

the Office of Alien Property went through the lists and checked off those names as to which title claims -- that is, claims for return of the property -- already existed. Quite clearly, except in those cases in which the claim might be disallowed, these names did not represent assets to which the Jewish Restitution Successor Organization could properly lay claim, since it can, in any case, ask for the return to it only of unclaimed property. The Jewish Restitution Successor Organization then filed, as putative successor under Public Law 626, thousands of claims, which in general -- though not entirely -- reflected those names as to which no conflicting title claim was pending. This was a monumental task, which had to be completed by mid-August, 1955.

Subsequent to the filing of these claims, the Jewish Restitution Successor Organization again engaged upon a refining process. It undertook to re-examine and analyze its lists, in order to withdraw all of those claims which appear to be not well-founded. In this process, some thousands of claims have been withdrawn.

There are now on record and docketed with the Office of Alien Property some 6,899 Jewish Restitution Successor Organization claims. Of these, there is no conflicting claim in 4,558 cases, and there is an adverse title or debt claim in 2,341 cases. It should be pointed out that for present purposes it has been necessary to lump together adverse title and debt claims, so that it may be presumed that even in the latter category of cases some values will accrue to the Jewish Restitution Successor Organization, assuming,

as seems reasonable, that debts against vested assets do not in all cases come to 100 percent of the value of those assets.

The above recital is, we believe, sufficient to indicate the absolute necessity of legislation which would permit and direct the Office of Alien Property to work out a bulk settlement of these claims with the Jewish Restitution Successor Organization. In the absence of a bulk settlement, the Jewish Restitution Successor Organization -- which by statute is prohibited from debiting any of these funds to its administrative expenses -- would have to process at least 4,500 individual claims. The ordinary claimant has difficulty enough in assembling proofs and evidence. And he, it will be remembered, knows what property he is claiming, what his proofs are, where the property was located in the United States, what bank held his deposit, etc. In almost no case is the Jewish Restitution Successor Organization in possession of this kind of basic information at the outset. To the extent that such information is at all "available", it is likely to be in governmental files which for one reason or another bear a security classification, and therefore may not be open to the Jewish Restitution Successor Organization. Ascertain- ing the facts and assembling the proofs in thousands and thousands of cases, where by definition the original owners and their entire families are dead and vanished, their records generally burnt or destroyed, is an administrative and practical task of such magnitude as to stagger the imagination. It is so great a task, in fact, that it seriously jeopardizes the clear objective which the Congress sought in enacting Public Law 626 -- the provision of heirless funds, speedily and without deduction of any kind, for the relief of surviving,

needy persecutees now in the United States. It is certain that the sponsoring Senators and the Congress did not anticipate the enormity of this administrative task when Public Law 626 was enacted.

Moreover, the processing of this vast number of claims would throw an intolerable burden not merely on the Jewish Restitution Successor Organization, but also on the Office of Alien Property. Even on the basis of the Office of Alien Property's present workload, it would be years before it could process this volume of claims. Should legislation be passed by the next session of Congress which provides for a program of partial or other returns to former enemy owners, the burden on the Office of Alien Property will be increased. Under these circumstances, if the purposes of Public Law 626 are to be attained, a bulk settlement of the Jewish Restitution Successor Organization claims is a necessary amendment to the Trading With the Enemy Act.

There is ample precedent in heirless property matters, for bulk settlements. Bulk settlements have in fact been worked out by the Jewish Restitution Successor Organization with the various German laender -- that is, German states -- in the American zone of Germany and in Berlin. (Similar French and British successor organizations have also worked out bulk settlements in the French and British zones.) These bulk settlements have had the enthusiastic endorsement and support of the United States Government, of the Bonn and laender governments, and of all interested in achieving relief and not in shuffling papers. They provide a method for cutting through what

would

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would otherwise be years of fruitless and expensive processing of thousands of individual claims.

A bulk settlement, of course, must be worked out on the basis of estimates. Estimates, however, are infinitely to be preferred to a long drawn out and highly expensive procedure which can result only in the building up of enormous administrative expenses which would have to be borne by the charitable funds -- not to neglect the appropriation of substantial amounts which would have to be provided to the Office of Alien Property so that it could process these thousands of individual claims.

The Jewish Restitution Successor Organization has therefore worked out step-by-step procedures which will minimize the risk of error in the preparation of the necessary estimates upon which a bulk settlement can be based. It has discussed these plans with officials of the Executive and Legislative Branches in order to make them as careful and the results as accurate as possible. I should like to take a few moments to describe these procedures.

I have already pointed out that there has been a very careful winnowing of the claims on file before the Office of Alien Property, with the result that there are 4,558 of what we may call clear claims -- that is, claims as to which there is neither an adverse title claim nor any debt claim pending. In addition, one must, of course, reckon with the 2,341 claims of the Jewish Restitution Successor Organization where there is some adverse title or debt claim; and one must also take into account the possibility that the so-called omnibus accounts of Swiss or other banking institutions may contain substantial amounts of heirless property.

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The Jewish Restitution Successor Organization does not assume that all of the claims on file by it represent heirless property. Clearly, if the property covered by these claims was Jewish, and if there is no adverse claim, the property is heirless and unclaimed. Persecutees or their heirs have had the right since 1946 to file individual claims for the return of their property. If they have not done so, the presumption is inescapable that the property is heirless -- a presumption recognized, in fact, in Public Law 626. The problem therefore is to find out how many of the claims thus on file represent persecutee property. In order to do this, the Jewish Restitution Successor Organization has taken an entirely random sampling of the claims. This sampling was made entirely on the basis of the chance occurrence of addresses in the material made available to the Jewish Restitution Successor Organization by the Office of Alien Property. In other words, if the Jewish Restitution Successor Organization had the address of the putative persecutee in such a way as to make investigation possible, that name was included on a list, and the list was sent to Germany for investigation. The investigators were instructed to look at birth records, land records, the church or Jewish community records, the records of the International Tracing Service -- anything which would indicate whether the person in whose name the claim had been filed by the Jewish Restitution Successor Organization as successor was or was not a persecutee, was or was not alive, did or did not have heirs, etc.

The results of this investigation are not as yet entirely in. However, sufficient information has already come to the Jewish Restitution Successor

Organization to indicate that at least 50 percent of the Jewish Restitution Successor Organization claims are legitimate claims to heirless property properly cognizable under Public Law 626. Where persons can be tracked down through birth records, etc., a very large proportion of Jewish persecutee names occur in the Jewish Restitution Successor Organization sampling. In a number of other cases, it has found that of, let us say, 100 people living in the town of Frankfort none of the names taken from the Jewish Restitution Successor Organization sampling is now indicated as living there any longer. The only reason why this would be so is that these persons all died or were removed during the war. That these persons, who originally came from Frankfort, have never been found in that city again since the end of the war, carries an overwhelming presumption that they perished in Nazi concentration camps.

If, therefore, we estimate that 50 percent of the Jewish Restitution Successor Organization claims -- and on the basis of present information this is a very conservative estimate -- represents legitimate heirless property claims, we are then faced with the problem of determining what the average value of the Jewish Restitution Successor Organization claims is. Here, we have the benefit of some statistical material which has been prepared on two separate occasions and by two separate sets of people.

First, the Office of Alien Property itself took some 40 claims entirely at random and checked these to see what the value of these claims was. It found the total value of these 40 claims to be \$ _____ . The
claim

claim with the largest value was \$121,000. The one with the smallest value was \$4.25. The average value per claim was over \$3,000.

The manner in which these claims are distributed by value is very informative. Of the 40 claims, one was below \$5 and one above \$120,000. The largest number -- 14 -- was between \$5,000 and \$6,000. The next largest numbers -- 8 and 9 respectively -- were in the \$8,000 and the \$10,000 categories.

Entirely independently of the above Office of Alien Property analysis, in 1950 -- before passage of Public Law 626 -- an analysis was done in New York from vesting orders which at that time were available in the New York office of the Office of Alien Property. Again at random, 177 claims were analyzed. In these cases, a total value was found of \$202,014.06. This came to an average value per claim of \$1,141.32, a figure substantially less than that based on the limited Office of Alien Property analysis. It will be noted that the Office of Alien Property sampling includes one claim of over \$120,000, which lifts what I may call -- without suggesting that it has been adopted by the Government -- the Office of Alien Property average. But in any case, it would appear that the average is well over \$1,000 per claim -- and this is, on these figures, most conservative.

One may therefore take at least 50 percent of the 4,558 clear Jewish Restitution Successor Organization claims to represent claims cognizable under Public Law 626. The figures indicate an average value of upwards of \$1,000 per claim. On this basis alone, one arrives at an estimate of \$2,250,000

as the total value of Jewish Restitution Successor Organization claims. If one takes the average at the \$3,000 suggested by the Office of Alien Property analysis, the amount jumps to over \$6,800,000. And this neglects the values which are inherent in the 2,341 claims of the Jewish Restitution Successor Organization as to which there is some adverse title or debt claim, as well as the properties involved in the so-called omnibus accounts.

In addition, I have not included in these figures the amount involved in the so-called von Clemm claim. Here we have over \$900,000 worth of diamonds, assertedly obtained from the infamous Diamond Kontor of Berlin, whose sole function was the disposal of diamonds looted from Jewish persecutees. This claim is presently before a hearing examiner of the Office of Alien Property, and the Jewish Restitution Successor Organization has presented its claim and will present evidence during the course of the hearing. Official reports of the United States High Commissioner in Germany will show that the Diamond Kontor existed for the purpose of disposing of looted gems.

The Jewish Restitution Successor Organization therefore suggests an amendment which will authorize and direct the settlement of its claims by payment of an amount not less than \$2 million nor more than \$3 million. The \$3 million total limitation which is present in Public Law 626 provides a ceiling which was inserted with due regard for financial availabilities presented by the Office of Alien Property in connection with the legislative consideration of that law. In addition, S. 2227 -- and we assume other legislation of similar import -- will give a "cushion" of surplus property funds, should funds arising from vested property prove, as is not likely to be the case, to be insufficient for these purposes.

The text of the amendment proposed by the Jewish Restitution Successor Organization has previously been submitted to counsel for this Subcommittee, to the Office of Alien Property, and to the Department of State. We feel that the amendment will enable a prompt and equitable resolution of these claims. We feel that it will enable the original purpose of the Congress in enacting Public Law 626 to be carried out. We feel that it will result in funds expeditiously and without a tremendous burden of administration coming into the hands of agencies which can use them for actual and direct relief and rehabilitation purposes, as was originally contemplated by the Congress. And we feel that this amendment is good for the Government, good for the charitable and relief organizations which are concerned, and especially good for the intended beneficiaries. The Congress has declared that the funds left in the United States by those who perished in the Nazi concentration camps should be used for the benefit of surviving victims who are now in the United States and are needy. It is incumbent upon us to take measures to ensure that this intention is carried out and that these funds are made available while the intended beneficiaries are still alive to receive their benefit.

Attached to my statement there is a text of a proposed amendment, which, on behalf of the Jewish Restitution Successor Organization -- and, I think I can also say, on behalf of all those interested in the welfare of these surviving victims of Nazi persecution -- I earnestly commend to the sympathetic attention of this Subcommittee and of the Congress.

Thank you for your attention and for your time.

THE AMERICAN JEWISH COMMITTEE

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 295

TO: Dr. Herman A. Gray

November 15, 1955²

FROM: Eugene Hevasi

SUBJECT: Legislation Now Pending in the U.S. Congress for the Limited Return of German Property.

On June 8, 1955, an Administration bill was introduced in the first session of the 84th Congress under S. 2227 for the purpose of amending the Trading with the Enemy Act and the War Claims Act in order to permit the limited return of enemy property vested by the U. S. Government. The draft is now pending in the Committee on Interstate and Foreign Commerce. By far the greatest portion of the assets to be affected by the pending legislation was owned by national of Germany. Amending bills to the Trading with the Enemy Act were also introduced by Senators Langer, Kilgore, Dirksen and Clements, but we are interested in the Administration bill S. 2227 alone.

This draft bill provides for a limited return, as a matter of grace, of property or proceeds up to a value of \$10,000 to any one individual. Property of charitable, religious and educational organizations may be returned without regard to its value. Important from our point of view is the second part of the draft which establishes a fund of \$100,000,000 to finance payments, not in excess of \$10,000 per person, to certain U.S. nationals having certain claims against Germany arising out of World War II.

The establishment of the proposed "German Claims Fund" may prove important from the point of view of Jewish refugee interests, because there seems to be some possibility to suggest amendments to the pending bill which may achieve the following two desiderata:

(a) The inclusion of a provision which would authorize our Government to arrange for a bulk settlement with the Jewish Restitution Successor Organization of heirless properties contained in the mass of these enemy assets which otherwise would have to be claimed item-by-item in a long and wearisome process of individual treatment, costly to both the JRSO and the Office of the Custodian of Alien Property. All this is based on the previous amendment to the Trading with the Enemy Act which appointed the JRSO as successor in interest to such heirless assets of Jews held in the U.S. and with regard to which you were kind enough to testify last year. The proposed amendment would change only the technique of releasing these funds to the JRSO.

(b) An extension of eligibility for claiming war damage payments, to include not only U.S. citizens and persons who owe permanent allegiance to the U.S., but also former aliens who were Nazi persecutees and who became citizens of the U.S. prior to the enactment of the pending legislation.

Some time ago, Mr. Harlan Hood, General Counsel of the Senate Subcommittee of the Judiciary handling the bill under the chairmanship of Senator Olin Johnston, informed us that hearings will be held in Washington on November 29 and 30 on this legislation and Sy Rubin asked him to reserve time for us to testify in connection with these desired amendments.

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As usual, we are dealing with these problems in collaboration with the Jewish Restitution Successor Organization. As you know the American Jewish Committee and the American Jewish Congress are usually serving as spokesmen for these interests. Within this set-up, it was agreed to proceed in the present case as follows:

YIVO 347.17
AJC (GEN-10)
Box 295
File 2

On the amendment mentioned under (a) above regarding the bulk settlement question, Sy Rubin should testify.

On the second amendment, dealing with the extension of eligibility, two Jewish testimonies seem to be required each of them to propose slightly different criteria of eligibility. Our request to you is that you kindly testify on the basis indicated under (b) above, namely that "enemies of America's former enemies," i.e., Nazi persecutees who meanwhile became U.S. citizens, be entitled to share in the benefits of war damage payments from the "German Claims Fund." At the same time, Abraham Hyman, Director of the American Jewish Congress, is supposed to testify on the somewhat broader basis that eligibility should be extended to former U.S. residents who became citizens before the date of enactment of this law. This dual approach may help the proposal, by offering the lawmakers a choice between two approaches to the same goal.

This is, of course, only a sketchy outline of the proposition. Attached please find the text of the statement to be made before the Sub-Committee which, I believe, is detailed enough to serve as guidance for answering questions that may emerge.

We are all very grateful for your great helpfulness and for the sacrifice it involves. We have, of course, notified the Senate Sub-Committee that you can appear only on November 30th but not the day before. The hearings commence at 10:00 a.m. on both days, in Room 457 of the Senate Office Building. I shall let you know all further details as soon as possible.

EH:hg

Encl.

cc: Seymour J. Rubin

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THE AMERICAN JEWISH COMMITTEE

57227
YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 295
File 12

November 3, 1955

TO: Mr. Alan M. Stroock
FROM: Eugene Hevesi
SUBJECT: Legislation Now Pending in the U.S. Congress for the Limited Return of German Property.

On June 8, 1955, draft bills were introduced in the first session of the 84th Congress under HR 6730 and S.2227 for the purpose of amending the Trading with the Enemy Act and the War Claims Act in order to permit the limited return of enemy property vested by the U.S. Government. The draft is now pending in the Committee on Interstate and Foreign Commerce. By far the greatest portion of the assets to be affected by the pending legislation was owned by nationals of Germany.

The draft bill provides for a limited return, as a matter of grace, of property or proceeds up to a value of \$10,000 to any one individual. Property of charitable, religious and educational organizations may be returned without regard to its value. Important from our point of view is the second part of the draft which establishes a fund of \$100,000,000 to finance payments, not in excess of \$10,000 per person, to certain U.S. nationals having certain claims against Germany arising out of World War II.

The establishment of the proposed "German Claims Fund" may prove important from the point of view of Jewish refugee interests, because there seems to be some possibility to suggest amendments to the pending bill which may achieve the following two desiderata:

(a) The inclusion of a provision which would authorize our Government to arrange for a bulk settlement with the Jewish Restitution Successor Organization of heirless properties contained in the mass of these enemy assets which otherwise would have to be claimed item-by-item in a long and wearisome process

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of individual treatment, costly to both the JRSO and the Office of the Custodian of Alien Property. All this is based on a previous amendment to the Trading with the Enemy Act which appointed the JRSO as successor in interest to such heirless assets of Jews held in the U.S. The proposed amendment would change only the technique of releasing these funds to the JRSO.

(b) An extension of eligibility for claiming war damage payments, to include not only U.S. citizens and persons who owe permanent allegiance to the U.S., but also former aliens who were Nazi persecutees and who became citizens of the U.S. prior to the enactment of the pending legislation.

Some time ago, Mr. Harlan Wood, General Counsel of the Senate Subcommittee handling the bill under the chairmanship of Senator Olin Johnston, informed us that hearings will be held in Washington on November 29 and 30 on this legislation and Sy Rubin asked him to reserve time for us to testify in connection with these desired amendments.

Kindly note that we are dealing with these problems in collaboration with the Jewish Restitution Successor Organization. It has become a working system to deal with these Jewish interests through two parallel organizational spokesmen before the Congress: The American Jewish Committee and the American Jewish Congress. Within this set-up, it was agreed to proceed in the present case as follows:

On the amendment mentioned under (a) above regarding the bulk settlement question, Sy Rubin should testify.

On the second amendment, dealing with the extension of eligibility, two Jewish testimonies seem to be required, each of them to propose slightly different criteria of eligibility. Our request to you is that you kindly testify on the basis indicated under (b) above, namely that "enemies of America's former enemies," i.e., Nazi persecutees who meanwhile became U.S. citizens, be entitled to share in the benefits of war damage payments from the

"German Claims Fund." At the same time, Abraham Hyman, Director of the American Jewish Congress, is supposed to testify on the somewhat broader basis that eligibility should be extended to former U. S. residents who became citizens before the date of enactment of this law. This dual approach may help the proposal, by offering the lawmakers a choice between two approaches to the same goal.

This is, of course, only a sketchy outline of a proposition, in itself not too complicated. Within a few days, we shall submit to you the text of the testimony, with a more detailed background synopsis.

We would appreciate, however, your prompt attention to the question whether you will be able to testify before the Sub-Committee in Washington, either on November 29 or 30. We need your urgent decision because the program of the hearings must be established well in advance and we must notify Mr. Wood officially within a day or two.

EM:mh

YJv 26 347.17
Am Jew. Cm (GEN-10)
Box 295, File 12

Legisl

June 29, 1955

Mr. Saul Kagan
Jewish Restitution Successor Organization
270 Madison Avenue
New York 16, New York

Dear Saul:

I enclose herewith a self-explanatory motion and memorandum
in support thereof.

I would appreciate your looking at the memorandum and giving
me any comments which you may have.

Sincerely yours,

Seymour J. Rubin

Enclosure:

Motion and Memorandum

CC: Dr. Hevesi
Mr. Loewenthal

345204

YIVO 347.17
Am Jwsh Cmtee
(GEN. 10)
Box 295
File 12
(Attch. 6/29/55)

345205

In the Matters of:)

Werner von Clemm)
Title Claims Nos. 9905,)
1273, 1272, 27357)

Pioneer Import Corporation)
Title Claims Nos. 7132,)
63799)

et al)

Docket No. 183

MOTION FOR LEAVE TO INTERVENE

The Jewish Restitution Successor Organization, acting pursuant to the provisions of Public Law 626, 83rd Congress, Second Session and of the Executive Order issued January 13, 1955, by the President of the United States, entitled "Administration of Section 32 (b) of the Trading with the Enemy Act", hereby moves for leave to intervene in the above-entitled matters and requests the issuance of an order granting such intervention and requiring that notice of all motions or other steps in the above-entitled matters be given to it through its Washington counsel, Mr. Seymour J. Rubin, 1832 Jefferson Place, N. W., Washington 6, D. C.

A memorandum in support of this motion is attached hereto.

Respectfully submitted:

Jewish Restitution Successor Organization

By

Seymour J. Rubin, Washington Counsel

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 295
File 12
(Attch. 6/29/55)

Memorandum in Support of Motion for Leave to Intervene

The Jewish Restitution Successor Organization is a charitable membership organization incorporated under the laws of the State of New York. It has, since its inception, acted as the officially designated successor in interest to properties of Jewish victims of Nazi action who died without heirs, in those cases in which said properties were located within the United States zone of Germany and in the Western zones of Berlin. In this connection, it has acted as an instrument of United States policy in Germany for the implementation of Military Government Law 59 and other similar legislation and has been designated for this task by the United States authorities.

Public Law 626, 83rd Congress, Second Session, added Section 32 (h) to the Trading with the Enemy Act, as amended. This section provided, in brief, that heirless assets in the United States should be claimable by a successor organization, which organization should be deemed to be the legal successor in interest to victims of Nazi action who had died without heirs and who had had property vested or to be vested by the Alien Property Custodian in the United States. The legislation authorized the President of the United States to designate such a successor organization or organizations, upon the making of satisfactory commitments by any applicant

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applicant organization as to the manner in which it would dispose of such proceeds or properties as were returned to it, etc. On January 13, 1955, upon the application of the Jewish Restitution Successor Organization to be designated as successor in interest to Jewish heirless property, an Executive Order so designating the Jewish Restitution Successor Organization was issued and published by the President of the United States.

Pursuant to this legislation and statutory mandate, the Jewish Restitution Successor Organization has filed claims, based upon such information as was available to it, with the Office of Alien Property, and continues to file such claims. Of necessity, the Jewish Restitution Successor Organization is without specific information as to the details of many of the situations in which it is entitled and in duty bound to act. In many cases, information as to whether property exists, as to whether property in fact belonged to a persecutee and as to whether such property is in fact heirless, is not at present available to the Jewish Restitution Successor Organization, and arrangements have been made by agreement with the Office of Alien Property for the filing of claims upon a basis of information and belief, subject to later verification of the actual facts. This procedure has been found necessary by the Office of Alien Property and the Jewish Restitution Successor Organization for the implementation of Public Law 626 and for the achievement of its purposes.

In the

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In the above-entitled matters, information has been received by the Jewish Restitution Successor Organization that certain diamonds and other gems which are the subject of several of the vesting orders involved in the above-entitled matters, are property which was looted from Jewish persecutees now deceased without heirs. Should this be the fact, the Jewish Restitution Successor Organization is entitled to obtain the return of such properties, since they would clearly be covered by the mandate of Public Law 626. Although at the present time the validity of this claim cannot be definitely stated, a sufficient basis does exist to justify intervention by the Jewish Restitution Successor Organization in the above-entitled matters, with right to examine the records, to appear at such hearings as may be held, and to have all other rights of a full participant in the proceeding.

The granting of this motion for leave to intervene will in no way impede the progress of the proceeding and will merely assure the officially designated successor organization under Public Law 626 of the possibility of carrying out its statutory mandate.

Respectfully submitted:

Jewish Restitution Successor Organization

By

Seymour J. Rubin, Washington Counsel

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C O P Y

cc Dr. Segal

UNITED STATES OFFICE

LIQUIDATING TRUSTEE (L. R. O.) ~~PARIS REPARATION REFUGEE FUND~~
1832 JEFFERSON PLACE, N. W.
WASHINGTON 6, D.C.

NYIVO 347 717
Am Jwsh Cm tee
(GEN-10)
Box 296
File 2

September 30, 1953

Mr. Jacob Blaustein
President
The American Jewish Committee
American Building
Baltimore, Maryland

My dear Mr. Blaustein:

You will recall that the Director-General of the I.R.O. has been responsible for the administration of the Fund of \$25 million which was established out of German assets in neutral countries by the terms of Article 8 of the Paris Reparation Agreement.

For some years past, both in my then capacity as Director-General of the I.R.O. and in my present capacity as Liquidating Trustee of the I.R.O. Reparation Fund, I have been attempting, through the means at my disposal, to implement the provisions of Article 8 and of subsequent international agreements, which have remained unfulfilled only because the full payments had not, and in fact still have not, been made. It is my pleasure to report to you, however, that a substantial payment, in the amount of 12,896,917 Swiss francs was in fact made by the Allied Governments - the United States, the United Kingdom and France - out of funds held by them in Switzerland as a result of the recently concluded agreements in connection with German assets in Switzerland.

Of the above sum, 90% is to go for the relief of Jewish non-repatriable victims of Nazi action. The other 10% is being used for non-Jewish victims. The payments to the qualified Jewish relief agencies, which have already expended these funds on programs previously approved by the I.R.O., have already been made.

Accomplishment of the payment to the I.R.O. Reparation Fund has been a difficult and an arduous task. Many obstacles have intervened. These have proceeded from the intricacies of the Swiss-Allied Accord of 1946, from various objections to the transfer of funds to the I.R.O. Reparation Fund, from questions arising from changing rates of exchange, and so forth. Throughout this period of difficulty the American

345209

Jewish Committee has maintained a strong and an active interest and has taken a leading part in ensuring the solid support of the Department of State and of the United States Government. The representations made through the American Jewish Committee in Washington have been of the utmost value, as was also the assistance extended by the Committee through its Washington Foreign Affairs Counsel to the American Embassy in London during the summer just past.

I should like you to be aware of my appreciation for these efforts and for the great contribution made by the American Jewish Committee to the cause both of Jewish and of non-Jewish victims of Nazi action. In saying this, I trust that I may rely on your active interest and help in connection with the considerable funds which still remain to be paid.

In view of the delicate nature of the intergovernmental negotiations involved, both in the past and in the future, I should appreciate your giving this letter no publicity.

I am sending a copy of this letter to Dr. John Slawson, Executive Vice President of the American Jewish Committee.

Very sincerely yours,

J. Donald Kingsley
Liquidating Trustee,
Paris Reparation Refugee Fund

State Dept. Copy
Ch Rubin

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 2

October 11, 1951

Mr. George W. Perkins
Assistant Secretary for European Affairs
Department of State
Washington, D. C.

My dear Mr. Perkins:

The Director General of the International Refugee Organization, Mr. J. Donald Kingsley, has requested that I communicate with you with respect to the balance of 17,205,600 Swiss francs and the 100,000,000 escudos which are due to the IRO in connection with the Swiss and Portuguese Accords, in accordance with Article 8 of Part I of the Final Act of the Paris Conference on Reparation and the Five Power Agreement of June 1946.

I.

Mr. Kingsley desires to bring this matter to your immediate attention at this time because of the long delay in the receipt of these funds by the IRO. This delay has prevented important relief and rehabilitation actions for the benefit of the large class of non-repatriable victims of German action who were to receive immediate assistance under the aforementioned Allied agreements.

As the Department of State is aware, the IRO, in addition to its broad humanitarian task of reestablishing refugees, was charged by Article 8 of Part I of the Final Act of the Paris Conference on Reparation with administering certain special rehabilitation and resettlement programs for the benefit of non-repatriable victims of German action. The preamble to Article 8 describes these victims as being "in dire need of aid to promote their rehabilitation." But the programs thus sponsored in 1946 obviously cannot be completed until the IRO has received the \$25,000,000 fund which the Allies undertook to make available from German assets in neutral countries. By reason of the difficulties with which the IRO is familiar and understands, the IRO still, unfortunately, awaits receipt of approximately \$7,500,000 out of this total - itself a small amount in the light of the needs of these victims of German action. 1/

1/ To date, of the \$25,000,000 allocated under Article 8 and the Five Power Agreement, the IRO has received and paid out for the rehabilitation and resettlement of eligible non-repatriable victims of German action the sum of 50,000,000 Swedish kroner (\$12,500,000) and 20,000,000 Swiss francs (approximately \$5,000,000), a total of approximately \$17,500,000 leaving a balance of \$7,500,000.

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It is our understanding that this balance was to be met from the 100,000,000 escudos from Portugal, which are a first priority payment in the Portuguese Accord, and from an additional 17,205,600 Swiss francs, pursuant to Article V of the Annex to the Washington Accord of May 25, 1946. Article V permits the Allies to draw up to 50,000,000 Swiss francs against their share of German assets, to be devoted to the rehabilitation and resettlement of non-repatriable victims of German action.

A. Switzerland

Although the Accord with Switzerland was the first to be negotiated and signed between the Allies and a neutral country, and the funds due from Sweden have long since been received and disbursed, the IRO still awaits payment—as a result of the Swiss-Allied Accord. One advance payment has been made. Following a request by the Allied Governments and an urgent appeal by the Director General of the IRO, a payment of 20,000,000 Swiss francs was made in July of 1948.

Almost two years ago, recognizing the urgent necessity that the balance be made available to the IRO, and taking into account the 100,000,000 escudos which are a first priority allocation to the IRO under the Portuguese Accord, the Governments of the United States, United Kingdom and France, at the request of the IRO, addressed a request to the Government of Switzerland for a further advance of 17,205,600 Swiss francs. Subsequently, on April 5, 1950, the Director General of the IRO urgently appealed to the Foreign Minister of Switzerland to respond favorably to the tripartite request. Despite this action, the Swiss Government has failed to make the further payment to the IRO. The Director General has followed with great interest the further developments with respect to the Swiss-Allied Accord.

B. Portugal

In the early part of 1947, the Allied Portuguese Accord on German assets was initiated. Under this Accord, a first priority payment of 100,000,000 escudos was to be made to the IRO for the benefit of non-repatriable victims of German action. These sums, the IRO is informed, are and have been for some time available in blocked accounts. Again, payment has been postponed for reasons entirely extraneous to the IRO or to the needy intended beneficiaries. The IRO is not aware that substantial progress has been made toward liquidation of these difficulties.

II.

The IRO is fully aware of the fact that the Allied Governments have shown themselves to be entirely sympathetic to the needs of the IRO in discharging the task entrusted to it by the Reparation Agreements. Nevertheless, the need for these funds in the immediate future is of such great urgency that Mr. Kingsley has requested that I appeal again to the Allied Governments. Mr. Kingsley, in view of present circumstances, wishes me to urge the following courses of action:

a) It is requested that a further appeal be made to the Government of Switzerland for immediate payment to the IRO of 17,205,600 Swiss francs, and that a joint appeal for immediate release to the IRO of 100,000,000 escudos be made to the Government of Portugal. The needs are known and great; it seems clear that eventually the problems which now impede settlement will be worked out; and an advance of these sums would greatly benefit all.

b) It is further requested that the Allied Governments consider sources of German external assets other than Switzerland and Portugal.

In this connection, it is recalled that the Five Power Agreement of June 14, 1946 states that: "In recognition of special and urgent circumstances, the sum of \$25,000,000 having been made available by Allied Governments as a priority on the liquidation of German assets" etc. Information has now been received from Rome to the effect that the Governments of the United States, United Kingdom and France are considering the transfer to the Government of Italy, as a gift, of a large amount of Italian lire which has resulted from liquidation of German assets in Italy and which is at the disposal of the United States, United Kingdom and France.

Mr. Kingsley and the IRO have been most sympathetic to the difficult problems which the Government of Italy has faced with respect to the refugee problem in Italy. Both Mr. Kingsley and the IRO have done everything possible to assist the Italian Government, which is a member of the IRO, to solve the Italian refugee problem. In view of the delays described above, and in view of the priority which the funds have been promised, it is felt, however, that the Governments of the United States, United Kingdom and France, before making a gift to the Italian Government from the proceeds of the liquidation of German assets in Italy, should consider the possibility of substituting these lire, to the extent to which the IRO could use them in its special reparation program, for all or part of the balance of funds which are due to the IRO under the Swiss and Portuguese Accords.

The seriousness of the problems facing the Italian Government cannot, of course, be underrated. But the assets the proceeds of which (according to report) are to be transferred to Italy are German assets; the victims who are to be assisted under the Paris Reparation Agreement and the Five Power Agreement are victims of German action; and it would seem highly inappropriate that German assets, otherwise not committed, should be used for any purpose, however worthy, until the obligations assumed under those agreements have been met.

Similar considerations would seem to apply, on the basis of equity, with respect to other German external assets.

Under these circumstances, it is requested:

1) That no transfers of the proceeds of German external assets, whether in neutral or in ex-enemy countries, be made unless and until the obligations of Article 8 of the Paris Reparation Agreement and the Five Power Agreement have been fully discharged.

2) That, if the information of the contemplated transfer of the remaining proceeds of the liquidation of German assets in Italy is correct, re-consideration of such decision be made.

3) That, in the event that the United States, United Kingdom and France are unable to make the 17,205,600 Swiss francs and the 100,000,000 escudos available in the very near future, consideration be given to substituting payment of Italian lire to the IRO in place of the Swiss and Portuguese funds to make up the \$7,500,000 balance.

YIVO 347.17
AJC (GEN-10)
Box 296
File 2

-4-

III.

The urgency of these problems and the sympathetic attitude always shown by the Allied Governments leads me to hope for an early and favorable reply.

Similar notes are being addressed to the British and French Governments through the Embassies of those Governments in Washington.

Sincerely yours,

W. A. Wood, Jr.
Major General, U. S. Army Retired
Chief, United States Office IRO

345214

I R o

*Rubin-Washington Office
of German Assets in Italy*

RUBIN AND SCHWARTZ
ATTORNEYS AT LAW

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 2

PHONE: REPUBLIC 0504
CABLE ADDRESS: RUBINLEX

SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

1822 JEFFERSON PLACE, N.W.
WASHINGTON 6, D.C.

January 22, 1951

Dr. Eugene Hevesi
The American Jewish Committee
386 Fourth Avenue
New York, New York

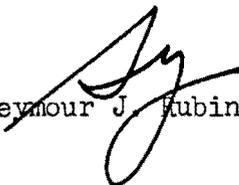
Dear Eugene:

With respect to the 500 million lire which has been acquired by the IRO reparations fund and which will be distributed to the JDC and the Jewish Agency principally, I have been in contact with the State Department. The people in the State Department are somewhat concerned about the line to be taken in such publicity as may be given to this matter. Their concern arises out of the fact that they do not wish it to appear that officials of the Department have given away any moneys which really belong to the United States. You will understand that they have some concern about this in view of the fact that they would have have authority to give away such moneys.

In order to eliminate any possibility that there might be a misconstruction of what they have done, they would greatly prefer that any publicity on this matter should not mention that what was awarded to the IRO was a part of the American share in German assets in Italy. What they would prefer instead is merely a statement that the payment of the 500 million lire out of the proceeds of German assets in Italy was made possible by the good offices of the Government of the United States, etc. I trust that in any publicity which you may hand out this reasonable request will be observed.

I have taken the liberty of drafting a short press release, a copy of which I enclose herewith. You may wish to look at it and discard it or use it.

Best regards,


Seymour J. Rubin

Enclosure

345215

Blaustein

YIVO 347.17
Am Jwsh Cmtee
(GEN 10)
Box 296
File 2

January 18, 1951

Dear Mr. Blaustein:

With reference to my letter of yesterday, I wish to report that a few days ago, Abba Schwartz, the law partner of Seymour Rubin and counsel for the IRO, now on a visit to Rome, received on behalf of the IRO a check in the amount of 500 million Italian lire, in full settlement of the Jewish share in German external assets in Italy. As you know, this result was achieved by the AJC single-handed.

The IRO is planning to release the news to the press from Geneva, and a copy of the release will be airmailed to us, giving us a chance to publicize the event in our own way in time.

Very sincerely yours,

Eugene Hevazi

Mr. Jacob Blaustein
P.O.Box 238
Baltimore 3, Md.

EH:ha

cc: Dr. Slansky
Paris office

345216

JDC
Ch Rubin - Wash. Office
Ch JDC

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 2

December 18, 1950

Dear Mr. Leavitt:

I believe that Sy Rubin has shown you the attached documents on the disposition of German assets and German-looted property in Italy to the IRO. I feel, however, that these documents should be on hand in the JDC office for further treatment. I am sending another set to Morris Boukstein.

I understand that the IRO will receive an estimated \$750,000 worth of lire out of the first source, while the amount involved in the looted property disposal is somewhere in the order of \$200,000.

Both of these projects were Rubin's own brainchildren, and the expected proceeds are the result of his persistent and resourceful treatment, aided by the support of AJC influence, starting from a position of absolute zero some two years ago.

We feel that it is advisable to abstain from publicizing these facts for the time being, and do not plan any release to the press about them.

With warm regards,

Very sincerely yours,

Eugene Novasi

Mr. Moses N. Leavitt,
Executive Vice-President,
American Joint Distribution Committee
270 Madison Avenue
New York, N.Y.
EJL:ha
Encs.

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November 16, 1950

Mr. George W. Perkins
Assistant Secretary for European Affairs
Department of State
Washington, D.C.

Dear Mr. Perkins:

I acknowledge with thanks your letter of November 15, 1950 relating to the proposed transfer to the International Refugee Organization of certain jewelry and other articles of value presently located in Rome representing property taken from German units, most of which was presumably seized or obtained under duress from victims of Nazi action.

The terms and conditions under which this property will be transferred to the International Refugee Organization have been carefully noted.

I should like to take this occasion to advise you of my formal acceptance of the provisions of your letter of November 15, 1950.

Arrangements are being made to have designated representatives of the International Refugee Organization accept delivery of the property in Rome soon after December 1, 1950.

Sincerely yours,

/s/ J. Donald Kingsley

345218

November 15, 1950

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Mr. James C. H. Bonbright
Deputy Assistant Secretary for
European Affairs
Department of State
Washington, D. C.

Dear Mr. Bonbright:

It is deeply gratifying to have your letter of November 9, 1950 relating to the proposed transfer to the International Refugee Organization of 500,000,000 lira, arising from the proceeds of liquidated German assets in Italy.

I should like to extend the sincere thanks of the International Refugee Organization for this generous proposal of the Government of the United States which evidences once again the continuing interest of the Government of the United States in the solution of the refugee problem.

The use of the 500,000,000 lira by the International Refugee Organization for its reparations program, as proposed by your letter, is in accordance with the desire of the International Refugee Organization that to the fullest extent possible the proceeds of German assets should be used for the rehabilitation and resettlement of non-repatriable victims of German action. I take this opportunity, therefore, to confirm to you that upon receipt of the 500,000,000 lira, they will be used for the rehabilitation and resettlement of non-repatriable victims of German action and distributed for the purposes and in the manner set forth in Article 8 of Part I of the Final Act of the Paris Act on Reparation, the Five Power Agreement of June 14, 1946, and the Letter of Instruction of June 21, 1946.

I will await your advice with respect to the date when the International Refugee Organization may request the funds from the Government of Italy.

Sincerely yours,

J. Donald Kingsley
Director General

345219

DEPARTMENT OF STATE

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November 9, 1950

My dear Mr. Kingsley:

The United States is engaged in discussions with respect to the disposition of the proceeds of liquidation of German assets in Italy. As the International Refugee Organization is aware, the United States is proposing that a sum of 500,000,000 lira be turned over to the International Refugee Organization.

It will be expected that this sum will be used by the International Refugee Organization for the rehabilitation and resettlement of non-repatriable victims of German action, and distributed for the purposes and in the manner set forth in article 8 of Part I of the Final Act of the Paris Act on Reparation, the Five Power Agreement of June 14, 1946, and the Letter of Instruction of June 21, 1946.

When the final arrangements concerning the allocations are made, you will be informed when you may request the funds from the Government of Italy. In the meantime, the Department would appreciate confirmation of its understanding, as set forth above, of the manner in which the funds will be used.

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Y

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)

Department of State
Washington

Box 296
File 2

No date
Before Nov. 9,
1950

Sir:

Reference is made to conversations which have taken place in Washington between representatives of the International Refugee Organization and representatives of the Department of State and of the British Embassy concerning certain Jewelry and other articles of value presently located in Rome representing property taken from German units, most of which was presumably seized or obtained under duress from victims of Nazi action.

It was agreed that the property in question, including jewelry, currencies, and all coins and ingots, is to be delivered to the International Refugee Organization, with the exception of the following:

1. Any item the owner of which may possibly be identified. Items coming within this category are appropriately marked in the inventory prepared in Rome and dated April 24, 1950. Such items are to be held in Rome and the International Refugee Organization will seek to identify the owners, their heirs or other legal successors in interest. Those items for which identification is not made will be delivered to the International Refugee Organization for liquidation in accordance with the terms herein stated.

2. Currencies issued by any of the countries members of IARA.
3. Currencies issued by Germany.
4. Securities.
5. Checks.
6. Valuables taken from the Embassies of Japan and Thailand.

The International Refugee Organization will liquidate the jewelry and other property as promptly as possible for hard currency. The net proceeds of such liquidation are to be divided equally between the International Refugee Organization and the Italian Government. With respect to the currencies, coins and ingots, the International Refugee Organization may divide each item equally between itself and the Italian Government.

The International Refugee Organization is to use one-half of its share of the proceeds for the rehabilitation and resettlement of Jewish victims of Nazi persecution and one-half for non-Jewish victims of Nazi persecution. With respect to non-Jewish victims, the nationality restrictions of the Five Power Agreement of June 14, 1946 shall not be applicable.

It is understood that the Italian Government will satisfy from its 50 percent share any claims by Italians or persons now resident in Italy who can prove that their property was included in the property liquidated by the International Refugee Organization, and in aid of this the Italian Government will set aside 10 percent of its share of the proceeds. It is understood further that the International Refugee Organization will satisfy from its 50 percent share any claim by any other person who can prove that his property was included in the property liquidated by the International Refugee Organization and in aid of this the International

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Refugee Organization will set aside 10 percent of its share of the proceeds. These 10 percent reserve funds, or any balance thereof against which there are no outstanding claims, may be freely used by the Italian Government and by the International Refugee Organization for the purposes indicated above on or after October 1, 1951.

Distribution of the share of the Italian Government will not be made to the Italian Government by the International Refugee Organization until it receives further instructions.

Your formal acceptance of these provisions is requested.

For the Government of the United States:

By: /s/ George W. Perkins
Assistant Secretary for European Affairs

Mr. J. Donald Kingsley,
Director General
International Refugee Organization.

JDC
AP Wash office
AK QRO

July 20, 1950

Eli Rock
Eugene Hevesi

YIVO 347.17
Am Jwsh Cmtee
Box 296 (GEN-10)
File 2

Enclosed please find a copy of a memorandum
which was sent to me by Seymour Rubin which is
self-explanatory.

345223

COPY

YIVO 347.17
Am jwsh Cmte
(GEN-10)
Box 296
File 2

Rubin and Schwartz
1822 Jefferson Place, N. W.
Washington 6, D. C.

Attch. 7/20/50

MEMORANDUM

Subject: Refund of Customs Duty to IRO.

As you know, the IRO has brought into the United States a quantity of "non-monetary gold" and looted property for sale by the Merchandising Advisory Committee headed by Colonel Ray Kramer and by the Reparations Division of the IRO.

In accordance with the customs laws of the United States, duty was collected on all of this material brought into the United States. The amount involved in duty is approximately \$120,000. Attempts have been made from time to time by IRO to have an exemption granted by the Commissioner of Customs or to take other remedial action. These steps having failed, a bill has been introduced in the House and in the Senate calling for the refund of the amounts collected to the IRO. Some informal assistance with respect to this matter has been rendered by me.

The bill came up on the consent calendar of the House a week ago and was objected to and passed over. It came up again in the House under suspension of the rules on July 17 and was passed and sent to the Senate.

I am hopeful that the bill will pass the Senate at the present session. If it does, it will mean that another \$120,000 will be available for distribution to the JDC and the JA.

/s/ R.

Seymour R. Rubin

345224

YIVO AG 349.17
Am Jew. Com (GEN-10)
Box 296, File 2

MEMORANDUM

TO: Paris Office May 23, 1949
FROM: New York Office
SUBJECT: German Vermoegensamt in Prague

There is a certain amount of non-monetary gold of Czechoslovak origin in custody in the U.S. zone, the destiny of which is under dispute between the Czechoslovak government and the IRO.

It is an established fact that this property was confiscated directly by the German Vermoegensamt in Prague. Should the IRO succeed in justifying its claim on this property (which is considered "non-monetary gold"), the JDC and JAFP would benefit to 90% of its value. Otherwise the property may be returned to Prague and may share the fate of the French part of the Hungarian "gold train," which was returned to Hungary in 1947 but never handed over to the local Jewish community.

The case of the IRO could be decisively bolstered if we could furnish evidence to the effect that the German Vermoegensamt in Prague did not limit itself to the confiscation of property owned by Jews of Czechoslovak nationality, but had also taken assets of foreign Jews, like refugees in Czechoslovakia from Western countries, Austria, Hungary, etc.

We have tried to obtain information from initiated people here, but nobody seems to be sufficiently familiar with this particular situation.

However, we know that Dr. Wehle, former secretary general of the Council of Jewish Communities of Bohemia and Moravia is now in Paris as an exile. Our assumption is that he may be best qualified to throw some light on this problem, and even to trace some documentary evidence or case history, showing that non-Czech Jews were also expropriated by the Vermoegensamt.

We would be grateful, therefore, if you would get in touch with Dr. Wehle as soon as possible, and obtain his advice and help on the matter.

EH:rs cc Rubin

345225

YIVO 347,17
AJC (GEN-10)
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ISIDOR COONS *Director of Fund Raising*

April 13, 1949

Dr. Eugene Hevesi
American Jewish Committee
386 Fourth Avenue
New York, New York

Re: IRO letter to State Department re Jewish assets confiscated in Italy

Dear Gene:

Pursuant to our telephone conversation of today, I am sending you attached a copy of the letter which I received from Jerry Jacobson dealing with the above subject. I should be grateful if you could send to us Sy Rubin's comments on same.

Best regards.

Sincerely yours,

Eli
Eli Rock

ER:AU
Enc.

345226

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(GEN-10)
Box 296
File 2

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CABLES & TELEGRAMS
JOINTFUND-PARIS

PARIS LETTER NO. *2582*

March 21, 1949

To: AJRC NEW YORK - Attention Mr. Eli Rock

From: AJDC PARIS - Office of General Counsel

Dear Eli:

In connection with the report you received concerning IRO's application to the State Department for turn over of non-monetary gold and other assets found in Italy by the U.S. Fifth Army, it occurred to me that we should support the application conditionally, i.e. if the State Department should take the position in making available the assets to IRO that all the terms and conditions of the Reparations Agreement apply to any assets given to IRO. In other words, we want to be sure that the United States would hold IRO to the commitment that 90% of those assets be used for the benefit of Jewish displaced persons and refugees. This would certainly be in order since Tuck has presented his claims on the basis of extending the scope of the Reparations Talks.

Best regards,

Sincerely yours,

Jerome J. Jacobson
General Counsel

JJJ/hf

345227

YIVO RG 347.17
(Am Jew. Com (GEN-10))
Box 296, File 3

Rest + [unclear]
Heir Prop
AJC Act

LAW OFFICES
LANDIS, COHEN, RUBIN AND SCHWARTZ
1832 JEFFERSON PLACE, N. W.
WASHINGTON 6, D. C.
STERLING 3-5905

YIVO 347.17
AJC (GEN-10)
Box 296
File 3

JAMES M. LANDIS
WALLACE M. COHEN
SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

JAMES R. ZUCKERMAN

July 22, 1954

Dr. Eugene Hevesi
The American Jewish Committee
386 Fourth Avenue
New York 16, New York

Re: Heirless Property, U. S. - 83rd Congress

Dear Eugene:

Since last writing to you on the above subject, there has been almost constant activity in connection with the bill. I have been in touch with Abe Hyman, with Saul Kagan, with Mr. Leavitt, and with Mr. Blaustein, as well as with Congressmen Klein and Bennett, and with Borchardt of the staff of the House Interstate and Foreign Commerce Committee. I have not directly contacted Mr. Katzen at the Republican National Committee, although I understand that Nate Goodrich has been keeping in touch with him, but I have spoken several times with Phil Stern at the Democratic National Committee.

Briefly to summarize, I prepared certain proposed amendments and discussed them with various persons, including Mr. Leavitt and Mr. Blaustein, at the beginning of the week. To a certain extent, these amendments caused no particular difficulty, as, for example, the requirement that the funds be expended on behalf of needy persons and the one that the successor organization to be designated be one established by January 1, 1950. The requirement that no legal fees or administrative expenses be paid out of the heirless property was a little more difficult, but limiting that provision to fees or expenses incurred in connection with filing of claims and the recovery of property made it clear that this amendment, while it might impose some burden on the charitable organizations, would not present serious difficulties.

The other amendments were more substantive and more serious. These were the proposal that the funds be expended only in the United States -- designed to make the legislation more palatable on the ground that persons in the United States (who conceivably might have or

345228

influence votes) would be the beneficiaries; and the suggestion that, if necessary to obtain Committee approval, the provision might be deleted requiring that funds must be expended only for the particular religious, racial or political group to which the decedent belonged. (Parenthetically, I may say that this requirement itself has always puzzled me in respect to the probably entirely hypothetical case of a Catholic labor union member who might have been executed on both religious and political grounds. To complicate the matter further, it might be conceivable that he was, under the Nuremberg laws, Jewish "by race" although Catholic by religion. Just who would claim his property might be an interesting question.)

Passing by these hypothetical questions, the purpose of the amendments, of course, was to secure the elimination of the six signatures which had been affixed to a minority report and which seemed to guarantee that this legislation, particularly in the absence of hearings at this session of the Congress in the House, would not come out of the Rules Committee. I discussed these amendments with all concerned in this sense and, in particular, discussed them with Congressman Klein along these lines on Tuesday, July 20. We agreed, as I understand had previously been agreed with Congressman Klein in New York by Mr. Hyman, that the amendments above-mentioned would be put in, other than the one broadening the category on behalf of which the assets might be expended. That was to be reserved and to be put in if necessary in order to obtain the approval of Congressman O'Hara.

The meeting of the Interstate and Foreign Commerce Committee was postponed from day to day, and finally took place this morning. All of the amendments above-mentioned will be adopted by the House Interstate and Foreign Commerce Committee in its favorable report on the bill. However, despite his favorable comment on the amendments, Congressman Bennett of Michigan is still in opposition, and Congressman O'Hara has not changed his position. It has been stated to me that this opposition is not based on anything specific with respect to this legislation, but is on the general ground that hearings ought to be held with respect to legislation of this sort; and it has further been stated that this same position has been taken by Congressmen O'Hara and Bennett with respect to other bills which also came up today before the full Interstate and Foreign Commerce Committee.

Subsequent to receiving the report of this action this morning, I worked with Borhardt in the preparation of the majority report.

I was not able to get all of my suggestions in, partially because Borchardt felt that some of the clarifying statements which I thought appropriate might cause some difficulty in the Rules Committee and might better be made when the bill came to the floor of the House of Representatives. A minority report will presumably be filed today also.

It is Borchardt's expectation that the matter will now go directly to the Rules Committee. He apparently feels that our chances in the Rules Committee have been greatly enhanced by the amendments and by the dropping off of four out of the six signatures which previously were attached to the minority report. (He is not absolutely sure, but apparently Congressman Dolliver will not sign the minority report.) He feels that we ought to do whatever we can to have the White House indicate its interest to Chairman Leo Allen of the House Rules Committee in having this bill granted a rule as quickly as possible.

In this latter connection, I will be glad to get in touch with Max Rabb at the White House and to inform him of the present status and ask for his help. Since Chairman Allen of the House Rules Committee is from Illinois, I think that the intercession of Senator Dirksen would be extremely useful; and to this end I suggest that Abe Hyman exercise his efforts. In addition, I will try to be in touch, either directly or in collaboration with Nate, with Mr. Katzen. Anything else that can be done, as, for example, Mr. Dewey Stone's intercession with Mr. Martin, who, in turn, might express his views to Chairman Allen, would, of course, be helpful.

I think this finishes the report for the present.

Best regards.

Sincerely,


Seymour J. Rubin

CC: Mr. Blaustein Mr. Kagan
 Mr. Leavitt Mr. Hyman
 Mr. Goodrich Mr. Slawson

SEVERE

YIVO 347.17
Am Jwsh Cmtee
(Gen-10)
Box 296
File 3

MEMORANDUM

The following is a brief summary of the discussion in the House Rules Committee on July 18, 1950 at which time S. 603 was discussed.

Congressman Beckworth, the chairman of the sub-committee which reported the bill favorably, was the principal witness. Congressman Beckworth explained the purposes and provisions of the bill very briefly. Congressman Brown of Ohio asked why it would not be just as well to leave the money in the hands of the Office of Alien Property to go to the United States, since the United States does appropriate funds for charitable purposes. Beckworth indicated that there were special reasons with respect to these funds.

Bennett of Michigan was the next witness and stated that, although he had no objection to the objectives of the legislation, he had objections to the legislation as presently drafted. He was not clear whether he would favor it if the amendments he suggested were adopted. He suggested that the funds might be spent for persons who were persecuted but who are not actually in need and that an amendment should take care of this possibility. He also indicated that organizations might be set up for the purpose of getting in on the legislation and that the legislation should be limited to existing organizations. He also suggested that possibly there should be a designation of the recipient organizations in the legislation itself.

Mr. Sabath indicated that if an open rule were granted, perfecting amendments could be offered on the floor of the House. Beckworth indicated that charitable organizations would have to be trusted with respect to their expenditure of the funds, particularly since they would have to account to the President.

Colmer of Mississippi asked why it would not be appropriate to let the money go to the Treasury since the United States does appropriate for relief purposes. Beckworth made a rather vague reply as to this and suggested that the amendments which were proposed by Bennett would probably be acceptable.

O'Hara then testified in opposition and made two specific points: (1) no part of the funds should be paid as fees or in connection with general administrative expenses; and (2) the organizations which were to be recipients should be designated in the legislation.

Wadsworth asked why any outside organization was needed and repeated the point with respect to expenditures of the United States for relief purposes. O'Hara made the point about the money belonging morally to American claimants and drew a distinction between cases of heirless property and cases of property which could be reclaimed.

Hale testified briefly in favor of the legislation and commented that it was in the nature of cy pres legislation. He made the point that amendments could be offered on the floor of the House. He also pointed out that the organizations which could be recipients had to be, under the language of the bill, charitable organizations.

The hearing was then closed.

Seymour J. Rubin
July 19, 1950

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REST # INDEX JB
Heir Prop
ATC Act

LAW OFFICES
LANDIS, COHEN, RUBIN AND SCHWARTZ
1832 JEFFERSON PLACE, N. W.
WASHINGTON 6, D. C.
STERLING 3-5905

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 3

JAMES M. LANDIS
WALLACE M. COHEN
SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

JAMES R. ZUCKERMAN

July 16, 1954

JUL 19 1954

Dr. Eugene Hevesi
American Jewish Committee
386 Fourth Avenue
New York 16, N. Y.

Re: Heirless Assets - U.S. 83rd Congress

Dear Eugene:

I have been in constant communication during the course of the last three days with various people on the above subject.

1. I have been trying to get in touch with Congressman O'Hara of Minnesota but despite my best efforts, without success. It is my understanding, however, that both Senator Dirksen and Congressman Klein have talked to Congressman O'Hara.

2. O'Hara apparently maintains the position that there is no reason why a Jewish successor organization should receive Jewish heirless property. He apparently argues that this property is now in the Treasury of the United States and that the charitable activities ought to be carried out from charitable funds. This view is expressed in a minority report prepared by O'Hara only in a negative fashion -- that is, only by means of a statement that he does not see logical compulsion for the conclusion expressed in the Heirless Property Bill. Nevertheless, it is a conviction which apparently is held strongly by O'Hara. He has said to Congressman Klein that he would take the same lines if the Knights of Columbus rather than the J. R. S. O. were the successor organization.

3. The minority report also lists certain other objections to the Heirless Property Bill as it presently stands. One of these is that no hearings have been held in the House -- although apparently no recognition is given to the fact that hearings were held during the 81st Congress. Secondly, amendments, which I believe to have been suggested primarily by Congressman Bennett of Michigan, deal with the following suggestions:

(a) That the funds be expended only on behalf of "destitute" persons;

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(b) That the successor organization be an organization which was in existence prior to some given date, such as July 1, 1950;

(c) That no administrative expenses, rent, or legal advice be paid out of the properties or their proceeds.

With respect to these possible amendments I have had numerous discussions with Kagan and have sent him a possible formulation. I think that if we substituted the word "needy" for "destitute", we would have no objections to (a) above. Item (b) above is of no concern whatsoever to us. Item (c) might cause difficulty unless the provision is restricted to expenses, fees, etc. connected with the collection of the heirless assets and the filing of claims for them. Obviously if funds are turned over to an old-age home, some of the money will go for "administrative expenses" within that old-age home. However, I think this presents no tremendous difficulty either.

4. If we could merely make the above amendments and eliminate the opposition, we would be in clover. However, the O'Hara opposition seems to run deeper. I have been having constant conversations with Mr. Kurt Borchardt, staff member of the House Interstate and Foreign Commerce Committee, who is handling this matter. Borchardt has said that some "new approach" would have to be taken to eliminate the O'Hara objections to the bill -- although he does not guarantee that such objections would be eliminated even with a new approach. Borchardt has suggested -- although he emphasizes that this is merely a personal idea, that he has not in any way discussed it with any Committee member, and that it is merely a possible suggestion -- that the funds might, for example, go to the United Nations Childrens Fund or to the High Commissioner for Refugees. I have pointed out that this is completely unacceptable and I have, out of politeness, only indicated that I think the suggestions absurd and unworkable. There is no reason for us to work over the course of years in order to make a donation to the Childrens Fund, even if some conceivable connection, which I fail to perceive, could be found. Moreover, the United Nations is not, these days, any more popular than an American successor organization would be.

Responding, however, to Borchardt's repeated statement that some new approach has to be found, I have suggested the following two alternatives as possible amendments of the legislation:

(a) That an amendment be added which would provide that the funds be spent entirely in the United States. This, I understand from Kagan, to be acceptable. In practice most of the funds

would

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would probably be spent here anyway. If we inserted such an amendment at our own initiative, we might conceivably also be able to argue that we have been trying to bridge the gap between the J. R. S. O. and such organizations as the Council of Jews from Germany. From the political point of view, the amendment seems to me to have a certain amount of attraction, in that the argument could be made that these funds will be used for the benefit of people resident in the United States, will therefore relieve immediate or possible future demands on State or Federal relief agencies, and will release charitable funds now available in the U.S. for other social needs here which ought be met and the meeting of which would benefit the economy of the U.S. The argument, in short, is that this provision would insure that the U.S. in general gets a public benefit from the expenditure of these heirless property funds and that the net expenditure of the U.S. or its political subdivisions, on behalf of indigent and needy persons, is not substantially increased. Obviously I have no way of knowing whether this amendment would be acceptable to O'Hara but it seems to me the most fruitful approach that I can devise on a basis of guess work.

(b) The second possible substantive amendment, which could be made in addition to the above, would be to delete the reference in the Bill to the utilization of the properties in question only for persecutees of the same particular political, racial or religious group as the former owners of the properties belonged to. As the Bill now stands, it requires that Jewish heirless property be used only for Jewish persecutees. The amendment in question would allow the J. R. S. O. to continue to act as the successor organization but would say that the properties could be used generally for religious, racial and political persecutees in the United States.

My own feeling is that this would not be a dangerous amendment. The number of needy non-Jewish persecutees in the U.S. must be extremely small. Moreover, an allocation formula has already been set up in the Five-Power Agreement of Paris of 1946 in which the 90-10 allocation was made. The virtue of this possible amendment and its possible political appeal lies in the argument that the Jewish organizations are willing to make an allocation out of what will almost entirely be Jewish heirless property to persons who suffered as persecutees of Hitler, whatever the basis for their persecution might have been. The gesture, if made on a "voluntary" basis, is one that might have some impact; and I cannot see that it would cost very much.

5. I have discussed all this with Saul Kagan and have tried to arrange a meeting at which the matter could be discussed with Congressman Hinshaw. I learned yesterday, and related to Kagan, that six members of the House Interstate and Foreign Commerce Committee have indicated that they will sign the minority report. These are, on the Republican side, O'Hara, Bennett and Dolliver; and Williams and two others, names unknown, on the Democratic side. In view of this, and in view of the fact that one of the grounds for opposition is that hearings were not held, Hinshaw proposes to take the legislation back to his subcommittee on July 20. I thought that we might have a meeting with him and talk about these possible amendments in advance. Hinshaw told Abe Hyman, however, that since he was chairman of the subcommittee, it would be better to have amendments proposed by some one like Congressman Klein. We have been trying to track Klein down and I have just today informed Kagan that he is now in New York. I hope that we will be able to get together with him before the meeting of July 20, give him these proposed amendments, and see whether it would not be possible for him to overcome the opposition on the basis of time.

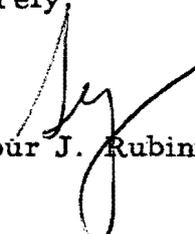
I have also tried to be in touch with Phil Stern of the Democratic National Committee to see whether he or Steve Mitchell could not call the democrats who are involved in the minority report. I have not been able to reach Stern as yet. I also put through a call to Mr. Blaustein but he was out of Baltimore.

I think this brings you entirely up to date.

I should perhaps add one further thought. An Administration bill, S. 3698, has now been introduced by Senator Smith of New Jersey, dealing with Hungarian, Bulgarian and Romanian assets. Since the bill permits the vesting and liquidation of these assets, the heirless property problem now comes up sharply in this connection, as well as in connection with the German assets. I am studying this legislation and will have to communicate with you further at a later date.

Best regards.

Sincerely,


Seymour J. Rubin

CC: Dr. John Slawson
Mr. Nathaniel Goodrich
Mr. Jacob Blaustein

Jangton 4-4582

345235

June 11, 1954.

Dear Mr. Nairn:

The receipt is acknowledged of your letter of May 14 and of the text of S. 3423: A Bill to Amend the Trading With the Enemy Act.

We highly appreciate the courtesy of your inquiry with regard to the American Jewish Committee's reaction to this measure. We feel, however, that the substance of the proposed legislation constitutes no direct concern to our organization. This feeling is strengthened by the fact that competent judgment on important aspects of the measure requires specialized knowledge of domestic and international legal precedents and conditions, which our organization cannot claim to possess, and in the absence of which it does not feel qualified to testify on this matter.

In connection with the proposed legislation, however, two observations seem to us to be relevant. First, I avail myself of this opportunity to express our deep appreciation of the leadership assumed by Senator Dirksen in securing the passage, by unanimous consent of the Senate, of S. 2420, the amendment providing successorship to heirless property of Nazi victims in the United States. By his invaluable support of that amendment, Senator Dirksen upheld the principle that instead of staying vested in the United States or being returned to Germany, such property be transferred to appropriate successor organizations, for the rehabilitation of surviving victims of Nazi action. May I express the hope that, in its final formulation, S. 3423 will be in no contradiction with the principles embodied in S. 2420.

Finally, I wish to call your attention to the necessity implicit in American public policy of making sure that German publications, films, recordings and other written, printed or audio-visual media of education, propaganda and indoctrination which teach and advocate Communist, Fascist and National-Socialist ideology will under no circumstances be returned to Germany. The American Jewish Committee is confident that the proposed legislation will contain satisfactory safeguards against such an occurrence.

Sincerely,

John Slawson

Mr. John W. Nairn, Chief Counsel
Trading with the Enemy Act Committee
541 Washington Building
Washington 5, D. C.

JS:mh

345236

THE AMERICAN JEWISH COMMITTEE

Memorandum

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 3

TO: Edwin J. Lukas
FROM: Eugene Hevesi
SUBJECT: Heirless Property Legislation

June 8, 1954.

On Monday May 17, 1954, S.2420 - the so-called Heirless Property Bill - and a companion to H.R.5675 and H.R.5952, pending in the House of Representatives, was passed by the Senate by unanimous consent.

The situation in the House of Representatives is that the companion bills H.R.5675 and H.R.5952 have been referred to the House Committee on Interstate and Foreign Commerce, and by it to the Subcommittee on the Trading With the Enemy Act, headed by Congressman Carl Hinshaw of California. The bills in the House are substantially identical with S.2420, as it was originally introduced in the Senate. The House bills demonstrate again the bipartisan nature of this legislation. They were introduced by Congressman Wolverton, Chairman of the House Interstate and Foreign Commerce Committee (H.R.5675) and by Congressman Crosser, the ranking minority member on the same Committee (H.R.5952).

Although these bills have now been pending for a considerable period of time, hearings have not as yet been scheduled on them by Congressman Hinshaw's Subcommittee.

I enclose herewith a copy of the report from the Senate Judiciary Committee, accompanying S.2420. You will note that the Senate Committee report points out that substantially identical proposals have been considered favorably in previous Congresses. In both the 80th and the 81st Congress, the Senate passed substantially identical legislation. In the 82nd Congress, the legislation was reported to the Senate, but was not acted on prior to adjournment. In the 81st Congress, the House Interstate and Foreign Commerce Committee favorably reported

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substantially identical legislation, but it also was not acted upon prior to adjournment. This proposed legislation has always, as you will note, had bipartisan support. Congressmen Wolverton and Crosser have consistently introduced identical bills in the House of Representatives; and in the Senate, Senator Taft sponsored the proposals, together with Senators McGrath and O'Connor. In the present Congress, the Senate bill was introduced by Senator Hennings on behalf of himself, Senator Langer and Senator McCarran.

The background of the proposal lies in the firm policy of the United States to regard property which belonged to persecutees on political, racial or religious grounds of the Nazis as not being "enemy" property. It has seemed to all who have considered this matter that the most elementary requirements of justice and equity demanded that those who had been put into concentration camps and who had themselves survived, or whose heirs had survived, should not be treated as if they had been enemies of the United States or had been responsible in any way for the war. Thus, in 1946, Section 32 of the Trading with the Enemy Act was amended to permit the return of their property to persecutees on religious, racial or political grounds, or to their successors in interest.

The present legislation proposes to carry this same principle over into the field of "heirless property." This is property which belonged to a person who would have been eligible himself to receive a return of such property, but who has been exterminated by the Nazis and whose entire family and possible successors in interest have also been exterminated. It is proposed that such properties should be returned to properly constituted successor organizations which will be empowered to use these properties and their proceeds for the relief and rehabilitation of surviving members of the same class of persecutee. This is the policy to which the United States has already subscribed, both in connection with occupation policy and in connection with various international agreements.

Moreover, other Allied nations have adopted the same policy. Thus, successor organizations function in the three Western zones of Germany, and the principle of use of heirless property for the relief and rehabilitation of surviving persecutees is incorporated in a variety of international agreements, including the Paris Reparation Agreement of 1946. These legislative proposals have, and have had, the full support of all of the Executive Departments and agencies to which they have been submitted for comment.

In consideration of the great merits and justice of the proposed legislation, on May 18, 1954, Mr. Stephen A. Mitchell, Chairman, Democratic National Committee, addressed a letter to Rep. Robert Crosser, ranking minority member of the aforementioned House Committee, expressing the hope that the bill will be acted upon and passed during this session of Congress and expressing gratitude to the Congressman on behalf of the Democratic National Committee, "if you will do whatever you can to see that this measure receives the consideration of your Committee at the earliest possible time."

It would be particularly appreciated if the benevolent interest and support of Mr. Leonard W. Hall, Chairman, Republican National Committee, could be secured to this legislation, and if Mr. Hall would be prepared to call the urgency of this matter to the attention of the House Interstate and Foreign Commerce Committee and, particularly, Cong. Carl Hinshaw of California, Chairman, Subcommittee on the Trading with the Enemy Act. It is sincerely hoped that Mr. Hall will find it appropriate to suggest to Cong. Hinshaw the desirability of early and, we would hope, favorable consideration of these bills. Both Congressmen Wolverton and Crosser have assured us of their continued desire to see the early enactment of this long pending legislation.

YIVO 347.17
Am Jwsh Cmtee
(GEN 10)
April 15, 1954 Box 296
File 3

Dear Senator Birksen:

I regret very much that the pressure of time made it impossible for me to supplement my written statement, which I ~~presented at the hearing~~, with some observations I had intended to make dealing ~~with~~ ^{my etc} several points raised by you and by Mr. Smithy in the course of the hearing.

After the hearing, I discussed the various points with Mr. Smithy. Upon his suggestion, I am writing you with the hope that you would take these ~~my~~ views into consideration when your Sub-Committee meets to act on S-2420.

1. \$3,000,000 limitation. You quite properly raised the question as to why the \$3,000,000 limitation is imposed on the amount which may be returned under the bill. I say "quite properly" because if the principle is correct that heirless property of persecutees should not escheat to the government, then it logically follows that regardless of the amount involved, the heirless property should be turned over ^{to} the successor organizations for the purposes prescribed in the bill. Frankly, that was the view of all of the major Jewish organizations when they originally suggested the bills which were introduced in the 80th, 81st, 82nd, and 83rd Congresses. The reason that the \$3,000,000 limitation was finally written into the bill is that the War Claims Commission would not give its approval to a bill with an open amount. The War Claims Commission ~~arg~~ argued with respect to S-603, the bill which passed the Senate of the 81st Congress, that unless the limitation were imposed, the amount returnable under the bill might out seriously into the War Claims Fund and not leave a sufficient fund to discharge the ~~2~~ claims compensable under the War Claims Act. In ~~deference~~ ^{in the 81st Congress} deference to this position, S-603 was amended in the Committee and passed with the \$3,000,000 limitation.

It is obvious that the original reason for including the \$3,000,000 limitation has disappeared. As you know, the ~~82~~ 83rd Congress made \$75,000,000 available for

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^{payment}
the future war claims. I am reliably informed that this sum ~~is~~ ^{is} adequate to cover all of the claims presently compensable under the War Claims Act. Consequently, from the standpoint of the War Claims Commission problem, there is no longer any reason in ~~insisting~~ insisting upon the \$3,000,000 provision.

In the course of the hearing, you inquired as to how the \$3,000,000 figure was arrived at. The answer is that rather full samplings were made of the type of property in question and it was ~~conservatively~~ estimated that the \$3,000,000 sum would ~~cover~~ cover all of the heirless property in question. This belief is still entertained by the major Jewish organizations interested in the bill. Therefore, the \$3,000,000 limitation would not present the administrative problem of proration among several successor organization, ~~the~~ ^a problem which, as both you and Mr. Smithy pointed out, would have to be dealt with if ~~the~~ the sum returnable exceeded ^{the} \$3,000,000 figure. ^{and if the successor organizations were involved.} Moreover, ^{it is} ~~it is~~ morally certain that the \$3,000,000 figure is an adequate ceiling, ^{and} ~~at~~ point of fact, all of the heirless property will be turned over to the successor organization or organizations. There are, however, two reasons why the \$3,000,000 limitation should be removed, particularly since the objection~~s~~ raised by the War Claims Commission no longer exist~~s~~ and since even ^{it} while this objection was asserted, the validity of ~~which~~ ^{it} was more apparent than real. ^{The}

^{The} first and foremost reason for the removal of the limitation is that without ^{an} it the bill would have ^{an} infinitely cleaner ~~appearance~~ appearance. Frankly, Mr. Dirksen, the organizations are interested in the measure more for the principle than for the money involved. Had the bill promised to yield only a paltry sum, the Jewish organizations would still have been interested in the enactment of the measure. Basically, it is offensive to one's sense of esthetics, if not to his justice, to see property within this unique category treated as enemy property. It is only ~~when~~ when it appeared that the bill could not pass without the limitation that the ~~it~~ compromise was agreed upon. The reason for the compromise no longer

having any validity, it would seem that the limitation should be removed. The bill would certainly be a much more dignified measure if it did not include the limitation.

The second reason for the removal of the limitation is the one ~~with properly~~ suggested by Mr. Smithy, ^{namely,} the administrative problems which it would present. First is the theoretical problem of proration, in the event that the sum returnable actually exceeded \$3,000,000 and that more than one successor organization, representative of more than one class of persecutees, were appointed by the President. Secondly, is the problem of computing the value of a future interest in an estate as of the date the return is made. As Mr. Smithy pointed out, such computation would require actuarial work, would give the Office of Alien Property ~~an~~ additional burdens and would thus interfere with the winding up of the operations ~~an~~ of that Office, an end which your Committee has strongly urged be pursued.

The only ~~reticence~~ reticence we have about recommending the deletion of the \$3,000,000 limitation is that without the limitation the bill might frighten some member of Congress and he would oppose it on the Consent Calendar. Of course, the Jewish organizations would prefer to have the bill with the \$3,000,000 limitation than no bill at all, since ~~and~~ the actual effect would be the same. Secondly, the final decision as to whether the \$3,000,000 limitation should or should not appear rests upon what you believe to be the chances of getting the bill through on the Consent Calendar, without the limitation. If your judgment is that the chances are the same in either event, then obviously it should be removed for the reasons ~~have~~ indicated. It seems to me relevant in this connection to point out there was no limitation imposed on the property returnable under the 1946 amendment to the Trading ~~with~~ the Enemy Act in favor of living persecutees. Should you come to the conclusions that the \$3,000,000 limitation should be removed, a strong statement, ~~should~~ in our judgment, should appear in the accompanying report to the effect that

it is morally certain that the sum will not exceed \$3,000,000. The report should also state that the reason the \$3,000,000 limitation was imposed was to protect the War Claims Fund, that the bill was introduced before the Congress appropriated sufficient funds to take care of all the war claims compensable under the War Claims Act, and the reason the limitation is now stricken is that there are moral arguments in favor of the use of the property for the purposes provided for by S-2420, ^{ix} such as it should be applicable to all property falling within the category of property dealt with in the bill, *regardless of the*

amount involved.

no date/near 4/54

2. Question presented by reference to (D) of subsection (a) (2), appearing on line 10 p.1 of Bill. In his questioning Mr. S wondered whether this problem might not present a difficult question of construction since, while the Bill is intended to be limited to the property of persons deprived of their liberty and full rights of citizenship, the section (D) etc. has reference to dual nationals as well as persecutees. The reason the Bill was not drawn more narrowly is that that portion of it was copied from an earlier bill, before the section contained any reference to dual nationals. At the present time it would seem appropriate to amend the part in question to read as follows, ~~con-~~
^{as follows}
~~mening with line 9:~~ "alive, would, because of a substantial deprivation of liberty or the failure to enjoy full rights of citizenship, be eligible to receive returns under the provises" etc. (the underscored portion is added to line 9 p.1 of the Bill).

3. Possible conflicts over selection of a successor organization. As I pointed out in my statement the Bill is primarily one involving the property of the Jews who perished. The question is whether the President will be confronted with the problem of making a choice between several Jewish organizations applying for the appointment as successor organization. It is consensus of the major Jewish organizations that while theoretically such a problem may be presented, it will in fact not arise. The Jewish Restitution Successor Organization was selected as the successor organization under the Military Government Law No. 59. While acting in that capacity, it has earned the respect of the United States authorities in Germany. The President, General Clay and Mr. McCloy are well acquainted with this organization. This organization will definitely apply as the successor organization under S. 2420. If it should

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develop that another organization will apply, it will certainly not be representative of the Jewish groups, since the JRSO does virtually have the unanimous backing of the major Jewish organizations in the United States, the President will undoubtedly select the Jewish Restitution Successor Organization. It is absolutely certain that a competition which, though not anticipated, may actually materialize, will give the President not the slightest bit of embarrassment in making his final selection.

I know that the calendar of your subcommittee is very crowded, but I am hopeful on the basis of the marvelous spirit you exhibited in the hearing of the subcommittee that you will do your very best to see that the Bill is voted out at the subcommittee the next time it convenes.

We are all grateful to you for your interest and cooperation in this matter.

Abie Hyman

9 March 1954

Mr. Samuel Golan
International Boundary Commission
101 Indiana Avenue
Washington, D. C.

RE: Heirless Assets - 83rd Congress

Dear Sam:

I enclose herewith, in accordance with your kind offer of last week, a copy of a memorandum which I sent to you and to Bernard Katzen last December. The developments since then are:

1) On December 23, 1953, Mr. Jacob Blaustein, President of the American Jewish Committee, and Rabbi Israel Goldstein, President of the American Jewish Congress, wrote to Senator Langer, expressing the hope that the bill could be reported favorably soon.

2) On January 13, 1954, Senator Langer responded, stating that the bill was before Senator Dirksen's subcommittee.

3) On January 22, I wrote to Senator Dirksen, pointing out that the bill was non- and bi-partisan, that it had been sponsored by Senator Taft and various Democrats in the past, that it was now sponsored by Senators Hennings, Langer and McCarran, that it had previously passed on the consent calendar, and that it was an expression of policies already adopted on both the legislative and executive side.

4) On January 30, Senator Dirksen wrote to me, saying that he had submitted an omnibus bill in the enemy property field, and "I shall want to explore the whole field before considering any separate bills now pending."

5) On February 6 Mr. Katzen wrote to Mr. Monroe Goldwater, promising to look into the matter.

The fact is that Senator Dirksen's reply is a grave disappointment. His omnibus bill does not touch heirless property. And the proposed heirless property legislation should not be thought of as in the same category as the

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Mr. Samuel Golan

Page Number Two

numerous bills now pending affecting enemy property in the United States. The property which is heirless is in that category because its owners, together with their entire families, were brutally exterminated by the Nazis. This is in no real sense "enemy" property. To think that the United States would so treat it is to perpetrate a moral travesty. If the owners were alive, they could regain their property; the principle is clear, and has been fought for by the United States in all other countries, that "heirless" property should be used for relief and rehabilitation of the surviving persecutees. There never has been any Congressman on either side of the Congress who has opposed this principle. There never has been any opposing witness: General Clay, Judge Robert Patterson and Mr. McCloy were the principal persons pushing it. And so on.

I sincerely hope that it would be possible for you to call this matter directly to the attention of Senator Dirksen, and that the bill could be reported favorably by his subcommittee. I am sure that the full Committee would follow suit immediately, and that it would pass the Senate on the consent calendar.

I hope that you will pardon the passionate tone of this letter. But the principle embodied in this bill is one which cannot be repudiated without doing affront to the laws of morality and, I may add, to the memory of those who died in the gas chambers - who died with their parents, children, and all other relatives. They should not be so soon forgotten.

With best regards,

Sincerely,



Seymour J. Rubin

SJR/rs

345247

Re: Heirless Prop
AGE ACT 1954

LAW OFFICES

LANDIS, COHEN, RUBIN, SCHWARTZ AND GEWIRTZ

1832 JEFFERSON PLACE, N. W.

WASHINGTON 6, D. C.

STERLING 3-5905

YIVO 347.17
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File 3

JAMES M. LANDIS
WALLACE M. COHEN
SEYMOUR J. RUBIN
ABBA P. SCHWARTZ
STANLEY GEWIRTZ
GEORGE J. SOLOMON

3 March 1954

Mr. Jacob Blaustein
American Building
Baltimore, Maryland

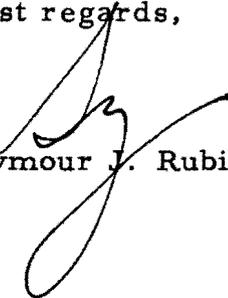
Dear Jacob:

The other day I promised to bring you up to date on the present heirless property legislation. This situation is as follows:

Following the introduction of the bills in the Senate and the House on a bipartisan basis, various attempts were made to expedite consideration. With these, particularly on the Senate side, you are familiar, since you participated in or originated them. The upshot of this all has been, however, a letter from Senator Dirksen, a copy of which I sent to you under date of 4 February, the operative sentence of which was "I shall want to explore the whole field before considering any separate bills now pending". Since the omnibus bill in the Trading with the Enemy Act field is a large and controversial one, this decision, if adhered to, would spell the death of the heirless property in the present Congress.

I have now talked with Langdon West, Senator Hennings' Assistant. He is to talk to Hennings and Langer. It would be hoped that you and few others could attend that meeting, and persuade them to try to get Dirksen to discharge the heirless property legislation, the ground that it is non-controversial and bipartisan. This being an election year, maybe there is some hope if we can demonstrate some interest.

Best regards,


Seymour J. Rubin

SJR/rs
CC: Dr. Hevesi

345248

MAR 4 1954

January 22, 1954

Senator Everett M. Dirksen
United States Senate
Senate Office Building
Washington 25, D. C.

Re - S. 2420

Dear Senator Dirksen:

I write in connection with S. 2420, a bill which was introduced at the last session of the Congress by Senator Hennings on behalf of himself and Senators Langer and McCarran.

It is my understanding that the bill has been referred to the Sub-Committee on Enemy Property Legislation which is headed by yourself.

The undersigned is counsel on foreign affairs matters to the American Jewish Committee which has a deep interest in this legislation. On January 13, 1954 Senator Langer wrote to Mr. Jacob Blaustein, President of the American Jewish Committee, suggesting that the Committee be in touch with you with respect to S. 2420.

The legislation above referred to, as you undoubtedly know, is bipartisan and, we believe, non-controversial. It has in the past had the active support of Senator Taft who sponsored substantially identical legislation in previous Congresses, being joined by Senators McGrath and O'Connor. Substantially identical legislation has in the past been reported by the Senate Judiciary Committee and has passed the Senate on the consent calendar. Moreover, after hearings held before the House Interstate and Foreign Commerce Committee, it was favorably reported by that committee but failed of passage in the end-of-session rush at the end of the Eighty-first Congress.

We believe the legislation to be clearly in accordance with the already expressed policy of both the legislative and the executive branches of the United States government. On the legislative side, the Trading with the Enemy Act now provides, and has so done for some years, for returns of property to persecutees. S. 2420 would extend this policy to property which belonged to persecutees who were, together with their entire families, exterminated. Such property, or its proceeds, would be used by organizations to be designated by the President, under close supervision, and on the basis of standards established in the bill itself, for the relief and rehabilitation of surviving persecutees who are in need.

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- 2 -

All executive agencies to which the bill has in the past been referred have concurred in support of it.

Should there be any way in which I can be of any assistance in this matter, either in explaining the necessity for this legislation or in discussing certain of its provisions, I should be of course delighted to give any assistance. We are extremely hopeful that the legislation can be passed on the consent calendars of both houses of the Congress during the early part of the present session.

I may perhaps add the personal note that I am glad to have this opportunity to write to you, since I am a native of Chicago and still maintain my domicile in Cook County.

Sincerely yours,

Seymour J. Rubin

COPY

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(GEN 10)
Box 296
File 3 (95)

D R A F T

(May 21, 1950)

Hon. Lindley Beckworth
Committee on Interstate and
Foreign Commerce
Room 1334
New House Office Building
Washington, D. C.

Re: Heirless Property Legislation
S. 603, H.R. 1849, H.R. 2780.

Dear Congressman Beckworth:

Judge Patterson has advised me that after I had left the hearing which was held before your subcommittee on May 15, a question arose with respect to the amount of "nonmonetary gold" which was turned over by the Allied authorities in Germany and Austria to the International Refugee Organization.

The term "nonmonetary gold", as I explained during the hearing, was used to include unidentifiable and nonrestitutable personal property such as gold coin collections, rings, some precious stones, silverware and gold teeth. Under the terms of the Paris Reparations Agreement of 1946, nonmonetary gold along with German assets in neutral countries up to 25 million dollars and heirless assets of persecutees in neutral countries were to be turned over to the IRO for use in relief and resettlement of nonrepatriable victims of German action.

The total amount which IRO was scheduled to receive from all three sources was in the neighborhood of 30 million dollars. To date, unfortunately, the IRO has received only 20 million of this amount. Of the 20 million received, 3 million has been realized from the liquidation of nonmonetary gold and the remaining

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17 million represents the contributions of Sweden and Switzerland out of German assets in those countries. No funds have been received from the third source, heirless assets in neutral countries.

I believe that the above may serve to clarify my testimony on page 141 of the transcript.

I wish to thank you again for the courteous hearing which was given to me, and to repeat my hope that S. 603 will shortly become law.

Sincerely yours,

ROBERT P. PATTERSON

C O P Y

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(GEN-10)
Box 296
File 3

PATTERSON, BELKNAP & WEBB

(CURTIS & BELKNAP)

ONE WALL STREET

NEW YORK 5, N.Y.

ROBERT P. PATTERSON
CHAUNCEY BELKNAP
VANDERBILT WEBB
RICHARD H. MCCANN
JOHN V. DUNCAN
WINDSOR B. PUTNAM
RICHARD G. MOSER

JAMES F. CURTIS
COUNSEL

CABLE ADDRESS
CURTISITE

May 19, 1950

Hon. Lindley Beckworth
Committee on Interstate and
Foreign Commerce
Room 1334
New House Office Building
Washington, D. C.

Re: Heirless Property Legislation
S. 603, H.R. 1849, H.R. 2780.

Dear Congressman Beckworth:

In accordance with your request at the hearing on May 15 on the above bills, I am happy to furnish you the following supplementary information concerning the organizations interested in or affected by the proposed legislation.

First let me say that the American Jewish Committee is an organization dedicated to preventing the infraction of civil and religious rights of Jews, to securing for Jews equality of economic and educational opportunities and to alleviating the consequences of persecution. The American Jewish Committee is therefore interested in obtaining passage of this legislation, although it will not apply to the President as a successor organization. I might add that the American Jewish Committee was

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established in 1906 and is a thoroughly responsible organization. Mr. Jacob Blaustein of Baltimore is President.

The Joint Distribution Committee is the largest voluntary overseas relief agency in the world. Because of its vast experience in working with victims of Nazi persecution its assistance was requested in estimating the amount of heirless property vested in the Alien Property Custodian. Mr. Edward M. M. Warburg of New York, New York is Chairman of this organization.

If this legislation is enacted I understand that the Jewish Restitution Successor Organization (JRSO) will apply to the President for designation as successor in interest to Jewish persecutees. JRSO is a charitable organization incorporated under the laws of the State of New York. Mr. Edward M. M. Warburg also heads this organization. JRSO was appointed by General Clay, pursuant to Military Government Law No. 59, as the successor organization authorized to claim Jewish property in Germany. I am enclosing a copy of the Military Government order appointing JRSO.

I want to thank you and the subcommittee again for permitting me to testify in behalf of this legislation.

Sincerely yours,

ROBERT F. BARRER

Enclosure

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PATTERSON, BELKNAP & WEBB
ONE WALL STREET
NEW YORK 5, N.Y.

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JAMES F. CURTIS
COUNSEL
CABLE ADDRESS
CURTISITE

May 16, 1950.

Dr. Eugene Hevesi,
American Jewish Committee,
386 Madison Avenue,
New York, New York.

Re: Heirless Property Legislation.

Dear Dr. Hevesi:

I want to give you a report on the hearing yesterday before the subcommittee of the Committee on Interstate and Foreign Commerce on our bills.

General Clay testified first and made an excellent statement in support of the bill. Congressman Hinshaw asked him some questions about the disposition by the military government of non-monetary gold found in Germany, work by the IRO and other matters not directly related to our bill. I believe that the subcommittee was impressed by his testimony and that it was very helpful.

I then testified, and am enclosing some copies of my prepared statement. Mr. Hinshaw also asked me various questions relating to disposition of property seized by our occupation forces. Mr. Beckworth asked me what organizations would probably request the President to be designated as successor organizations. I told Mr. Beckworth that I would advise him by letter on this point. I would appreciate your letting me know what information you have on this.

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Mr. George L. Warren, Advisor on Refugees and Displaced Persons in the Bureau of United Nations Affairs testified for the State Department and I am enclosing a copy of his prepared statement. His testimony was very good, to the effect that this legislation is in complete accord with and implements the foreign policy of the United States.

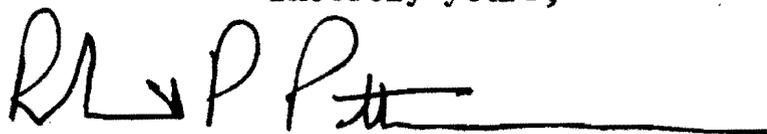
Mr. Thomas H. Roberts, General Counsel of the War Claims Commission, testified for that agency and I also enclose a copy of his prepared statement. He stated that the Commission would have no objection to the committee taking favorable action on our legislation if there were a three million dollar ceiling in it.

Mr. Harold Baynton, Acting Director of the Budget, made a brief statement in support of the bill. He submitted no prepared statement and relied on the letter of the Department of Justice dated May 12, 1950 supporting the bill. In this letter it was suggested that that part of Section 2 of the bill which extends the time for the owner or his heirs to file should be omitted. I consented to this amendment.

After the hearing I had lunch with Congressman McGuire, a member of the subcommittee. I also had a brief talk with the Speaker of the House, Mr. Rayburn. He said he hoped that the legislation would be passed at this session of Congress.

Sincerely yours,

Enclosures



(Hearings-1950-pp.167-169)*
(Given May 15, 1950)

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Statement of Robert P. Patterson before Subcommittee of Committee on Interstate and Foreign Commerce of the House of Representatives on S.603, H.R. 1849 and H.R. 2780.

I strongly support passage of the amendment to the Trading with the Enemy Act proposed by S.603 and its companion bills H.R. 1849 (by Mr. Wolverton) and H.R. 2780 (by Mr. Crosser). The proposed amendment permits charitable organizations to recover property vested by the government from persecuted persons who died without heirs, the funds recovered to be used for relief of surviving persecutees.

The Trading with the Enemy Act now provides that alien property formerly owned by persecutees shall not be forfeited but shall be returned to the former owner or to his heirs. The present law, unfortunately, does not cover the case where the former owner is dead and left no heirs. These bills would cover that case by providing that heirless property of persecutees shall be turned over, under proper safeguards, to a relief organization approved by the President for relieving impoverished persons of the same group as the deceased owner.

The beneficiaries of the proposed legislation will be the groups who were the first enemies of our enemies in World War II. The casualty rate among these groups was unprecedentedly high. In the imposition of persecution they were treated as groups. This bill would treat them as groups in permitting the use of property of fellow victims for the relief of survivors.

(Amendments to War Claims Act and Trading with the Enemy Act)
(U.S. Congress, House of Representatives, Committee on Interstate and Foreign Commerce, Hearings, May 15, 1950 in March-Sept 1950)

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Consistency with American Policy

Box 296
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The merit of the proposed legislation and its appropriateness in the framework of American policy is, I submit, beyond dispute.

In 1946 Congress amended Section 32 of the Trading with the Enemy Act so as to permit persecutees or their heirs to recover vested property. In so doing Congress gave expression to the policy that the United States will not use for its own purposes the assets of persons who were themselves the victims of our enemies in World War II.

The United States has clearly stated its position with respect to heirless property in international agreements, both those concluded by the Executive and those ratified by the Senate. Article 8 of the Paris Reparation Agreement of 1946 sets up a plan for assistance in connection with the rehabilitation and resettlement of non-repatriable victims of German action and in paragraph C provides that "governments of neutral countries shall be requested to make available for this purpose . . . assets in such countries of victims of Nazi action who have since died and left no heirs." Provisions carrying out this directive are in fact incorporated in agreements between the United States, Great Britain and France on the one side and some of the neutral countries on the other.

In the treaties with the satellite countries, the Allies insisted on provisions for the disposition of heirless property in a manner almost identical with that provided by S.603. In the Treaties with Roumania and Hungary,

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it was provided that "all property, rights and interests . . . of persons, organizations or communities which . . . were the object of racial, religious or other Fascist measures of persecution and remaining heirless or unclaimed for six months after the coming into force of the present Treaty shall be transferred . . . to organizations . . . representative of such persons, organizations or communities. The property transferred shall be used by such organizations for purposes of relief and rehabilitation of surviving members of such groups, organizations and communities . . ."

The military government in the United States zone of Germany has also made provision for utilization of heirless property of persecutees for purposes of relief and rehabilitation of survivors. (Military Government Law No. 59)

Enactment of the proposed amendment has repeatedly been urged by interested government departments. The Department of State has stated that its enactment "is highly desirable as an aid in carrying out the foreign policy of the United States." The Department of Justice has also recommended its passage (SR No. 784 on S.603, 81st Cong. 1st Sess. pp. 7, 12, 13).

Amounts Involved

The amount of property affected by this legislation will not be large.

I testified before the Senate Judiciary Committee that in my opinion, based on the advice of competent ob-

servers, the amount of property affected will range between \$500,000 and \$2,000,000. At my request, a further study of the vesting orders was made this year by the American Jewish Committee and the Joint Distribution Committee. This study indicated that about \$2,000,000 is involved. I do not believe it possible to obtain a more accurate estimate. As Senator McGrath pointed out in his report for the Senate Judiciary Committee (S.R. No. 784), "until an actual experience has been had with the administration of the proposed amendment no truly accurate estimates are possible, (although) it is nevertheless completely clear that the total amount of money which will be affected by this legislation is relatively inconsequential."

Nevertheless, in order to allay any fear that a greater amount may be involved and in order to expedite consideration of the bill, I have suggested to the Hon. Lindley Beckworth, Chairman of the Subcommittee, that a ceiling of \$3,000,000 be written into the bill. To accomplish this I suggested that S.603 be amended by adding at the end of the sentence on page 2, line 12;

"Provided, however, that such returns hereunder shall not exceed a total of \$3,000,000."

Reasons for Enactment

The proposed amendment is eminently just and reasonable. The assets of victims of Nazi persecution should be used for relief of survivors, not to pay claims against the United States no matter how worthy the claims may be.

The amount of property involved is not large, and the need

of these people for relief is so well known as to require no argument. The United States, I am certain, does not want to make a profit out of these assets that were enemy-owned only in the most technical sense, being in reality the property of friends of the United States.

It is in line with the policy of Congress and the Administration. Its passage will implement United States policy in Germany. It will also favorably affect representations by the United States to Switzerland, which is a large depository of heirless assets, pursuant to the provisions of the Final Act of the Paris Conference on Reparations and the Five-Power Agreement of June, 1946. The release of such funds by Switzerland would reduce the obligations assumed toward displaced persons by United States occupation forces in Europe and by the International Refugee Organization.

I respectfully submit that the proposed amendment to the Trading with the Enemy Act should become law at this session of Congress.

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May 5, 1950

Mr. Daniel Cleary
War Claims Commission
7th and F Streets, N. W.
Washington, D. C.

Dear Mr. Cleary:

You will recall that I have previously discussed with you and with Mrs. Lusk, as well as with Mr. Roberts, the question of the attitude of the War Claims Commission toward S. 603.

It is my understanding that the Sub-Committee on War Claims of the House Committee on Interstate and Foreign Commerce has scheduled S. 603 and its two counterpart House bills for an open hearing on the morning of May 15, 1950. On behalf of the American Jewish Committee and other interested organizations, I sincerely express the hope that the War Claims Commission may find it possible to report favorably on this meritorious legislation.

I believe that I should bring to your attention the fact that Judge Robert F. Patterson, on behalf of the various organizations which have strongly urged passage of this bill, has suggested to the members of the House Interstate and Foreign Commerce Committee that a limitation of \$3,000,000 be placed in the legislation. You will recall that there has been some question as to the extent of the claims which might be made under S. 603 should it become law. In order to make perfectly clear that these claims will in no case imperil the payments provided for in the War Claims Act of 1948, it has been suggested that the following language be inserted at the end of line 12 on page 2 of the committee print of S. 603: "Provided, however, that such returns hereunder shall not exceed a total of \$3,000,000."

It appears amply clear that this provision will prevent any interference with the operations of the War Claims Commission. Perhaps I should add, to avoid all possibility of misunderstanding, that in suggesting a limitation of \$3,000,000, we do so to eliminate any factor of budgetary uncertainty and not because we believe that there should be any restriction on the amount of heirless property which should be devoted to the relief and rehabilitation of surviving victims of Nazi action. As a practical matter, however, it appears that the total amount of heirless property in the United States formerly belonging to victims of persecution will not in the aggregate amount to the sum specified.

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It is hoped that with this amendment the War Claims Commission will be able to support the proposed legislation.

On behalf of the American Jewish Committee, I am

Sincerely yours,

Seymour J. Rubin

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File 3

March 22, 1950

Judge Robert P. Patterson
Patterson, Bellnap & Webb
One Wall Street
New York, New York

Dear Judge Patterson:

After several telephone conversations with Mr. Morgenthau, I telephoned today and spoke with Mr. Harold Baynton, Acting Director of the Office of Alien Property.

I explained to Mr. Baynton that Mr. Cleary of the War Claims Commission had expressed his willingness to approve S.603 with a three million dollar limitation, and that Congressman Beckworth had expressed approval of the purposes of the legislation. I indicated that proposed language had been cleared between us and the legal staff of the Office of Alien Property and finally that S.603 had been scheduled to come up this morning and was now likely to come up at the adjourned session of the sub-committee on Friday, March 24, 1950.

Mr. Baynton said that he saw no objection to the legislation but that if asked, he would have to say that the Department of Justice wished to examine the costs of administering the legislation if and when it became law. He went on to say that the Department of Justice was now preparing certain samples which they hoped to be able to submit to the interested Jewish organizations for processing and that after that processing had been completed, they might be able to say what the costs of administration would be. I pointed out to Mr. Baynton that this was tantamount to a statement that the Department of Justice reserved judgment on the legislation until it was in a position to estimate the costs of administration and that, under the procedure outlined by him, it was highly unlikely that the Department of Justice would be in a position to estimate those costs before another month and one-half at the earliest. Under these circumstances and in view of the fact that Congress is not likely to remain in Washington very late during an election year, it seemed to me that the chances of passage of the legislation were very slim.

Mr. Baynton said that he was sorry that that was so but that as a good administrator he could not take any position other than the one which he was indicating to me. In my opinion, there is no reason why the Department of Justice could not unequivocally endorse S.603, with perhaps a statement to the Congress that it would be necessary to expend an amount of not in excess of \$100,000 in additional administrative expenses growing out of this legislation. To my knowledge, there never has in the past been a situation in which the Office of Alien Property took the position which it is now taking in relation to S.603. When section 32 of the Trading with the Enemy Act was in the legislative process, no effort was made to hold up consideration of the substantive legislation until the fine points of the administrative costs had been straightened out.

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Under these circumstances, I construe Mr. Baynton's refusal to attempt to make a general appraisal of administrative costs and his insistence on awaiting the results of a survey more complete than any which has ever been made in the past as indicating an unspoken but very real resistance to the legislation itself. If this is so, the actions of the Department of Justice and the commitments of the Attorney General are not consistent.

In resume, I think it necessary to call to your attention the fact that the Acting Director of the Office of Alien Property, Mr. Baynton, proposes to withhold approval by the Department of Justice of S.603 until he is able to arrive at an estimate of the costs of administration by a process which, in my opinion, will take not less than six to ten weeks; and, in my opinion, this attitude on the part of the Department of Justice is very likely to kill whatever chance S.603 now has for passage.

Sincerely yours,

Seymour J. Rubin

cc: Dr. Hevesi

345265

RUBIN AND SCHWARTZ
ATTORNEYS AT LAW

SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

YIVO 347.17
Box 2962
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Am Jwsh Cmtee (GEN-10)
PHONE: REPUBLIC 0504
CABLE ADDRESS: RUBINLEX

1822 JEFFERSON PLACE, N.W.
WASHINGTON 6, D.C.

February 1, 1950

Dr. Eugene Hevesi
The American Jewish Committee
386 Fourth Avenue
New York, New York

Dear Eugene:

In connection with my letter of January 31, 1950 to Judge Patterson relating to the heirless property legislation, I have had a further conversation with Mr. Michael Cardozo of the Department of State who seems to be now handling this matter.

Cardozo tells me that he has discussed the matter with Mr. Cleary, Chairman of the War Claims Commission, and has some hopes of persuading the Commission of changing its views. However, he had no definite or demonstrable basis for such hopes that he could exhibit to me. I suggested that it might be possible to persuade the War Claims Commission to change its views if there were a top limit put on the recovery of heirless property, and that such change might be a very easy one to put in the legislation. Cardozo said that this seemed to him to be a very happy idea and that he thought if a top limit of say ten million dollars were put in, the War Claims Commission might well withdraw its objections. I think a ten million dollar recovery is almost fantastically beyond belief and that if a figure were put in the legislation that was that high, it might very well prejudice Beckworth even further toward the proposed legislation.

I think we would be perfectly safe in putting a five million dollar figure in the legislation and explained to Cardozo that I did not expect recovery to go beyond an outside figure of two million dollars. Under these circumstances, we might be able to get the War Claims Commission to reverse its position and in effect put some pressure on Beckworth. I emphasized to Cardozo that I was not authorized to make this proposal on behalf, even of the AJC, let alone the other organizations. I told him, however, that I would communicate with you and the people in New York and we might discuss the matter again in a few days.

I have also talked with my friends in Chicago about the possibility of having Mr. Arvey drop a note to Cleary. It was pointed out to me, however, that there had recently been some publicity in the Chicago newspapers alleging too close a connection between Cleary and Arvey's law firm. Arvey's

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However, both in the 80th Congress, and during the First Session of the 81st Congress, the Interstate and Foreign Commerce Committee of the House of Representatives failed to act upon the bill. To our knowledge, the long delay in this Committee was due to opposition to the bill on the part of Representative Lindley Beckworth (Democrat) of Texas, an influential member of that Committee.

Following the recent opening of the Second Session of the 81st Congress, the Interstate and Foreign Commerce Committee of the House appointed a Sub-Committee to conduct hearings and make recommendations concerning the Bill. Representative Beckworth has been appointed Chairman of the Sub-Committee.

It is important to note that Representative Beckworth was also a sponsor of the War Claims Act of 1948, Section 13 of which provides for the creation of a War Claims Fund out of sums covered into the Treasury pursuant to Section 39 of the Trading with the Enemy Act, including assets vested with the Custodian of Alien Property. The War Claims Act created the War Claims Fund for the purpose of expending these assets in paying benefits to the following causes: (1) detention benefits for civilian American citizens interned by the Japanese in the Philippines and in other territories in the Pacific area; (2) compensation for prisoners of war who were given less food than required by the Geneva Convention; and (3) restitution for the fair value of food, clothing, shelter and medical supplies, and other relief extended to American citizens and soldiers by religious organizations in the Philippines, affiliated with organizations in the United States.

These are important and worthy causes indeed. We have serious reason to believe, however, that the War Claims Commission is of the opinion that the enactment of S. 603 would interfere with the carrying into effect of the mandate given it under the War Claims Act, and is, on that ground, opposed to the pending legislation.

If this opposition by an important Government agency exists, - and we have strong reason to believe that it does exist - it may be based solely on the fact that S. 603 provides for a filing period ending on January 1, 1952, for notices of claims on heirless assets by successor organizations to be designated by the President pursuant to the proposed law. This opposition may partly be directed also against the provision inserted in the bill by the Senate which would extend the filing period for claims by living claimants until April 30, 1950.

It is our impression that both the War Claims Commission and Representative Beckworth base their objections to the enactment of S. 603 on these circumstances. This assumption seems to be substantiated by the inclusion in the Congressional Record by Representative Beckworth of three letters received by him from the Attorney General's Office and from the War Claims Commission respectively, a correspondence which emphasizes the fact that since S. 603 would extend the filing period for vested property, the Attorney General's Office found it necessary to withhold further processing of the accounts involved. This suspension of processing would, if applied as a general standing rule, considerably delay the transfer of vested assets to the War Claims Fund, and the disbursement of the important benefits authorized by the War Claims Act,

firm is apparently handling a large number of claims which are presently before the War Claims Commission. Under these circumstances, this particular approach may not be a desirable one. One way or another, I shall try to see Cleary within the next few days.

I enclose two extra copies of this letter for your possible use.

Sincerely yours,


Seymour J. Rubin

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WAR CLAIMS COMMISSION

Washington

January 11, 1950

Hon. Robert Crosser
Chairman, Committee on Interstate
and Foreign Commerce
House of Representatives
Washington 25, D. C.

My dear Mr. Crosser:

Reference is made to your letter of January 5, 1950 requesting, among others, a report on S. 729, 81st Congress, "A Bill To Amend the Trading With the Enemy Act so as to extend the time within which claims may be filed for return of any property or interest acquired by the United States on or after December 18, 1941."

The purpose of the bill is to amend the first sentence of section 33 of the Trading With the Enemy Act of October 8, 1917 (40 Stat. 411), as amended, by extending the time to file notice of claims as required by sections 9 and 32 thereof until April 30, 1950. The sentence in question currently provides:

"No return may be made pursuant to section 9 or 32 (section 9 or 32 of this Appendix) unless notice of claim has been filed: (a) in the case of any property or interest acquired by the United States prior to December 18, 1941, by August 9, 1948; or (b) in the case of any property or interest acquired by the United States on or after December 18, 1941, by April 30, 1949, or two years from the vesting of the property or interest in respect of which the claim is made, whichever is later."

It is the view of the War Claims Commission that an extension of the date for filing claims to any vested property applicable to any claimants under the presently effective provisions of section 9 and 32 of the Trading With the Enemy Act would hinder and obstruct the War Claims Commission in the administration of the War Claims Act of 1948 (Public Law 896, 80th Congress, July 3, 1948; 62 Stat. 1240; 50 U.S.C. 2001 - 2013), as amended.

In this connection, attention is invited to section 12 of the War Claims Act of 1948, supra, which amends the Trading With the Enemy Act by adding thereto section 39 which provides:

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"SECTION 39. No property or interest therein of Germany, Japan, or any national of either such country vested in or transferred to any officer or agency of the Government at any time after December 17, 1941, pursuant to the provisions of this Act, shall be returned to former owners thereof or their successors in interest, and the United States shall not pay compensation for any such property or interest therein. The net proceeds remaining upon the completion of administration, liquidation, and disposition pursuant to the provisions of this Act of any such property or interest therein shall be covered into the Treasury at the earliest practicable date. Nothing in this section shall be construed to repeal or otherwise affect the operation of the provisions of section 32 of this Act or of the Philippine Property Act of 1946." (Underscoring supplied)

Section 13 of the War Claims Act of 1948, supra, creates on the books of the Treasury of the United States the War Claims Fund which consists of all sums covered into the Treasury pursuant to section 39 of the Trading With the Enemy Act quoted above. The monies which the War Claims Commission is obligated to expend in paying benefits pursuant to Sections 5, 6, and 7 of the War Claims Act of 1948 are derived from this War Claims Fund. These sections provide three categories of benefits: (1) detention benefits for civilian American citizens interned in the Philippines, Midway, Wake Island, Guam, or United States territories or possessions; (2) compensation for prisoners of war who were given food less in quantity or quality than that required under the terms of the Geneva Convention; and (3) restitution for the fair value of food, clothing, shelter, medical supplies, and other relief extended by religious organizations functioning in the Philippines affiliated with organizations in the United States to civilian American citizens or members of the United States armed forces.

With respect to the status of the Alien Property Fund, the attention of the Committee is invited to the fact that estimates of the Alien Property Custodian, as of October 1, 1949, indicate that the net value of the interest of the Attorney General in vested property was \$336,000,000. It was estimated that \$50,000,000, in the form of debt and title claims, may be allowed out of this amount and, in addition, approximately \$125,000,000 of such property is subject to suits for return under section 9 (a) of the Trading With the Enemy Act, as amended. Thus, after deducting debt and title claims, and the property subject to section 9 (a) suits, a balance of \$161,000,000 remains, which may ultimately be available for transfer for the payment of claims in accordance with the War

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Claims Act of 1948, as amended. The Alien Property Custodian has indicated, however, that in view of the uncertainty as to the limitation date on claims and suits, it is not possible to estimate the amounts actually available for transfer to the War Claims Fund at the present time or in the near future. The pendency of the subject bill and S. 603, 81st Congress, is responsible, in part, for the uncertainty as to the status of the War Claims Fund and for the inability of the Alien Property Custodian to transfer any substantial amount to such Fund.

An amount of \$25,000,000 was transferred to the War Claims Fund in September 1949, pursuant to the authority contained in section 13, Public Law 896, 80th Congress, July 3, 1948. Although no specific part of this amount has been set aside for the payment of claims administered by the War Claims Commission under section 5, 6 and 7 of the War Claims Act, the amounts of \$75,000 and \$30,000 were appropriated by Public Law 71, 81st Congress, May 24, 1949, and Public Law 343, 81st Congress, October 10, 1949, for the administrative expenses of the War Claims Commission to the end of the fiscal year 1950.

In addition, \$10,000,000 of the aforementioned amount was allocated for the current fiscal year for use by the Bureau of Employees Compensation by Public Law 141, 81st Congress, June 29, 1949 for payment of benefits pursuant to section 4 (c) and section 5 (f) of the War Claims Act. An additional sum of \$115,000 was appropriated by the same Act for administrative expenses for the fiscal year 1950 for the Bureau of Employees Compensation.

The most recent estimates as to the total amount of benefits to be paid under the War Claims Act, as amended, indicate that amounts payable by the War Claims Commission under sections 5, 6 and 7 of the Act will amount to approximately \$120,000,000. Total expenditures by the Federal Security Agency under section 4 (c) and section 5 (f) of the Act have been estimated at \$28,000,000. Although no estimates have been received from the Department of State, the Committee will note that certain additional benefits are payable by that Department under section 4 (b) (1) of the Act out of the War Claims Fund, in accordance with the provisions of section 13 (d) of the Act.

It will be noted from the above that, exclusive of administrative expenses, expenditures under the present benefit provisions of the War Claims Act will, in all probability, equal or exceed \$150,000,000. The inevitable consequence, should S. 729, 81st Congress, be enacted, with the resulting extension of time and postponement in the liquidation of property held by the Office of the Alien Property Custodian, is that the War Claims Fund until after

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April 30, 1950, and for many months thereafter, might be insufficient to pay the legally allowable claims under sections 4, 5, 6, and 7 of the War Claims of 1948 described in the preceding paragraphs.

Furthermore, the War Claims Commission is required, by section 8 of the War Claims Act of 1948, to report to the President for submission of such report to the Congress on or before March 31, 1950, concerning claims arising out of World War II other than claims which may be received and adjudicated under the preceding sections of such Act. Delay in the final settlement of property vested by the Alien Property Custodian would undoubtedly add to the uncertainty and difficulty of making sound recommendations.

The Commission has no information available to it on which to base an estimate of the cost of the bill.

In view of the request by your Committee for expeditious submission of this report, there has been insufficient time within which to clear this report with the Bureau of the Budget..

Sincerely yours,

Daniel F. Cleary
Chairman, War Claims Commission

cjs;mbr

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WAR CLAIMS COMMISSION

Washington

January 10, 1950

Hon. Robert Crosser
Chairman, Committee on Interstate
and Foreign Commerce
House of Representatives
Washington 25, D. C.

My dear Mr. Crosser:

Further reference is made to your letter of October 19, 1949 requesting a report on S. 603, 81st Congress, "An Act to Amend the Trading with the Enemy Act."

The purpose of the bill is to provide that certain property heretofore vested by the Alien Property Custodian, or the proceeds therefrom, of deceased persons who, if alive, would be eligible to receive returns under the provisos of subdivision (C) or (D) of subsection (a) (2) of section 32 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, and who died without heirs, would be subject to claim by certain non-profit charitable corporations to be designated by the President of the United States. Further, by section 2 of the bill, section 33 of the Act would be amended by extending the time to file notice of claim as required by sections 9 and 32 thereof in their present form until April 30, 1950, or two years after the vesting of the property or interest, whichever is later, in the case of any property or interest acquired by the United States after December 18, 1941. This section would also add a provision to section 33 of the Act fixing January 1, 1952, as the delimiting date for successor organizations designated pursuant to the bill to file notice of claims.

It is the view of the War Claims Commission that an extension of the date for filing claims to any vested property applicable to any claimants under the presently effective provisions of section 9 and 32 of the Trading With the Enemy Act would hinder and obstruct the War Claims Commission in the administration of the War Claims Act of 1948 (Public Law 896, 80th Congress, July 3, 1948; 62 Stat. 1240; 50 U S C 2001 - 2013), as amended.

In this connection, attention is invited to section 12 of the War Claims Act of 1948, supra, which amends the Trading With the Enemy Act by adding thereto section 39 which provides:

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"SECTION 30. No property or interest therein of Germany, Japan, or any national of either such country vested in or transferred to any officer or agency of the Government at any time after December 17, 1941, pursuant to the provisions of this Act, shall be returned to former owners thereof or their successors in interest, and the United States shall not pay compensation for any such property or interest therein. The liquidation; and disposition pursuant to the provisions of this Act of any such property or interest therein shall be covered into the Treasury at the earliest practicable date. Nothing in this section shall be construed to repeal or otherwise affect the operation of the provisions of section 32 of this Act or of the Philippine Property Act of 1946." (Underscoring supplied.)

Section 13 of the War Claims Act of 1948, supra, creates on the books of the Treasury of the United States the War Claims Fund which consists of all sums covered into the Treasury pursuant to section 39 of the Trading With the Enemy Act quoted above. The monies which the War Claims Commission is obligated to expend in paying benefits pursuant to sections 5, 6 and 7 of the War Claims Act of 1948 are derived from this War Claims Fund. These sections provide three categories of benefits: (1) detention benefits for civilian American citizens interned in the Philippines, Midway, Wake Island, Guam, or United States territories or possessions; (2) compensation for prisoners of war who were given food less in quantity or quality than that required under the terms of the Geneva Convention; and (3) restitution for the fair value of food, clothing, shelter, medical supplies, and other relief extended by religious organizations functioning in the Philippines affiliated with organizations in the United States to civilian American citizens or members of the United States armed forces.

The War Claims Commission has been advised by the Office of the Alien Property Custodian that the final processing of accounts for the purpose of covering funds into the Treasury of the United States as directed by section 12 of the War Claims Act of 1948 (Section 39 of the Trading with the Enemy Act, as amended) will of necessity be postponed until after the termination of any extension of time for filing notice of claims as would be provided by section 2 of S. 603. The inevitable consequence should S. 603 be enacted with such extension of time, and the resultant postponement in the liquidation of property held by the Office of the Alien Property Custodian is that the War Claims Fund until after April 30, 1950, and many months thereafter, might be insufficient to pay the legally allowable claims under sections 5, 6 and 7 of the War Claims Act of 1948 described in the preceding paragraph.

Furthermore, the War Claims Commission is required by section 8 of the War Claims Act of 1948 to report to the President, for sub-

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AJC (GEN-10)
Box 296
File 3

mission of such report to the Congress, on or before March 31, 1950 concerning claims arising out of World War II, other than claims which may be received and adjudicated under the preceding sections of such Act. Delay in the final settlement of property vested by the Alien Property Custodian would undoubtedly add to the uncertainty and difficulty of making sound recommendations.

The Commission has no information available to it on which to base an estimate of the cost of the bill.

In view of the foregoing, the War Claims Commission does not recommend favorable consideration by the Committee of S. 603, 81st Congress.

Due to the request of the Committee for an immediate report, there has been inadequate time within which to secure the views of the Bureau of the Budget with reference to this report and its relation to the program of the President.

Sincerely yours,

Daniel F. Cleary
Chairman, War Claims Commission

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Box 296, FILE 5

Heirless Property in the U.S.
CR Rubin - Wash. Office
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Box 296 File 5
PHONE: REPUBLIC 0504
CABLE ADDRESS: RUBINLEX
RJC DET

RUBIN AND SCHWARTZ
ATTORNEYS AT LAW

SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

1822 JEFFERSON PLACE, N.W.
WASHINGTON 6, D.C.

August 8, 1950

Dr. Simon Segal
American Jewish Committee
386 4th Ave.
New York, N.Y.

Re: Heirless Property
S.603

Dear Simon:

I have just come from a long session with Borchardt, on the staff of the House Interstate and Foreign Commerce Committee, and with the legislative counsel for the House.

Borchardt had a session with O'Hara and Bennett, the two objectors, yesterday. They insisted that the provision with respect to administrative expenses be tightened up, to make sure that all of these funds went to refugees. We have drafted something on this, which I hope will be satisfactory to them.

O'Hara also wants documentation on who is to receive benefits from these funds, how many such persons there are, where they are and where they will receive benefits, how many of them, if any, and post-war refugees from Poland, etc., and how the Jewish property will be identified and distinguished from the non-Jewish. I gather he would also like a little more documentation, list of officers, etc., on JRSO. I will try to get up a memo on this; but it would be helpful also if Eli Rock could give me the benefit of his greater knowledge, particularly on the details of refugee relief.

I don't know that all this will produce a change in O'Hara, but I hope it will, and Borchardt says (1) he is hopeful and (2) it's our best chance. If you have heard anything re Cong. Sabbath and the Rules Committee, who I understand was contacted via Chicago, I'd be grateful for the news.

Sincerely,


Seymour J. Rubin

cc. Rock
Cohn

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Heirless Property in the U.S.

PATTERSON, BELKNAP & WEBB
ONE WALL STREET
NEW YORK 5, N.Y.

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ROBERT P. PATTERSON
CHAUNCEY BELKNAP
VANDERBILT WEBB
RICHARD H. MCCANN
JOHN V. DUNCAN
WINDSOR B. PUTNAM
RICHARD G. MOSER

July 20, 1950

JAMES F. CURTIS
COUNSEL
CABLE ADDRESS
CURTISITE

Dr. Eugene Hevesi
The American Jewish Committee
386 Fourth Avenue
New York 16, New York

Heirless Property Legislation

Dear Dr. Hevesi:

I want to bring you up to date on recent developments.

S. 603 came up on the House consent calendar on July 10 and was objected to by Congressman Ford on behalf of Congressman Bennett and Congressman O'Hara. I asked Julius Amberg of Grand Rapids, Michigan, a partner of Ford, to talk to Ford. Amberg advised me that although Ford personally favored the bill he believed there was little chance of winning over Bennett and O'Hara. I then enlisted the assistance of Congressman Martin, the Minority Leader of the House, who had previously assured me of his support. Martin agreed to do what he could to help with Bennett and O'Hara.

It seemed unwise, however, to rely on the bill passing the House on the consent calendar, and on Thursday Congressman Crosser, Chairman of the House Interstate and Foreign Commerce Committee, requested the Rules Committee for a rule on S. 603 so that it

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could come up on the regular calendar.

I then called Congressman Sabath, Chairman of the Rules Committee, and asked that he give favorable consideration to S. 603. He agreed and promptly set it down for hearing on Monday afternoon, July 17. I also spoke to the Speaker of the House, Mr. Rayburn, and advised him that we were asking for a rule on S. 603. I asked him particularly to intercede in behalf of S. 603 with Congressman Cox, Democrat of Georgia, who often votes against a bill if Mr. Sabath is for it. He readily agreed to do this.

I also talked to Congressman Wadsworth, Republican of New York, Congressman Colmer, Democrat of Mississippi, and Congressman Lyle, Democrat of Texas, all members of the Rules Committee. I requested Senator Taft to get in touch with Congressman Brown, Republican of Ohio, another Rules Committee member. I have asked others to get in touch with all the remaining members of the Rules Committee.

The consent calendar was again called at noon on Monday, July 17 and Mr. O'Hara objected.

The Rules Committee did not reach S. 603 Monday afternoon because priority was given to amendment to the Mutual Defense Assistance Pact of 1949.

The Rules Committee considered S. 603 on Tuesday morning, and Congressmen Crosser and Beckworth, Democrats, and Congressmen Wolverton and Hale, Republicans, all members of the Committee

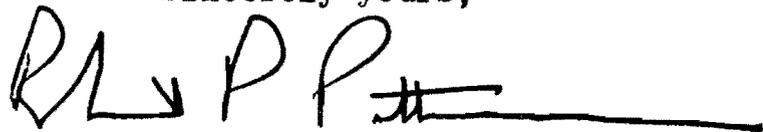
on Interstate and Foreign Commerce, appeared in its behalf, the latter two testifying. Unfortunately, Congressmen O'Hara and Bennett decided to carry their fight against S. 603 to the Rules Committee and testified in opposition.

When Mr. Morgenthau talked to Congressman Bennett he said that he objected to the bill because he was afraid that some fly-by-night organization might be designated by the President and also that the moneys might be spent for rich refugees in this country. I have advised Congressmen Beckworth and McGuire that I would agree to an amendment covering these points if such an amendment would cause Mr. Bennett to withdraw his objection to the bill.

The Rules Committee is scheduled to meet today and I hope that we will obtain a rule permitting S. 603 to go to the floor of the House. It is possible, however, that defense measures may take priority and that S. 603 will not be considered today.

With kind personal regards, I am

Sincerely yours,



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No date
Before 7/20/50

MEMBERS OF THE HOUSE INTERSTATE
AND FOREIGN COMMERCE COMMITTEE

Robert Crosser, Chairman	Cleveland, 21st District, Ohio	5418, Edgemoor Lane Bethesda, Maryland (Washington Address)
William T. Granahan	Philadelphia, 2nd District, Pa.	
Robert Hale (Member of the Sub-Committee)	Maine, First District Portland, Maine	1405, 30th Street
Carl Hinshaw (Member of the Sub-Committee)	20th District, Los Angeles County Pasadena, California	2325, Tracy Place
Neil L. Linehan	Chicago, Third District, Ill.	
John A. McGuire (Member of Sub-Committee)	Third District, New Haven County Wallingford, Conn.	
Dwight L. Rogers (Member of Sub-Committee)	Sixth District, Florida Fort Lauderdale, Fla.	The Wardman Park
George Sadowski	Detroit, First District, Michigan	2919, 39th Street
Hugh D. Scott, Jr.	Philadelphia, Sixth District, Pennsylvania	
John B. Sullivan	St. Louis, 11th District, Mo.	1800, 23th Street, S.E.
Lindley Beckworth (Chairman of Sub-Committee)	Third District, Texas Gladewater, Tex.	2941 S. Columbus Str. Arlington, Va. (Washington address)

EH:ep
1/23/50

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PATTERSON, BELKNAP & WEBB
ONE WALL STREET
NEW YORK 5, N.Y.

ROBERT P. PATTERSON
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VANDERBILT WEBB
RICHARD H. MCCANN
JOHN V. DUNCAN
WINDSOR B. PUTNAM
RICHARD G. MOSER

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File 5

JAMES F. CURTIS
COUNSEL
CABLE ADDRESS
CURTISITE

January 19, 1950

Dr. Eugene Hevesi
American Jewish Committee
386 Fourth Avenue
New York 16, N. Y.

Re: Heirless Property

Dear Dr. Hevesi:

I am enclosing herewith copies of letters written by Mr. Daniel F. Cleary, Chairman of the War Claims Commission, to Congressman Crosser, one dealing primarily with S603 and the other with S729. In both letters Mr. Cleary states that the War Claims Commission is opposed to favorable consideration of S603.

I obtained these letters after talking to Mr. Mason and Mr. Lamont in the Office of the Alien Property Custodian. I then called Mr. Mason on the telephone and advised him of the existence of these letters. He indicated to me that the War Claims Commission had assured him that they would not send any letter to the House Committee without further consultation with him. I mention this because it shows the complete lack of cooperation which exists between the two agencies.

It is readily apparent that these letters, showing the open opposition of the War Claims Commission to our Bill, will make the job of obtaining favorable consideration of the Bill

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a difficult one.

Since these letters were given to me by a Congressman from his own files, I trust that you will consider them as confidential.

Very truly yours,

Robert W. Worsguth

Enclosures

MEMORANDUM

TO: Frederick A. Schreiber
FROM: Eugene Havesi
SUBJECT: Hairless property legislation

April 7, 1950

Thank you for your memorandum of April 3 and for the gratifying interest of your Foreign Affairs Committee in this matter.

I hope the following information will answer your questions:

1. The conflict between Catholic and Jewish interests in this matter is by no means an open and direct controversy, and there is no indication of any express official Catholic opposition to S.603. What is involved is merely the likelihood of some personal catering to Catholic interests on the part of some of the Congressmen opposed to the bill. As indicated in our earlier memoranda, the two interests are definitely compatible. Some ten days ago, there was a hearing before the Sub-Committee of the House Interstate Commerce Committee in which a representative of both the Bureau of the Budget and of the Department of Justice stated that the assets vested with the Office of Alien Property amply cover the needs of both the War Claims Commission and the prospective operations of our bill. The latter witness expressly stated that over and above the full requirements under the War Claims Act, there is a minimum surplus of 21 million dollars in the till. Our own claim is estimated at 3 million dollars at the highest.
2. It is Judge Patterson's and our own considered opinion that it would be a mistake at this stage to approach any Veterans' group in this connection. There is little hope for their active support to our cause. The fact that the head of the War Claims Commission has recently withdrawn his opposition to the Bill, seems to indicate that the pressure of these organizations is of no decisive strength or significance.
3. This indicates, in turn, that the actual center of resistance is Mr. Beckworth's group within the House Committee itself, and that our efforts must be directed at that target. In this respect Mr. Greenbaum's support has been of great value, and it seems to us that in Los Angeles, the cultivation of Representative Hinshaw's continuing goodwill would be the most welcome contribution. Recently, Judge Patterson sent him and all Committee members a memorandum containing the information summarized under 1. above.
4. Thus far there has been no planning or decision with regard to the ultimate distribution and use of hairless property of German or any other origin. It is evident, however, that the great and urgent financial needs of Israel will ultimately require that substantial parts of such assets be placed at Israel's disposal. On the part of the representative organizations of former German Jews here and in Great Britain, no opposition to the consideration of Israeli needs has emerged.

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Am Jwsh Cmtee
(GEN-10)
Box 296
File 7

January 27, 1950

Dear Norman:

As I explained to you over the phone, the Heirless Property Bill (S-603) is not one for public discussion. Although it involves several million dollars, a public campaign to pass the Bill would be inadvisable. It is the kind of a Bill that Congress accepts or rejects without great public discussion, but on which Congressmen do accept guidance and advice from their friends and political affiliates.

Herewith are two documents - both strictly confidential. The one dated 1/26/50 should not go out of your hands/ The other can, but reservedly. The thin paper one provides information you must have for conveying verbally to the one or several persons who have contact with Rep. McGuire.

The problem is to determine which several persons can communicate to best advantage with McGuire - and get them interested in the Heirless Property legislation, best identified as S-603.

The Hon. Robert Patterson, former U. S. Secretary of War, as counsel for the American Jewish Committee in this connection, would like to have these contacts. It would be best to let us have the names of the influential persons whom you will interest in this matter.

Beyond being alerted to this problem, there is nothing needed right now from the persons who will contact McGuire. They will hear from Patterson in due course. However, in order that this move may be successful, we must know within a few days who will be available to give this support to Patterson in the approach to McGuire.

With kind regards, I am

Sincerely yours,

SAF/lhp
Mr. Norman E. Dockman
70 College St.
New Haven, Conn.

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(GEN-10)
Box 296
File 7

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1/26/50

CONFIDENTIAL BACKGROUND INFORMATION

FOR AJC FIELD REPRESENTATIVES

DEALING WITH THE QUESTION OF BILL S. 603

We found it advisable not to make reference in the substantive memorandum covering this subject to the following facts which illustrate the political background of the issue:

1. The conflict is between the interest in heirless property, and the interest of veterans, civilian prisoners, and chiefly Catholic welfare institutions in the benefits established by the War Claims Act.

2. Representative Beckworth of Texas and several of his colleagues on the House Interstate and Foreign Commerce Committee are bent on catering to the latter interests, even at the price of sacrificing the Jewish stake in S. 603.

3. The chairman of the House Interstate and Foreign Commerce Committee is Representative Robert Crosser (D.) of Cleveland, an old and sick person who has no interest whatever in the affairs of his Committee, and who had abandoned its reins to Mr. Beckworth already some time ago.

4. This explains why and how Beckworth has become chairman of the Sub-Committee of the Interstate and Foreign Commerce Committee appointed to deal with S. 603. He is representing a rural constituency in Texas. His attachment to the War Claims Act, and to the groups interested in its benefits has proven strong enough to prompt him to defy even the entire leadership in Congress of both parties who so far have given their full support to S. 603. Representative Hinshaw (Rep.) of California was co-sponsor and actual author of the War Claims Act; nevertheless even he seems to be more sympathetic to our bill than Mr. Beckworth.

5. The House Sub-Committee headed by Mr. Beckworth has been hand-picked by Mr. Beckworth with a view to have the bill pigeon-holed in the Sub-Committee. Its members are Robert Hale (Maine), John A. McGuire (Connecticut), Dwight L. Rogers (Florida) and Carl Hinshaw (California), most of them devoted to Veterans' and Catholic interests. Representative Hale of Maine seems to be the only member who may be inclined to approach this controversy in an objective manner. To date, most if not all other members have no independent views of, and interest in the pending bill. The intention of most of them, and of the War Claims Commission itself,

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seems to be to make a lavish job of War Claims benefits, and to make the most of the popularity likely to arise with the several interested influential circles from their role in eliminating every obstacle from the way of the largest possible war claims disbursements.

6. Some of the Committee members are facing primary fights this year, and this circumstance may contribute to their willingness to listen to the other side. As the basic memorandum indicates, in terms of money the amount is relatively small. The objective of discussions with them should be to secure a favorable report on S. 603 by their Committee, without any substantial change which would require reconsideration by the Senate.

7. We are almost certain to be able to re-enlist the support of both the Administration and of the two party leaderships in Congress. Our experience with this matter clearly indicates, however, that without some help on the part of the local constituencies of the members of the House Committee, and especially of the Sub-Committee, no amount of support by party leaderships would suffice to counter-act the one-sided zeal of Mr. Beckworth and his friends.

Any help of this nature would, therefore, be highly appreciated as a service to a just and constructive cause.

We suggest to our Field Representatives that contents of this memorandum should be communicated only orally to the individual or individuals that they will approach and that no written statement covering this background information be given.

EH:ep
1/25/50

*Restitution - Heirless Property Bill
in U.S.*

THE AMERICAN JEWISH COMMITTEE
New York, New York

STRICTLY CONFIDENTIAL

MEMORANDUM

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296 File 7

January 24, 1950

HEIRLESS PROPERTY LEGISLATION IN THE UNITED STATES

On behalf of leading Jewish organizations in this country (including the American Jewish Joint Distribution Committee and the American Jewish Congress), the American Jewish Committee is sponsoring the enactment by the House of Representatives of a bill called S. 603, and intended to amend the Trading with the Enemy Act to the following ends:

The purpose of the bill is to enable the Government to return property which was vested in the Office of Alien Property from persecuted persons in Europe who had died without heirs, to organizations designated by the President which will use the property for the rehabilitation and resettlement of persecuted persons. (Persecuted persons who are alive, or their heirs if they are dead; may receive returns of their property vested here, pursuant to Public Laws 322 and 671, 79th Congress. This policy was adopted because our Government has no desire to use for its own purposes, i.e., as reparation, or to pay American war claimants, the assets of persons who were themselves the victims of our enemies in World War II.)

The Department of State, the Department of Justice and the Bureau of the Budget had all expressed their approval of the bill sponsored by the American Jewish Committee, and recommended to Congress its enactment, on the ground that in their view the most appropriate course to follow was to turn over the heirless assets of persecuted persons to organizations which will devote such assets to the rehabilitation and resettlement of those persecuted persons who are still alive. All these Government authorities agreed that such action on the part of our Government would be consistent with, and in aid of the provisions of the Paris Reparations Agreement of 1946, supported by our Government, Article 8 of which provides that Governments of neutral countries shall be requested to make available for this very same purpose assets in such countries of victims of Nazi action who died without leaving heirs.

Accordingly, S. 603, and its forerunners in the House of Representatives: HR 1849 and HR 2730, (introduced by Representative Wolverton) were intended to demonstrate that the Government of the United States is applying here at home the same principles and policies which it is advocating abroad.

On the ground of these American humanitarian and foreign policy considerations, during its first session, the Senate of the 81st Congress unanimously passed, on August 19, 1949, S. 603, introduced by Senators Taft and McGrath. It should be noted that the Senate of the 80th Congress had passed this bill the first time already in June, 1948, i.e., prior to the enactment of the War Claims Act of 1948 to which reference will be made below.

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It is not definitely known to us what concrete steps the War Claims Commission may wish to undertake in this situation. There are indications, however, which point to the definite probability that it would wish to take a very radical position against the pending bill, and expressly to oppose its favorable consideration by the House. It is also to be expected that such a radical opposition on the part of an important Government agency would meet with the full approval of Representative Beckworth, a sponsor of the War Claims Act, and Chairman of the House Sub-Committee called upon to determine the destinies of S. 603. Through this concatenation of circumstances, the long pending legislation appears to be in a critical situation.

As to the substance of the controversy, nothing could be further from the desire of the sponsors of S. 603 than to cause the slightest difficulty, or delay in the actual operations of the War Claims Fund. Our conviction is that both legislations are equally important and beneficial, and that neither of them can and should be sacrificed or impaired for the sake of the other. In fact, the State and Justice Departments, and the Bureau of the Budget expressly approved the proposed heirless property legislation also after the enactment of the War Claims, - thus indicating belief in the consistency of the two acts.

The legislative history of S. 603 covers a period of two years. The bill has enjoyed, and still enjoys, the wholehearted support of the Democratic and Republican leadership in both Houses of Congress, and has met with difficulty only in the House Interstate and Foreign Commerce Committee. Some members even of this Committee are in favor of the enactment, while some others are undecided. Our fear is that the Sub-Committee headed by Representative Beckworth may well prevent the bill from reaching the floor of the House.

The long delay caused by the House Interstate and Foreign Commerce Committee has already wrought considerable damage to the interests of persecuted persons in heirless property deposited abroad, notably in Switzerland. A few weeks ago, the Swiss parliament ratified a payments agreement between Switzerland and Poland, a secret codicil of which provides that heirless property of persecuted persons of Polish origin held in Switzerland be used for paying off Swiss investors in nationalized Polish industries. This deal indirectly but manifestly affects the interests of American investors in Eastern European satellite countries whose assets, as recently in the case of Hungary, are often being simply confiscated by the local Communist regimes. It is more than likely that if the long delay caused by Mr. Beckworth's opposition could have been avoided, and S. 603 enacted, the example of this constructive American legislation would have cautioned the Swiss against bartering away with Communist Poland the assets of Hitler's victims. By the same token, only the early enactment of S. 603 may still prevent the exploitation of the Swiss-Polish deal as a legal precedent for bartering away with Communist countries in a similar manner the entire complex of heirless assets of other than Polish origin in all Europe.

This clearly indicates that apart from its own intrinsic humanitarian significance, great international importance is attached to the early enactment of this bill as an instrument of American foreign policy. This in itself should suffice to convince all those concerned that further attempts to defeat S. 603 must cease, or must be prevented.

The substance of the controversy is of a purely technical nature. The fear that the filing date provision of the bill would prevent the Office of Alien Property from regarding the many accounts vested in it to be free for processing, and for turning over to the War Claims Fund, is valid only in the literal, theoretical interpretation of the meaning of this filing period. In practice, it will not at all be necessary to withhold the processing of individual accounts, and to stop the successive flow of the great bulk of alien assets to the War Claims Fund.

The key to the problem is the fact that according to the best possible estimates available, the heirless claims of persecuted persons involved in the operation of S. 603 would amount to relatively insignificant figures. The Senate Report accompanying the bill mentions, for instance, \$2,000,000 as the highest amount involved. A figure in this neighborhood would represent less than 0.6 per cent of the total value of vested alien assets which has been officially estimated to be in excess of \$335,000,000, a fund which seems adequately to cover all disbursement obligations of the War Claims Fund.

The solution which would fully satisfy the needs of the War Claims Commission without sacrificing S.603 would be of a purely administrative-technical nature.

It ought to be possible for the Office of Alien Property to withhold only the relatively small amounts needed to cover the continuing operation of S.603, and to turn over without further difficulty or hindrance all of the considerable rest of alien assets to the War Claims Fund. In fact, to render both operations feasible in a parallel manner, only the temporary separation of these small amounts of money from individual accounts would be necessary, in the nature of a temporary bookkeeping device.

The filing of heirless claims of persecuted persons by the successor organization provided for by the bill would then ensue on the ground of individual accounts, and would thus cancel out the temporary bookkeeping operation by successively filling in with claims the framework of the amount reserved. This procedure could be repeated in connection with all major transfers of funds to the War Claims Commission, by replenishing the small fund temporarily withheld. Since the entire operation would be under the jurisdiction and control of the pertinent administrative authorities, there is no reason to assume that it could or would interfere to any serious extent with the effective operation of the War Claims Fund.

A solution of this nature would satisfy both of these equally meritorious objectives. Its acceptance as a mutually satisfactory way out would render unnecessary not only any attempt at having the bill "pigeon-holed" in the Sub-Committee or in the Committee, but even any change in its text.

The Hon. Robert P. Patterson, former U.S. Secretary of War, in his capacity as counsel for the American Jewish Committee in connection with the proposed legislation, is now in the process of discussing with the pertinent Government authorities in Washington the adoption of the above outlined administrative solution. The likelihood is that in their renewed comments on S.603 these authorities will express their preparedness to adopt this

solution, which would render any change in the text of the bill unnecessary.

It would be of vital significance to obtain the support of the members of the House Interstate and Foreign Commerce Committee to this solution, and, on that basis, to the unchanged reporting out of the bill by the Committee. Even the slightest change in the text would, of course, entail the return of the bill for renewed consideration by the Senate, a development which may render almost hopeless its passage by the 81st Congress.

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Am. Jew. Com. (GEN-10)
Box 296, File 9

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Box 296 File 9

Jewish Restitution Successor Organization

270 MADISON AVENUE
New York 16, N. Y.

J. Kagan

January 18th, 1952

MEMORANDUM

To: Sanford Bolz
Maurice M. Boukstein
Eugene Hevesi
Moses A. Leavitt
Nehemiah Robinson
Abba Schwartz

CONFIDENTIAL

Jan 21 1952

From: Saul Kagan

Re: Amendment of Section 32, Trading with the Enemy Act (Senate Bill S 1748)

1) On January 15th I discussed with Messrs. Sanford Bolz, Abba Schwartz, and Abe Hyman action to press the Trading with the Enemy Act amendment on heirless assets during the current session.

2) It was agreed that Senator Chavez, whose objections prevented the passage of Senate Bill S 1748 on the Consent Calendar in the previous session, must be approached to determine the true reasons for this opposition. It was recommended

a) to set up a meeting with Fileo Nash, White House assistant on minority problems and possibly with Mr. John Carol, a legislative liaison assistant at the White House, to request their intercession with Senator Chavez.

b) to set up a meeting with Senators O'Connor and Taft to decide upon the course of action during this session (resubmission of the bill on the Consent Calendar, chances of bringing it to a vote, possible introduction of a companion bill to ours). It is assumed that the meeting with Senator O'Connor will be arranged through Mr. Blaustein.

3) There are interesting figures in support of our bill.

a) The Congressional Record of January 10, 1952 contains on page 64 information concerning the assets of the Office of Alien Property (OAP). According to this report, the assets of OAP were worth 505 million dollars. 209 million were paid out by the OAP to satisfy direct claims against OAP and to the War Claims Fund, which is created by Section 13 of the War Claims Act of 1948, as amended. (The War Claims Fund consists of all sums covered into the Treasury pursuant to Section 39 of the Trading with the Enemy Act of October 6, 1917, as amended.) The War Claims Fund has received through August 1951 120 million dollars. This

/over/

MEMBER ORGANIZATIONS

AMERICAN JEWISH COMMITTEE . AGUDAS ISRAEL WORLD ORGANIZATION . WORLD JEWISH CONGRESS . COUNCIL FOR THE PROTECTION OF THE RIGHTS AND INTERESTS OF JEWS FROM GERMANY . BOARD OF DEPUTIES OF BRITISH JEWS . CENTRAL COMMITTEE OF LIBERATED JEWS IN GERMANY . CONSEIL REPRESENTATIF DES JUIFS DE FRANCE . CENTRAL BRITISH FUND . JEWISH AGENCY FOR PALESTINE . AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC. . JEWISH CULTURAL RECONSTRUCTION, INC. . INTERESSENVERTRETUNG ISRAELITISCHER KULTUSGEMEINDEN IN THE U. S. ZONE OF GERMANY . ANGLO-JEWISH ASSOCIATION

OPERATING AGENTS

JEWISH AGENCY FOR PALESTINE . AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC. . JEWISH CULTURAL RECONSTRUCTION, INC.

345291

still leaves the OAP 296 million dollars worth of assets.

b) On September 12, 1951, the OAP stated in a letter to Robert Crosser, the chairman of the House Committee on Interstate and Foreign Commerce, that OAP estimates that it may need a maximum of 175 million dollars as a reserve for all possible contingencies. This should provide an additional 121 million dollars for the War Claims Fund.

c) The issue of the Congressional Record mentioned above contains on page 67 a letter of the War Claims Commission dated January 2, 1952 to Senator Wiley. This letter confirms the receipt of 120 million dollars from the OAP and states that the sum required to meet all claims received and anticipated pursuant to the provisions of the War Claims Act of 1948 as amended is estimated at 120 million dollars. Thus the amount already paid out by OAP is adequate to meet all the claims based on legislation currently in force.

d) There is one measure pending before the House and Senate (HR 3719 and S 1416), providing new benefits for inhumane treatment and forced labor of former prisoners of war. The bill would provide payments at the rate of \$1½ for each day on which a former prisoner of war was treated inhumanely or forced to perform labor without compensation by the enemy government by which he was held during World War II. Available estimates on the cost of this measure show an amount of 81 million dollars, with a possible addition of 9 million dollars, should Phillipine PW's be included. In view of the fact that a very cautious estimate by OAP still envisages a net surplus of 121 million dollars, the enactment of this measure would still leave uncommitted over 30 million dollars of OAP funds.

4) The figures cited in the preceding paragraph may be useful in order to show that the enactment of our bill, which contains a ceiling of 3 million dollars would in no way adversely affect the activities of the War Claims Commission under existing and pending legislation. The War Claims Commission formally endorsed our bill.


Saul Kagan

SK:AUN

cc. BBF
JJJ

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 9

April 12, 1950

Dear Eli:

I refer to the sample list of unclaimed accounts prepared for us by the Office of Alien Property, and sent to you by Sy Rubin on April 7.

My impression is that this list contains overwhelmingly non-Jewish names, and I am afraid that a sample check with our own lists would bear out this impression. Under these circumstances, I do not know what useful conclusions may be drawn from this list with regard to the scope or proportion of the value of Jewish heirless deposits. I even doubt whether it would be worth while for us to engage in the repeat performance of digging out the figures shown by the individual accounts mentioned in this list. Kindly let me know your views on the matter.

Sincerely yours,

Eugene Hevesi

Mr. Eli Rock
The American Joint Distribution Committee
270 Madison Avenue
New York 16, N.Y.

EH:ep

345299

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 9

APR 7 0 1950

April 7, 1950

Mr. Eli Rock
Joint Distribution Committee, Inc.
270 Madison Avenue
New York, New York

Dear Eli:

I enclose herewith the sample list of 250 names involved in German accounts against which no claims have been filed which was forwarded to me by John Lambert of the Office of Alien Property.

This is the list on the basis of which they feel that some indication could be had of the total amount involved. It is their suggestion that these names be processed to the extent possible, after which there may be further consultation.

I understand that the Department of Justice has stated to Congressman Beckworth that it has made no estimate of the amount involved in the heirless property legislation but they have referred to the proposed three million dollar limit and have indicated that, of course, no greater amount than that should be involved if the three million were adopted and if it were to include operating costs of the Office of Alien Property.

Sincerely yours,

Seymour J. Rubin

cc: Dr. Ravasi (with enclosure)
Mr. Morgenthau

345294

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296 File 9
APP
Attch: 147/50

SAMPLE LIST OF 250 CASES INVOLVING GERMAN
ACCOUNTS AGAINST WHICH NO CLAIMS HAVE BEEN FILED

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A28000016	Schill, Emil
B28000292	Treckmann, Hans
C28000372	Koeppel, Charles J. and Koeppel, Elsie Interned at St. George, Berm.
D28000480	Kappler, Paul
E28000586	Schutte, Alfred H. Koln, Deutz, Germany
A28001278	Gerdts, Gustav F. 130 Hemmstrasse Bremen, Germany
B28001431	Dux, Walter Hanover, Germany
C28001546	Kern, R. Gladbach, Rheydt, Germany
D28001659	Oelsner, W. Frederiksborggade 21 Copenhagen, Denmark
E28001851	Pommer, Carlo Essen, Germany
A28002333	Oberheim, Marie Germany
B28002429	Pelz, Mathilde Germany
C28002503	Albers, Heinrich Dusseldorf, Germany
D28002574	Bohler, H. Radebeul near Dresden Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
E28002652	Ebner, Karl Oberursel, Taunus, Germany
A28002790	Hell, Fritz Vienna, Austria
B28002857	Jde, Hans Falkenberg near Grunau Germany
C28002932	Lang, Richard Ravensburg, Wurttemberg, Germany
D28003000	Mette, Bodo Berlin, Halensee, Germany
E28003062	Fallmann, Ludwig Zweibrucken, Germany
A28003196	Schoeller, Felix and Bausch New Kaliss, Mecklenburg, Germany
B28003256	Spanner, Hans J. Berlin, Kledow, Germany
C28003330	Vervoort, Bernhard Dusseldorf, Germany
D28003394	Wittner, Erich Schwenningen-am-Neckar, Germany
E28004180	Kurry, Ida Germany
A28004330	Borchers, Sophie Germany
B28004428	Schreiner, Paul Webergasse 18, Hersfeld Hesse, Nassau, Germany
C28004568	Dietl, Michael Lutzow Str. 24 Magdeburg, Germany

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
D28004697	Ebert, Alvin Germany
E28004773	Boer, Carl F. Germany
A28005053	Mader, Anna Freiberger Str. 14 Wochenstein, Germany
B28005129	Hoenighausen, Helena Clementi Str. Hamborn, Germany
C28005258	Ganzenmuller, Otto Oberdorf bei Bofingen, Wurttemberg, Germany
D28005394	Trapp, Carl Sternstr. 13, 11 Hamburg, Germany
E28005580	Krebs, Dr. Alexander Landhausstr. 38, Berlin, Wilmersdorf, Germany
A28005590	Lemki, Geo. Buelowstr. 8, Berlin W 35, Germany
B28005634	Schumann, Curt Mecklenburg, Allee 6, Berlin, Charlottenburg 9, Germany
C28005693	Gerke, Emma Germany
D28005771	Polenske, Martha Gerwisch, Germany
E28005966	Renken, Anna Bremen, Germany
A28006157	Jalowetz, Edward Vienna, Austria
B28006236	Nelken, Else 18 Ulmenstrasse Frankfort-am-Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
C28006417	Grunebaum, Sally Gau, Konigshofen Bavaria, Germany
D28006470	Mineau, Lina W. Germany
E28006578	Hirsch, Hans Krummestr. 27 Wolfenbittel, Germany
A28006793	Von Beroldingen, Sybille Stuttgart, Germany
B28006899	Sauerbrei, Fritz Osterode A. H., Germany
C28007186	Sachse, Martha Klarastrasse 24 Leipzig, Germany
D28007667	Michenfelder, Carl Bruchsal, Baden, Germany
E28007752	Markisch, Robert, Estate of Mrs. Robert Markisch, Sole Heir 4 Humboldtstrasse Potsdam, Germany
A28007972	Hoffmann, Elisa Germany
B28008192	Rippe, Bertha Germany
C28008264	Molnar, Joseph Berlin, Germany
D28008378	Schlebohm, Anna Lanenbruek, Germany
E28008459	Schmidt, Elli Germany
A28008886	Conselmann, Carolina Germany
B28008972	Grieb, Dr. Otto Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
C28009120	Krause, Emil Schonholzerstrasse 1 Berlin, Germany
D28009213	Worm, Paul Germany
E28009405	Honel, Amand Brokersdorf 3 Baern or Murnberg 27, Germany
A28009644	Paasche, Annaliese Magdeburg, Germany
B28009874	Foerdrung, Minnie 2 Koenig Strasse Eichwalde, Kreis Teltow Germany
C28009996	Bantlin, Emma Sigel Erfurt, Germany
D28010068	Fink, Motha Gerdes and her unknown issue Ringstedt, Hannover, Germany
E28010129	Marquart, Agnes Baden, Germany
A28010341	Crusius, Mimma Haus a. d. Lehne Poessnitz, Germany
B28010460	Maisch, Hildegard Sonderneu, Bavaria, Germany
C28010608	Hermann, Hedwig Moll Bollschweil, Germany
D28010720	Bobolz, Agnes Scharrenstrasse 38 Charlottenburg, Germany
E28010770	Reimann, Marie G. Strassendorf bei Lowen in Schlesien, Germany
A28010917	Brummer, George Germany

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
E28011035	Furstenock, Baroness Mathilde von Entress, known as von Entress, Baroness Mathilde Germany
C28011118	Wazac, Georg Berlin, Germany
D28011204	Borgschulze, Mrs. Emma Dresses or her child or children Weslarn Soest Land Westfalen, Germany
E28011279	Becker, Paul Breslau, Germany
A28011464	De Buiar, Antje Germany
E28011552	Feldhaus, Ludwig Germany
C28011647	Teske, Alexander Maximilian Georg Wissmann Strasse 38 Frankfort o Oder, Germany
D28011740	Wiencke, Francisca Benzinghausen, Germany
E28011820	Stiefel, Wilhelm or his issue Trauzenbach Bachnang Warttemberg, Germany
A28012087	Silvermann, A. M. Berlin, Germany
B28012295	Parey, Paul Berlin SW 11, Germany
C28012396	Boskhoff, Helen or her heirs at law Colling, Kreis Leer, Germany
D28012494	Metzger, Charlotte Loeblenstrasse 36 Nurnberg, Germany
E28012649	Fischer, Ernst Pr A Klein Rotebuchstr. 180 Stuttgart, Germany

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A28012745	Fritzeche, K. T. Centropa Berlin, Germany
B28012822	Urban, Conrad Friedrichstrasse 238 Berlin SW 68, Germany
C28012893	Dunkase, John Lahausen 75, Germany
D28013004	Przygodda, John, unknown nephew of Germany
E28013098	Heineman, Hilde Augsburg Bayern Kitzenmarkt 8, Germany
A28013241	Lasche, Karl Gustav Germany
B28013294	Wintjen, Friedrich C O Geestemunde Bank Wesermunde G, Germany
C28013387	Knudsen, Wilhelm, Heinrich, Johannes, unknown children of Germany
D28013453	Mullers, Anna Luise Friederike Blumenstrasse 12 Soest West Falen, Germany
E28013768	Brambeer, Francis Moran, Jr. Paulinen Strasse 5 Weisbaden, Germany
A28013919	Niemann, Alma Manne Holstein, Germany
B28013969	Schemit, Joseph Germany
C28014062	Herbster, Mrs. Engelbert Germany
D28014165	Lusch, Maria Barbara Legelshurst Baden Amt Kehl, Germany

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
E28014310	Hoffman, Jakob, unknown issue of Germany
A28014466	Erdman, Helmuth Posen, Poland
B28014613	Raminsky, Else and unknown issue Groeplingerdeich B Bremen Germany
C28014716	Flug, Ida 150 Taunser Strasse Breslien, Germany
D28014858	Willen, Frieda Germany
E28015045	Gneuss, Kurt Germany
A28015215	Wachman, Katie Bremen, Germany
B28015285	Fix, Gothold, unknown wife and children of Schoneberg, Berlin, Germany
C28015389	Blumenstock, Caroline or Karoline Wermutshausen Wuerttemberg, Germany
D28015457	Goehler, Erwin Blumenstrasse 7 Mainz Amoeneburg, Germany
E28015523	Goertz, Helene Johannisberg Str. 9 Stettin, Germany
A28015661	Smalian, G., unknown personal rep- resentatives, heirs, next of kin and idtributees of Germany
B28015741	Naber, Fritz Barnsdorf Christ Depot Germany

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
C28015814	Fuss, Elizabeth R. Veckerhagenerstr. 68 Hannov Muenden, Germany
D28015957	Volkening, Otto Wasserburg A Inn 84 Schmied Zeile, Germany
E28016031	Gerhold, Ida Germany
A28016173	Volm, Antonia or Volm, Valentine Grosselfingen Hechingen Hohenzoller, Germany
B28016252	Wagner, Carl or Karl, Adm. of the Estate of Herman Elsner Kassel Wilhelmshohe, Germany
C28016370	Scheid, Andreas, or unknown issue of Germerscheimer Strasse 30 Berghausen, Germany
D28016434	Heck, Johann Boisseree Strasse 24 Koeln Rhine, Germany
E28016519	Klein, Arno Germany

<u>ACCOUNT NO.</u>	<u>NAME and ADDRESS</u>
A 28016689	Muller, Joseph Germany
B 28016776	Steinbrunn, Adolf or Steinbrunn, Wilhelm & Steinbrunn, Luise c/o Ludwig Buhl Freiburg, Germany
C 28016839	Ehrlich, Willy Ober Oderwitz, Saxony, Germany
D 28016942	Seibel, Heinrich Darmstadt, Hessen, Germany
E 28017014	Dauer, Mrs. Toni Lauenberger Strasse Berlin, Germany
A 28017197	Kruse, Peter Schleswig Holstein, Germany
B 28017268	Ahrens, Friedrich Drostestrasse 8 Hannover, Germany
C 28017350	Heil, Minna or Heirs, Next of Kin, Personal Representatives, Legatees & Devisees Friedericistr. 7 11 Gera, Thuringen, Germany
D 28017423	Kikillus, Herman or Hermann Grunwalderstrasse 110 Tilsit, East Prussia, Germany
E 28017525	Schneider, Dora Offenbarch, Germany
A 28017698	Scheuchengraber, Anna Germany
B 28017815	Baetz, Rosa & Feulner, Simon and Feulner, Bernhard & Bauer, Ernst, Estate of Germany

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<u>ACCOUNT NO.</u>	<u>NAME and ADDRESS</u>
C 28017883	Knauer, Edward & Knauer, Agnes and Bruckner, Gustchen Walterhausen Thuringen, Germany
D 28017936	Rahmow, Martha Pollnow, Pommern, Germany
E 28018023	Sievers, Elsa Hannover, Germany
A 28018244	Bolza, Dr. Hans Wurzburg, Germany
B 28018306	Henskes, Josepha Oberbruchstrasse 162 Crefeld, Fischeln, Germany
C 28018455	Dreyer, Elizabeth Wurtemberg, Germany
D 28018526	Vogl, Maria Koetzting, Neiderbayern, Germany
E 28018598	Messerer, Louisa & Messerer, Hans and Messerer, Nelly Bollmanstr. 43, & Bilsestr. 20, and Olberstr. 22 (respectively) Bremen, Germany
A 28018738	Grudinski, Eva Tapien, Germany
B 28018813	Bredemann, Greta Berlin, Friedrichshagen, Germany
C 28018878	Maier, Ana nee Ortlieb Sonnenstrasse 34 Gunzburg, a/D(onau), Bayern, Germany
D 28018963	Toedter, Henry O.G.W. or Toedter, Marie, Luise A. 25 Lindenalle Hamburg, Germany
E 28019029	Lenz, Nettchen Kerpen, Germany

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<u>ACCOUNT NO.</u>	<u>NAME and ADDRESS</u>
A 28019156	Frank, Gustave Tiedexerstr. 5 Einbeck, Hannover, Germany
B 28019236	Honold, Barbara or Unknown Children of Germany
C 28019324	Greb, Ferdinand, Alfred & Hoffman, Otto, Eugen, Hans 15 Eiseneck Strasse Weurzburg, Germany
D 28019384	Niedenfuehr, Helene, Wife of Otto Niedenfuehr Altdoebern Nieder Lausitz Provence Brandenburg, Germany
E 28019457	Dautrich, William Schliesbach bis Wachersbach Germany
A 28019628	Zittel, George Russingen, Palatinate, Germany
B 28019702	Dobmann, Anna Weissenburg Str. 24 Munich, Germany
C 28019794	Ritzler, Margarethe L., formerly von Schierbrand, Margarethe L. Karth Auesser, Erfurt, Germany
D 28019870	Kamenz, Paul Koelnerstr. 229A Duesseldorf, Germany
E 28019926	Waterholter, Annie Bunde Ostfriesland Province of Hannover, Germany
A 28020135	Hirsch, Rosa Friedrich Strasse 52-53 Berlin 68, Germany
B 28020210	Bellingrodt, E. Hamburg, Rissen, Germany

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<u>ACCOUNT NO.</u>	<u>NAME and ADDRESS</u>
C 28020274	Kuehl, Johann Rudolf Elmshagen, Holstein, Germany
D 28020346	Wolff, Franz Fr. Kasenu, Germany
E 28020418	Gausmann, Eliza, Steinkamp Germany
A 28020558	Vetterlein, Lina Bergstr. 48 Schwab, Gemund, Wuerttemberg, Germany
B 28020650	Herold, Paul Berlin, Germany
C 28020713	Steindecker, Maria Fleinhausen, Bavaria, Germany
D 28020777	Reuder, Conrad and Reuder, George Nurnberg, Bavaria, Germany
E 28020834	Bock, Tina Wesermuende, Wullsdorfland, Germany
A 28020946	Grimme, Marie Wilhelmshoeherallee 15 Kassel, Germany
B 28021028	Diefenbacher, Susanna, Her Unknown issue Kingstrasse 4 Wieslech bis Heidelberg Baden, Germany
C 28021106	Kaiser, Mathew Buchenberg amts Villingen, Germany
D 28021197	Probst, Emil Buchenrod, Germany
E 28021266	Pockels, Elisabeth & Pockels, Anna am Hahnenberg 31 Heidelberg, Baden, Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A 28021412	Muehlenhort, William and Muehlenhort, Erna Zum Henz Haussen Twist Ringensland bez. Bremen, Germany
B 28021458	Zeltman, Wanda Eichtersheim v. Baden Ber Heidelberg, Germany
C 28021572	Botzem, Peter J. & His Brothers and His Sisters and Their Unknown Issue Koblenserstrasse 56 Mazen bie. Koblenz, Germany
D 28021642	Fehr, Barbara or Unknown Issue of Bleicheim in Baden Germany
E 28021756	Doerks, Anna Adoystasse Dortmound, Germany
A 28021904	Fraenkel, Siegfried 59 Charlotten Street Berlin WB, Germany
B 28021985	Maier, Louise Kurze Strasse 3 Bablingen, Wurttemberg, Germany
C 28022076	Schuehle, Georg 266 Boshling Strasse Jilertissen, Bayern, Germany
D 28022155	Gudat, Heinz N7 Johan Vermer Strasse Johannistahl, Berlin, Germany
E 28022234	Volkman, Mrs. Paula nee Isenberg Germany
A 28022366	Koenig, Martha Langgasse 14, Zu Gross Auheim bie Hannau-am-Main Germany
B 28022466	Burucker, Friederich, called Frederick Adolf Herman Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
C 28022557	Knack, John Germany
D 28022634	Ruesch, Martha or Unknown Children and Lineal Heirs of Krugerstrasse 19 Lubeck, Germany
E 28022692	Riechert, Hilda Schopfheim, Germany
A 28022936	Meyer, Marichen Bassum, Germany
B 28023049	Kugelmann, Leopold or Unknown Children as Their Interests May Appear, Germany
C 28023139	Blume, Mrs. Herman Adolf Hitler Str. 50 Bunde 1, Westfalen, Germany
D 28023192	Schloderer, Anna Germany
E 28023304	Schroter, Elga, Martha Klaubnergarten Neustadt am Orla, Germany
A 28023451	Frank, Emma Bokenheimerlandstr. 97 P Frankfurt-am-Main, Germany
B 28023522	Dohrmann, Dietrich Buhren, Germany
C 28023585	Raubold, Bertha, Maibaum Philippe Strasse 18 Chemnitz, Germany
D 28023647	Schmidt, Willi Germany
E 28023725	Uhlich, Wilhelm Plauen, Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A 28023862	Hirschmann, Karl or His Issue Drusweiler bei Bergzabern Rheinpfalz, Germany
B 28023919	Jocerke, Carl Hatzfelderstr. 4 Wuppertal-Barmen, Germany
C 28023995	Brecht, August or Heirs at law, Next of Kin, Distributees, Legatees & Personal Representatives of Goerlitz, Germany
D 28024077	Faber, Sidonie Leipzig, Germany
E 28024145	Siebner, Hermann Germany
A 28024284	Kehren, Johannes Gladbach-Rheydt, Germany
B 28024349	Pfluger, Carl Wurttemberg, Germany
C 28024406	Liepert, Berta, (called Bertha) and Schmidt, Franz Theodore, Unknown Heirs of Germany
D 28024464	von Schierholz, Frau Helene, Personal Representatives, Heirs, Next of Kin, Legatees and Distributees of Germany
E 28024545	Kohli, Carl, Unknown Heirs, Next of Kin, Legatees, Distributees, and Representatives of Germany
A 28024672	Boehlken, Alma Franke Hamburg, Germany
B 28024756	Zimmermann, Guenter Köln, Germany
C 28024810	Gronewaldt, Lilly Am Ackerberg 78 Grund a. Tegernsee Oberbayern, Germany

345310

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
D 28024863	Rasch, Wilhelmine Germany
E 28024922	Herzog, Dr. Benno, Unknown Personal Representatives, Heirs, Next of Kin, Legatees and Distributees of Germany
A 28025069	Martin, Richard Schlatt u Kr bei. Bingen, Germany
B 28025169	Hasche, Ernst, Friedrich, Personal Representatives, Heirs, Next of Kin, Legatees and Distributees of Germany
C 28025247	Sternke, Helon Germany
D 28025316	Schuhmann, Anna Katharina Mecklar by Cassel, Germany
E 28025382	Reimer, Walter Germany
A 28025563	Baeder, Melanie neo Ermeler and Personal Representatives, Heirs, Next of Kin, Legatees, and Distributees of Only, Dr. Charles H. Germany
B 28025642	Jaeschke, Paul Grafenwiesen, 13 A Kreis Kötzing, Bayern Wald, Germany
C 28025702	Friese, Bertha Johanna Deutsche Bank Filial Frankfurt Frankfurt, Germany
D 28025787	Beckelmann, Karl and His Unknown Issue Germany
E 28025846	Herzog, Fritz Schonebeck andor Elbe, Germany

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A 28025594	Miller, Sabette Herkingen, Wurttemberg, Germany
B 28026078	Strukmeier, Mrs. Catharine nee Schmidt Holsen bei Nr. 16 Uber Lohna, Westfalen, Germany
C 28026155	Kindle, Franz Zalaenbergstrasse 18 Baden Baden, Germany
D 28026227	Dede, Meta Germany
E 28026285	Manz, Walter and Manz, Anna Germany
A 28026435	Rotmund, Emma B. Hochberg, Germany
B 28026528	Howe, Sanita Germany
C 28026589	Hartenberger, Theresa c/o Das Programme Schiffbauerdamm 15 Berlin, Germany
D 28026667	Schueler, Berta Sofienstr. 20 Wetzlar, Germany
E 28026725	Kallenberg, Klara Crollwitzerstr. 44 Nietleben, Halle Saale, Germany
A 28026903	Lehnen, John & Lehnen, Christian Unknown Heirs of Heuon, Kreis Malmedy, Germany
B 28026980	Jetter, Katharine Trechenfeld No. 56 Pfalz, Germany
C 28027030	Pauli, Leopold Wurmlingen Tuttlingen 53 Germany

345312

<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
D 28027095	Gottschalk, Lina Legwitzstrasse Bremen 13, Germany
E 28027154	Abshagen, Werner, Personal Representatives, Next of Kin, Legatees and Distributees of Germany
A 28027316	Just, Max 45 Land Street Heidelberg, Heim Baden, Germany
B 28027380	Heller, Siegmund Hamburg, Germany
C 28027445	Meusch, Karl No. 23 Angerstrasse Urdenbach near Duesseldorf Germany
D 28027504	Flick, Maria, Unknown Personal Representa- tives, Heirs, Next of Kin, Legatees and Distributees of Germany
E 28027563	Kratz, Kathi, called Katie Releisstrasse 67 Mannheim, Rheinan, Germany
A 28027690	Brondke, Emma or Unknown Issue of 123 Scharnweber Str. Friedrichshagen, Berlin, Germany
B 28027737	von Esterff, Hans or Issue Hohenstrasse 4 Potsdam, Germany
C 28027792	Scheiwe, Karl 2 in den Lampen Warendorf, Westfalen, Germany
D 28027849	Foertsch, Walter Hoch Allee 78 Hamburg 13, Germany
E 28027909	Welb, Marie Germany

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 9
Attch. 4/7/50

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<u>ACCOUNT NO.</u>	<u>NAME AND ADDRESS</u>
A 2802060	Pels, Albert 26 Neurwall Hamburg, Germany
B 28028112	Grabinger, Hedwig Germany
C 28028347	Andermahr, Franz 230 Wickrather Strasse Muchen Gladbach, Germany
D 28028350	Kloster, Heinreich, Known as Klosters, Henrich Dusseldorf, Germany
E 28028353	Beuth, Katherine, called Katherina Oden Kirchen, Germany

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MINUTES

of the Six Organizations' Meeting on April 12, 1948 Page 9

Present: Col. Bernstein, Maurice ^WBorokstein, Rabbi Lewin, Eugene Hevesi,
M. Liverhant, Eli Rock, Simon Segal.

I. Restitution Commission

Messrs. Rock and Borokstein reported that about eight days ago the Department of State sent the long delayed cable reply to General Clay stating that in the view of the Department of State and War, the Jewish Restitution Commission is an appropriate successor organization, and adding that title to real estate, including mortgages, shall be held by one or several German corporations.

The letter of confirmation of the Department repeats, in substance, the contents of the cable, adding only a reference to the definition of Jewish property.

This seems to mean that the designating decree will be worked out by the military authorities in Germany, and issued by General Clay without further reference back to Washington. The Restitution Commission here will take appropriate action after formal notification from Berlin. Both Dr. Haber and Mr. Mason were notified of the Six Organizations' desire that it should be made clear that the German corporations will be subsidiaries of the Jewish Restitution Commission, and that, as such, they will not be appointed by the basic designating decree, but afterwards by the Commission itself, as totally owned and controlled subsidiaries, in the nature of real estate companies with specifically circumscribed functions.

II. Federal Legislation on Heirless Property in the U.S.

In addition to previous information, it was made clear at the meeting that since primarily no governmental interest is involved in the proposed amendment, but only the interests of certain groups, neither the Department of State, nor the Department of Justice (Custodian of Alien Property) will ex officio submit the bill to Congress. However, both are prepared to support it if introduced by members of Congress.

This of course means that strong preparatory activity is needed not only on the Republican, but also on the Democratic side of Congress.

On the working level of both Departments, full agreement was reached with regard to the attached text of the proposed amendment which will have to be introduced as a further amendment to an already pending amendment to the Trading with the Enemy Act which latter expected is to come up in the Senate during the current session.

The main points of contention were the method of the proof of the deceased owners' status as a persecutee, and mainly, of the proof of death. They were solved in a satisfactory manner.

With regard to the first, the successor organization will have to furnish at least the proof that the owners were Jews. For this purpose, full lists of the vested assets would be placed at its disposal, and, in practice, the indication of Jewishness of the owner would be accepted as proof of his persecutee character.

With regard to the second difficulty, the solution is (and it seems rather favorable) that prior to July 31, 1949, or within two years from vesting the property, whichever is later, actual proof will have to be furnished as to the death of the owner. After these respective dates, claims by the successor organization are to be accepted automatically, without proof of death, if no claim by private heirs or successors is pending.

Apart from the value of the heirless assets vested in the U.S., the amendment would have great significance as an answer to the objection of neutral governments (expected to issue similar legislation) that the U.S. cannot expect them to do more in this direction than it does itself.

Opposition is to be expected on the part of many members of Congress. Many of them prefer to have such assets escheat to the U.S., rather than have them used for purposes abroad. Floor discussion should possibly be avoided. Introduction in the Senate seems to be more promising.

With regard to these difficulties, and considering their own inability actively to engage in a political activity of this nature, the representatives of both the Jewish Agency and of the JDC repeated their suggestion that the six organizations agree on the delegation of one organization, the AJC, to take care of this assignment in complete freedom of action, to select the necessary personnel, and determine the needed contacts and methods of treatment.

Simon Segal presented the position of the AJC, to the effect that we are prepared to undertake this job single-handed if all organizations agreed on our authority to do so, but that we would prefer if the six organizations would agree to handle the task as a joint undertaking, retain and pay the needed personnel jointly, and act exclusively through that personnel without duplication.

With regard to the unwillingness of the JDC and the Jewish Agency to become identified with an undertaking of a political nature, the latter solution was ruled out as unfeasible.

Col. Bernstein undertook to clarify the question of our sole assignment with the head of the American Jewish Conference, on condition that the AJC would agree to undertake it on behalf, and as an agent, of the six organizations. He promised to inform us about the outcome of his discussion with Mr. Lipsky, without delay.

Since the World Jewish Congress was not represented at the meeting, Mr. Rock of the JDC undertook to clarify the issue with them within 24 hours.

AN ACT

To amend the Trading with the Enemy Act

no date near 4/12/
48

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 32 of the Trading with the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby further amended by adding at the end thereof the following subsection:

"(h) The President may designate one or more organizations as successors in interest to deceased persons who, if alive, would be eligible to receive returns under the provisos of subdivisions (C) or (D) of subsection (a) (2) hereof. An organization so designated shall be deemed a successor in interest by operation of law for the purposes of subsection (a) (1) hereof. Return may be made to an organization so designated (a) prior to July 31, 1949, or two years from the vesting of the property or interest in question, whichever is later, if the President or such officer or agency as he may designate determines from all relevant facts of which he is then advised that it is probable that the former owner is dead and is survived by no person eligible under Section 32 to claim as successor in interest by inheritance, devise, or bequest; and (b) after such later date, if no claim for the return of the property or interest is pending.

"No return may be made to an organization so designated unless it files a claim on or before January 1, 1952, and unless it gives assurances satisfactory to the President that (i) it will use the property or interest returned to it for the rehabilitation and resettlement of persons who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning subdivisions (C) and (D) of subsection (a) (2) hereof, by reason of their membership in the political, racial, or religious group of which the former owner was a member (ii) it will transfer, at any time within two years from the time that return is made, such property or interest or the equivalent value thereof to any person designated as entitled thereto pursuant to this Act by the President or such officer or agency, and (iii) it will make such reports and permit such examination of its books as the President or such officer or agency may from time to time require.

"The filing of a claim by an organization so designated shall not bar the payment of debt claims under section 34 of this Act."

345317

Discussion with Eli Rock of the JDC on Federal Legislation

To Entrust Heirless Jewish Property in the U.S. to a Jewish

Successor Organization

(April 5, 1948)

Simon Segal and myself discussed with Mr. Rock the JDC's and the Jewish Agency's suggestion that the AJC undertake the task of smoothing the way of adoption of legislation on Jewish heirless property by Congress. Originally both organizations suggested that the AJC should be the only organization working in this field. Mr. Rock indicated, however, that lately the World Jewish Congress insisted upon participating ⁱⁿ this undertaking in Washington.

With regard to the proposed legislation, the situation is as follows:

The Department of State (Assistant Secretary Thorp); the Department of Justice (Assistant Attorney General Bazelon) and the Alien Property Custodian are agreed to have Section 32 of the Trading with the Enemy Act amended in a manner which would permit a successor organization to take over heirless Jewish property vested in the Alien Property Custodian. Section 32 provides that members of Nazi persecuted groups and their successors in interest may claim and receive such vested assets. The proposed amendment would simply provide the designation of a Jewish organization as successor in interest by operation of law to persecutees who have died without leaving heirs, thereby enabling such organization to re-claim vested heirless assets of Jewish victims of persecution, and to use them for Jewish rehabilitation.

However, the amendment would provide not only for release to such a successor of property vested in the Alien Property Custodian but indirectly also of a considerable part of the much larger heirless foreign assets which are not vested but only blocked (frozen) with banks in this country. This indirect effect of the amendment is expected to be achieved by operation of Secretary Snyder's measure of vesting title to all frozen assets of nationals of the 16 ERP participating countries in the Alien Property Custodian for release by him for general ERP purposes in the respective countries. Through this process of vesting, Jewish heirless property of nationals of the ERP countries would automatically come under the operation of the proposed amended Section 32 of the Trading with the Enemy Act, and could be released to the Jewish successor organization.

If this objective is achieved, only that part of the merely frozen assets would require additional releasing legislation (by State legislatures) which belongs to nationals of countries behind the "iron curtain."

With the administration supporting the amendment, the task is to have the legislation enacted by Congress.

Mr. Rock suggested that the AJC retain an influential lawyer of considerable stature, and trained in legislative preparatory procedure in Washington, to negotiate the processing of the proposed amendment through all levels of the Congressional work involved. He pointed out the urgency of the matter (with regard to the fact that Congress will stay in session for only two months), and the need of several week's work on this proposal.

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- 2 -

It was indicated to Mr. Rock that if the Jewish organizations unanimously desired the AJC to undertake this responsibility single-handed, we might consider the assignment to the task of such an influential legal spokesman. Should the idea of participation by other organizations, or of a joint undertaking prevail, we would be prepared to invite Mr. Marcus Cohn, our Washington representative, to cooperate with representatives of other organizations in the achievement of the objective.

Eugene Hevesi

345319

270 MADISON AVENUE

THE AMERICAN JEWISH

JOINT DISTRIBUTION COMMITTEE, Inc.

New York 16, N.Y.

Box 296
File 9

COPY

M E M O R A N D U M

From: Eli Rock

April 1, 1948

To: Harold F. Linder

Subject: Legislation regarding Heirless Assets in the United States

As you know, the Final Act of the Paris reparations conferences included several clauses dealing with the question of heirless assets. Among these was the following provision:

"Governments of neutral countries shall be requested to make available for this purpose in addition to the sum of 25 million dollars, assets in such countries of victims of Nazi action who have since died and left no heirs."

As you also know, in the Five Power Agreement of June 1946 it was provided that the French Government, together with the other four participating governments, would make appropriate representation to the neutral powers in the direction of persuading them to make available all of the heirless assets of the Nazi victims. Although these agreements did not provide for the turning over of heirless assets located within the boundaries of the Allied countries, I understand it was generally understood that such steps would also be taken and, as a matter of fact, the Swiss authorities have relied upon American inactivity in this direction as a basis for not carrying out their own obligations on the heirless assets.

Because of the above considerations and because of the general desirability of reclaiming the heirless assets for Jewish purposes, it is now suggested that an appropriate legislation be enacted which will enable the Jewish organizations to receive the heirless Jewish assets which are on hand in the United States.

This question has been the subject of considerable recent discussion with representatives of the State Department and of the Office of the Alien Property Custodian, and both of the latter organizations continue to manifest strong approval of the proposed objective. To achieve the end sought, it is suggested that an amendment be enacted to the present Section 32 of the Trading with the Enemy Act. The latter section, as you know, contains provision that the members of persecuted groups or their heirs, successors in interest, etc., may claim and receive back assets which have up to now been vested by the APC. The proposed amendment will simply provide that a Jewish organization or organizations be designated as the successor by operation of law to the persecutees eligible under Section 32 who have died heirless, thus enabling the successor to reclaim the property in question. This suggested technique

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which also has the approval of the State Department and the APC, will have the additional advantage of providing an automatic procedure for "getting at" the much larger reservoir of frozen assets (as distinguished from "enemy vested" assets) which will, in the near future, be vested in the APC in accordance with the provisions of the so-called "Snyder Plan".

Considerable preliminary discussions having been carried on in Washington and the language of a draft amendment having been worked out with the APC, there now remains the principal task of submitting the proposed legislation to Congress and pressing for its enactment. I believe you are in agreement with Mr. Leavitt and myself that this last is clearly not a task for the JDC and that the organization which should handle the matter, as involving something of general political interest to the Jewish community, is the American Jewish Committee. Should the latter organization agree to designate someone for this job, I wish to emphasize the importance of having a person of considerable stature, particularly one who at the same time will be thoroughly qualified to handle the various technical questions involved. In the opinion of some of the people familiar with the Washington legislative process, the individual designated for this task will have to count on spending a minimum of 3-4 weeks in Washington.

ER:AU

345321

DEPARTMENT OF STATE
Washington

AJC Corp Eng
YIVO 347.17.
Am Jwsh Cmtee
(GEN-10)
January 8, 1948

My dear Dr. Robinson:

Box 296
File 9

In reply to your letter of December 24, 1947, to Mr. Karasik, please be advised that discussions of this Department with the Office of Alien Property Custodian on the problem of hairless vested property in the United States have reached a point where it seems desirable to consult further with representatives of interested organizations.

In particular, the Office of Alien Property Custodian would like to discuss the technical aspects of the process of determining which vested assets are hairless. In addition, it would also be of assistance if specific suggestions concerning the most desirable language to be used in the drafting of possible legislative amendments were submitted.

It is assumed that with respect to these questions, as well as other aspects of the problem, you have had the benefit of the views of the other organizations which have been in close touch with this matter.

Accordingly, it would be appreciated if, at your convenience, you could come to Washington with the appropriate representative or representatives of the other organizations concerned to meet with officials of this Department and of the Office of Alien Property Custodian. It would be helpful if you would inform this office, a day or so previously of the most convenient time for such a meeting.

Sincerely yours,

Covey T. Oliver
Associate Chief
Division of Occupied-Areas
Economic Affairs

Dr. Nehemiah Robinson
World Jewish Congress
1834 Broadway
New York 23, New York

345322

YDVO 26347-17
Am. Jew. Com. (GEN 10)
Box 296, NYC 10
MAY 15 1950

May 12, 1950

MEMORANDUM

Subject: Survey of Office of Alien Property Custodian Vesting Orders to Obtain Estimates of Heirless Jewish Accounts.

Background

A Subcommittee of the House Committee on Interstate and Foreign Commerce has before it a proposed amendment to Section 32 of the Trading with the Enemy Act. This amendment provides that the proceeds of heirless accounts currently vested in the Office of Alien Property Custodian and formerly owned by individuals persecuted under the Nazis be used for relief and rehabilitation of victims of Nazi persecution, and for other charitable purposes related thereto. The amendment also provides that successor organizations be established to administer these proceeds. This memorandum presents an analysis and estimate of the Jewish portion of the heirless property held by the Office of Alien Property Custodian.

Several months ago, a group of fairly recent German-Jewish emigres was designated to examine approximately 14,400 vesting orders issued by the Office of Alien Property Custodian. The objective of this examination was to segregate those vesting orders which, on the basis of the group's familiarity with Jews and Jewish life in pre-war Germany, cover heirless Jewish property. The members of the examining group were carefully selected; they represent a cross-section of Jewish persons with extensive experience and knowledge of Jewish affairs in Hitler's Germany. The 14,400 vesting orders examined were not a sample; they comprised all of the vesting orders issued by the Office of Alien Property Custodian. These orders covered Jewish as well as non-Jewish property, and also

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property for which individual claims by living owners or heirs have been submitted as well as property which may today be presumed heirless.

Results of Survey

The examining group indicated that approximately 1,200 of the 14,400 vesting orders covered property which, in its opinion, was clearly Jewish in ownership. In addition, it believed that an additional 1,500 vesting orders probably also covered Jewish property but was not specifically being designated as such, pending detailed investigation.

Detailed and critical examination of the 1,200 orders which were clearly Jewish in origin revealed the following:

- (a) 97 orders represented cases where orders to return the properties involved to the owners or their legitimately established heirs had already been issued;
- (b) 150 orders covered properties listed in the names of trustees and agents rather than original owners or legitimately established heirs (where the name of the true owner or beneficiary was available, the account was included in one of the categories below);
- (c) 375 orders covered patent rights and royalties;
- (d) 198 orders covered cases which do not fall into any of the above special categories and which contain assets of value: not included in this category are those cases where the account is part of an estate;
- (e) 412 orders covered properties which are parts of estates.

The vesting orders falling within category (a) do not comprise property which is heirless; they were, therefore, automatically excluded from further

-3-

consideration. The 150 category (b) orders (agent and trustee cases) were also excluded since only the status or character of the true owner or beneficiary could be regarded as determining for the purposes of the survey. The 375 category (c) orders, (patent cases) require further study before their value can be determined; no specific, individual breakdown and study of the accounts could be made at this time.

All of the vesting orders in category (d), the non-classified group, were examined in detail. It was found that 73 involved properties for which individual title claims by heirs have been filed. It is assumed here that all of these individual claims will prove to be valid and that the properties involved are not, therefore, heirless. The remaining 125 orders were found to have a total value of \$336,380, an average of approximately \$2,700 for each order. However, the Office of Alien Property Custodian has indicated that some additional individual claims for properties must be taken into account in any tabulation of values. It has submitted information to the effect that the 73 title claims already examined actually represent only about 60 percent of the total volume of such claims. Accordingly, it is assumed that an additional 50 title claims will be found to be valid, and that their value should be deducted from the \$336,380 total. At an average of \$2,700 per order, the total value of this deductible portion is \$135,000, leaving a net value of category (d) orders of \$201,380.

The 412 category (e) orders (parts of estates) consist of cases which are extremely complicated in character. To have examined each case in detail would have required far more time than was available. In order, therefore, to arrive at a reasonable approximation of their value, a 10 percent sample, 42

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-4-

cases, was subjected to intensive analysis. This analysis revealed that 12 of the 42 cases involved properties for which title claims had been filed. The remaining 30 cases were found to have an average value of approximately \$3,000, with a high of \$14,000 and a low of \$100.00. Assuming on the basis of the information from the OAP that the aforementioned 12 title cases are not a complete list and that another 40% or 8 cases in this category are to be anticipated, it would appear that a total of 20 or approximately one half of the sample are title cases. Taking the total number of 412 vesting orders in estate cases, and assuming that 50% of the cases will have title claims and could not therefore be regarded as heirless, a balance of 206 cases is left which may be considered heirless property. At an average value of \$3,000 per order, the total value of the heirless property in this category is \$618,000.

Summary

1. The data presented above indicates that it is reasonable to assume that the value of specifically identifiable heirless Jewish property is \$819,380, consisting of the following: \$618,000 for orders covering properties which are parts of estates, and \$201,380 for orders covering properties which are not readily classifiable as to type of assets.
2. It is believed that a substantial portion of the 1,500 orders which were not specifically identified as Jewish in origin by the examining group pending detailed investigation will, in fact, prove to be Jewish. Assuming that only 300 of these will ultimately be left as "eligible" under the aforementioned criteria, and assigning a value of only \$2,700 to each order, an additional amount of \$810,000 is yielded. The \$2,700 average value, it should be noted,

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is the lower of the two averages found in detailed examination of the estate and non-classified groups.

3. Although the 375 patent case orders were not examined in detail, on the basis of past experience it is believed to be entirely reasonable that they will be found to have a minimum value of \$300,000. This would be based on an estimate that only 40% or 150 cases are free of title claims and therefore eligible to be considered and would be equivalent to an average value of \$2,000 per order, considerably below the averages of \$3,000 for orders covering properties which are parts of estates, and \$2,700 for orders covering properties which are non-classifiable as to assets.

4. On this basis, the total value of heirless Jewish property held under vesting orders of the Office of Alien Property Custodian is \$1,929,380.

Value of Heirless Jewish Property Held Under
Vesting Orders of Office of Alien Property Custodian

Orders covering properties for which individual claims have been submitted	<hr/>
Orders covering properties listed in names of agents and trustees	<hr/>
Orders covering patent rights and royalties	\$ 300,000
Orders covering properties which are parts of larger estates	618,000
Orders covering properties not immediately classifiable as to type of assets	201,380
Orders covering properties not immediately classifiable as of Jewish origin	<hr/> 810,000
	<hr/> \$1,929,380
	<hr/>

345327

MAR 7 1950

YIVO 347.17
Am Jwsh Cmtee
(GEN 10)
Box 296
File 10

March 6th, 1950

Hon. Robert P. Patterson
1 Wall Street
New York, New York

Dear Judge Patterson:

I am pleased to send you attached the results of the survey which we have made in connection with the OAP vesting order records here in New York. I trust that this material will be helpful.

We shall be more than glad of course to answer any questions which you may have.

Sincerely yours,

Eli Rock
General Counsel

ER:AU
End.

cc. ERL
Reveal

345328

March 6th, 1950

File 10

MEMORANDUM

SUBJECT: Survey of OAP Vesting Orders to Obtain Estimate of Heirless Jewish Accounts

In connection with the pending amendment to Section 32 of the Trading with Enemy Act designed to turn over heirless Jewish vested accounts for charitable purposes, various estimates have been made regarding the total value of such heirless accounts. Most often, the value has been estimated as between \$500,000 and \$2,000,000. Although no factual or statistical evidence was available at the time the latter estimates were made, it was the usual opinion that only the smaller accounts would remain heirless and unclaimed. Generally, and this fact is known to all Jewish charitable and refugee organizations working in the field, the wealthier members of the German Jewish community succeeded in escaping from Germany in a far higher ratio than the poorer members. Even if the owner of the account in this country was not himself able to escape, one or more heirs of the wealthy family were almost always able to make their way out. In the case of the typical small Jewish shopkeeper in Germany, however, who may have set up a small account in the U.S., escape was often too difficult and expensive, with the result that he and his entire family were wiped out in much higher ratio than among the more affluent groups. Based on this history of the Jewish experience in Germany, it has been suggested that there would not be many large accounts which could qualify as heirless and unclaimed.

In an effort to obtain a basis for estimate which would be more grounded in actual statistical fact, it was decided several weeks ago to have a group of fairly recent German-Jewish emigres in this country survey the some 14,400 vesting orders which have thus far been issued by the OAP. Specifically, the members of the survey team were instructed to examine the names of the former owners of all of the vested accounts with a view to picking out those names which appeared to be Jewish. By calculating the values of these "Jewish" accounts, it would then be possible to form an estimate of the total Jewish accounts.

The individual members of the survey team were carefully selected on the basis of their activity and familiarity with Jewish life in pre-war Germany. Recognizing the difficulties of ascertaining religious or cultural identification from name alone, it was felt that intelligent scrutinizing efforts on the part of such a team would nevertheless produce a more valuable groundwork for estimate than has hitherto existed.

Survey Results

Of the total number of the 14,400 vesting orders surveyed, it was found that approximately 1,200 vesting orders appeared to bear names which were clearly Jewish. Although it may be that a few names were included which were not in fact Jewish, there seems to be every reason for assuming that this list of 1,200 is essentially correct.

345329

The 1200 names were further broken down as follows:

a) Names which were discarded because the vesting order revealed the name to be that of a trustee or agent rather than the owner. (Where the name of the owner appeared in the body of the vesting order, a new card was prepared for that name and included in the categories below)	150
b) Patent cases -- These names have also been discarded for the reasons (1) that the OAP experience with patent accounts generally, according to our information, has shown the accounts to be of relatively little value, and (2) that the patents would in many cases have belonged to wealthier groups of the population who, for the reasons stated above, would be likely to have claimed them already	375
c) Cases where return orders have already been issued	97
d) Cases which do not fall in the above categories and which appear to contain assets of value, with the exception of those where the account is part of an estate	198
e) Cases where the vesting order indicates that the account is part of an estate	412
	<hr/> 1,232

Qualitative Break-Down of Assets

Based on the above, categories a), b) and c) have not been dealt with further and instead attention has been concentrated on categories d) and e), for which a qualitative examination and breakdown has been made. In the case of category d) it was discovered that of the 198 vesting orders 73 represented cases in which title claims have been filed, thus giving basis for assuming that the owners or their heirs are alive and that the accounts are not heirless. With reference to the remaining 125, it was found that the total value came to \$336,380.00
In round figures, this shows an average value of \$2,700 for each vesting order in the category.

The above figure of \$336,380.00 must be further qualified by the fact that all title claims have not yet been sent from the Washington office of the OAP to the New York regional office (where the instant survey was conducted). Since the information furnished is that approximately 3/5 of all claims have been sent to the New York office from Washington, it has been assumed that the above number of 73 represents only a 3/5 figure and that 50 more title claims, or the remaining 2/5's, may therefore be anticipated as deductible from the above figure of 125 vesting orders. Calculating these at a \$2,700 average, it is necessary to deduct another \$135,000 from the \$336,380, thus leaving a total for this category of . . . \$201,380.00

Because of the factor of time, and because of their more complicated character, it was not possible to make the same qualitative examination of the various accounts in category (e), that is, the estates. Instead, a sample of 42 estate vesting orders was selected, of which 12 were found to contain title claims on file. Of the remainder, the average value of each vesting order was found to be approximately \$3,000.

Taking the total number of ⁴¹²~~370~~ vesting orders for estates, it is fair to assume that approximately 60% of the cases will have title claims. (The percentage of cases under category d) above in which title claims were filed was 62 $\frac{1}{2}$ %. When the remaining 40%, or ~~148~~ vesting orders, is multiplied by the average value of \$3,000, a total is obtained of $495,000.$
~~\$444,000~~
696,380

The combined total of the categories d) and e) is thus found to be ~~\$645,380~~

In addition to the above values, it is necessary to recognize that there may be as many as another 200-300 "eligible" names contained in the vesting orders which are not "Jewish sounding" but which would nevertheless eventually be found, upon investigation, to be heirless and Jewish. Taking 200 as the figure for this purpose and multiplying it by an average value of \$3,000 per account, an additional amount of \$600,000 is obtained. It is recognized further that there may be some patent orders which are found to qualify and that the estate values, as estimated above, may be somewhat conservative. For all of these reasons, it is suggested that the actual total figure may approximate a value of \$1,500,000.

CONCLUSION: The value of those accounts in the hands of the GAF which will be found to be Jewish and heirless, ~~are~~ estimated to be . . . \$ 1,500,000.00

RUBIN AND SCHWARTZ
ATTORNEYS AT LAW

SEYMOUR J. RUBIN
ABBA P. SCHWARTZ

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 10

FILED IN...
LEGISL. MAR 2 1950
PHONE: REPUBLIC 0504
CABLE ADDRESS: RUBINLEX

1822 JEFFERSON PLACE, N.W.
WASHINGTON 6, D.C.

March 1, 1950

Dr. Eugene Hevesi
The American Jewish Committee
386 Fourth Avenue
New York, New York

Dear Eugene:

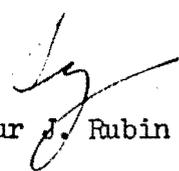
Re: Heirless Property - United States

I enclose a copy of an extremely interesting vesting order. You will note that this order vests the property and interests of the "Jewish Congregation of Baia Mare" of Roumania.

It seems to me that this order, which was sent to me by Malcolm Mason, might very effectively be used in any future discussions with the Congress. It seems obvious that property meant to be left to what is probably a now extenct Jewish community might better and more appropriately be used by successor organizations for relief purposes than used for the war claims of the United States.

I have no other copies of this vesting order. I think you may wish to have copies made for Eli Rock.

Sincerely yours,


Seymour J. Rubin

cc: Mr. Wolfsohn
Mr. Isenbergh

345332

OFFICE OF ALIEN PROPERTY CUSTODIAN
Washington

VESTING ORDER NUMBER 645

In re: Estate of Josef Frenkel, Deceased
(File No. D-34-63; E. T. Sec. 802)

Under the authority of the Trading with the enemy Act, as amended,
Executive Order 9096 as amended, and pursuant to law, the Alien Property
Custodian after investigation,

Finding that -

- (1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court of the State of New York, in and for Kings County;
- (2) Such property and interests are payable or deliverable to, or claimed by, nationals of designated enemy countries, Rumania and Hungary, namely,

Nationals:

Last Known Address:

Jewish Congregation of Baia Mare	Rumania
Bertha Frenkel Dessone	Hungary
Sandor Frenkel	Hungary
Lajos Frenkel	Rumania
Mikolcs Frenkel	Hungary
Esther Frenkel	Hungary
Sari Frenkel	Hungary
Piroska Frenkel	Hungary
Edi Frenkel	Rumania
Lajos Frenkel	Hungary

And determining that-

- (3) If such nationals are persons not within any designated enemy country, the national interest of the United States requires that such persons be treated as nationals of designated enemy countries, Rumania and Hungary, and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

NOW THEREFORE, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Jewish Congregation of Baia Mare, Bertha Frenkel Dessone, Sandor Frenkel, Lajos Frenkel, Rumania, Mikolcs Frenkel, Esther Frenkel, Sari Frenkel, Piroska Frenkel, Edi Frenkel and Lajos Frenkel, Hungary in and to the Estate of Josef Frenkel, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

VESTING ORDER NO. 645
Estate of Josef Frenkel, Deceased

Such property and interest and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form A P C-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in Section 10 of said Executive Order.

DATED: January 9, 1943

(Official Seal)

(Signed) Leo T. Crowley
Leo T. Crowley
Alien Property Custodian

Feb. 16, 1950

YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296 File 10

Testimony of...
116-111
1/16/50
FEB 20 1950
(Feb. 1950)
Accompanying...
Review in...

MEMORANDUM: Heirless Property Legislation

As I have previously indicated, I had arranged through Judge Fisher of Chicago for an interview with Mr. Daniel Cleary, Chairman of the War Claims Commission, on the question of the Commission's opposition to S.603. I spoke with Judge Fisher on the telephone on February 15 and was told that he had had a talk with Mr. Cleary, that there were some technical objections that the War Claims Commission had, but that he hoped and expected that Mr. Cleary would be hospitable. I therefore called Mr. Cleary, found that my call was expected and made an appointment for 11:00 A.M. on February 16, 1950.

Present at the meeting were Mr. Daniel Cleary, Chairman of the War Claims Commission; Mrs. Georgia Lusk, member of the Commission (the other position on the Commission is presently vacant); Mr. Roberts, General Counsel; and a Mrs. Howarth (sp. ?).

Mr. Cleary started off by getting a copy of the War Claims Commission Report to the Congress on S.603. He pointed out that the chief objection that the Commission had was in connection with the opening up of claims until January 1, 1952. He said that the WCC was faced with a statutory duty to the veterans who were beneficiaries under the legislation, they were unable to get any funds from the Office of Alien Property, and that the Office of Alien Property had given S.603, inter alia, as a chief reason for their unwillingness to turn any funds over to the WCC. He said that he was sympathetic to the purposes of the proposed legislation but that under the circumstances the Commission could not do other than oppose it.

I said that I had personally participated in the drafting of the War Claims Commission Act of 1948 and in the formulation of governmental policy leading to that legislation, and that, of course, I as well as the organizations I represented were sympathetic to its objectives. I pointed out, however, that use of the assets of persecutees to pay claims however meritorious was hardly a desirable procedure. I pointed out that Public Law 671, 79th Congress, had established a policy of returns where heirs were alive and that the present legislation followed this policy in allowing returns to successor organizations where there are no heirs. I said it appeared to me that if a legislative history were prepared putting a top limit on the amount which would be made available by the Office of Alien Property to successor organizations, the objections stated by the War Claims Commission would be obviated. Mr. Cleary said that this was not the case and that any opening up of the return procedure would jeopardize the operations of the War Claims Commission. He further said that Mr. Baynton of the Office of Alien Property had stated that as long as any new legislation was pending leaving open the possibility of further categories of returns, funds could not be transferred.

I said that I could not, of course, do anything about other legislation but that it seemed to me that if a top limit were put in the heirless property legislation, the difficulty as far as that legislation was concerned would be obviated. I pointed out that other types of legislation did not have the humanitarian basis of S. 603; and I further pointed out that other legislation did not have the support of the entire government, the WCC aside, as was the case with S.603.

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Upon Mr. Cleary's reiteration of his fundamental position -- a good part of which seemed irrelevant to the issue to me -- I pointed out that on the basis of his own statement he was rapidly working himself into an inescapable impasse. I said that the heirless property legislation had been introduced in two successive Congresses; it had twice passed the Senate; it had bipartisan support in both Houses; and that if it died in the present Congress, it undoubtedly would be reintroduced in the next Congress. Under these circumstances, Mr. Cleary's interpretation of the OAP position - that funds could not be turned over as long as any legislation of this kind was pending - meant that the War Claims Commission would be just as far away from getting funds a year from now as it was at the present time. Under these circumstances, I suggested the best approach was to sit down with the Office of Alien Property and see whether something could not be worked out looking in the direction of a limit on the amount which would be made available under the heirless property legislation, and perhaps looking toward an elimination of at least that difficulty in the way of the transfer of funds from the Office of Alien Property to the War Claims Commission.

Although Mr. Cleary did not seem enthusiastic about a meeting, he acquiesced and Mrs. Lusk and Mr. Roberts seemed hopeful that something could be worked out. I was asked to arrange a meeting with Mr. Baynton for the morning of February 21.

I thereafter called Mr. Baynton and reported a substantial portion of the above and suggested the desirability of a meeting to deal with this problem. Mr. Baynton indicated considerable indignation at the War Claims Commission and its "propaganda campaign"; said that the War Claims Commission had sponsored legislation which would direct the Office of Alien Property to turn over \$150,000,000 forthwith despite OAP liability to possible returnees and claimants; and said that he wanted to get the issue of the immediate cash payment to WCC out of the way before he discussed any other issues. He therefore declined to have a meeting on February 21, but said that he would try to work out something so that he could meet with the WCC people and with me sometime next week. Having no alternative, I left the matter in this stead.

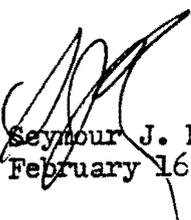
In the course of my conversation with Mr. Baynton, he told me also that the Department of Justice was favorable to S.603 but that he was insisting on a report to the Congress which would specifically state that more personnel would be needed to administer S.603 if it should become law. He said that he did not want to be in a position of having legislation of that sort go through without the Congress knowing he would have to seek an extra appropriation in order to administer it. He said that he had cleared this position with the Attorney General.

It is my impression that if a letter of this sort goes to Congressman Beckworth, the affect will be effectively to damn S.603 with faint praise for its general objectives and a statement which someone like Beckworth will find sufficient for opposition to the bill.

It appears to me that, from the point of view of both the Office of Alien Property and the War Claims Commission, the heirless property legislation is merely a pawn. The Office of Alien Property is unwilling to discuss the heirless property legislation until it gets the immediate advance issue out of the way; the War Claims Commission is unwilling to accede to the

heirless property legislation unless it gets some sort of commitment from the Office of Alien Property with respect to an immediate turn over of funds. We are thus in the midst of an extremely difficult interdepartmental fight. Under these circumstances it is my feeling that we will have to do more than merely get up statistics on the amount which may be involved if we are to get the legislation passed in the present Congress. The dispute has reached fairly high levels at present and is extremely bitter on both sides. It may be that the dispute will have to be resolved in the White House.

Under the circumstances, it might be well if Mr. Blaustein or others could speak with the President and see whether it would not be possible for one of his assistants - like Mr. Niles - to arrange a White House meeting in which the conflicting interests of the governmental agencies could be straightened out. It may be that it would also be desirable for Mr. Blaustein or others to speak with Mr. Cleary and to state that under all the circumstances, the American Jewish Committee and other interested organizations will have to take a position flatly opposed to any new legislation directing the transfer of funds from the Office of Alien Property to the War Claims Commission until the heirless property problem is straightened out. This is, in effect, the tactic being used by the governmental agencies; and it would seem to me entirely proper for outside organizations to take the position that they do not wish to see legislation which might jeopardize proposals in which they are interested, as long as the governmental agencies take the converse position with respect to their own specific problems.



Seymour J. Rubin
February 16, 1950

Fact Sheet
on the Increased Significance
for United States Foreign Policy in Europe
of the Enactment of H.R. 2780

*for appointment with Postman, Thursday, Sept 29, 1949
 (see Hevesi and Murray)*

1. In its letter of April 30, 1949 to Congressman Robert Crosser, the Department of State declared that the enactment of this Bill was "highly desirable as an aid in carrying out the foreign policy of the United States." The letter included direct and positive reference to Article 8 of the Paris Reparations Agreement, providing, inter alia, that

"Governments of neutral countries shall be requested to make available for this purpose (in addition to the sum of 25 million dollars) assets in such countries of victims of Nazi action who have since died and left no heirs."

Since no satisfaction could be obtained under this reparations provision from neutral countries, the chief original objective of H.R. 2780 has been to serve as an example for the governments of these countries, and as an argument vis-à-vis these governments supporting the foreign policy pursued by the United States in this matter.

2. Recent developments in Europe indicate, however, that failure by the House of Representatives to follow the example of the Senate in enacting this legislation would affect interests of United States foreign policy which in their implications go far beyond the scope of the issue of heirless assets of Nazi victims itself. These interests are likely to include those of American investors in pre-war business ventures in Eastern European countries.

3. The point in fact is that, in the absence of a strong example from the United States, the Swiss Government now has definitely moved toward the conclusion of inter-governmental arrangements with Eastern European countries which are markedly inconsistent not only with any just disposition of the substantial amount of heirless property in Switzerland, but also with legitimate interests of American and other Western investors in the economies of Eastern European countries.

4. The first concrete example of this Swiss policy is the recently concluded (and unpublished) mutual payments agreement between Switzerland and Poland, under the terms of which the Swiss will concentrate all heirless property of Polish origin in Switzerland into one account, for the purpose of being simply turned over to the Polish government, in exchange for the indemnification of Switzerland by Poland for its pre-war investments in that country. This procedure will apply to all "Polish" heirless property, whether or not it can be demonstrated that the property originally belonged to members of a group which had been exterminated, or whose survivors are no longer in Poland. The agreement simply confiscates the assets of Polish victims of Nazism for the repayment of Poland's debts to Swiss creditors. The injustice of this agreement is aggravated by the fact that there are very few Jews left in Poland, and that the Polish government has recently concluded an agreement with Israel to the effect that the remaining few Jews would be permitted to emigrate to Israel, - on condition that they formally renounce their Polish citizenship, together with all claims on property in Poland. The direct implication of this policy is that heirless property in Switzerland would be fully and definitely withdrawn from the purpose of aiding in the rehabilitation of the surviving victims

5. In its broader, indirect effect, this agreement, both in itself and as a model for agreements of a similar nature with other Communist-dominated Eastern European countries, is definitely and directly detrimental to American and Western interests. The bad example may soon be emulated by other Western countries as well, with the result that Eastern European regimes would be in a position to get rid of the claims of foreign investors in exchange for heirless deposits abroad which by American and international standards (as defined by the Reparations Agreement) are no longer their property. In addition, agreements of this type would considerably weaken the position of claims of American investors in Eastern Europe, and in general, would promote Communist state-ownership interests there.

The Washington office of the American Jewish Committee has been informed that, upon learning of this agreement, the Department of State issued instructions to the American legation at Bern to make representations to the Swiss government.

However, we must realize that the force of such representations is considerably diminished by the lack of American example in American legislation on heirless property. It is manifest, therefore, that the effectiveness of such representations would be signally enhanced were the proposed bill to become law in the course of the present session of Congress. Any longer delay in its enactment may weaken the arm of our foreign economic policy exactly at a moment when effective action is needed.

September 28, 1949

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YIVO 347.17
Am Jwsh Cmtee
(GEN-10)
Box 296
File 10

November 5, 1948

Mr. Jack B. Tate
Deputy Legal Adviser
Department of State

Dear Jack:

The American Jewish Committee, whom I represent, is vitally interested in a problem which we understand now to be before the Department.

The problem arises out of Section 34(a) of the Trading with the Enemy Act, providing that: "Any defense to the payment of such claims which would have been available to the debtor shall be available to the Custodian." It is understood that there are on file with the Office of Alien Property certain claims, filed under Section 34, and asserted against the vested assets in the United States of German banks. The claimants are the successors in interest of the depositors, who were Jews having deposits in these banks. The deposits were confiscated pursuant to German discriminatory laws and regulations enacted between 1933 and the fall of Germany in May 1945.

It is respectfully submitted that the policy of the Government of the United States is, and should continue to be, nonrecognition and, to the extent possible, invalidation of the decrees in question and all acts or transfers effected under or pursuant to them.

The policy of the United States with respect to forced transfers was stated publicly as early as January 4, 1943, at which time the Inter-Allied Declaration on Axis Acts of Dispossession was issued. This Declaration stated that the signatory Governments "hereby issue a formal warning to all concerned. . .that they intend to do their utmost to defeat the methods of dispossession practiced by the governments with which they are at war against the countries and peoples who have been so wantonly assaulted and despoiled." The Declaration went on to make a reservation of right to consider invalid any transfers of or dealing with properties, rights or interests situated in "the territories which have come under the occupation or control, direct or indirect" of the Axis governments. This policy was affirmed, with respect to gold, in the Gold Declaration of February 22, 1944;

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and in general in Resolution VI of the Bretton Woods Monetary and Financial Conference and the Final Act of the Inter-American Conference on Problems of War and Peace.

These various declarations are directed primarily at the then-paramount problem of German looting - particularly by "legal" means - in the occupied areas. But there is no reason to believe, particularly in the light of subsequent developments, that Jewish and other religious, racial or political persecutees in Germany were not included within the term "peoples who have been so wantonly assaulted and despoiled." Indeed, any other construction would make of the word "peoples" a mere redundancy for the quite different word "countries".

Moreover, other public acts and declarations indicate that the policy of the Government of the United States is to equate coerced transfers from persecutees in Germany to such transfers occurring in occupied areas:

(a) The treaties of peace with Italy and the satellite countries all contain a provision stating that "The term 'United Nations nationals' also includes all individuals, corporations or associations which, under the laws in force in Italy during the war, have been treated as enemy" - (e.g., Article 78(9)(a) of Treaty of Peace with Italy). This clause puts persecutees who were treated as enemy - and there is no doubt that Jews as a class were the first and most notable example of this category - in the same classification, so far as restoration of property rights are concerned, with United Nations nationals. The measures of confiscation against property of persecutees, like the milder measures of sequestration against property of nationals of the United States, are wiped out by the treaties. And the fact that these are treaties with countries other than Germany in no way diminishes the effect of these acts as indicia of United States policy toward persecutees.

(b) The Government of the United States has subscribed to international agreements effecting the complete revocation of the German discriminatory laws and regulations. On August 2, 1945, in connection with the vesting of supreme authority in Germany in the four zone commanders, it was enacted that "all Nazi laws which provided the basis of the Hitler regime or established discrimination on the grounds of race, creed, or political opinion shall be abolished. No such discriminations, whether legal, administrative or otherwise, shall be tolerated."

Law No. 1 of the Allied Control Council also abrogated discriminatory Nazi legislation.

(c) The actions of the United States Zone Commander in Germany have been in accordance with the policies and international agreements and acts mentioned above. In J. C. S. 1067, a policy of restitution of property looted from persecutees under color of Nazi laws was established. This was followed by Military Government Law No. 1, depriving of effect specified Nazi legislation; and, even more important, by Military Government Law No. 59, on Restitution of Identifiable

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Property. This latter Law implements a policy from which the United States has not in the slightest deviated from the beginning, and establishes beyond doubt not only the policy but also the willingness of the United States to take positive steps toward the undoing of forced transfers even where considerations of the bona fide purchaser enter.

(d) Public Law 671, 79th Cong. 2d Sess., enacted an amendment to Section 32 of the Trading with the Enemy Act permitting returns of vested property to "an individual who, as a consequence of any law, decree or regulation of the nation of which he was then a citizen or subject, discriminating against political, racial or religious groups has, at no time between December 7, 1941, and the time when such law, decree or regulation was abrogated, enjoyed full rights of citizenship under the law of such nation." It is inconceivable that the Congress could have intended to remake the Trading with the Enemy Act's stringent provisions with respect to vested property in favor of persecutees and at the same time to allow recognition of the German acts of discrimination to be established as a basis for depriving such persons of their property. The problem of the effect of decrees purporting to deprive persons subject to German jurisdiction of their property is the same whether it arises under Section 32 or Section 34 of the Trading with the Enemy Act. It is clear that the policy established by the Congress and the Executive is that the act of confiscation, or of forced transfer, shall be ignored or undone. This is the law as far as Section 32 returns are involved. It is not legislated into Section 34 - as well as Section 32 - only because the problem under Section 34 was not realized at the time - an omission which in no way invalidates the established United States policy on the matter. Both the House and Senate reports on Section 32 state that the term "owner" is to be so construed as to ignore "acts of enemy governments which sought to divest non-enemies of their property or rights, either directly or by purported confiscation or by the exercise of duress upon the owner. . .and the victim of such an act would be recognized as the 'owner' for purposes of this statute." Surely it cannot be argued that acts of confiscation or forced transfer are specifically invalidated under Section 32 and nevertheless are to be recognized under Section 34. Such a construction would do manifest violence to the rational construction of the legislative policy expressed in P. L. 671, 79th Cong., as well as, for the first time, depart from a well-established and clear Executive policy of invalidation of such acts or transfers.

(e) Finally, the Department of State has, in connection with the protection of U. S. property interests abroad, long established the policy of non-recognition of forced transfers or purported confiscations under discriminatory decrees. It is believed that numerous cases exist in which the Department has taken the position that such acts or transfers were ineffective to transfer title, and that the properties in question belong to the previous owners. The Treasury Department has, it is understood, thus unblocked the "frozen" property in the United States of German persecutees, ignoring any purported transfers to the German Reich or to its designees. Finally, the contention by the USSR that properties in Austria transferred to the German government from persecutees became "German assets in Austria" has been

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vigorously rejected by the United States on the ground of the invalidity of the purported transfers or confiscations as well as the illegality of Nazi occupation of Austria.

2. Bernstein v. Van Heyghens Freres Societe Anonyme, 163F(2d)246 (1947) is the principal recent decision on the attitude of a court of the United States toward Nazi acts of confiscation or forced transfer. The case apparently holds - over a well-reasoned dissent - that an Executive policy against recognition of such acts or transfers had not been sufficiently established, and that, under these circumstances, the "act of state" doctrine applies.

(a) The Bernstein case is in fact entirely irrelevant to the present issue. It depends completely on an assumption - apparently made on the basis of inadequate proof - as to Executive policy. The issue here, however, is: what is that Executive policy? On that question, a judicial decision attempting to explore (and to determine as a fact) what that policy is is obviously not relevant. Otherwise, the circle comes full around, and the Executive policy which the court attempts to find is determined by the decisions of the court and not by the Executive.

(b) In the Bernstein case, the Executive - and legislative - policy of nonrecognition of acts of confiscation and forced transfer was clearly not adequately presented to the court. Military Government Law 59 had not as yet been enacted. Apparently, proof had not been adduced of the Declaration of January 5, 1943, or of the history of Section 32 of the Trading with the Enemy Act, the pertinent provisions of which were fully supported and approved by the Executive branch of the Government. Nor had a statement of policy been solicited from the Department of State, or even a statement with respect to its position on the same issue in connection with protection-of-property problems.

(c) Finally, it would appear that the court gave an unduly restrictive interpretation to declarations revoking German discriminatory laws and regulations. That these were not merely "prospective" is demonstrated by M. G. Law 59, as well as by State Department actions based on the theory that these laws were in fact void ab initio.

3. No reasonable doubt exists, on the basis of the full record, as to the policy of the United States Government on the question discussed in this letter. Beyond the general policy of considering acts of confiscation, without compensation, to be abhorrent to the public policy of the United States, there exists irrefutable evidence that the United States does not recognize acts of confiscation or forced transfers under or pursuant to the Nazi discriminatory laws. Under these circumstances, it is respectfully suggested that steps be taken to ensure that Section 34 of the Trading with the Enemy Act is so construed as not to bar former owners of bank deposits - or their successors in interest, from obtaining payment of their claims under the statute, when ownership of such deposits has been transferred or confiscated under or pursuant to German discriminatory laws or regulations. It is respectfully suggested that an opinion to this effect be transmitted to the Office of Alien Property, Department of

Justice, that nonrecognition of such transfers or confiscations or of any legal effects thereof be declared to be the policy of the United States, and the Department issue a public declaration to this effect, in order to avoid the chance of a second Bernstein-type decision.

A copy of this letter is being sent to Mr. David Bazelon, Assistant Attorney General in charge of the Office of Alien Property of the Department of Justice.

On behalf of the American Jewish Committee, I am

Sincerely yours,

Seymour J. Rubin

cc: Mr. David Bazelon
Department of Justice

YIVO Documents

YIVO stands for Yiddish Scientific Institute

YIVO RG 347.7

American Jewish Committee

Initials in description of source of documents:

EXO = unknown

FAD = Foreign Affairs Department

GEN = General

