CULTURAL PROPERTY BRANCH
COLLECTING POINT, MUNICH
10 Arcisstrasse

Munich, Germany
August 23, 1951

Prof. Dr. George N. Shuster,
Land Commissioner for Bavaria,
Munich, 28 Ludwigsstrasse.

Dear Dr. Shuster:

I arrived in Munich in December 1950 as a member of the staff of Property Division, Office of Economic Affairs, HICOG. My superior officer was Mr. William G. Daniels, Chief, Property Division, until the Property Division closed on June 30, 1951. My mission was to complete the work of the Central Collecting Point and specifically to identify the residue of works of art which had been shipped from Austrian repositories to Munich in 1945/46. I was further charged to effect a shipment of unidentified works of art from this complex back to Austria. The Austrians were promised this residue in 1945/46 by an agreement between OMGUS and USFA. This agreement has been repeatedly reiterated in State Department cables as a basic US policy. The Austrians have become impatient for this return and their representations in Washington resulted in my appointment to effect it.

While any comment on the rights and wrongs of this agreement may seem superfluous, it is worth noting that the works of art in the "Austrian complex" were paid for by the Reichskanzlei (over signature of Treasurer Lammers), and that a percentage of these taxes was of course contributed (after the Anschluss) by Austria. Therefore the Austrians deserve a proportion of the original collections in addition to what has already been restituted to Austria as acquired by confiscation and forced sale.

I have assumed that you as the Land Commissioner for Bavaria had been informed of this mission. My predecessor, Mr. Theodore Heinrich, Director, Central Collecting Point, Wiesbaden, was in Munich at monthly intervals since the

summer of 1950 to oversee the work of the newly revived Munich Collecting Point. I also assumed official notification had been made from Frankfurt to Munich. Nothing was ever said to me about informing the Land Commissioner for Bavaria, either by Mr. Heinrich or Mr. Daniels. I freely acknowledge, however, that I should have taken the initiative myself, and deeply regret not having done so.

In previous years the Collecting Point had been directly under the Land Commissioner for Bavaria, and there are at present members of the Land Commissioner's staff who have knowledge of Collecting Point affairs over a period of years. This is pointed out not to cast blame on any one, but only to indicate why I was dumbfounded to learn that you had not been informed.

Prior to my arrival, it was estimated that only 20 % of the 4600 objects remaining from the so-called Austrian complex could be identified as to ownership and therefore that the remaining 80 % would be shipped to U.S. authorities in Austria in accordance with the OMGUS / USFA agreement cited above. In the nearly 9 months that I have been in Munich, my staff and I have worked hard to identify as much property as possible so that nothing should leave Germany which might justifiably be retained as identified German property. As a result of our work, 78 %, or over 3600 items have been identified, rather than the 20 % previously estimated. Inasmuch as all my directives have been confidential and furthermore the Austrians clearly have been expecting a larger share of the residue of unidentified works of art, I have kept this operation as confidential as I could in a building occupied by ten institutes.

In 1948 a large portion of the works of art maintained in the Collecting Point were turned over to the Minister President of Bavaria as Treuhänder. The letter of turnover from Mr. Murray D. van Wagoner to the Bavarian Minister President Dr. Hans Ehard, dated 3 August 1948, set certain conditions to this turnover. One of these stated that prior "agreements" would apply. The OMGUS / USFA agreement applied and does apply here but ~~xx~~ as this was a classified document, it could not be stated.

As long ago as January 30, 1951, and as a result of fears privately expressed to me by the Germans here that they might be called upon to execute a shipment of residual items to Austria, I wrote Dr. Eberhard Hanfstaengl, Generaldirektor

of the Bayerische Staatsgemäldesammlungen, who directly represents the Bavarian Minister President as Treuhänder, that "with respect to U.S. policy concerning Lins items which cannot be identified, I have received verbal assurance in Frankfurt (Property Division, HICOG) that any disposition of such objects which may be made to Austria will be made on U.S. responsibility. In other words, the Treuhand-schaft will not be asked to execute any such order in its own name, I also have informal assurances, and I believe reliable ones, that any such return of works to Austria will be made to the U.S. authorities in Austria for disposition, and not ~~to~~ to the Austrian government itself". This informal memorandum seemed to satisfy at least the fears held by the informed Germans in this building, as nothing further was said to me until this summer.

On July 12, 1951 I wrote a confidential memorandum to Dr. Hanfstaengl. This memorandum informed him of my intention to call for the unidentified residue of the so-called Austrian complex for shipment to Austria. I also gave him a time-table leading up to a projected departure of the shipment about the end of August. There was no acknowledgement of my memorandum except verbally about August 8. On August 17, when the packers arrived, Dr. Hanfstaengl told me verbally that he felt he should be authorized by the Minister President to make the turnover to me inasmuch as this was not a normal restitution case. I informed him that the operation came under the terms of the original 1948 turnover to the Minister President.

The first newspaper publicity of this affair occurred about two weeks ago. A representative (I believe the Chief) of your Public Relations Office telephoned me. Without violating security I was able to convey to him that a shipment was in fact planned but not scheduled for departure till the end of the month. I agreed to say nothing whatever to the German Press and to let the Public Relations Office handle the affair. As there were no new developments from the Public Relations Office, the work of the Collecting Point proceeded according to schedule. After your Press Conference the "Süddeutsche Zeitung" quoted you as saying that you denied the shipment, but the "Neue Zeitung" in a fuller account made no such assertion and said that you were asking Mr. McCloy for further information. I regret that I did not come to see you then, but I supposed that you would call for me if you wished to see me.

On August 21, 1951 I personally called on Dr. Augustus Hill concerning difficulties in the final turnover of the CCP Building to the Germans. Then I called on Mr. Aniel, Chief of your Public Relations Office, to whom I gave a complete history of the whole Austrian affair so that your office would have the correct information.

Concerning the letter which you told me reached the desk of the Minister President, I can report as follows: I have looked through the files of every letter I have written and can only conclude that the letter you mentioned was my confidential memorandum to Dr. Hanfstaengl of July 12, 1951 which, of course, he was at liberty to forward to his superior officer, the Minister President. The words "Office of Economic Affairs" are always typed on my letters above the engraved letters on the official stationery and I am wondering if this has not been confused with the addressee. I believe I have only written one letter to the Office of Economic Affairs by title and this letter to Mr. Frank Miller, Deputy Chief, OEA, dated August 10, 1951 made no mention whatever of the Austrian affair. Up to June 1951 when Property Division closed, I wrote Monthly Progress Reports to my superior, Mr. Daniels. None of these, whether in original or in copy, was ever made available to any German. I have also asked my secretary, if I ever wrote a letter concerning the Austrian affair to the Office of Economic Affairs and she agrees with me that no such letter was ever written. I can only conclude, therefore, that the letter concerned is my memorandum to Dr. Hanfstaengl of 12 July 1951.

May I repeat my very great regret to have been a cause of embarrassment to you.

Sincerely,

S. LANE FAISON, JR.
HICOG, PROP. DIV. OEA
COLLECTING POINT MUNICH

Munich Feuds With U. S. on Nazi Loot. Denies Right to Give Austria Paintings

By Don Cook

By Wireless to the Herald Tribune.
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MUNICH, Aug. 23 — With a residue of about 4,500 pieces of art from the vast Nazi looting of all Europe still left unclaimed by original owners, an outcry was raised in the Bavarian capital today over American plans to transfer a number of these paintings to Austria.

American officials are cautious about just what is going on at the old Nazi party national headquarters in Munich where the last of the looted art is stored in the sub-basement of an American art collection center. Dr. G. N. Shuster, the American State Commissioner in Bavaria, conferred with a senior official of the state government who was sent by Minister-President Hans Ehard to look into the situation.

Munich newspapers, quoting the German Committee for the Restitution of Art Goods, state that "approximately 1,000 German pieces of art" are about to be shipped to Austria. The contention of the Germans is that since these paintings were bought by the Nazis out of German tax money, if no original owners claim them they should stay in Germany. Some 12,000 such unclaimed or unchallenged Nazi purchases already have been turned over by the Allies to the Bavarian and Hessian state governments in sacred trust for the German people.

A spokesman at the State Commission office said, after Dr. Shuster's conference on the question, that no final action has yet been taken.

It was learned, however, that the plan to transfer the art to Austria arises out of an agreement made in 1948 between Gen. Lucius D. Clay, then military governor in Germany, and Gen. Mark W. Clark, then military governor in Austria. The Austrians contend that in this matter of buying art they were good Nazis, too, and paid their taxes and are entitled to their share of the unclaimed objects.

Since virtually all of the great "Hitler collection" was actually stored on Austrian soil in 1945, it would presumably have remained in Austrian hands if the United States Army had not shipped it to Munich. Gen. Clark, advancing the Austrian claim, reached agreement with Gen. Clay that after all restitution was over, Austria would get back a portion of the unclaimed items. It is evidently this agreement that the Americans are now preparing to honor.

Even in 1951 the restitution of art works continues to be an ex-

clusive matter of the Americans," the Munich "Sueddeutsche Zeitung" cried this morning. Trusteeship of the Bavarian Minister-President over the art collecting point is, if at all, merely a matter of decorative nature, and the work of German collaborators is only based on United States regulations and has been unduly aggravated for the last year by requirements that evidence of previous ownership has to be submitted with every piece of art.

"The Americans had no doubts in leaving de-Nazification and restitution within Germany with the Germans. They should not withhold the same confidence as far as restitution of works of art to foreign countries is concerned. They would turn this delicate task over to sincere hands, since no one has a greater interest than Germany itself in making up for what has been done wrong."

Terr H

Munich, 27 August 1951

Dear Ardelia:

In case it got garbled, my cable read: "Because recent commotion I believe you more valuable home. Lane". As for your cable, I telephoned it (minus Hulse reference) to Frank Miller, as he would certainly have to be consulted. I believe he is of like opinion, but it is possible you'll get the green light through him. I imagine you may be called on to produce any documents not to be found here.

We leave Munich Saturday, September 1, and are in the full throes of departure, so that if you came here I could hardly tell you anything sensibly. Breitenbach was here all day Friday (24th) and is fully informed. He's a very good man.

The commotion referred to above you have doubtless already seen in the papers. Perhaps it's better described as a fiasco. I never knew so many things to go haywire and so many people blaming others for things they didn't do. But the important thing is that Dr. Shuster, the Land Commissioner, was not informed of my mission here - the Austrian question and the return of residual items. I am among these responsible, but the enclosed report to Dr. Shuster will explain the circumstances and you shall judge for yourself. Before continuing please read this report.

Anyway, you can imagine how badly I feel - just at the very end to have the whole thing blow up in my face and so put under a cloud what I had really considered was a good job.

To the information in the Shuster report I should add that the day after I wrote it I found the minutes of a 3-man OLCB Committee which he appointed, which met December 8 -- two days before I arrived in Munich, and which discussed the status of the things in the Collecting Point, including the Austrian question.

I also found a letter I wrote to the Bavarian Ministry of Economics in April - merely to clear resumption of shipments to the German border in normal restitution cases. (We have made two such shipments: to France, but the Dutch and Austrians have collected their few things here and sent them home). I hope it will turn out that this is my letter to the Office of Economic Affairs which Dr. Shuster says he say - in addition to my confidential memo to Dr. Hanfstaengl of July 12 - on the

desk of the Minister President. Otherwise I haven't the faintest idea what it could be - and as Edgar pointed out, since Dr. Shuster says it was on OLCB stationary, it must have been an original, not a carbon, and how could an original letter to the "Office of Economic Affairs" reach the Minister President of Bavaria anyway? I am sure this detail - important to me - will be cleared up satisfactorily.

Now for some incredible history. Hold your hat - German newspapers began grumbling over a forthcoming shipment of unidentified works of art, just before August 10. This quickly snowballed and I began to be pestered. It was obvious the Germans were beginning to talk as I had not leaked anything. On August 10 a very responsible reporter from the "Süddeutsche Zeitung" came to see me about another item, but asked me about this one. I refused all comment. Her article, which appeared on August 13, gave me a very complimentary write-up (supplied by Heydenreich and Lotz) but indicated she had interviewed me. So the other papers wanted equal privileges, I refused all comment and referred them to Public Relations, OLCB. In the report to Dr. Shuster you'll see at what point they took over, and that all was clear between them and me.

On Wednesday evening, 22nd (oh day of memory) we met Hank Ramsay's wife at the Excelsior and took her to supper at Haus der Kunst. About 6:30 our maid phoned to say I was to phone Frank Miller immediately. I did and got him. He said they were puzzled by the commotion in Munich and that I'd better hold up the shipment for the time being. I said that was easily complied with.

(The status of the shipment was: about 50 of a probable total of 100 cases packed, plus measurements being taken for the remainder. The RR-people were interested in moving the things in two lots and one could have gone today. A lumber shortage had just developed and it seemed improbable that the packing would be fully completed by the end of August. - Next a.m. I called off any shipment or packing till further instructions from above.)

About 7:30, I was called to the phone again and Clara, our maid, was in a high state of excitement. She said the German police had called to get information on the location of our house, and that she had refused to give any. Well, we finished our dinner, took "Sandy" Ramsay back, and headed for home. There we found that Dr. Shuster had come personally to tell me to call Miller, and when told I already had received that message, he said I should phone him.

I did, at 9 p.m. I have never had such a dressing down in my life. It was a very great shock as I have genuinely admired Dr. Shuster as LOB and as a man. First of all he said, he had phoned my house, announced himself and asked where I was. The maid went into a tailspin, probably thinking he was a reporter - if Eisenhower had phoned she wouldn't have been more flattergasted - and refused to tell him. (I had said, Clara, tell newsmen nothing). Dr. Shuster then asked her how to get to the house - our street is new and small and not in the city directory - and she refused again. He then got the German police to try to smoke her out - but she was still faithful to her master. Finally, he found the way (5 minutes from his house), delivered the message and departed. You can imagine how all this enraged him.

Well, after he blew up about his reception at 2 Rainholzstrasse, he went on the more important matters. He said that the first he knew of my operation was from the Minister President, after he had more or less denied the shipment at a press conference, who showed him "a letter from you to the Office of Economic Affairs". I said that was impossible, and he said he saw it himself. Then he said - in one of the few quite moments - that he really didn't mean to blame me but the whole OEA and all behind it for not informing him. That a "gunshoe operation" like this, sprung on the Germans in 1951, was the worst way to handle US/German relations. That Frankfurt had said they were sending down Breitenbach to report to them personally (I couldn't possibly go up there in the time left), but that Breitenbach had written an asinine press-release and he, Dr. Shuster, didn't know whether he wanted to see Breitenbach, but guessed he'd have to. Hoped he would be cooled off by Friday, when Breitenbach and I would see him - but rather doubted it. I was just speechless, could only say, yes sir, there must be a lot of mistakes, my apologies, sir, etc. etc.

I then called Frank Miller, who said Dr. Shuster had called him about 8 and flayed him alive too. He was very calm, felt that Dr. Shuster would calm down and that the Friday talk would tell the story. He said they had supposed I had established the necessary liaison with Dr. Shuster, but that I should not feel that the thing was more than partly my fault, that Dr. Shuster should have been officially notified. Frank is an absolute peach, and I deeply appreciated the kindly and understanding attitude he took.

Edgar arrived Friday a.m. I had on Thursday prepared the report to Dr. Shuster and gotten together all the relevant documents I have. We got ourselves ready for whatever reception it would be. Edgar explained that, far from writing the "asinine" press release, he received it from Munich and was opposed to

clearing it. Later he found that the P.R.O. people had changed the dateline from Munich to Frankfurt to speed the release! Dr. Shuster had had the Frankfurt variation on his desk when he made the charges against Breitenbach.

Came 3:30 and our appointment. I started off by apologizing for Dr. Shuster's reception at my home. He said that's OK, we won't talk about that. At the end, we joked and laughed about it for the true comedy of errors it was. Our conversation could not have been better. Dr. Shuster was as admirable as I had supposed him to be. I presented my memo which he said cleared things up, and that he would (with my permission!) take it straight to McCloy as in his opinion the affair had reached those proportions of gravity. I of course agreed, and also to supply Edgar with all supporting documents available. He has no objection to the fact of the agreement (OMGUS/USFA) or to the necessity of the transport, but the things has got to be negotiated, explained, not just "a gumshoe operation". He said he was sorry he blew up at me and that he did not blame me for what had happened. I thanked him and said that in the same circumstances I would have blown up too. It was an excellent 45 minutes.

On Monday, I will give him a copy of the list of what is to go. I enclose one for you too. If you join the publicity, be careful about saying how well I have treated the Germans, as there is Austrian consumption to think about.

I think either Heydenreich or Hanfstängl could have prevented all this if they had wished to do so. I don't know that I blame them, but Heydenreich is such a man of principle that he will not see that the damage done by sticking to it (the damage from the German point of view) can be much greater than the value of the victory in principle. He has always refused to admit the value of Austrian claims, the German good fortune that the stuff was moved to Munich in the first place, and that the good treatment the Germans have always received should temper all protest in the name of high principle.

It troubles me to say this, as I like Dr. Heydenreich and admire him and feel desperately sorry for him because his wife is in the throes of a serious nervous breakdown.

All the best till I arrive on or about September 13th. Our Paris address (Sept. 3, 4, and morning of 5th) is

Hotel Vouillemont, Rue Boissy d'Anglas.

We sail on the SS America, Le Havre, September 6.

Sincerely,

Schmidt auf Altenstadt
tzstrasse 60
Frau A. Beer
baden/ Germany

Wiesbaden, September, 11, 51

Ans. 16-Sept-51

My dear Mr. Howe,

Thank you very much for your nice letter of August 26, which was given me by Mrs. Nipper.

Mrs. Nipper left Friday last week for a vacation of two weeks for Italy and told me to write you and tell you that she will write you again when she is back from Italy.

First of all, Blackball. I have seen now Frl. Brummer twice and I'm very sorry to say that I myself really don't believe that Bl. will ever be again so well that he can stand a transfer to the States. Mr. Lovett who has seen Bl. also has the same opinion. Therefore Mrs. Nipper decided in your name that Frl. Brummer could have the dog and that from now on she would not pay any more. She wanted me to tell all this to Frl. Brummer what I already did. Frl. Br. agreed and she will try now a few months more to get Blackball over this. But as I already told you, in my last letter, there is only a very small chance to get Bl. through probably, he will get insane after a while. Frl. Br. promised me that if this would be the case she immediately will ask the vet. to kill him. If he gets over and will be really better and a sane dog again than she will let you know and than you always can decide whether you would like to have him again. But of course that will take a very long, long time. I'm very sorry for you that I cannot report better news about Blackball. About the Metternich matter the only thing I can tell you, is that Herr Frey came yesterday in my office to report that he had seen Nothnagel. Nothnagel told him that he had to send the request to Bonn, but he sees no difficulties and hopes that the license will soon be granted. As soon as I hear more about this matter I will let you know it.

I have now finally settled my office in Wiesbaden. Mr. Aasen after having been called by Mr. Sheehan was very cooperative. I have two fine office rooms at the Gutenbergplatz 3, first floor, just opposite the Landeshaus and also did get a telephone and well our old extension number from the CCP (52-292) I have practically all our files here. Even the Munich files which are still in the boxes in my second room. Breitenbach is now on vacation for three weeks and so I'm practically alone. Saturday I was called by the office of Mr. Miller. Mr. Daniels was there and was told by Mr. Miller to draft several letters for Mr. McCloy's signature in the matter of the German Committee. Finally a letter from Adenauer was received as reply to McCloy's letter of April 16. The letter of Adenauer was practically the same as the draft which was prepared at HICOG. The suggested answer by Mr. McCloy says "Those discussions have resulted in the arrangements provided for in the above-mentioned letters and I agree that they may be regarded as embodying a formal agreement between the Fed. Rep. and HICOG. Than it gives some details concerning the transfer of the material still in the sealed room in Wiesbaden and the transfer of Jewish individually claimed material ~~has~~ now in Munich and also the transfer

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of the Treuhänderschaft of Hesse and Bavaria to the Bund. On request of Mr. D. I called immediately Dr. Sattler and told him about the letter. Now we hope that we can start with the transfer in a few weeks. Concerning the shipment to Austria, still no news. I'm waiting for further orders from Mr. Miller. As things are moving now, I expect that my days here with HICOG are counted and therefore I'm rather worried. From the US Consulate at Frankfurt I received a long questionnaire. It is not too difficult but two questions causing me some trouble to answer. And I would like to ask you for help. No. 35: My final destination in the United States will be :: ? and No. 36 What employment do you intend to seek? Could you give me any idea what I shall answer? Then I did get also this nice slip. I expect that this means that I have to wait at least for 2 years and therefore I think I have to time all these things very carefully. My intention is besides all what you have already initiated for me to write a letter to Firestone and having now nobody left here who could correct my letter, I'm taking the liberty to send you my draft to Firestone hoping that I'm not troubling you too much. I have also seen Mr. Furnée the Dutch Consul who sent you his best regards. He took note that I have officially revoked my German nationality and that I have no troubles any more. Then I requested him for a declaration that I had done this and explained him that I needed it for Mr. Vlugh in Belgium. He suggested that it would be much better if I had this done by the Belgium Consul in Frankfurt. As I have to make one restitution in the course of the next week to the Belgium Consul, I will see him also about this matter.

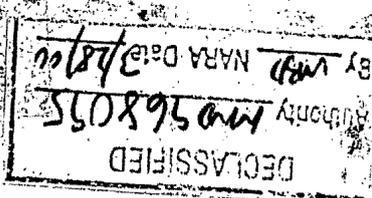
In the Museum here, they have taken off the landscape exhibition and left only the treasures. Meanwhile they are preparing for the French-German Cultural weeks at Wiesbaden a new exhibition of French Paintings, miniatures and tapestries. After this is over the next exhibitions will be "Portraits of five Centuries". Dr. Weiler has now the Knaus-Exhibition. It's very poor and no success. During the French week they will exhibit Modern French art but I don't see what they have in this field here in Wiesbaden. The disaster will be that at the time the Portrait Exhibition is going on, the Wiesbaden Gallery will show the Christmas Exhibition of Wiesbaden Artists. They are working hard to get all the rooms renewed and it is expected that from October 1, on, the main entrance can be used also by the visitors. I think that the combination of Wiesbaden Gallery and the Treuhandschaft in Exhibition matters is not a very lucky one. The Wiesbaden people is handicapped by the lack of really good material.

What you write about "THE ROVER" is very interesting. So far no bills by the Auto Salon have arrived. It is a great pity that I learned nothing about this people until a few days ago when someone told me that they are the most unreliable people here in Wiesbaden. In any case if they are still sending a bill I should not pay them. By the way how is the "old Rover" doing it?

Gerda is sending Mrs. Howe, Francesca and you her very best greetings. and we both are missing you hard. Now we are having a really wonderful weather extremely warm and no rain at all. Apparently the weather god ~~wiki~~ is making good, what he did wrong during July and August. Seelers left on September 5, from Bremerhaven for the States also. - From Mrs. Bobbs I did get a very nice postcard from Paris, I'm wondering whether she is still in Paris or not? The news from the San Francisco conference is really wonderful. The result came astonishing fast and snappy. Was it the influence of California? I should think so. Please give Mrs. Howe and Francesca my very, very best greetings.

we also my best greetings
Mrs. Howe
My fondest greetings to you and my very best thanks
John Hamilton Schmidt

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RG Abb
 Entry 160 A
 File Art Objects
 Box 8

Mr. McCloy

September 26, 1951

OO - Mr. Debevoise

Transfer to Land Bavaria of Art Objects Located at the Munich Central Collecting Point to Provide Funds for Payments under the Bavarian Claims Law

By your memorandum of July 24 you asked about the implications and possibility of the transfer of the Central Collecting Point in Munich to German administration. The Minister President of Bavaria has suggested in his letter dated June 19, 1951 that "If the Office of the U.S. High Commissioner for Germany could bring itself to discontinue the American administration of the Collecting Point and to leave those property assets finally to Land Bavaria, it would be possible to deal with these items according to existing legislation (Control Council Directive No. 50) and to appropriate the sale proceeds of a major part of these properties to the restitution program."

Regarding the "administration" of the Collecting Point, it is pointed out that effective control of it was turned over to Land Bavaria some time ago under a trust arrangement, but that the interested functional element of HICOG (Office of Economic Affairs) now believes that because of the nature of the items remaining to be disposed of, the Federal Government would be a more suitable trustee for these items until such time as a final determination of ownership of the property is made. Negotiations regarding such a shift of administrative responsibility to the Federal Government are presently under way between Mr. Daniels (acting for Office of Economic Affairs) and representatives of the Federal Republic.

Inasmuch as American administration of the Collecting Point has in fact ceased, the remaining problem is whether Land or Federal authorities should act as trustees. In either event, present laws and directives pertaining to the disposition of the property would continue to be applicable until such time as authorization is given by the Allied authorities for the property to be finally disposed of.

While the point is not entirely clear in Dr. Ehard's letter, it appears that his request for the turn-over of art objects applies only to those items that are covered by Control Council Directive No. 50, since he speaks of dealing with them under that Directive. In this connection, it should be borne in mind that Control Council Directive No. 50 relates to the disposition of only those properties formerly belonging to the Nazi organizations and to military and para-military organizations. (This Directive is implemented in the U.S. Area of Control by MG Law No. 58.) We have been assured by Education and Cultural Relations Division and by Office of Economic Affairs that the

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only property now being held at the Collecting Point which might fall into this category are four boxes of silverware, including such items as ashtrays, candlesticks, etc. Although all of these articles are decorated with the Swastika emblem, there is no reason, from a legal standpoint, why title and possession of them should not be transferred to Land Bavaria, as contemplated by Directive 50. In the event of such transfer, it might be well to provide for the removal of the Nazi emblems from the various articles.

The Hitler and Goering art collections are also being held at the Central Collecting Point, but responsible HICOG officials have in their possession signed receipts indicating that the collections were paid for from funds of the Reich treasury. These collections should therefore be treated as Reich property, rather than as property of Nazi organizations. While Reich property is still held under Property Control pursuant to MG Law No. 52, its disposition is governed also by the provisions of the Basic Law (Article 134) since the repeal of MG Law No. 19 in May of this year. Article 134 provides that "Reich property becomes in principle federal property"; that the Federation may transfer certain categories of Reich property to the Laender; and that "details are regulated by a federal law requiring Bundesrat approval". To date no such federal law has been enacted, but Land Bavaria cannot take title to such Reich property in the absence of agreement to that effect on the part of the Bund.

While I fully realize your interest, and that of the Department, in getting on with the implementation of the Bavarian General Claims Law, I believe you should leave the matter of the transfer of the art objects in question to the governments of the Federal Republic and of Land Bavaria. On the other hand, in the event they should reach agreement for the transfer, I suggest you give it your blessing.

CC: LAI, SHanneman, DA, Jchmeyer /iv
 Tel. 8009 8247

E.G.v. Schmidt auf Altenstadt
c/o Frau A. Beer
Moritzstrasse
Baden, Germany

October 2, 1951

Dear Mr. Howe,

Thursday last week was a really wonderful day, two letters from you arrived. It was a great surprise to get two letters at once. I am feeling that you are doing too much for me and spending too much of your valuable time for all my matters. I can hardly describe how sincerely and full of thanks my feelings are and I don't know how I ever can show you what this all means for me. We both, Gerda and I can imagine how strenuous for you it must have been to face "your ordeal" the board meeting. I say that it would have been very easy with your capacities if you had not stayed for so long months in a job like yours over here having only to direct your museum by casual letters. And also I believe that in a certain way you are still involved in department affairs, isn't it? It is the same here at Hattenheim when the date of the annual board-meeting is nearing, than the atmosphere of the house - also the persons ~~which~~ who are not directly involved - is getting tense - and then if the "day" is over - everybody is relaxing and mostly it gives a feeling of strength and "Lebensfreude" which really serves ~~the~~ the work and gives everybody the strength to tackle all the problems for another year. I think mankind must have these ups and downs as we have the change of seasons otherwise life would be dull and people would get indolent. - After receipt of your letters I saw Mrs. Nipper. She had received your cable and is now busy to buy the four clocks. Apparently she has some difficulties to get the clocks with the special designs on the dialplates, but I think she will manage it. She told me that she would write you as soon as possible but you can imagine that after being back from leave she has a lot of work here waiting. She told me also that all your letters and the cable in the beginning had confused her a bit, but after all, she will send the clocks soon as I hope. Then I have seen Blackball and naturally Frl. Brummer. It was a very lucky moment which I had chosen for my visit because at the same moment Dr. Reitter, the vet. came to pay his first visit after he was on vacation for 4 weeks. Bl. is much better, Dr. Reitter was surprised himself about the improvement, but one thing is sure he will never get over his shaking. If the condition doesn't change, Bl. will be better after a very careful and patient treatment after a couple of months. Dr. R. said that they must go on to give him the special food and medicine. And you wouldn't believe it but he also ordered that he must get now every one hour training - running and even jumping. He has grown much and looks as being in a very good condition. His legs only showing that he was sick for months, his muscles have not been developed and therefore he must get this training. Frl. Brummer's plans to which Dr. Reitter agreed are now - under the condition that the improvement lasts - to use Bl. in the next year for breeding. According to Dr. R. his sickness and also the shaking will not affect the offsprings but character and his other extremely fine qualities might be inherited by his offsprings. About one thing I am quite sure that neither Frl. nor Frau Brummer will carry on these plans if they see that Bl. suffers. In the case her plans with Bl. will work out Frl. Br. will offer you than an offspring (but a strong and healthy one as she said). I thanked her for her good intentions in your name and told her that I would tell you about. By the way have you still Bl.'s pedigree, I think

122832

Frl. Br. should have it, if she tries this. - I have seen several of our old CCP staff. Herr Frey is copying paintings in the museum and also is the nightwachtman in the Hessian Treuhand exhibition. The Treuhand bought a very fine watchdog (alsacian, police-trained), he is happy and also his salary is not bad. But his plans - you remember that he is trying to go to Canada, are not working out so good. During the medical inspection it appeared that he has some lung affections, so I myself don't believe that he ever will go to Canada. Frl. Brummer has a fine job in the German economy. She is secretary in a small chemical plant at Wiesbaden-Schierstein. Frl. Engels also has a good and better paid job at Wiesbaden Military Post (Camp Lindsey). Our beloved Frl, Martens I met her, before I left for Munich, ~~she~~ is also happy with her new job and apparently her chiefs are very satisfied with her work, she will have now a chance to be transferred to Paris by her office. Peemoeller is now salesmanager of a quite good liquor fabrik, he makes it very good. All our workmen have also again good jobs. The only ones who I have not seen are Frl. Wille and Frau Neumann. Apparently-as I learned from other people, they do not have any job at all. - Yesterday came the September-edition of the HICOG Information bulletin with the reprinted article by Miss Hall " Search for looted Art" a short notice " Famous paintings ordered returned" (Law 59, case Dr. Picard Wiesbad.CCP holdings) and a short notice " Wiesbaden Museum derequisitioned" -The art collecting point has been under the directorship of Thomas J.(!) Howe, famed American expert who is a HICOG fine arts adviser.- I will see that Mrs. Nipper sends you a copy. - What about your baggage, have they arrived ? In matters of the CCP no special developments. Mr. Miller and Breitenbach are today at Bonn in connection with the Austrian shipment. From Rose Valland, who visited Breitenbach last week, I learned that Dr. Sattler and Dr. Hoffmann (!!!) were called to Bonn. Prof. Heydenreich was not invited to Bonn and was so furious that he resigned as secretary of the Committee. And also Dr. Sattler is supposed to resign and Count Metternich will take over. Sorry that I can give you only these facts and not the background of it, but you see I talked only for a few minutes to Mademoise Valland and her manner is so extremely confusing, but I expect that Breitenbach will tell more about this. Mademoiselle Valland was also strongly worried about the future developments, she mentioned something that she believes that the ~~xxx~~ restitutions will be stopped at all that no German Committee will be established and all the things turned over to the Bund after the Washington talks last month. She told this confidentially and could not give any facts at all, I suppose that you know more about this or you will learn than I do. - Thank you Very much for redrafting my letter to Firestone. I did send it. I think that I am obliged to G. and myself to have done this with regard to the developments here at HICOG but secretly I feel the same way as you expressed it in the last paragraph of your letter. - If nothing comes out in the matters of the Germ.Comm. and the Austrian shipment, I decided to go to Munich about the 15. of this month in order to get out the shipment to Kagan (JRSO) and several Law 59 cases of which we received the decisions. I feeded all this people who are waiting for delivery of their property with the hope that I would come down by the end of September but now I cannot let them wait any longer, so I will go down for about 4-6 days to make all the necessary shipping-arrangements. Br. did agree to this plan. W.Museum people is working really hard to renew and repaint all the rooms including the lecture-room. I also learned that they will spend about DM. 11.000.- for re-installing and modernizing the complete electrical system. I expect that after having done all this ~~but~~ apart from this really awful building, it will look very nice and they will be the most repaired and nice-looking museum of Western-Germany, if they could also held up a level of high quality-which the Hessian Treuhand certainly do, than it would be alright. Weiler is funny, he makes it very difficult for everybody else there. He and Grell are now in the most narrow sense of the word " residing" in our former rooms. Nothing was good enough, you should see your old office all the furniture newly polished, the chairs repaired and stuffed all is sparkling and looks brand new. And still Weiler is complaining. The new show of the Hessians , I'm shure will be quite a success. I already told them that they must send you also a copy of their new catalogue.

Gorda & E. sends Mrs. Howe, Irving and you her very best greetings. Since 3 days she is sick, got a flu but improves fast. Please receive together with Mrs. Howe my fondest greetings. Love from H. Z. Schindler

October 5, 1951.

Dear Helen:

Anent mention last night of Mr. Barrett of the State Department: when I left Germany two months ago it was with the strong conviction that there was (and is) a great need for a carefully established Cultural Affairs office at Bonn. The reasons for this are involved - closely linked with the continuing problem of relations with France, Italy and Austria, so far as the really unending and extremely touchy subject of further restitution of works of art to these (and actually other) countries. In many instances my sympathies are with the Germans and, as time goes on, fewer and fewer people remain in the Department whose knowledge of certain problems dating from the days of '45 is at all adequate. For example, at the present time, I can think of only two men over there who have such knowledge (Edgar Breitenbach in Frankfurt is one; Bill Lovegrove in Stuttgart is the other). In the case of Breitenbach, I have been informed that he is being turned down for a permanent appointment with the Department - which he wants very much. I think the Department is acting wisely in turning him down. I think I am right in making this statement. As for Lovegrove, his activities in Stuttgart are related to but only indirectly connected with the cultural problems. Before I came away, I was approached by one or two of our career people who asked why I did not consider a permanent appointment - this was largely because they felt I had established unusually close connections with representative Germans. Without meaning to do an "I love me" job, I feel that I did make some headway in this quarter - and it made for most satisfactory operations.

I passed on to Ardelia Hall the information outlined above and while in Washington in August had an opportunity to relay it, via Grant Manson (Barrett's Special Assistant), to Mr. Barrett. Recently Ardelia has written me that she thinks things are thus far only in the planning stage and, further, that the decision about what form a cultural set-up over there will take, is likely to be evolved over there - rather than in Washington.

I feel so strongly about the need for such an organization that I want to do everything I can to promote the idea. I am also giving some thought - notwithstanding family disapproval - to the

122834

idea of a permanent appointment with the State Department, but of course that is a very complicated thing and I haven't much hope that circumstances would permit it. Please consider this highly confidential.

If you think you could put a bug in Mr. Barrett's ear, I would appreciate it as I expect to be in Washington on the 11th, 12th and 13th - certainly on the 12th and 13th. As I mentioned to you last night, Ardelia is a fine woman and "full of good works" but, regrettably, her canary-bird methods of approach have made her persona non grata in certain important offices. This is too bad because she is a valiant and tenacious and, above all, thoroughly sincere person and has had relatively little wholehearted cooperation from people who should have helped her.

Thanks again for a lovely evening - but we should have had the sense to go home earlier than we did. By the way, when do you plan to launch the project you spoke of last night. I will be away till the first week of November.

Yours as ever,

Thomas G. Howe, Jr.

Mrs. Henry Potter Russell
1440 Montgomery Street
San Francisco.

122835

J.E.G. von Schmidt auf Altenstadt
c/o Beer
60 Moritzstrasse
Wiesbaden/ Germany

October 31, 1951

Dear Mr. Howe,

I have not written you for a long time. Meanwhile I was again for about 10 days in Munich to make several Jewish restitutions including the shipment to the JRSO of the unclaimed Jewish material. No further developments with regard to the Austrian shipment. As far as I learned there are discussions on between Mr. McCloy and Prof. Shuster. That Bonn has also taken up the matter of the Austria shipment, you already know I presume. Also no news from the battlefront of the German Committee. I learned just yesterday that the letters from Mr. McCloy are going out now. Prof. Heydenreich has resigned as secretary of the Committee, I learned from Miss Valland and also that probably Dr. Sattler will resign and Graf Metternich be appointed in his place. But all this was told orally by Miss Valland and in confidence. - I have still my office in Wiesbaden but I was told that I should move to Frankfurt soon. This depends on the moving of a lot of offices from Frankfurt to Bonn. Actually I am twice a week for the whole day in Frankfurt. Life and the work is dull and disencouraging. Also the weather is now very unpleasant. Dark, foggy and raining.

What troubles me, is the Metternich affaire. I have called again Herr v. Beyme re the export license. He told me that they have reminded Bonn again and again by phone and by letter and no answer has been received. Then I talked the thing over with Herr Frey. We would like to suggest now the following steps. If you in your capacity as director of the museum write ~~xxx~~ a letter to:

Ministerialrat Dr. Gusone
Bundes Innenministerium
Bonn a. Rhein
Rheindorferstrasse

stating that you have applied for an export license via the Hessian Cultusministry for that and that material which should go on a loan basis to your museum for an exhibition planned to be opened end of December this year and that you have filed this request in time and a longer delay would disturb your plans and also all the arranged schedules for exhibitions very seriously and requesting him than to speed up the answer. (He is the man who has to give the licenses) This might help much more than our telephoning and pressing the Hessian people. Quite in confidence I learned that they are planning

To put the portrait of Metternich on the National List in order to prevent the export (Frey told me so, but didn't want that I tell it to anybody) If this is the case than it would be possible that you argue with the Bonn people for the following reasons: The export has been requested on a loan basis only and that the painting of the Prince of Hessian "Madonna des Burgermeisters Meyer" which is also on the National list was exported to Basel for an exhibition.

The celebrated portrait of Chancellor Metternich at the Congress of Vienna - by Baroness von Saurmaul - belongs to the British Queen at Windsor - 7/11/51.

It might be that this ~~xxx~~ argument will work out in the case, the picture is put on the National List. -

Miss Hanscom, whom I met yesterday at Frankfurt sends you her best regards. Mrs. Nipper I haven't seen for a longer period because always when I went to see her, she was not in. I hope that your order for the 4 400-day ~~clocks~~ have been fulfilled. Just before I went to Munich I received a call from Frankfurt- Frankfurter Hof- from Mr. Cunningham. He wanted to see me and so I went that evening to Frankfurt to see him. We had dinner together and it was very nice. He suggested that I should try to find really good paintings, old masters and especially French Impressionists which are ~~tax~~ for sale. If I could manage it I should get a share in the commission. I think it is a nice proposition but who I should find such paintings with no connection at all to circles where such good pictures are, I really don't know. I have already received a letter from him with certain indications in order to trace a Renoir which is apparently for sale. Shure I will try my best, but don't believe in success.

In the mean time I have received a letter from Miss Hall. You have seen her in the mean time and probably she has told you about her letter. I also learned that my coming over, first on an exchange is impossible for two reasons which I understand very well. 1. No exchange will be granted to such persons who have also applied for a quota number (which I already did) 2. No exbhange will also be granted to employees of HICOG.

In her letter she also is writing about the Dutch quota. I am born in Germany and must therefore go on the German quota. Not the nationality but the place of birth is in fact the crucial point. Than she mentioned 3 possibilities to arrange an entry via Canada. She writes:

"However, there are two possible ways for you to enter and arrange for permanent entry later through Canada:

(1) as an employee with an international organization (governmental not private) on a semi-official status; (2) as an employee of a Dutch firm on a 3(2) Visitor status".

I can't see any way to arrange this. - Than I have received from the Firestone Comp. a very nice and polite letter telling me that they have no vacancies at present and they would take my letter to their files for futures references. So again I have drawn a blank.

The Hessian Treuhand people has opened a really wonderful exhibition on October 20. in connection with the French-German cultural weeks here. I hope you have already received their new catalogue.

My Personal data form for the US Consulate General I have not yet sent back because of the last question. You wrote me to give as my final destination in the States: San Francisco but the last question was " what employment do you intend to seek?" This is a rather complicated question for me, not knowing how the matters are developping. -

How are your plans? May we expect you here again either as an official or on visit? Your sister when leaving mentioned to me that you might come for a visit next year. I have still not given up the hope to see you again here in this country. I hope you and Mrs. Howe and Francesca are all well. Please give Mrs. Howe and Francesca all our best. Gerda v.H. joins me in ~~the~~ giving you our best and sincere greetings

Yours.

H. G. Jellicoe

122837

2345 Hyde Street
San Francisco 9, California.

November 10, 1951.

Dear Herr von Schmidt:

I can't tell you how many times during the past several weeks I woke up in the middle of the night with a troubled conscience at not having written you. I firmly intended to get a letter off to you before the end of October, but I was travelling around so fast that it never got written. I left San Francisco on the 10th of October, flew to Philadelphia to deliver a lovely black poodle to my sister there. The trip took all day (3000 miles, of course) and when we arrived at 10 in the evening, the little rascal was far less tired than I was! My sister is crazy about him. He is the large size and is already much bigger than Blackball. The dog is named "Bart" and is a fine healthy specimen. I am delighted to learn that there is chance that Blackball will be reasonably, if not altogether, healthy. I have not forgotten him, by any means - nor have my wife, daughter and sister. We speak of him often and of Frl. Brummer's wonderful patience and kindness to him.

Now I must try to answer most of your many questions. First of all, let me say that I am enclosing the letter I received from Mr. Firestone. It does not sound too hopeful, but at least he says that you should write to Mr. Gledhill. Be sure to refer to Mr. Firestone's letter - better still send a copy of it with your own letter. I have also obtained information from Washington as to how I should apply for a special grant of a year's duration to bring you over as a "specialist". My informant said nothing about people who were employed by HICOG being ineligible. I hope that that is not true. There seems to me to be no reason why an employee of HICOG should be disqualified for such a trip. I have written about this to Mr. Ralph Burns at HICOG and will let you know as soon as I receive an answer. I am glad that Miss Hall wrote you, but something tells me that she talks a lot without accomplishing so very much. (I learned a good deal about that while I was in Washington.) Confidentially, I saw and had a long interview with the Assistant Secretary of State (who has charge of all future planning for Germany) and I have learned (though he does not know it!) that he has recommended me for a "key post" in the new set-up. Whether something comes of it or not remains to be seen. But I am still definitely interested and will look forward with keen interest to future developments.

I do appreciate what you suggest about the Metternich things. I shall write as you suggest to the man at Bonn. My God, don't things take time! By the way, all my things came through in good shape - they arrived while I was in New York but they were unpacked day before yesterday and everything is now at my house. It made me quite homesick to see the slip covers and the bedspreads. (Tell Gerda von H.). The liquor came through in good condition but we have not tried anything but the Asbach so far! I am pleased to have 24 bottles of it and expect to drink them all myself! Oh, as to an answer to that question: I think you should say you are seeking agricultural employment. I expect to stand as your sponsor. If they need another name, give them Mr. Cameron's as a reference - but remember that I am to be your sponsor. I can and will tell Mr. Cameron that I have suggested that you use his name for a reference as to your character.

122838

Have I written you since Mr. Heinrich was here? He came for the weekend of October 5 and 6. We had a good visit - but of course he never goes to bed, so it was nearly 2:30 before I could get him to start home! My wife said life was too short to put up with such late hours, and of course she is right. We also had a visit together with Gunter Troche of Nürnberg who is here now and is looking for a job. I am trying to get something for him and think that by the end of next month I will be able to arrange a good teaching job for him at one of the universities. He would prefer museum work but we have difficult laws about being a citizen and that is hard to arrange. However, he has a friend who is able to give him a place to live, so it is not too difficult for him. He makes quite a hit with the ladies, so Mrs. Howe has brightened his social life - extra men being hard to find! While I was east she took him to two or three parties here and he made excellent company.

I have had a long and wonderful letter from Mrs. Nipper. Bless her heart, she managed to send the damn clocks and they have arrived and Mr. Cameron is very happy to have them. I am writing her today also. I had a note from Mr. Ramsey the other day. He has been at Baden Baden trying to get cured of the sciatica which was causing him so much pain. He said that he would be moving to Bonn around the first of November, so perhaps they have already gone. Keep his name in mind in case you need any special help, because I know that he has influence and would do what he could to help you in case you find yourself in a tough spot. Don't be backward about this.

I meant to say that I did not get back from New York until three days ago and, as you can imagine, I have been terribly busy. However, I could not rest comfortably until I had replied to your fine letters. If I have forgotten anything, please write me in your next and I'll attempt to answer all questions promptly.

I wanted to tell you that I haven't much faith in what Mr. Cunningham might be able to accomplish, so do not put yourself out. If you can help him, do so - but only if it means that you are thereby helping yourself.

Mrs. Howe and Primrose send their fondest greetings along with mine to you and Frau von H.

Always your devoted,

P.S. My sister and I had a wonderful visit with the Faisons in Williamstown. It was wonderful to see them all again.

TOH Jr.

November 12, 1951.

Dear Hank:

When I returned from New York a few days ago I found your welcome letter from Baden-Baden on my desk. I am so sorry to hear that you had to take time off to get rid of the persistent sciatica - but hope that the rest you got did the trick. The business about the von Mendelssohn pictures is a complicated one -- made more complicated by the death earlier this year of Eleanora von Mendelssohn. Alice Aster Bouveris (Vincent's sister) was a great friend of hers and played an active part in an attempt to remove the paintings (the fine Rembrandt portrait now in Munich) from Germany to Switzerland - back in the late '30s as I recall - in order to keep them from Hitler. The Rembrandt was actually got across the border and, if I remember correctly, placed with a dealer by the name of Christoph Bernoulli in Basel. However, through a series of complications, in which Eleanora's fanatical and unbalanced Italian-born mother (then living in Florence) played a part, it was sent back into Germany. The mother had no right to act as she did because the pictures were left in trust to the Mendelssohn children by their father; but it is claimed - and I believe quite properly - that the mother was persuaded to take the action she did due to threats from the Germans that her non-Aryan children (still in Germany at the time) would suffer the consequences if the paintings were not brought back. It was after that that the Duveen of Germany - Haberstock by name - effected the purchase of them for Hitler. The Mendelssohn interests have as one of their lawyers an extremely able woman attorney, Lillian Mock, whom I saw in New York. It was as a result of my interviews with her that a barrage of cables were sent off in an effort to delay final and what seems to me unjust action in closing the case on 22 October. Just before I left New York last Tuesday, I was informed that a delaying action had been obtained. I hope so. In any case, I do appreciate your intervention.

While east I knocked on various doors at the State Department in an effort to find out what sort of cultural set-up is contemplated in Germany. Most profitable was my interview with Edward Barrett, Asst Secretary of State for Public Affairs. What I write you now is highly confidential, but as you were really the one who set my mind to percolating so far as Germany and a possible connection for me is concerned, I want you to know how matters stand. Barrett, after a lengthy session during which I aired my views and stressed the need for a first-class cultural affairs section, asked me if I would be interested in a post of that kind. I replied that I would, in principle, be keenly interested. Since then - and this is the confidential part - I have learned that my outpourings did not fall on deaf ears: Mr. B. instructed the appropriate party (Kellermann) that I would be interested and that I had made a favorable impression on him. Please consider this altogether "under your hat." I shall be curious to see what happens, if anything.

122840

Although I have long since got back ink harness and am finding my work all the more pleasant for the German holiday, my thoughts are constantly turning eastward and I would like nothing better than an opportunity to pick up again the many fascinating threads of my activities in your locale! I think often of you all and of the good friends I left behind in the Rhineland. Do you see the Hessens and/or the Eltzes?

Our return trip on the America was very nice - enlivened for us by the presence of George and Helen Cameron. We stayed only briefly in New York - long enough however to exhaust my letter of credit on tickets for "The King and I"! Francesca and Primmie came directly home and my sister returned to Bryn Mawr. I went over to Washington for a couple of days and then came home by way of Amarillo where I stopped for a day with Clyde Harris (my old friend who married Cecilchen, the Crown Prince's daughter). She was still in Germany, but Clyde had been obliged to fly back immediately after funeral. You may recall that I had a brief glimpse of them both just before I myself set out for home. I finally got to S.F. on the 15th of August. Then, early in October I went east on museum business - and it is from that trip that I have just returned. Lane and his family came home early in September and are once again at Williamstown. While east last month, I spent a wonderful weekend with them there. What a beautiful place that is in the autumn. The coloring of the Berkshires was indescribable. The "residual functions" of our office have been left in the hands of Edgar Breitenbach, E & OR Div. of the Office of Public Affairs. (His office is still - or was - in the headquarters building). He is assisted most ably by the faithful and tireless Herr von Schmidt - with whom I remain in constant correspondence. In a recent letter to him, I said for him to turn to you if he got in any terrific spot - this because I know that Breitenbach's application for a permanent appointment was turned down and also because I understand that Frank Miller is due to return to the States before too long & may have already done so by this time.

Please give my fondest greetings to Sandi. No couple could have been more helpful or attentive to a newcomer than you were to me and I cherish the wonderful times we had together. I do hope that the move to Bonn works out pleasantly - and if you see Charlie Thayer, please tell him that I have greatly enjoyed "Bears in the Caviar" and want him to autograph my copy. As a one-time author, I know how agreeable it is to have someone take an interest in one's ewe lamb - so he should have his pen in hand already!

Always fondly yours,

Mr. Henry C. Ramsey
Office of Political Affairs
HICOG.

(S. Isn't this typing awful!)
TOH jr.

DER BUNDESMINISTER DES INNERN

Bonn - 11 DEZEMBER 1951.

- 3402 - 26.11. Me.

TELE 8541

AN DIE
CALIFORNIA PALACE OF THE LEGION OF HONOR
LINCOLN PARK
- z. Hd. von Mr. THOMAS C. HOWE, JR. (DIRECTOR)
SAN FRANCISCO 21
CALIFORNIA

BETR.: GEMÄLDE AUS DER SAMMLUNG DES FÜRSTEN METTERNICH,
SCHLOSS JOHANNISBERG/RÜDESHEIM/RHEIN.

SEHR GEEHRTER HERR DIREKTOR!

AUF IHRE ANFRAGE VOM 26. NOVEMBER 1951 DARF ICH
IHNEN MITTEILEN, DASS DIE AN DAS BUNDESINNENMINISTERIUM
GERICHTETE ANFRAGE DES HERRN HESSISCHEN MINISTERS FÜR ER-
ZIEHUNG UND VOLKSBILDUNG BEZÜGLICH GENEHMIGUNG ZUR LEIHWEISEN
AUSFUHR VON GEMÄLDEN AUS DER SAMMLUNG DES FÜRSTEN METTERNICH
NACH NOTWENDIGEN ERMITTLUNGEN MIT SCHREIBEN DES BUNDESINNEN-
MINISTERIUMS VOM 5. NOVEMBER 1951 BEANTWORTET WORDEN IST.
AUF DEN WERTERGANG DER ANGELEGENHEIT, DIE SICH HOFFENTLICH
INZWISCHEN GEREGLT HAT, KANN SEITHER VON HIER AUS EINFLUSS
NICHT MEHR GENOMMEN WERDEN.

MIT DEM AUSDRUCK VORZÜGLICHER HOCHACHTUNG!

IM AUFTRAGE

(s) GUSONE

122842

.G. von Schmidt auf Altenstadt
Beer
Moritzstrasse
sbaden, Germany

December 14, 1951

Dear Mr. Howe,

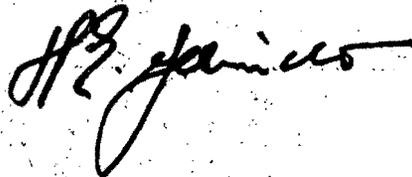
Again a letter but a short one only regarding the Metternich pictures.

I just met Herr Frey and told him all about your letter to this man, Gusone. He, Frey, had a long talk with the Fuerstin Metternich a few days ago. The Fuerstin has called up Bonn and got the astonishing news that the Bonn people did send "already" 10 days ago the papers to the Hessian Cultus Ministry. Now I learned from Frey that Herr v. Beyme is sick since more than 2 weeks and that Nothnagel himself left all pending matters on the desk of v. Beyme until he is coming back to the office. Apparently N. is not capable to do the current work himself. So we must wait until v.B. is back in the Ministry. Frey also told me that you need'nt to worry about, all pictures which are at Rettenmeyer's are going out as soon as the export license is giving. We hope that the license will come soon now. -

I spend one and a half day in the cold "Treasure Room" in the Wiesbaden Museum in order to go through all the files which were formerly in your office in two cabinets. For reason of safeguarding we put ~~xxxx~~ them into the steel safe in this room. Quite in confidence it was between these files also a lot of nonsense- old stuff- but please don't tell Mr. Heinrich about this.

Here it is very cold and foggy weather but no snow. Give please Mrs. Howe and Primrose my fond greetings.

Ever yours



122843

VIII 77-
his is a letter
to Dietrich Sattler
now dead (alas)
formerly associated with
his in Deer Park
works - He was a gran
of Heldebrandt
Sattler was
minister of education
for later years in the
ministry - & then
The Vatican
A wonderful
man - Hamilton
"Ham" was with
Cocutt - (ex USNR)
Who was with Craig
Smith - me in
Germany. Alas,
his dead too!
T.C.H.

DECEMBER 18, 1951.

MY DEAR DIETER:

LANE HAS THOUGHTFULLY FORWARDED TO ME YOUR LETTER OF NOVEMBER 22ND. IT WAS INDEED GOOD TO HAVE NEWS OF YOU - IF ONLY INDIRECTLY. AT THIS SEASON OF THE YEAR, ONE'S THOUGHTS ARE APT TO TURN TOWARDS GOOD FRIENDS IN FAR PLACES, AND IT IS ONLY NATURAL THAT I SHOULD BE THINKING ESPECIALLY OF YOU AND YOUR FINE FAMILY - ALL OF WHOM CONTRIBUTED SO MUCH TO THE HAPPINESS OF MY STAY ABROAD, AS WELL AS TO THAT OF THE FAISON FAMILY. IT WAS WONDERFUL TO SEE YOU FROM TIME TO TIME WHILE I WAS IN GERMANY, AND I SHALL NOT SOON FORGET THE WONDERFUL TRIP WE MADE TOGETHER TO BASEL. IN PAST WEEKS, I HAVE SEEN SOMETHING OF TED HEINRICH, WHO COMES UP OCCASIONALLY FROM PASADENA TO VISIT HIS FAMILY WHO LIVE ACROSS THE BAY IN BERKELEY. HE IS EXPECTED HERE FOR CHRISTMAS.

I DO NOT LIKE TO INTERRUPT THE SPIRIT OF GOOD WILL WHICH PREVAILS AT THIS SEASON OF THE YEAR, BUT I CANNOT DO OTHERWISE AS A RESULT OF READING YOUR COMMENTS ABOUT HOFFMANN. I SHARE MOST COMPLETELY LANE'S FEELINGS ON THAT SUBJECT - AND I SAY THIS WITHOUT ANY INTENT TO BE VINDICTIVE. TO BE REALISTIC ABOUT THE AFFAIRS WHY APPOINT A MAN WHO, AS IS KNOWN FROM THE START, WILL NOT BE ACCEPTABLE TO OUR FRENCH AND BRITISH COLLEAGUES? I THINK THAT THIS IS SIMPLY ASKING FOR TROUBLE. THERE MUST BE SOME OTHER SOLUTION. THE SUGGESTION THAT YOU MIGHT WITHDRAW FROM THE COMMITTEE IS A MOST DISTURBING ONE. IF PEOPLE OF YOUR STANDING AND CALIBRE WASH THEIR HANDS OF THESE MATTERS, IT DOES NOT SPEAK WELL FOR THE FUTURE OUTCOME OF THE WHOLE UNDERTAKING. I SINCERELY TRUST THAT YOU WILL NOT RESIGN FROM THE COMMITTEE. YOUR COUNSEL IS SO URGENTLY NEEDED THERE. WHEN I WAS IN WASHINGTON A FEW WEEKS AGO, I HAD AN OPPORTUNITY TO DISCUSS THE WHOLE PROBLEM WITH THE ASSISTANT SECRETARY OF STATE FOR PUBLIC AFFAIRS (THE MAN NEXT TO AGNESON) AND HE ASSURED ME THAT THIS PROBLEM WILL NOT BE SIDETRACKED OR FORGOTTEN IN THE FUTURE PLANS WHICH ARE NOW BEING FORMULATED. THIS WAS MOST REASSURING TO ME BECAUSE, AS I THINK YOU WILL AGREE, THE SEEDS FOR FUTURE DISSATISFACTION WILL SURELY BE SOWN IF AN INCONCLUSIVE SETTLEMENT OF THE CULTURAL AFFAIRS RESULTS. THERE ARE ENOUGH PEOPLE IN HIGH PLACES WHO CARE ABOUT ALL THIS TO SEE TO IT THAT IT DOES NOT RESULT IN A MESS. LANE AND I CONTINUE TO FOLLOW ALL THIS WITH KEENEST INTEREST, EVEN THOUGH WE ARE PHYSICALLY FAR REMOVED FROM THE SCENE.

WHILE IN NEW YORK RECENTLY I HAD SEVERAL WONDERFUL VISITS WITH HAM AND HELEN COULTER. HAM HAS TEMPORARILY MOVED FROM NEW YORK - TO A PLACE ON LONG ISLAND - WHERE HE IS PURSUING HIS STUDIES IN HORTICULTURE. I GIVE YOU HIS NEW ADDRESS (ALTHOUGH I AM SURE HE HAS SENT YOU A CHRISTMAS MESSAGE: SHORE ROAD, COLD SPRING HARBOR, LONG ISLAND, N.Y.) HE SEEMS VERY HAPPY IN THIS NEW WORK OF HIS AND I AM VERY PLEASED. HE IS A FINE GUY.

THIS BRINGS YOU AND YOUR FAMILY EVERY GOOD WISH FOR CHRISTMAS AND THE NEW YEAR - A YEAR WHICH I HOPE WILL EITHER BRING US BACK TO GERMANY - OR YOU TO CALIFORNIA.

AS EVER,

THOMAS C. HOWE, JR.

122844

DECEMBER 18, 1951.

DEAR LANE:

I DID NOT EXPECT TO BE WRITING YOU AGAIN BEFORE CHRISTMAS BUT WALTER HORN PHONED THIS A.M. (ABOUT ANOTHER MATTER) AND I SEIZED THE OCCASION TO ASK HIM IF THERE WERE A RUSH ABOUT HIS MAKING A DECISION ON THE BERKELEY PROPOSITION. HE REPLIED IN THE AFFIRMATIVE - SAYING THAT HE WOULD HAVE TO KNOW (BECAUSE OF GETTING THEIR NOTICES PRINTED) IN ABOUT TEN DAYS. THIS IS A DILEMMA IN WHICH I CANNOT BE OF ASSISTANCE, SINCE IT IS ANYBODY'S GUESS WHAT MAY BE THE RESULTS OF NEGOTIATIONS TO DATE WITH MILLS AND WITH THE SANTA BARBARA PEOPLE. BE A GAMBLER!

I ENCLOSE A COPY OF THE LETTER I HAVE JUST WRITTEN DIETER - DELIGHTED TO HAVE A CHANCE TO SHED SOME OF THE INFERNAL "GOOD-WILL", SO RAMPANT AT THIS SEASON OF THE YEAR! COULDN'T ASK FOR A BETTER CHANCE THAN THAT OFFERED BY THE NAME OF HOFFMANN. YESTERDAY BROUGHT A LETTER (DATED DEC. 11) FROM HERR VON SCHMIDT - LET ME QUOTE A PERTINENT PASSAGE: "AT BREITENBACH'S OFFICE I JUST LEARNED XXXX FROM FR. DR. HENSEL THAT MR. BREITENBACH AND OF COURSE MANY OTHER AMERICAN OFFICIALS HAVE GOT THEIR UNOFFICIAL NOTICE PER APRIL 1, 1952. THAT PROBABLY MEANS THAT OUR OFFICES WILL BE CLOSED BY THEN. AS FAR AS I KNOW, MR. B. IS TRYING TO GET SOME OTHER JOB AT BERLIN BUT I HAVE NOT YET FOUND OUT WHAT IT IS. ON SUNDAY LAST, BREITENBACH AND SATTLER HAD A CONVERSATION. HE - BREITENBACH - TOLD ME THE OTHER DAY THAT ADENAUER HAS NOW RECEIVED THE OFFICIAL LETTER FROM MR. McCLOY AND NOW IT IS SO FAR THAT WE SHOULD TURN OVER THE STUFF TO THE GERMAN COMMITTEE, BUT --- NO COMMITTEE IS THERE, SATTLER WILL NOT TAKE OVER THE POST AS PRESIDENT AND HEYDENREICH RESIGNED. OF COURSE SATTLER WILL STAY ON THE COMMITTEE AS AN ORDINARY MEMBER. THEY HAVE TRIED TO GET METTERNICH AS A PRESIDENT BUT HE IS GOING TO ROME (HOWE ASKS: DID YOU KNOW THIS, LANE?). THEN THEY DECIDED TO HAVE TISCHOWITZ, BUT HE HAS ALREADY JOINED THE OFFICE OF FOREIGN AFFAIRS AND HIS SUPERIORS DO NOT WANT TO LOSE HIM AGAIN. SO WE ARE READY - BUT NOT THE GERMANS---! FINE, DON'T YOU THINK SO TOO? IT IS EXACTLY WHAT I THOUGHT WOULD HAPPEN. THEY NEVER WILL BE READY WHEN THEY ARE ASKED TO. THE BR. AND SATTLER ALSO DISBOUBBED THE MATTER OF HOFFMANN TAKING OVER THE OFFICE MANAGEMENT. ACCORDING TO SATTLER, ALL PERSONS CONCERNED ON THE GERMAN SIDE ARE INSISTING ON HOFFMANN EXCEPT SATTLER. BR. TOLD HIM THAT THE FRENCH AND ENGLISH WOULD NEVER AGREE TO THIS AND A COMPROMISE MUST BE FOUND; AND THEN HE SUGGESTED THAT HOFFMANN, DR. HAARS AND I SHOULD WORK TOGETHER IN THIS OFFICE. SATTLER THOUGHT IT A GOOD IDEA AND WILL MAKE THE SUGGESTION. I WAS NOT ASKED ABOUT THIS MATTER. I WILL NATURALLY TELL NOBODY ABOUT MY PLANS AND HOWEVER WILL NOT OBJECT TO THIS PLAN UNTIL THE VERY LAST MOMENT. I CANNOT JOIN A GERMAN OFFICE BEING A DUTCH SUBJECT. AND, KNOWING THE GERMAN PROCEDURES, ~~BE~~ EMPLOYMENT AND CLASSIFICATION, I KNOW FOR CERTAIN THAT I SHALL HAVE TO GIVE A DETAILED CURRIQULUM VITAE AND THEN THEY WILL FIND OUT A THING WHICH WILL BE MOST EMBARRASSING TO THEM - THAT I DID NOT GO TO A UNIVERSITY AND EVEN WENT OFF FROM THE HIGHER SCHOOL HALF A YEAR BEFORE THE FINAL EXAMINATION TOOK PLACE - SO I HAVE NOT EVEN GOT THE ABITUR. THAT WILL DISQUALIFY ME FOR THIS JOB. BUT EVEN THEN I WOULD ONLY TAKE A JOB WITH THE GERMANS IF I HAVE TO."

122845

I SUPPOSE THAT AT THIS POINT - UNDERSTANDABLY ENOUGH - EDGAR IS MORE CONCERNED ABOUT HIS OWN FUTURE THAN ABOUT THE FINALE OF THE WORK THAT WE ARE SO INTERESTED IN SEEING BROUGHT TO AN ORDERLY CONCLUSION - TO SAY NOTHING OF HERR VON SCHMIDT'S FUTURE. I WONDER IF YOU WOULD BE GOOD ENOUGH TO SEND THE STUFF I QUOTE FROM HERR VON SCHMIDT'S LETTER ON TO ARDELIA. I STUPIDLY DID NOT MAKE AN EXTRA COPY OF IT. I THINK SHE SHOULD HAVE THE LATEST DOPE.

DO YOU WANT TO HEAR A LOW STORY (I THOUGHT YOU WOULD): A LITTLE FELLOW WAS SITTING QUIETLY AT A BAR WHEN A BIG BRUISER, NOISY AND DRUNK, ARRIVED TO LOUSE UP THE PEACE AND TRANQUILLITY. HE TURNED TO THE MODEST GUY AND SAID, "WHO ARE YOU?" NO ANSWER. HE CONTINUED TO MADDER THE LITTLE FELLOW. FINALLY HE GOT A TERSE REPLY: "I AM A QUAKER, I AM NOT MAKING ANY TROUBLE AND I SEE NO REASON WHY YOU SHOULD." TO THIS THE BRUISER REPLIED HEARTILY AND UNFUNNILY: "WELL, IF YOU ARE QUAKER, SAY SOMETHING IN QUAKER." THE LITTLE MAN LOOKED HIM SQUARELY IN THE EYE AND SAID - "F--K THEE."

IT IS RAINING CATS AND DOGS OUTSIDE - AND IF WE WERE IN A COLDER CLIME, THE RAIN WOULD BE SNOW BECAUSE IT IS SIFTING DOWN (IN HUGE QUANTITIES, HOWEVER.) I'LL BET WILLIAMSTOWN IS A PRETTY SIGHT.

AND NOW, BARRING UNFORESEEN ACCIDENTS, I'LL PUT UP AND SHUT UP TILL AFTER THE HOLIDAYS - AT LEAST UNTIL AFTER THE 25TH.

BEST LOVE TO ALL,

PROF. S. LANE FAIBON, JR.,
COLLEGE PARK
WILLIAMSTOWN, MASS.

G. von Schmidt auf Altenstadt
Beer
Moritzstrasse
Wiesbaden, Germany

December 28, 1951

Dear Mr. Howe,

You can't imagine how delighted I was, - coming home today and your letter of the 19th was there. Just today on my birthday, it was an extraordinary pleasure. -

First of all the Metternich Affaire; I myself really did nothing in this matter except telling you what Frey and v. Beyme told me once and a while. The matter is absolutely clear - Bonn delayed the matter and is now blaming the Hessians for it but in addition the Hessians tried something funny - to put the "Metternich Portrait" on the national list. The man behind all this is not Nothnagel but Holzinger, I'm quite shure but have no evidence. Just the day before Christmas I met v. Beyme in the Museum and talked to him. He is still sick and not working and went only to his office for a few hours looking through the files of letters unanswered. He told me vaguely that "something" with the Metternich was not yet cleared although Bonn has given the approval. I immediately know what he meant that the Metternich Portrait was to be put on the national list thus banning the export of the picture. What I already knew but didn't write you in my last letter fearing that the mail might be opened I now must tell you taking the risk. Fr. told me that they have already a plan how to avoid this. They will pretend that they have made the exchange against the other Metternich portrait - you probably remember it - but will not really make the exchange. Nobody can find out. - But we shouldn't talk about it and it is much better that you never mentioned it in your letters. After Newyear I will call again on v. Beyme, and ask him how the things are.

I'm just a little bit troubled about your letter to Mr. Faison and to Sattler whether I will get in troubles with Breitenbach. It seems to me that he is rather peculiar in these things. To speak quite open, I can't get warm with him and therefore don't know what he is thinking and feeling about things. I hope you understand my queer explanation. I'm driving a little bit like a rudderless ship. In any case Br. and I are of one opinion regarding the future German Committee and our planned transfer - that actually nobody at the present knows what is going on and what will happen in the very next future. The only thing we can now say is that we will terminate our activities on or about April 1st. My office is still at Wiesbaden but I have already seen our new offices. Br. moved yesterday afternoon and I

(Room No 240)

122847

will follow very soon. Also the shipment of our beloved Aussee-stuff will be accomplished - I expect - in the first half of January.

Have you made some progress with your matters? You never mentioned it again.-

The last two weeks just until Dec. 25 we had here very bad weather, not cold but rainy and foggy. Already in the early hours of the afternoons it was dark. The driving on the road to Frankfurt was more than dangerous. Long, long rows of cars and trucks in a maddening slow ~~tempo~~, a lot of serious accidents. Especially the Volkswagen and some other types were a great danger on the road because of their small lights. In the thick fog you often saw first a black shadow coming nearer and then suddenly you saw the lights but too late. Passing other cars was a lottery. Just in these days I drove twice with my cousin to Frankfurt because our courier is now running only once a day and I did ~~not~~ not get a place. He drove as a mad-man, and I was happy when we were home again without an accident. Since the 26th we have real spring-time weather, sunny and rather warm for December. Gerda and I have therefore decided to make a long walk next Sunday. - On Christmas eve I was invited by my uncle as every year but against my wishes and intentions, but finally I gave in. It was indeed rather nice, I say expressly rather nice because usually it is boring. Late that night driving home we had to deliver a parcel at some friends of my uncle and we went along - Jupiterstrasse 20- it was sad, knowing that you all were not there and some totally unknowns living there. You are quite right the last year is over and I hardly can realize what all hapened in these 365 days.

You make me really ashamed and I fear that I have become a real nuisance to you with this entry-business. But nevertheless It's my only hope ever to settle myself satisfactorily. I have here no real friends and my family - I have told you often enough what they are like. I hope that you never will be disappointed what you do and ~~did~~ already did. I have already thought about the time I have all the papers ready. I think the best way will be that I should try to get a Dutch Freight-steamer, it would be the ~~most~~ cheapest and easiest way for me because than I can use my Dutch account, but this is matter that can wait still. I hope that I see much clearer until April 1st. so that I can make my plans, what to do next.

Mr. Heinrich writing letters - it is unbelievable. Please give him my best regards. - About the Schloss Johannisberger, I can see the idea of it, Californian laws must protect their own wines, ~~it's~~ it's the same thing the "Weinbauern" here are doing with French and Italian wines. Please tell me how the Schloss Johannisberger tasted, because my uncle told me just now - he is a real "Weinkenner" - that he tried his own wines "Oestricher Burggarten" in South Land and found out that they had lost flavour. He was of course not shure regarding the reason for it. To his opinion the kind of transport is the important thing. He did send his wines per air freight. Shure I do remember Mr. Guggenheim. A German edition of your book - that is interesting news. It should be a great success, I'm not inclined to flatter you but it is a subject which interests wide circles and facinating, as a good murderstory. -

I fear this letter will be too late but notwithstanding that, Gerda and I sending the Howe Family our very best and sincere wishes for a happy New Year - happiness, success and "Lebensfreude". G. and I will emptying our glasses of "Rheingauer" on the health of the Family Howe.

Ever yours

Many, many thanks from Ed. Guggenheim

hate that I cannot express myself properly as I feel.

122848

MARCH 15, 1952.

DEAR HERR VON SCHMIDT:

THIS IS A CONTINUATION OF MY ANSWER TO YOUR FINE LETTER OF MARCH 2-4TH. OF COURSE IT IS ALL RIGHT WITH ME TO REFUND YOU THE MONEY SPENT ON THE METTERNICH THINGS WHEN YOU REACH AMERICA - BUT I THINK YOU COULD PROBABLY USE SOME MONEY BEFORE THAT TIME. NO? THERE IS ONE EXTREMELY IMPORTANT POINT TO BE CONSIDERED IN THE SHIPMENT OF THE PICTURES) I REFER TO WHAT IS CALLED AN AD VALOREM DECLARATION. UNDER NO CIRCUMSTANCES MUST THE PICTURES BE DECLARED AS WORKS OF ART - UNLESS THE STEAMSHIP COMPANY IS WILLING TO ACCEPT THEM AT THE USUAL RATE FOR HOUSEHOLD EFFECTS. ON THE FRENCH LINE, FOR EXAMPLE, IF YOU SEND A PAINTING, THE USUAL PROCEDURE IS TO CHARGE YOU ON THE VALUE OF THE OBJECT (THAT IS WHAT AD VALOREM MEANS - AND FORGIVE ME IF I AM REPEATING THINGS YOU ALREADY KNOW!) AND, AS YOU CAN SEE, THIS WOULD MEAN A TERRIBLE SHIPPING COST. SUPPOSE THE LAWRENCE WERE SENT WITH A "DECLARED VALUE" OF FIVE THOUSAND DOLLARS. IN THAT CASE, THE SHIPPING COMPANY MIGHT CHARGE AS MUCH AS 4% OF FIVE THOUSAND DOLLARS TO SHIP THE PICTURE. THUS, THE THINGS OF METTERNICH MUST COME AS "HOUSEHOLD EFFECTS" IN ORDER TO BE SENT AT A REASONABLE FREIGHT RATE. WHAT CAN RETTENMAYER TELL YOU ABOUT SUCH MATTERS?

HOW GOOD OF YOU TO TAKE CARE OF THE REQUEST FROM MR. HEAVENRICH ABOUT THIEME-BECKER. I KNOW HE WILL BE DEEPLY GRATEFUL.

I AM SO GLAD THAT THINGS SEEM TO BE GOING SO WELL WITH THE COMMITTEE. I ALWAYS HEARD THAT GRAF METTERNICH WAS A FINE AND INTELLIGENT MAN FOR THIS WORK. I MET HIM ONLY ONCE - THAT ONE TIME AT BONN. BUT I HAD A MOST PLEASANT IMPRESSION OF HIM. I KNOW TOO THAT BOTH MR. HEINRICH AND MR. LESLEY ARE DEVOTED TO HIM.

I CAN'T FIND THE COPY OF MY LAST LETTER TO YOU -- DID I COMMENT ON THE FINDING OF MR. HEINRICH'S CHARDIN DRAWING? THAT IS MIGHTY NICE FOR HIM - IF THE DRAWING REALLY IS BY CHARDIN. SOMETIMES I WONDER ABOUT THE THINGS MR. H. BOUGHT IN THE WAY OF DRAWINGS!

THIS IS CONFIDENTIAL: IN HIS LAST LETTER MR. FAISON SAID THAT MISS HALL HAD PHONED FROM WASHINGTON TO ASK IF HE WOULD BE ABLE TO TAKE A TWO-MONTH JOB (AUGUST-SEPTEMBER) IN VIENNA. MR. FAISON HAD TO SAY "NO" BECAUSE HE WILL BE TEACHING IN CALIFORNIA AT THAT TIME. HE SAID HE HOPED I'D TAKE THE JOB IF IT WERE OFFERED - EVEN THOUGH IT WOULD MEAN THAT I'D MISS HIM HERE IN CALIF. WELL, MISS HALL HAS NOT ASKED ME AS YET. BUT OF COURSE I AM FASCINATED -- AND I HARDLY KNOW WHAT I'D SAY IF SHE DID MAKE ME A PROPOSITION. SOMETHING TELLS ME I'D SAY "YES" - IF IT WERE ONLY FOR THAT PERIOD OF TIME. I COULD NOT ASK MY TRUSTEES FOR LEAVE SO SOON AGAIN.

BEST GREETINGS IN WHICH MRS. HOWE AND PRIMMIE JOIN,

FONDLY YOURS,

THOMAS C. HOWE, JR.

122849

J.E.G. von Schmidt auf Altenstadt
c/o Frau A. Beer
60 Meritzstrasse
Wiesbaden, Germany

April 2, 1952

Dear Mr. Howe,

Last Sunday I have already written a letter to you - 2 pages - , when I was interrupted and never finished that letter. Therefore I am starting anew now. This is only meant to keep you informed of the developments here.

First of all, the Metternich business. In my last letter I told you that Frey has given me some instructions regarding the pictures, but I had forgotten the note at home. Here they are: The biggest box of the three picture boxes contains the large portrait of Pauline, Napoleon Sister and the Metternich portrait. The latter is fastened with screws on the bottom of the box. On two places the Metternich portraits is patched with tissuepaper, one of this places is the signature. This was done for some special reason but which now after all seems not to be necessary. Frey has used "Mastix" varnish for the patching. According to Frey the tissue should be wettened with "turpentine" left this way for several hours and then the tissue can be removed without any further hindrance.

Then I have seen Herr Gross of Retten-meyer on the shipping matter. He told me the following after I had shown him the passage of your letter regarding the shipping costs. The "expert license" given by the Ministry has to be submitted to the shipping company at Bremen or what port else together with the boxes. So the Shipping Company will be aware of the nature of shipment. He, Gross, showed me several letters of previous shipments made through his firm. The freight rate in 1949 for art objects were 10% lower than today but according to Gross they are now approx. for 1000 kg or one cubic metre \times \$ 85.- and the "Ad Valorem" rate 3% whereby the value of the shipment has to be given by the sender, thus you are free to make your estimate by your own. However Gross told me that the conditions of the Shipping Companies always say with respect to the rate which will be applied "according to shipping company's choice" thus they are free to do what they like. The rate for household effects are \$ 55.- per 1000 kg or 1 cbm. Of course the rates to USA Western ports are the same as to USA Eastern ports. Herr Gross made a rough estimate of the cubic measurements of all boxes and came to the result of approx. 4 cubic metres. Thus would mean roughly \$ 340.- applying the \$ 85.- rate or \$ 11,000.- value applying the Ad Valorem rate. I don't know how much the total value of the shipment is and whether you can declare another value for shipment purposes than for insurance purposes. I understand quite well that this matter has to be done as cheap as possible without endangering the objects. Gross told me that he will try naturally to get the shipment through as "household effects" but he cannot promise that the Shipping Company will accept that. My personal impression is, that Gross is loyal and will not

122850

try some dirty tricks for the sake of an higher commission.

Please let me know what you feel about this matter. - I have not yet heard from the Fuerstin. Frey told me, that she was away again but before leaving she told him that she believes that the shipment might go out now very soon although the papers for some reasons unknown to me had to go back to Bonn again.

Next sunday the new exhibition in the Wiesbaden Museum will be opened with a preview for invited guests. You and Mr. Heinrich will get the catalogues as soon as they are available.

Now the more personal matters. Miss Hall expect to come to Germany about the 15th of April. She will stay in Germany for two weeks and than she intends to go to Austria for two months (May and June). She wrote Mr. Breitenbach that she will try to solve several problems of which the Austrian questions is number one. The Yugoslavia matter and the Italian restitutions are the other main topics. I think that she will also try to do something about the Kassel, Luebeck and Kiel pictures in Austria. She will also bring with her the Duesseldorf Rubens, and some other things recovered in the States. All this is naturally confidential! When I learned that she intends to take me to Austria for two months, I told Mr. Breitenbach, that naturally I was willing to do that under the condition that the normal procedure at the US Consulate for my emigration would not be interrupted by my absence. And of course if the stay at Austria would interfere with my personal matters, I expect that she helps me in order to straighten out the things with the consulate one way or the other. Apparently nobody can speed up the course of the official way therefore I think she must help me to get a travelorder to Austria for repeated travel so that in the case I might be called by the consulate I can go back to Frankfurt for several days. I think that is a reasonable request. Being still at HICOG and refusing to go with her, she might get angry and making troubles through consular channels. Besides that I would enjoy it. Today I went to the Dutch Consulate to get a new pass. I met also Mr. Furnee who sends you his best regards.

I also was at the Consulate and asked the girl at the Visa Section regarding the time when I could expect to be called up for interview. She told me: if one has submitted all the needed papers to the consulate it lasts approx. 8 weeks than one is called for interview, medical examination, fingerprinting etc. and 4 weeks later the visum will be issued, thus in total 12 weeks. During the first 8 weeks the political screening is made. All these "time limits" were given supposedly nothing is going wrong with the political screening and the medical examination. In my case that would mean - having submitted my papers on March 15-, that I can expect to be called for interview etc. on about May 15 and can expect to get my visum about 15th June. Considering now my going to Austria with Miss Hall I can expect to leave Germany in July or beginning August. If all is going according to schedule. But the main point is, do you and naturally Mrs. Howe agree that I should try to come as soon as I have the entry permit? I think think that it will not become too difficult to get a passage that I have to find out as soon as I have been called for an interview.

That I have written Mr. Heinrich that I will gladly accept his offer for an job, I have already told you? I am now waiting for his answer

Now just a little gossip from Wiesbaden even it is a sad one, Frll. Brummer had already months before we closed our CCP a close friendship with a certain Herr Schnee, (rehaired, married for the second time, two children, carpenter of Direktor Kutsch in the Prehistoric Dept.) Now she is expecting a baby (4 or 5 month) from this Herr Schnee. They already tried to get a divorce from the present wife of Herr Schnee

but the judge refused, saying that getting a baby from another girl was no sufficient reason for a divorce. It is a pity, isn't?

The weather here is terrible. Three days ago we had heavy snow and it is cold, unusually cold for the time of the year. It was very sad because a lot of spring flowers were blooming and the chestnut trees were budding, but apparently the cold and the snow didn't do very much damage. From all rivers inundations are reported. The way from Biebrich to Schierstein along the river is overflowed also the road along the Rhine near Braubach to Assmannshausen. Mrs. Howe shall probably remember this road, we took it after the Rhinetrip.

If I am going with Miss Hall for really two months to Austria I will give up my room in Wiesbaden at Frau Beer. As soon as this is decided I will give you a new address. I have just telephoned with Gerda she joins me in the fondest greetings for Mrs. Howe and Primmy.

Ever yours

A handwritten signature in cursive script, appearing to read 'H. J. ...', written in dark ink.

SUNDAY, APRIL 6, 1952.

DEAR HERR VON SCHMIDT:

YOUR LETTER OF MARCH 27TH WAS SO VERY WELCOME. THE WORD ABOUT YOUR VISA SOUNDS MOST ENCOURAGING AND I HOPE THAT NOTHING WILL PREVENT A RAPID DEVELOPMENT IN THAT MATTER. WHAT EXTRAORDINARY NEWS THAT MRS. NIPPER MAY MARRY LOVETT. IN THE FINAL ANALYSIS, I AM NOT SO SURPRISED - AND I'LL TELL YOU WHY: MRS. NIPPER IS A LEVEL-HEADED GAL AND KNOWS WHAT SHE WANTS. PERSONALLY I DON'T THINK IT SHE WANTS MR. LOVETT SO MUCH AS SHE WANTS WHAT HE REPRESENTS. BY THAT I MEAN THAT I AM SURE SHE FEELS THAT HE IS "GOING PLACES" IN HIS CAREER WITH THE STATE DEPARTMENT, AND I THINK SHE IS RIGHT, AND THIS WOULD MEAN THE KIND OF LIFE THAT WOULD VERY MUCH APPEAL TO HER. HOW DOES THIS DIAGNOSIS STRIKE YOU? RIGHT OR WRONG? (LOVETT IS A NICE GUY - BUT I THINK HE WOULD MAKE A DIFFICULT SORT OF HUSBAND - VERY SET IN HIS WAYS - AND HE'S PRETTY YOUNG TO BE SO OPINIONATED!) WELL, I WISH HER JOY AND I WOULD LIKE TO SEE HER HAPPILY SETTLED.

IT IS GOOD TO KNOW THAT THE METTERNICH THING SEEMS TO BE SHAPING UP WELL. I DO HOPE THAT THE PICTURES WILL FINALLY GET STARTED ON THEIR WAY TO US. MAYBE YOU'LL BE IN CALIFORNIA IN TIME TO SEE THEM UNPACKED! WOULDN'T THAT BE NICE!

I AM FASCINATED THAT MISS HALL INTENDS TO COME TO GERMANY HERSELF. NO WONDER SHE WANTS YOU AROUND. WHAT WOULD SHE DO WITHOUT YOUR HELP! I HOPE THAT AN ARRANGEMENT CAN BE WORKED OUT THAT SUITS YOU AND AT THE SAME TIME IS HELPFUL TO MISS HALL.

I THINK IT WAS SINCE I LAST WROTE YOU THAT I SAW MR. HEINRICH. I HAD TO GO DOWN TO SANTA BARBARA VERY UNEXPECTEDLY FOR THE FUNERAL OF A FRIEND OF OURS (DIRECTOR OF THE SANTA BARBARA MUSEUM WHO DIED VERY SUDDENLY) - THIS WAS THE 16TH OF MARCH, AS I RECALL, AND I SAW MR. H. THERE AFTER THE FUNERAL. WE HAD TIME FOR ONLY A VERY BRIEF VISIT. HE TOLD ME THAT MISS JANET FLANNER WAS ARRIVING IN PASADENA WITHIN A FEW DAYS AND I SAID I HOPED THEY'D COME UP TO SAN FRANCISCO, BUT HE SAID HE WAS "BROKE." AND I GUESS NEARLY EVERYONE FELT THAT WAY AFTER PAYING THE INSTALMENT OF INCOME TAX WHICH WAS DUE ON MARCH 15TH!

HAVEN'T TIME TO WRITE MORE THIS TIME. IT IS A BEAUTIFUL PALM SUNDAY HERE AND I HOPE WE WILL HAVE THIS KIND OF WEATHER FOR EASTER. WE ALL SEND OUR WARMEST GREETINGS TO YOU FOR THE EASTER SEASON.

ALWAYS FONDLY YOURS,

122853

I told him that to my opinion he backed the wrong horse if he ~~ix~~ thinks that I could give him valuable information. I hope he will understand what I am trying to explain to him, I am willing but I am not able that is the point. I am lacking the information and the connections which are necessary for business. While being in Wiesb. Museum last week, I met Mr. Reinhardt from Winterthur who sends you his best regards. -

Now to the Metternich affaire. My letter to you that the paintings were free now for export, was too early. Now the Hessian Ministry of Economics has still to come in the business. According to Herr Gross this is not too difficult as Bonn and the Kultus Ministry has already given their approval. Some forms (applications for export) have to be filled including copies of the contract between the Museum and Metternich. Also a detailed list of the silver has to be submitted. This all will take some more time, so that the shipment in any case will not arrive before July 1. A difficulty has arisen regarding the contract. The copy in the hands of the Kultus Ministry is o.k. but the copy which the Metternich's have and which Herr Gross needed for the Min. of Econ. are not similar because on the Metternich copy in handwriting (I assume by the Fuerstin done) is the amendment that the contract could be prolonged if both parties agree. How it happens, I don't know but apparently the Min. of Econ. compared the copies and by the Kultus Ministry objections were raised against the amendment. In order not to delay the matter, again I told Herr Gross who is trying to straighten out the difficulty, to regard the copy of the Kultus Ministry (the one which was also approved by Bonn) as the only valid one. If the contract has to be prolonged I think it always can be done after the material is safely in your Museum. You remember that I wrote you that I paid from your money approx. DM 124.- for storage until February and other costs. Now the remaining storage costs, transport to Bremerhaven fob, and other smaller costs will amount to approx. another DM 250.- which according to my suggestions should be paid by Metternich's. The total cost from Bremerhaven to San Francisco - according to the last information received, will amount to \$ 170 / 180.- silver and paintings together. The silver boxes (5 boxes) together are approx. 0.56 cubic-meters and the 3 boxes with paintings approx. 1.91 cubic-meters. For the silver the shipping companies charge \$ 92.- per cubic-meter regardless whether it is museum material or household effects, and for the paintings \$ 60.- per cubic-meters. Thus amounting to a total of \$ 166.- but I gave you 170.- / 180.- in order to be on the safe side. Is it too expensive? Please let me know your comments. The application forms have to be signed by the Fuerst himself and as he is now out of town we cannot go ahead with the matter, but I expect that he will be back at Johannisberg this week. I have never thought that such a loan transaction could be so difficult, it is really a shame, how slow all these ministries are working - red tape only!!! I thought always that the Fuerstin ~~ix~~ besides being an extraordinary charming lady also was a really capable business-woman but to tell you the truth I cannot say anything like this, because I have never met her(!) we always telephoning or writing letters and with regard to the second " she always says that she knows nothing about the matters and is asking me to do what I can with respect to the shipment. It might be that she is so clever that she is leaving things over to other people.

But I don't mind it. I have really not much work with the shipment, the ~~many~~ delays and the complaints of the Ministries are the only things which are troubling me.-

I am really proud of what you wrote about the visit of Juliana, you can imagine. Miss Hall told me also about J. visit in the States, her coments were also highly "complimentense". I think it much better to have Queens on the throne than Kings in any case in our "aera".-

Please give Mrs. Tucker my best regards and naturally it would be a great pleasure for me to bring with me a replacement for "Hansi", if it can be done. First of all I must inquire wether birds may be brought from Germany on transit basis via Holland and what about the import in the States ?. I am still not have made a decision regarding my passage, I ~~still~~ must wait for the decisions made by Miss Hall and also I was not yet called by the consulate. The latter I expect within the next 2 or 3 weeks. If I know exactly when I get the visa and when I can leave Europe I will go to Holland in order to settle my passage question. It might be that I now may make use of the so called "Tourist-flights" The KLM has now a similar scheme as the PAA "Rainbow-Scheme". The price from Frankfurt to New York is \$ 300.- which I can pay in guilders but all depends on the time I can leave. -

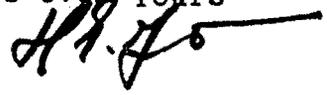
Thank you very much for the message of Mr. Faison regarding New York. My cousin Seeler may also probably arrange some-thing for me through his friend Tommy Hoffbauer, who is living in N.Y., if T.H. is not out of town by the time I'm coming. Regarding Faisons I have really a bad conscience I have not written for such a long time, I must do it soon.

One thing I have forgotten to mentioned. Just the day before Miss H. was due, Mr. Br. got a message telling him that he and his staff will be taken out of the Frankfurt HICOG organisation and transferred to Bonn Headquarters under the direct supervision of PUB overthere. They need him. That means an early move to Bonn. Apparently they wanted him to move still in May. But after long discussion, we decided to postpone the matter until Miss Hall had arrived and discussed the matter in Bonn. In any case I must reckon upon that I have still to move to Bonn in the very next future. -

Miss Hall is full of plans. She mentioned to me that a Hollywood Film Company wants to make a film about the MFA&A work and also she told me that she wanted the history of art restitution should be written, as far as I could find out, she has already talked about this with Mr. Heinrich. We have here wonderful warm summerweather and Wiesbaden is really like an "oasis" after ~~at~~ a day at Frankfurt. The May Opera Festivals began just today and all is gay and feel that Wiesbaden is improved much since the last year. Last week Gerda and I went over to the other bank of the Rhine to have a really wonderful nice evening at Heidesheim - this place is also famous for his asperges!! We regretted very much that the Howe Family was not here!X The sunset was wonderful and we sat in a restaurant with a wonderful view at the Rheingau on the overside. The wine was also excellent. Gerda makes it very well. The house at Hattenheim and the garden is wonderful-and noisy and full of life because there are this weekend the parents, 3 daughters, one son, 1 daughter-& 1 son in law and 4 grandchildren.

Gerda joins me in sending the "Howe Family" the fondest greetings and is as eager is I am to see you all again.

As ever Yours



122856

J.E.G. von Schmidt auf Altenstadt
c/o Frau A. Beer
60 Moritzstrasse
Wiesbaden, Germany

May 31, 1952

Dear Mr. Howe,

Thank you for your nice letter of May 18,- Now first of all the business - „Metternich affaire“, in my last letter I wrote you, that the Hess. Ministries objected that in the agreement, the copy which was in the possession of Fuerstin M., an handwritten amendment was made; saying that if both parties agree that the contract could be prolonged. Herr Gross from Rettenmeyer firm wrote about this matter to the Fuerstin and told me also. Assuming that the Fuerstin was not yet back, I postponed my call in order to discuss what we should do. Than finally I called her, but only to learn that she had left for a six weeks trip to Spain, but I was told that she had seen Gross the day before she left. This morning I went over to Rettenmeyer inquiring what had happend in the meantime. The Fuerstin M., I heard from Herr Gross had personally straighten out all difficulties regarding the amendment in the contract by a personal visit to the Kultusministry very easely. Thus they - the Ministry people will accept the contract as signed by you, accepting the loan for two years. Herr Gross meanwhile had pursued the matter and did get the export permit from the Ministry of Economic Affairs (Hessian) It is rather odd, but the M. of Econ. Aff. did gave the permit for one year only although the Kultus Ministry and the Bonn Ministry of Finance had agreed for two years. Apparently the Min. of Econ. Affai is bound to some unexplicable directives, but they also told Gross that a prolongation could be made for an other year afterwards. I assume that this - the prolongation of the permit - is the business of the Metternich's. They have to do it in the beginning of the next year. Herr Gross will have examined the shipment by the custom authorities within the week after witsun and he expects that the things will leave Wiesbaden by June 15. Thus if a boat is leaving about that time Bremerhaven for San Francisco you may expect the shipment around mid of July. I hope it's convenient to you. I instructed Herr Gross to let me know as early as possible the name of the boat, the name of the shipping company and the approx. date of arrival in San Francisco in order to relay it to you. I told Herr Gross that your museum will take care of the assurance from the moment that the shipment is leaving the storage place of Rettenmeyer at Wiesbaden on his way to San Francisco. Is that allright? Thus I am skure by now, that the shipment will arrive earlier than I do.

Miss Hall whom I gave your regards, is now at Rome in order to settle the matters of the German Institutes in Italy. I am entrusted in the meantime to review all Italian restitutions, athing which you may probably remember is rather tricky. Being now for 5 years and 3 months with the CCP/ MFA&A I had never worked on this special matter, being classified, so I had to try first to make myself acquainted with the mattter. But finally I succeeded and as Miss Hall

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returns from Italy I am ready to give her an complete account with details and evidence for every single item. Than it is up to the Department to make the decisions. I don't know wether you remember that between the Munich material is still one panel " Madonna and Child " Italian 15th cent. (Masolino) which ~~was~~ already repeatedly claimed by the Italians. It was also on the famous OMGUS list of the " Exceptional Return " and was not returned on the pretext that the Italians claimed a Masolino and on the list it was called Italian 15th cent. All that is naturally nonsense, it is clear that it is the same picture, now when this picture will not be returned to Italy, Italy also should give back to Germany a number of others. A lot of capable persons have already worked on the Italian business but nobody was able to settle the matter satisfactorly for both parties, therefore I doubt it very much if this matter can ever be cleared, except if the Italians and Germans ~~trina~~ trying to solve the problem between themselves.

Nothing have been coming out till now regarding my going to Austria with Miss Hall. Both HICOG, Bonn and HICOG, Frankfurt are unable to prepare a really strong justification requesting my travel order. So Mr. Br. on advise from Bonn cabled Miss Hall that she herself must put in a request for an travel order for me strongly justified and with a clear schedule. Miss Hall didn't answer the cable until today, so I assume that finally nothing will come from her plans regarding my going to Vienna. The next thing which I have still to settle is the turnover of the Jewish material in Munich to v. Tieschowitz. We still have one office room in Munich CCP until we are going really out of business. - The move of our office to Bonn is now finally scheduled for beginning of July. If I have not been terminated until then I have to move also. The big puzzle for us is, at the moment that the contractual agreement is signed but we do not know when it will be effective. Personally I assume our office will not be closed before August 1 or even September 1. Miss Hall who is staying here in Europe until July 31, hopes that I will not be terminated before she left again, but she is not aware of the fact that after she had left I have to have time enough to close orderly the office, which will take at least 2 or 3 weeks completing the files and preparing the shipment of them.

From the US Consulate I had no message until now, but I do hope that I will be called for the interview before Miss Hall is coming back to Frankfurt. - You remember Frl. Engels ? She left last week on the " Nieuwe Amsterdam " for New York. She will go to Ohio, the place I have forgotten. From all the former local employees of the Wiesbaden Collecting Point, I will be number 8 who is going to the States, isn't that fantastic?

Something astonishing has happend. The father of Gerda is apparently giving in now. A friend of him who is at the moment on visit in Hattenheim and with whom he talked, told her mother quite in confidence that he, the father, has expressed the wish that someone ~~want~~ should talk to him about Gerda and my plans. Suddenly he is interested and all his objections raised have apparently disappeared with one exception that he is now worrying that if Gerda is so far away and something might going wrong, he would not be able to come to help. This attitude of him is simplifying the matter very much and it is now up to me to talk to him but I cannot do it before I have been at the Consulate. They (G., her mother and apparently also her father) are now going so far that they want us to be married before I am leaving. I am very

happy about the new development. It would have been a rather big mistake if I had to leave Europe without having made "peace" with the "family tyrann". All this was new to me and Gerda told me the whole story just yesterday evening. Isn't that wonderful? Naturally I will not tell anybody about this, because the rest of my family, especially my uncle Hagstenberg, ~~he~~ might ~~cause~~ cause trouble again. -

From Mr. H. I have heard nothing. Miss Hall told me that he, as to her knowledge, is coming to Europe very soon although he had told me in his last and only letter that he could not come.

What about your plans regarding Europe trip? You never mentioned it in your letters to me, but in the letter to Fuerstin M. of which you did sent me a copy, you spoke about the possibility of coming over in September.

Since the last 2 weeks we had ~~an~~ rather cold weather, no rains but so cold that many people including me began again to heat. But the weather forecast for witsunday says that it will be warm and nice weather again.

~~XXXXXXXXXX~~ For 4 days we have here in Wiesbaden Biebrich in the park of the castle "International Concours Mippique" Even the Olympic teams from abroad i.e. the USA are here. You must tell it Primmy. It is really an event. The town is full of it and everywhere people is talking only about horses. I never would have imagined that we had such a lot of horse-minded people here in Wiesbaden.

Please give Mrs. Howe and Primmy, Gerda and mine kindest regards

With fond greetings

Ever yours

Mr. J.E.G. von Schmidt auf Altenstadt
c/o Frau v. Hinckeldey
Landstrasse
Strich / Rheingau
Germany

July 6, 1952

Dear Mr. Howe,

I am writing you this letter from Ehrwald/Tyrol where an aunt of mine, the younger sister of my mother, is living. I am up here from Salzburg for the weekend. Monday morning I will go back to Salzburg. Both of your last letters, which I have not with me, so therefore I can't give you the exact dates, have arrived. I thank you very much. Regrettably I could not do anything regarding the children of your friend, because the letter arrived the very last evening before I left Wiesbaden for the trip to Austria with Miss Hall. I have still called the manager of the Hotel at Schlangenbad, who happened to be a friend of my cousin. I also called Gerda and sent her your letter and explained her the matter. I hope she was able to do anything regarding the children. I heard from her that she has written you about it. Your second letter concerning the letter of Hardenberg (Hohenzollern property) Gerda forwarded to the US Embassy in Vienna where I got it and immediately gave it to Miss Hall. She said she would do something but there is no chance that she could do it before she is back in Washington. I am very sorry that I could not be of any help due to my departure. On June 18th we left Frankfurt for Munich. In Munich we stayed for 4 days and then proceeded to Vienna. Miss Hall went by Mozart train and I by Panam. I am not authorized to use the Mozart. For safety reasons I had to use the plane (Russian Zone). In Vienna we had several discussions regarding the remaining problems in Austria with Dr. Demus and afterwards with Mr. Locher. The result was not so very satisfactory. Demus is a wonderful, very cooperative Gentleman, I can't say the same of Mr. Locher. Quite in confidence, I disliked Locher from the first moment I saw him. My travel order which I got from Bonn after a request by Miss Hall, is really remarkable. "50 days travel, Munich, Vienna, Salzburg, Linz, Graz and all other places in the US Zone of Austria which may be visited by us in connection with our work, frequent and intermittent travel by air and by rail. Miss Hall decided after 5 days that we had to go to Salzburg to inspect the depots overthere. So we left Vienna earlier than it was planned. I flew back to Munich and then went by train to Salzburg. Here we inspected the depositories and went very carefully through all the material here. One day we went to Alt-Aussee Mine because the Bundesdenkmalamt has stored there several hundred of hungarian paintings still under US control. We had an car from the consulate for this trip. It was marvelous. A wonderful - but very hot day. We drove to Aussee and then went into the mine - it was wonderful cold. Miss Hall made a very thoroughly inspection of the material, of which we hope it can be restituted in due course. I was so glad to see with my own eyes the "historic place" of your first work and adventures after the war. Yours and Mr. Faisons name was so often mentioned these days that I am shure that your ears must have rung. On our way back to Salzburg, remembering our trip last year, I persuaded Miss Hall to see the Pacher Altar at St. Wolfgang. So we did. A Frau Dr. Doberer from the Bundesdenkmalamt accompanied us. She is the one who is in charge of all the depots. Due to her, the warden of the church at St. Wolfgang opened the two wings of the altar for us. By the way I got now also a set of coloured post cards of the paintings of the altar. I thought that we were trying to get them last year and they were not available, so I will sent you this set, later. I had the impression that also Miss Hall was very pleased that we went to St. Wolfgang. Miss Hall left Wednesday for London, leaving me behind at Salzburg. While she is away I am busy with making property cards of all the objects.

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not

to do the same thing there with the bigger paintings which at the time could be brought to Alt-Aussee because of their size. I expect Miss Hall back on July 15th. Then we can make further plans. Might be that we go again to Vienna, but not for long. I like Salzburg much more than Vienna. Before leaving Frankfurt. Miss Hall was so nice to see Mr. Parker of the US Consulate General in charge of the visa section. I will be called now during July for medical test etc. but not being there and on duty travel, Mr. Parker told Miss Hall I should sent him a note as soon as we would know the exact date of our coming back to Frankfurt. He will call me than as soon as possible and he promised Miss Hall that I would get my visa 2 or 3 weeks later. Thinking about all the other things which still have to be settled before I can leave, I imagine that my departure will not take place before mid of September. From Mr. Heinrich I have had no word at all. According to Miss Hall he, in contradiction what he wrote me in his letter, had an opportunity to make an Europe trip. So it might be that he is some where here in Europe. I think it would have been wonderful if you could have gone with us. The only thing which troubles me, is that I have not the impression that I am doing any work of real value and that I am a fifth wheel at the carriage as we say in German. Still it is a fine end of my job with MFA&A. A heat wave is striking whole Europe, fantastical figures are mentioned regarding the degrees, everybody is complaining about the heat but one and that's me. I am feeling now being in the real element.

It is really a desaster with this letter. I started twice and something went wrong with the typewriter and than I was interrupted ~~and~~ again and again. It is now Sunday night and tomorrow morning I am leaving again for Salzburg, therefore I am just trying to bring this letter to an end. Please forgive me sending you a thing like that and calling it a real letter, but I thought that you should know as fast as possible about Miss Hall and my doings here in Austria.

Please give my kindest greetings to Mrs. Howe and Primmy.
 With fond greetings, always
 Yours

H.R. J. Jr.

Just back at Salzburg, I read this "letter" over. It is really terrible, but I will read it anyway because otherwise I can already predict that I will have no opportunity to write and other and better one while staying at Salzburg.

Jhr. J. E. G. von Schmidt auf Altenstadt
c/o Frau Gerda von Hinckeldey
44 Landstrasse
OESTRICH / Rheingau
Germany

June, 16, 1952

Dear Mr. Howe,

I expect that you will be back by now from your trip to the East. Things are moving here, as you already can see from my address, a forwarding address only.-
The day after to morrow I'm leaving with Miss Hall for Munich. Friday we will meet there Herr v. fieschowitz and the turn-over of the remaining material will be effected. Sunday, June 22, or Monday I will leave Munich for Vienna. Miss Hall is going by the Mozart train but not being an Allied person, I'm not allowed to use the Mozart. On instruction I have to use the PAA. It is peculiar but Miss Hall never spoke in the presence of Mr. Breitenbach about the details of her program in Austria, so we both, Mr. Br. and I were puzzled and I feared that I had really not so much to do in Austria. But ~~Yesterday~~ - Mr. Br. had already left for a 6 days trip to Berlin -, Miss Hall showed me a little bit what we have to expect in Austria. I was really astonished about the material. Apparently a lot of pictures are there still unidentified or restituable to various countries of which we did not know anything at all at HICOG. Having seen this all, I'm finally convinced that a tremendous amount of work is awaiting us in Austria. Over the weekend Miss H. also went to Berlin. Rose Valland came Thursday, last week in our office to see Miss H. She sends you her very best greetings, confessing that she ~~was~~ was a very bad letterwriter because of too much work. Friday, I got my travelorder. Everybody with the exception of Miss H. was convinced about my getting not the order as it was requested, but Miss H. succeeded. 50 days Frankfurt for Munich, Vienna, Salzburg and other places in the US Zone in Austria and return to Frankfurt, frequent and intermittent travel authorized by train and commercial air transportation. The order was issued at Bonn Headquarters and they allowed me also and travel-advance of \$ 50,- per week. Thus I will be away from Wiesbaden until July 30, I have given up my room and Gerda will take care of my mail, as soon as I can give her my address in Vienna. Afterwards I will stay at the house of my uncle Hengstenberg, Wiesbaden, Richard Wagner Strasse 11 for the last weeks in Germany. Miss H. who came back from Italy last week, did ask me about my matters at the Consulate. I told her that I had received nothing and asked her if she could help me. The very next morning she came later in the office as usual, laughing. she did

Friday

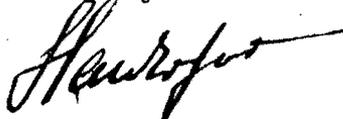
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asked me whether I know why she was so late. Imagine, she had been at the consulate seeing Mr. Parker, chief of the visa section. He had showed her my file with your letter and letters from Mr. Faiston and Mr. Heinrich. Mr. Parker told her that my matter is ok. As I applied for the visum in August last year my matter could not be handled before July, as belonging to the next fiscal year, that is why it is delayed ~~xxxx~~ a little bit. What these matters have to do with the fiscal year, I don't understand but never mind. She explained Mr. Parker my special situation regarding the TDY in Vienna etc. and he told her that I should write him a letter ~~xx~~ from Vienna as soon as we know the exact date of return to Frankfurt, then he will take care of sending me the letter calling for the interview and having made the medical inspection and the interview he assured Miss H. that it would take about 2 or 3 weeks to issue me the visum. Otherwise I would have been called for examination in the first days of July. He was very nice and very cooperative, Miss H. told me. Was this not very nice of Miss Hall? I expect that through August I will be busy in closing the office, packing the files etc. and going also for a week to Holland arranging my passage. And thus I expect to leave here in September. Naturally I will tell you the exact plans as soon as I see clear.- From Mr. Heinrich no letter or message.-

Saturday morning I was at Rettenmeyer. He had a letter from the Fuerstin for me. He told me that the custom will inspect the cases on Tuesday. The Fuerstin expressed the wish that Herr Frey should be present at the custom's inspection. Then the boxes will go to Bremerhaven end of the next week. Not being here, Herr Gross promised me to send you a letter as soon as he knows the name of the ship and the arrival date at San Francisco. The Fuerstin in her letter asks me, about her paying the expenditures for the shipment in Germany. She apparently still does not understand what my idea was about asking her to ~~xx~~ advance the amount necessary in DM. My intention was that she should pay for all costs until Bremerhaven and later getting back this amount from your museum, then it could be made a private arrangement between her and you (Museum) paying this money in dollars on an account abroad giving her the advantage of an "unknown" account of foreign currency abroad, you see my point? If your museum had paid the whole amount here in dollars then only the Hessian State would have the advantage of getting dollars instead of DM, also it would have been rather complicated to pay dollars for the shipment here, a lot of forms and papers had to be filled out and finally nobody would have had the profit than the State. And it makes no difference at all to the total amount which has to be paid. Please, write the Fuerstin this as long as she is still in Spain, I can't do that. As far as I can make out from her handwriting her address is: Fuerstin Mettenh, San Bernardino 14, Madrid. It is better she receives this explanation, if you agree with me, as long as she is still abroad, enabling her to correspond from there with you.

Gerda makes it fine, naturally she is not very enthusiastic about my going away for 6 weeks, but she takes it, knowing that bring us both nearer to the final goal. I hope you had a nice time in the east. Miss H. sends you her best regards. Please give Mrs. Howe and Primmy, Gerda and mine fondest greetings.

Always yours



J.E.G. von Schmidt auf Altenstadt
Hengstenberg
Richard Wagner Strasse
sbaden, Germany

August 3, 1952

Dear Mr. Howe,

Thank you ever so much for your last letter to Gerda regrading the Bullfinch. Gerda read it to me over the phone. I will call Fuerstin Metternich again as soon as she is back from Spain. The very day your letter arrived I called Johannisberg but was told that the Fuerstin was not yet back from Spain. In the meantime I have received the letter from the consulate calling me for interview and physical inspection on Wednesday, August 6th. Expressly it was mentioned in this letter that one should not book a passage until the date of issuing the visum is sure.- Miss Hall left the day before yesterday for Bonn and intended to come back the same day, but yesterday we received ~~her~~ a call from her that she will not be back until today's afternoon. I had in my mind and actually had already asked her to review my letter to Mr. Colt but she left and therefore I had to wait until today. I will enclose a copy for you. Things are moving fast now. My uncle Hengstenberg received a letter from his daughter, Seeler, in which she told him that you had written that you have a job for me at Oakland. So not intending to tell my uncle what has happened, until I have spoken first to my future father in law, I lied and told him that I had not yet received a letter from you but that I expect the letter soon because you had send ~~him~~ the letter probably to Austria and our mail to be forwarded has not yet arrived. In this manner I gained a few days until my uncle will have left for his annual holydays. Please tell Seeler's not the story about this when they arriving in San Francisco. All this is very carefully planned. I arrange with G. that I can see her father Thursday next week. Our intentions are to be married now as soon as possible in any case before I am leaving. Also our getting married before I leave should be a secret to Seeler's. All this is necessary because of the difficult relations between the families Hengstenberg and Wachendorff. Forgive me, bothering you always with such ridiculous matters but they are really essential and after having been through with it, it will be much easier for Gerda and me.

I got a very nice letter from Mrs. Westland. Miss Hall had seen her during her visit to London. Also I got a letter from Mrs. Tucker re the bullfinch, she wrote such a nice letter about my bringing the bullfinch. I do hope that the thing with the bird works out well and if have gotten one that he will not fly away or die during the travell.

Monday, August 4 at 21.30 hours the plane of Miss Hall is leaving Rhein- Main, so we have still Saturday and Sunday left. She already asked me to come Saturday morning to the office, in order to get finished the last matters. Sunday I hope to arrange something together with Gerda. I would very much like that Miss Hall sees Gerda also.-

Its so wonderful that you have arranged this job for me at Mr. Colt's museum. I'm now really can't wait until I get started there. It is a new and wonderful start for a completly new life for me. You really

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can't realize the full value what you did for me. I'm so deeply in your debt. From the letter which Mr. Colt wrote me I assume that my work at the museum, will be of nearly the same kind which I did in the Collecting Point. Being already acquainted with this kind of work, it will make my start much easier. On the other hand it is really good that I don't know Mr. Colt because than it would be too easy and to get the full extend of the capacity, one has to face difficulties not making it too easy. To overcome difficulties strenghten the minds of man. ---

Mr. Breitenbach has left for an extended weekend and so he will not meet again Miss Hall. During the preliminary discussion between Miss Hall and Mr. Breitenbach, it was agreed that Breitenbach in the future would act as a link between the Germans, Austrians and Miss Hall. He will also take care of all cases which can't be done from Washington. All this depends naturally on the "OK" of Bonn. Miss Hall intended to talk about this matter during her visit to Bonn. Most of the files will be sent to Washington. One thing seems me rather ~~x~~ difficult that is to quit the office, I'm prepared to get still for an indefinite period letters from Breitenbach and even Miss Hall asking whether I knew about still pending matters. Even I fear that if the files have been moved to Washington and have to be used there it will takes ~~an~~ considerable time until a file clerk could work with them because a lot of questions cannot be answered without having worked for a long time in these matters. ~~Many~~ questions which I'm sure will arise cannot be answered with the files only, but one has to rely also on one's memory. I always say, the files giving not away their secrets so easily, one has to know where looking for.

The last days in Austria were wonderful but also strengious. On Saturday, 19th of July we left early in the morning by car for Alt-Ausse Mine again. There Miss Hall took photos of the more important Hungarian stuff and also from material already turned over to the Austrians. On our way back, we stopped at St. Gilgen and send the car home. Sunday we went with the boat to St. Wolfgang and went up to the Schafsbere were we had a wonderful view on all five lakes. Picnic at the Schafsbere. Than back to St. Wolfgang again to the church having a second (for me the third time) good look. Miss Hall and Dr. Doberer, the representantive of the Bundesdenkmalamt went swimming while I wandered around. Monday morning came the car again and off we went via Traunsee to Linz. In the Linz depot we had photographed all the Thuerntal paintings still left there. At 6 o'clock in the evening we went to St. Florian. It was marvellous. Dr. Doberer was a specialist for St. Florian. She has published a book about St. Florian. So we couldn't have had a better guide. Tuesday was our last day at Salzburg. Wednesday ~~we~~ through Sunday we were at Munich. I left already on Saturday for Frankfurt/Wiesbaden. Very interesting and nice (but also tiring) was, that we met at Munich Mademoiselle Valland, who went with the permission of Breitenbach and Tieschowitz through the complete Goering Collection. -

As soon as I know more about the exact dates of departure etc. I will let you know about. The difficlyt thing is, that Seelers wanted me to stop over at South Bend for just one weekend, and I my self would like very much, - if it is not inconvenient to Mrs. Howe and you-, to see you first before I'm going up to Portland, I think the more important thing is for me, to see you. I cannot tell how to arrange this without being too late in Portland and withoutoffending Seelers. You will see Seelers, I'm sure. Please if you don't mind ask them what they thinking about.

*Our fondest greetings to Mrs. Howe & Pruey.
Many, many thanks again. As ever yours
Hansbühl John*

122365

Office of History U.S. Army Corps of Engineers,
Research Collections, Military Files, Box
XI, Box 3, file unit 3.

P. O. Box 1715
Baltimore, Maryland 21203

DAEN-ASH

18 October 1973

MG Robert J. Fleming, Jr., Ret.
1311 Hobart Street
Menlo Park, California 94025

Dear General Fleming:

I was glad to hear that you are interested in reviewing the draft on the Engineers in the occupation of Germany and Austria. As I wrote previously, there are virtually no documents dealing with high-level Engineer activities during the early occupation period. For example, no letters, memoranda, or reports of General Moore or his successors or of any members of their staffs have been found so far. As you were in Germany until May 1947, I am sending two chapters which deal with the Engineers in the occupation until the end of the Berlin airlift. Any comments you may have on any parts of these chapters would be welcome.

Please return the chapters to this office; a franked, self-addressed envelope is inclosed.

Sincerely,

2 Incls: as

KARL C. DOD
Historical Division, OCE

122866

Notes of R. J. Fleming Jr, Major (E) eret, USA Army (RA) ①
to go with draft of Chapter I -

Note 1 - I suggest inserting word "basically" or changing to read "what basic branch had been the Corps of Engineers" - Technically when General Lee became a general officer, he ceased being an engineer officer.

Note 2 This is incorrect. Administrative levels above the city and local level had been established as early as March 1945 when the Seventh Army (U.S.) took over all rear areas from the 45 First, Ninth and Third Armies and then military government through its two Corps HQ - the XXII and XXIII. I was Corps Engineer of the XXII Corps. My Commanding General, General Ernest Harmon, made me a Deputy Chief of Staff and gave me the job of converting that Corps Headquarters into one for operating military government in the Rheinland Province south from the British sector near Wesel to near Koblenz and from the Belgian and Dutch borders east to Dortmund where we again contacted the British. This territory included almost all the Ruhr, cities of Essen, Dusseldorf and Cologne. And I was responsible to my General for such chores as taking care of 500,000 displaced persons, for moving about ten million Germans who had displaced themselves across the Rhine River for repatriating and screening a hundred thousand or so German POWs, and for feeding the German people. We had about five divisions and lots of Corps troops to do this job but we did it by reestablishing German administrative echelons up to the Province level and making them take care of themselves as best as they could. This

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Note 2 (Continued)

job lasted until towards the end of June when the British relieved us as this area was part of their permanent zone. Our Corps then moved to Czechoslovakia.

Note 3. This is somewhat exaggerated. It is true that just after the American Armies passed conditions were as written. But in our area, and I presume in others, we went to work as soon as the shooting stopped to restore order - we rapidly turned chaos into confusion, and eventually confusion into a form of order! Certainly by the middle of July we were pretty much on top of the displaced persons and refugee problems. We had a German food administrator who was getting food in and distributed. We bulldozed rubble off the streets, and had all sections of our Army organization working with comparable German civilian organizations. Our medical people for example got German hospitals operating, our signal people went to work on the German telephone system and our engineers restored fire departments, built bridges on key roads and other chores. The American Military Railroad Service for was fully occupied operating main lines to supply our armies to the east and could not be bothered with the secondary, yet we needed to feed the people. So we established our own railroad service using Germans and soon had operating tracks and rolling stock about equivalent to that of the old Central Railroad of New Jersey and Reading systems. One of my earliest recollections involved a

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Note 3 (Continued)

pump for the water system of Siegburg (I believe)
 Perhaps were hard to come by, but we got them
 one there in a hurry. We had uncovered a German
 munitions factory and without water to wet
 down the partially processed explosives there
 was imminent danger of the plant blowing up.
 The German in the plant got the stuff wet
 down, and then we loaned them dump trucks
 to haul it out to an open field in the country
 a few days later the stuff started blowing
 up in the piles in low order detonations.

Note 4

We were greatly restricted on what could be
 brought in from the United States. In fact we
 were almost prohibited from bringing in anything.
 So we had to restore German sources of supply
 and to exploit to the utmost importations from
 allied countries - Czechoslovakia France
 Belgium and the Netherlands. At that time
 Maj Gen Louis W. Prantiss (USA Ret) then Colonel was
 Chief of the Supply Division. I was Chief of the Construction
 Division and the late Brig. Gen. Howard A. Morris was the
 Engineer of the FRANKFORT (Headquarters) District.

And the problem is understated. Not only
 did we have to house the American troops and
 soon to come families but also we had about
 200,000 displaced persons from the Baltic region
 who could not be repatriated.

So we did everything we could to reestablish
 German sources of supply - light bulbs and electrical
 equipment plumbing equipment glass - you name
 it - we reestablished German factories to make these

122860

things for us - and incidentally for the German economy.

And you for a bitter comment - and if I am bitter I have good reasons to be bitter. Our biggest problems in this period were not what we had expected, but they were the somewhat unreasonable demands of high American officers for things they had never before known and the subservience of some Engineer officers to those demands.

For example - they Colonel Morris called me up one day to say that General McNarney's Aide (Williams I believe is the name) to report that Mrs McNarney wanted fresh milk, and that Colonel Morris would have to construct a cow barn at the McNarney Palace. I hit the ceiling, and then figured out a cow-barn was a small price to pay for the peace of getting along with the job. So with all our other demands for critical materials we built Mrs McNarney's Cow Barn.

Another example - we who were trying to run the job ran into a difficult problem with Third Army at Bad Tölz. In spite of all the instructions we put out under the authority of the Theater Commander two Engineer Colonels of the Engineer Station of Third Army flouted these orders and embarked at that time on some very extravagant projects - the roof back roof, etc. and others at Garmisch. When Colonel (later BG) Luplow, Col Prentiss and I protested the Commanding General of Third Army came up to protest our action, but our bosses told us in effect to lay off! So from then on these two Engineer Colonels at Bad Tölz were home

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Note 4 (Continued)

free. Later on when they were smirking about their humiliation of the Theater Engineer Section I remarked to them that they would not always be in their then protected sanctuaries. And sure enough five years later General Prentiss was head of the Personnel Branch of the office Chief of Engineers and I was the Assistant Chief of Engineers for military operations. And at my insistence and with his enthusiastic cooperation we settled some scores from that 1946 period. Both of those men retired deeply on, and probably still wonder what hit them!

A propos - In the Army, you either have to be the nice guy for whom everyone loves to work or you have to be the S.O.B. type that makes them do it. I have never been a nice guy - but not too much of an S.O.B. In this particular occasion I must say that I was an S.O.B. I nursed a grudge. I got General Prentiss to go along - and two careers got ended because the two men involved were too stupid to realize that cooperation was an asset.

Note 5 - This is in error - The Continental Base Section at Post Nauheim was some one's good idea that never functioned. It never was a "most important major subordinate command". I have no recollection of ever hearing heard of it. We dealt with the Theater Support Command, European Theater (TSFET)

Note 5⁶ - The story of how we provided these

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Note 5 (continued)

facilities would be fascinating (See Note 4 about Mrs McKarneys cow-barn). Occasionally we would be at the bottom of our resources, but had to do something. So (it was a court-martial offense in those days) ~~he would~~ General Muphis would call me up, say he had reached the end, and would like to go into the Black Market - I would reply "OK - I'll donate a carton of cigarettes," and we would get the job done.

Note 7 - See Note 4. - This delegation was OK. - But "the Naps commands" and here I was aiming at the Third Army Engineer Section frustrated us at every turn. (I am still being an S.O.B.)

Note 8B - This was a funny situation - we received "iron clad" instructions from, I presume, the Allied Military Commission to destroy all installations of military value. I got the job of carrying it out. I demurred, and was told "Do what you are directed". So, tongue in cheek, I prepared a list of priorities, and carried it over to General Carter B Wagner who commanded TSFET. He took one look at my list of priorities, and commented "Bobby - how did you do this?" - I replied it was in full compliance with my directive. - So we both went to see General Huebner (one of the greatest soldiers that America has ever had). He listened to me, got on the telephone to the Control Commission and shortly thereafter, the instructions were modified. Remember, now - that the original instructions would have required

122872

Note 98 (continued)

that we blew up all forward where

American troops were toward - and the

all supplies. When we got out of the

meeting, General Westwood recommended to

me - Don't say anything more - you have

made your point - so shut up. Soon

hereafter we received your instructions to use our own

judgment on targets to destroy and therefore we had

instructions that some should and destroy up the

targeted line - also other obvious military targets of

we was to anyone. We even used some paper on

the efficacy of 500 of bombs - a demolition charge

if they were Shikari placed and directed at our

spots in horizontal covered structures.

Note 9 - The Japanese about 1944 - the

major strike - first, and eventually the

of the Japanese in the first three or four

of the war. We needed orders which were

of that time. We were told to do it anyway.

At that time we had hundreds of thousands

of the Japanese. We were told to save lives and

of complete Japan - we had one after case

122873

listed on the shipping list as "FRAGILES"; once we had a barge of 40 ampere switches, instead the cases were 40 EA (each) switches. And such was the rush of evacuating stuff out of the French and Belgian depots that we had almost three hundred barges tied up in the river near Hanoi with no facilities to unload and no place to put the stuff if we could unload it. Another time we got orders to move prefabricated huts - we received about 20000 tons of miscellaneous hut parts with no identification. It would have taken a battalion a year to straighten them out and figure out how to build the huts!

years later when I went back to Germany in another capacity, Hanoi was still a mess, with tons of unidentified and unusable supplies. The establishment of that depot and the unrealistic demands placed on the Engineers to make it work is one of the best examples in our Army of wand-waving and wishful thinking. And it was a tragedy because several very fine officers trying to do a job were harassed to the point that their careers were ended.

Note 10 (on top 10 out of order with other notes)

I had been a Corps Engineer and Deputy Chief of Staff. After about 1 August, 1945, I left Czechoslovakia with a unit for Japan - These redeployments were all cancelled after V-J day, and I ended up in the Chief Engineer's office, Europe, where I inherited from other officers going home first the Real Estate Division and then the Construction Division. With the Construction Division I also inherited two very dedicated officers who had decided to stay and finish the

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job. They were Lt Colonel Fred Mullineau, with whom I
 was later associated when I was District Engineer
 Philadelphia in 1954-1955 and Lt Colonel JAKA,
 whose first name I do not now recall. When I came on
 board the Construction Division both of these men
 told me that a primary job was to establish some
 standards for housing and servicing the occupation
 forces. So we started out - JAKA had the primary
 responsibility - assisting him were two Polish engineer
 officers and two American lieutenants who had
 reported in after the war. Colonel JAKA was
 basically an architect. He was also a man of
 tremendous energy. And starting from scratch
 he came out with a most comprehensive book
 of standards - in three languages - English German
 and French. These standards were approved -
 and later became the basis of construction
 standards for our Army world-wide.

In the middle of this work we were told that
 we had to get rid of our two Polish officers - our
 government was no longer recognizing Polish military,
 etc etc. But they had done such a marvelous job
 that I secured ^{permission} to keep them employed as
 "American" civilians. Later on they emigrated to
 the United States under some special quota and
 I heard from one from time to time.

*The First Year
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followed on 30 July by the first formal meeting of the Allied Control Council, presided over by General Eisenhower.(21)

THE BEGINNING OF THE OCCUPATION IN AUSTRIA

97. Planning for the Occupation of Austria.

a. The assumption of quadripartite control was a slower process in Austria and was not completed until August 1945. Planning, however, had started in 1944, and from the beginning, a clear distinction had been made between the status of Germany and Austria.(22)

b. It was originally decided by the Combined Chiefs of Staff that the Allied planning organization in England would coordinate plans for the occupation of Austria with those for Germany, but that Austria would be initially under the Mediterranean Theater because forces for the occupation could be provided more quickly from there.(23) The U.S. Group Control Council (Austria) was established in the Mediterranean Theater on 27 January 1945,(24) and the London planning staff started its move to Italy early in February 1945.(25)

c. In December 1944 the proposal that Austria be divided into three zones was made by the Soviet representative to the European Advisory Commission. In March 1945 the four-power occupation of Austria was being considered by that body, but agreement was not reached until early in July.

d. Events early in April 1945 forced changes in the plans for Austria. Soviet forces crossed the Austrian border early in April and captured Vienna on 13 April. Meanwhile, the weakening resistance of the Wehrmacht in Germany indicated that United States forces could invade Austria from the northwest more easily than from the south. Part of General Eisenhower's forces were turned south, therefore, and penetrated into Austria before the Germans could assemble their forces in the mountain "redoubt" of southern Bavaria and western Austria. Control was transferred from the Mediterranean to the European Theater of Operations, except that the former Theater was directed to furnish military government personnel and the headquarters staff for the occupation forces. (26)

98. Interim Period of Tactical Military Government.

After V-E Day it was necessary to continue tactical military government in Austria for a few weeks until military government field detachments were in position. When the first members of the military government planning staff arrived at the end of May, they found a confused situation, due to the territorial disposition of units. [Troops in Austria comprised all or parts of two army groups, two field armies, four army corps, and twelve divisions, many of which were partly in Germany and partly in Austria. Consequently, their instructions and policies were not exclusively directed towards Austria. During the early period Austria had to be treated on the same lines as Germany. (27)]

99. Development of an Austrian Command.

[This situation was improved, however, in July. On 5 July 15th Army Group was reorganized and redesignated the U.S. Occupational Forces Austria.(28) The Headquarters Company II Corps, 11th Armored Division, 42d Division, and 65th Division, previously assigned to Third Army and 12th Army Group, were assigned on 6 July to the newly formed U.S. Occupational Forces Austria,(29) the commanding general of which was Gen. Mark Clark.(30)]

100. The Place of Austria in the European Theater Organization.

The command directive for Germany and Austria, which was adopted by the Joint Chiefs of Staff on 28 June 1945, provided that General Eisenhower as Commanding General of the European Theater should delegate to the Commanding General of the United States forces in Austria such operational control as he considered necessary, and that two divisions should be assigned to Austria.(31) This provision was elaborated in the Allied Forces Headquarters document that established the U.S. Occupational Forces Austria. General Clark was made directly responsible to the Joint Chiefs of Staff on military government and political matters, while remaining under the European Theater on matters of supply and administration.(32) Responsibility for the logistical support of forces in Austria was delegated to the Third Army, and later to Continental Base Section. Thus, the Austrian command assumed its place within the European Theater, retaining, however, a considerable measure of independence as regards