

OFFICIAL USE ONLY
(Classification)

Page 6 of
Desp. No. 2125
From HICOG BONN

1864 of March 2, 1955 we do not believe that this is the case. We are prepared to examine the information upon which the Germans base their position and to make available to them the information contained in Annex A of reference despatch in order to arrive at as sound a conclusion as is possible under the circumstances. Our controlling concern will be to assure ourselves that we agree to a law which will carry out our treaty obligation.

There are a number of other problems of importance on which we will also seek a more satisfactory solution than proposed in the draft. Among this will be the method of payment and the termination date. These matters will be reported as the negotiations progress.

Conference on Jewish Material Claims against Germany

We have had a number of informal discussions with the Material Claims Conference. The Conference has not as yet commenced negotiations with the Germans on the draft. With respect to our negotiating tactics, the Conference requested and we agreed that simultaneous negotiations would be conducted between the Allied High Commission and the German Government on the one hand and the Conference and the German Government on the other. It was felt that this was desirable because of the bargaining position which the German Government would achieve if one side crystallized its position before the other. We believe that by following this line of action both the Conference and ourselves will be in the best position to get the German Government to eliminate a sufficient number of objectionable categories from the draft so as to bring the scope of the law within the DM 1.5 billion limitation.

Recommendations

We propose to proceed as follows:

1. First, we will seek elimination of those categories of claimants which in our view do not qualify as restitution claimants. Our objective will be to agree a draft which, we have reason to believe on the basis of available information, will carry out the treaty obligation and at the same time achieve the widest measure of common good for claimants as a whole. The Conference is urging us to follow this approach and we believe that it is consistent with the Department's desire to see full utilization of the DM 1.5 billion fund in the most equitable manner possible.
2. If we should fail in this line of negotiation then it seems to us that the next best course is to accept the draft as written but include a priority clause which would provide in the first instance for payment in full to restitutees within the meaning of the language of Article 4 of Chapter Three of the Settlement Convention. This would also fulfill the treaty obligation but would be less attractive to the Conference because of the retention of the objectionable categories.

OFFICIAL USE ONLY

339060

R 6 59
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

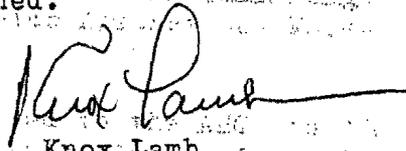
(Classification)

Page 7 of
Desp. No. 2125
From HICOG BONN

We can, of course, as a last resort ask the Germans to confine the draft solely to restitutees within the meaning of Article 4 of Chapter Three. We do not favor dealing with the problem on such a narrow basis, and believe that it should not be considered until and unless it appears that there is no other alternative.

In preliminary discussions with the British it would appear that the British will agree with us on the first above mentioned approach. We have been unable to obtain the French views to date.

Three copies of the draft law are attached.



Knox Lamb
General Counsel

Enclosures: 

Three copies of draft law.

OFFICIAL USE ONLY

339061

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

COPY

COPY

LAW OFFICES
LANDIS, COHEN, RUBIN AND SCHWARTZ
1802 Jefferson Place, N.W.
Washington 6, D.C.

April 8, 1955

Mr. Walworth Barbour
Deputy Assistant Secretary
Bureau of European Affairs
Department of State
Washington 25, D.C.

Dear Mr. Barbour:

I address this letter to you in view of your having headed the United States delegation in the recent discussions with Dr. Herman Abs, representing the Federal Republic of Germany, on the subject of possible return of German assets in the United States.

At the conclusion of these discussions, the Department announced that it would present a proposal to the Congress for the return of the assets of natural persons up to a limit of \$10,000. I believe that it is estimated that such returns will cover 90 percent of the privately owned assets of German individuals vested by the United States under the terms of the Trading with the Enemy Act.

As you know, the 83rd Congress passed Public Law 626, which provided that heirless assets in the United States should be turned over to charitable organizations which might act as the successors to victims of Nazi persecution who died without heirs. The President of the United States, pursuant to the Act, designated the Jewish Restitution Successor Organization, a New York membership corporation which has long been the recognized successor organization in the American zone of Germany, as the successor organization under Public Law 626. The JRSO has begun the monumental task of compiling facts upon which it can file claims to those assets in the United States, vested as enemy, which appear to belong to heirless persecutees.

I have mentioned the monumental nature of the administrative burden which this task throws upon the JRSO. I should say, also, that the United States Government, in implementing the Congressional policy of turning over heirless property for charitable purposes, also must undertake, under present procedures, a large administrative burden. This burden is so large indeed as to occasion legitimate fear that it may well delay implementation of the Act and realization of the proceeds which are to be expended for surviving victims of Nazi persecution.

339062

Under

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

REPRODUCTION OF THIS DOCUMENT IS PROHIBITED

- 2 -

Under these circumstances, it would seem appropriate that such legislation as may now be under consideration within the Executive branch, looking toward return of the property of German individuals, include a provision or provisions authorizing and directing a bulk settlement of the heirless property claims. Once the return program described in the Department's press release is effectuated, claims will, by definition, have been filed for all individually held German assets in the United States (up to the limit of \$10,000), other than those held from Eastern Germany or those assets which are heirless. The Eastern German category could, it would seem, be easily dealt with. The remaining amount of unclaimed, and therefore presumptively heirless, property is very likely to be substantially in excess of the \$3 million limit which has been set by Public Law 626. Under these circumstances, it would seem desirable from all points of view that a bulk settlement be worked out with the Jewish Restitution Successor Organization as a means of cutting through masses of red tape, which is otherwise likely both to delay attainment of the object of relief expenditures and burden the agencies, charitable and governmental, which must be concerned with this problem.

It is the intention of the JRSO to continue, of course, with its efforts to achieve implementation of Public Law 626 to the extent possible. I suggest, however, that the above proposal might be considered as a policy matter, and might be the subject of consultation prior to submission to the Congress of the Executive position on the above-mentioned legislation.

Sincerely yours,

/s/ Seymour J. Rubin

339063

DECLASSIFIED
Authority MD 969003
By JB NARA Date 6/19

R 6 5a
CDF, 1955-58
Box 1070
File 262.0041

May 20 1955

262.004 / 4-805

In reply refer to
GSA

Dear Sir:

This letter is in reply to your letter of April 8, 1955 addressed to Mr. Walworth Barbour requesting that legislation now under consideration within the executive branch of the United States Government looking toward a limited return of the vested German assets, include a provision for a bulk settlement of the heirless property claims now permitted on an individual basis pursuant to Public Law 626.

The legislation to which you refer is in advanced stages of preparation and it is expected that it will be transmitted to the Congress for consideration in the near future. It is not believed practicable, therefore, to attempt to include in this legislation provision for a bulk settlement as you suggest. Your proposal, we believe, merits sympathetic consideration and we have taken the matter up with the Department of Justice. Should it be decided to adopt your proposal, necessary legislation can be submitted to the Congress without regard to the action taken with respect to the assets legislation.

Sincerely yours,

JH
Geoffrey W. Lewis
Deputy Director
Office of German Affairs
Bureau of European Affairs

262.0041

262
Apr 16 1955
Rev
Cat

Mr. Seymour J. Rubin,
Landis, Cohen, Rubin and Schwartz,
1812 Jefferson Place, Northwest,
Washington 6, D.C.

S/S-CR
MAY 19 1955 P.M.

EUR; GER; GEA; *M.P.W.* Woodward; wew

4/18/55

339064

R 6 5 a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

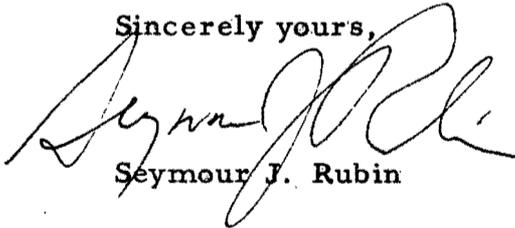
REPRODUCED FROM THE NATIONAL ARCHIVES

the United States Government, in implementing the Congressional policy of turning over heirless property for charitable purposes, also must undertake, under present procedures, a large administrative burden. This burden is so large indeed as to occasion legitimate fear that it may well delay implementation of the Act and realization of the proceeds which are to be expended for surviving victims of Nazi persecution.

Under these circumstances, it would seem appropriate that such legislation as may now be under consideration within the Executive branch, looking toward return of the property of German individuals, include a provision or provisions authorizing and directing a bulk settlement of the heirless property claims. Once the return program described in the Department's press release is effectuated, claims will, by definition, have been filed for all individually held German assets in the United States (up to the limit of \$10,000), other than those held from Eastern Germany or those assets which are heirless. The Eastern German category could, it would seem, be easily dealt with. The remaining amount of unclaimed, and therefore presumptively heirless, property is very likely to be substantially in excess of the \$3 million limit which has been set by Public Law 626. Under these circumstances, it would seem desirable from all points of view that a bulk settlement be worked out with the Jewish Restitution Successor Organization as a means of cutting through masses of red tape, which is otherwise likely both to delay attainment of the object of relief expenditures and burden the agencies, charitable and governmental, which must be concerned with this problem.

It is the intention of the JRSO to continue, of course, with its efforts to achieve implementation of Public Law 626 to the extent possible. I suggest, however, that the above proposal might be considered as a policy matter, and might be the subject of consultation prior to submission to the Congress of the Executive position on the above-mentioned legislation.

Sincerely yours,



Seymour J. Rubin

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

339066

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

Public Law 626 - 83d Congress
Chapter 830 - 2d Session
S. 2420

AN ACT

To amend section 32 of the Trading With the Enemy Act, as amended.

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 subdivision (C) or (D) of subsection (a) (2) thereof. An organization so designated shall be deemed a successor in interest by operation of law for the purpose of subsection (a) (1) hereof. Return may be made, to an organization so designated, (a) before the expiration of two years from the vesting of the property or interest in question, if the President or such officer or agency as he may designate determines from all relevant facts of which he is then advised that there is no basis for reasonable doubt 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 the expiration of such time, if no claim for the return of the property or interest is pending. Total returns pursuant to this subsection shall not exceed \$3,000,000.

Trading With
Enemy Act,
amendment,
60 Stat. 50,
50 USC app. 32.
Return of prop-
erty.
Successor or-
ganizations.

68 Stat. 767.
68 Stat. 768.

"No return may be made to an organization so designated unless it files notice of claim before the expiration of one year from the effective date of this Act and unless it gives firm and responsible assurance approved by the President that (i) the property or interest returned to it or the proceeds of any such property or interest will be used on the basis of need in the rehabilitation and settlement of persons in the United States who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a) (2) hereof; (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 whom the President or such officer or agency shall determine to be eligible under section 32 to claim as owner or successor in interest to such owner, by inheritance, devise, or bequest; (iii) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the property or interest returned to it or the proceeds of any such property or interest) and permit such examination of its books as the President or such officer or agency may from time to time require; and (iv) will not use such property or interest or the proceeds of such property or interest for legal fees, salaries or any other administrative expenses connected with the filing of claims for or the recovery of such property or interest.

Notice of
claim, etc.

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

60 Stat. 925.

"As used in this subsection, 'organization' means only a nonprofit charitable corporation incorporated on or before January 1, 1950, under the laws of any State of the United States or of the District of Columbia with the power to sue and be sued."

50 USC app. 34.
"Organization".

SEC. 2. The first sentence of section 33 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby

60 Stat. 925.
50 USC app. 33.

339067

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

JANUARY 13, 1955

JAMES C. HAGERTY, PRESS SECRETARY TO THE PRESIDENT

THE WHITE HOUSE

The President today signed an executive order designating the Jewish Restitution Successor Organization (JRSO), a New York charitable membership corporation, as an organization authorized to receive unclaimed property as successor in interest of certain deceased victims of Nazi persecution which is held by the Attorney General under the Trading with the Enemy Act. The President's action was taken pursuant to Public Law 626, 83d Congress, approved August 23, 1954, amending section 32 of the Trading with the Enemy Act. The President has also authorized the Attorney General to administer the act.

Previous legislation enacted by Congress permits the Attorney General to return enemy property seized during World War II in cases where the owners of the property belonged to groups which were persecuted by the Nazi Government or the governments of other enemy countries. Where such owners have died, the Attorney General may make returns to their heirs. However, in some instances, the seized property is unclaimed because there are no surviving heirs. Public Law 626 authorizes the transfer of such "heirless" property to one or more American nonprofit charitable organizations designated by the President, for use in the rehabilitation and settlement, on the basis of need, of persons in the United States who are survivors of persecuted groups. Safeguards are provided, however, for retransfer of the property should it subsequently appear that there are eligible heirs.

Public Law 626 is similar to Military Government Law 59 which was put into effect in the United States Zone of Occupied Germany in 1947. Under the program made possible by Law 59, unclaimed property of deceased Jewish victims of Nazi persecution was turned over to JRSO to be devoted to the relief of the survivors among such victims. JRSO, which was founded in 1947 by leading Jewish welfare groups in this country in anticipation of Law 59, made an excellent record in carrying out that program. JRSO's work in Germany has commended it to the President for designation to carry out similar work in this country under Public Law 626.

more

339068

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 5 a
CDF, 1955-59
Box 1070
File 262.0041

Dr. Frederick Wallach, Attorney
73-50 Bell Boulevard
Bayside 64, New York

Star
[Signature]

Urgent

May 10, 1955

Mr. Judson C. Jones
Office of German Affairs
Bureau of European Affairs
U.S. Department of State
Washington, D.C.

Reply Drafted

also include
AMEMB. Bonn.

RE: GEA 262.0041/3-855

File
5/12/55
Encl: Mr. Jones: [unclear]

Dear Mr. Jones:

Reference is made to your letter dated March 29, 1955 promising that I would be given an opportunity to submit a brief concerning the third draft of the law regarding monetary restitution liabilities of the Reich. To-day, I received by the courtesy of the Bundesminister der Finanzen in Bonn a copy of the third draft together with a notification that inter-Allied conversations on this third draft are going to start within the next few days.

This makes it perfectly clear that I will not be granted the opportunity to submit a brief in time. May I ask you, therefore, to forward the following observations and summary on the so-called third draft to the competent U.S. authorities in Germany whose job it is to negotiate in this matter with the Federal Republic of Germany.

The third draft has introduced 2 additional outrageous provisions, which are clear violations of the Settlement Conventions.

First, a new § 15, a) is granting a privileged position and preference as to maturities to the so-called "successor organizations", in violation of Chapter 3, Art. 4, Par 1, a of the Settlement Convention, establishing that "all" claims are to be equally satisfied. This proves the point that again the proponents of collective restitution (the State of Israel, the "Material Claims Conference", and the "Successor Organizations" which are in personal union with the former) are pre-empting the benefits of a bill which is supposed to satisfy individual restitution claims. The Department is urged to put the interests of American citizens and of individual restitution first. It is referred to Par 4 of my letter of April 5, 1955 that priorities of any kind-also in the German opinion- are violating the Settlement Convention and that it is up to the Federal Republic of Germany to find ways to satisfy the conflicting international compacts which it has concluded in this respect. The State

339069

262-0041/5-1055
RM/R
Central Files
Document

262-0041-51055

R 6 5 a
CDF, 1955-59
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Department, in any case, should stand on its treaty and not on that of the State of Israel.

Second, The third draft has smuggled-in in Article 9, Par 1, last 11 words, a "Trojan horse" intending to subvert the 1:1 conversion of damage claims, in clear violation of Chapter 3, ~~Part~~ Article 4, Par 2, last sentence, of the Settlement Convention. It is requested to drop or at least authentically construe these last 11 words.

The additional main objections to the bill are:

1. The Postponement of Payments until 1965 is unjustified.
2. § 1 a) limits, in violation of the at least moral if not legal obligation of Chapter 2, Article 2, last sentence, of the Settlement Convention, the compensation "finally" to DM 1.5 billion, including additional categories within this limitation.
3. The bill introduces in clear violation of Articles 2 and 3, pars 2 and 6 of Chapter 3 of the Settlement Convention- a monstrously dilatory administrative procedure. On top of the administrative procedure before the restitution authorities- cf. for instance § 12 - it puts a second administrative procedure before the Oberfinanzdirektion. To make this still worse, no claimant has the right to a non-action suit should either or both of the administrative authorities postpone an award for up to 10 years, following the sad example of the German indemnification authorities. Only a f t e r the Oberfinanzdirektion has handed down a decision in its own sweet and arbitrary time, can the claimant resort to the courts, provided, he is still alive. All this is "justified" by this other infamous "Trojan horse", Art 4 Par 3, last sentence of the Settlement Convention, which provision, however, deals only with the maturity of "all" claims and is no Magna Charta for the creation of ridiculous and monstrous administrative procedures. Art. 3, par 6 of Chapter 3 of the Settlement Convention clearly states:

"...no changes shall be made with regard to existing establishments and administrative procedures which would in any way impede or endanger the full and expeditious implementation of the programmes referred to in Art 2."

4. The bill, in § 1, par 2 and numerous other provisions, is granting the German bureaucracy the right to abrogate unilaterally the principle of r e s j u d i c a t a. If the German Gov't need not respect prior judgments and settlements, why not grant a right of annulment also to the claimants many of whom have accepted pitiful "settlements" since most claimants considered in the past restitution claims against the defunct Reich as worthless.

It is asked to forward this letter as soon as possible to the competent official in Germany so that it still can be considered in time for the negotiations with the Federal Republic. Should the Department of State make the restitution claims of American citizens worthless by not protecting them in the above points, then these citizens will have to resort to the U.S. courts because of violation of their constitutional rights as granted by the 5th and 7th Amendments.

Sincerely yours,

Tehmit Wallace

1 ENCL (copy)

R 6 5 a
CDF, 1955-58
Box 1070
File 262.0041

339070

May 13 1955

In reply refer to
GKA

RM IR

Dear Dr. Wallach:

I have forwarded to the American Embassy at Bonn, Germany, as you requested, a copy of your letter of May 10, 1955 setting forth your observations concerning the third provisional draft of the German law on the discharge of monetary liabilities of the German Reich arising out of restitution legislation.

Sincerely yours,

[Signature]
Julian C. Jones
Office of German Affairs
Bureau of European Affairs

47
[Handwritten initials]

Dr. Frederick Wallach,
Attorney,
73-50 Bell Boulevard,
Bayside 61, New York.

MRW
EUR:GER:GEA:ESS tarriew

5/12/55

S/S-CR *[Signature]*

MAY 13 1955 P.M.

262
RM/R
Central
Files
Returned to
CS/E

262.0041/5-1055

R 6 5a
CDF, 1955-59
Box 1070
File 262.0041

339071

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH
PRIORITY

UNCLASSIFIED
(Security Classification)

DO NOT TYPE IN THIS SPACE

262.0041/6-355

FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY BONN

2581
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

June 3, 1955
DATE

REF :

EUR INDEX

JUN. 6. 1955

For Dept. Use Only	ACTION LAR-9	DEPT. AIR-2, RM/R-2, OLIV*, E-4, L-2
	REC'D 6/9	

SUBJECT: Bulk Settlement of Monetary Restitution Claims Against the German Reich

Attached are translations of four letters exchanged between the Federal Ministry of Finance and the JRSO concerning the bulk settlement of monetary restitution claims against the German Reich filed by the JRSO and the JTC. Part II of the letter of December 9, 1954 from the Federal Ministry of Finance contains the principles within which an agreement is to be worked out. This was supplemented by a further letter on March 18, 1955. JRSO agreed in principle to the basic terms of the settlement which are the following:

1. The Federal Republic is to pay to the Jewish Successor Organizations 10% of the total amount which is paid to individual claimants under the Reich Liability Law, subject to the DM 1.5 billion limitation. This means that the maximum amount which the Successor Organizations can receive is DM 136.37 million, i.e. 10% of DM 1363.70 million, the total of these two sums being DM 1.5 billion.
2. The amounts claimed by the Laender of the U.S. Zone to whom the JRSO has assigned its Reich claims shall be deducted from the total amount due the Successor Organizations, but only to the extent to which the JRSO has actually received payments from the Laender.
3. The Federal Republic shall pay DM 75 million within the first half of the period prescribed in the Reich Liability Law for the satisfaction of monetary restitution claims against the Reich. All payments are to be made to the JRSO and JTC jointly.
4. The Jewish Successor Organizations in return shall waive all claims arising within the provision of the Reich Liability Law.
5. There are also certain undertakings by the Successor Organizations relating to claims of third parties in cases where the Reich is liable as joint debtor; claims against individual restitutors from whom the Reich acquired the confiscated property; claims against the Reich or the

R. J. M.
RF Moores/rw
REPORTER

UNCLASSIFIED

FILED

JUL 6 1955

ACTION COPY—DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

This Document Must Be Returned

262.0041/6-355

LWC

R 6 59

CDF, 1950-54 1955-a

Box 1070

File 262.0041

339072

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCTION OF THIS DOCUMENT IS PROHIBITED

____ of

Esp. No. _____
From _____

UNCLASSIFIED
(Classification)

Page 2 of
Desp. No. 2581
From AMEMBASSY BONN

Reichsbank arising out of the invalidation of Reichsbank shares; and claims possibly arising from failure to report pursuant to Article 73 of U.S. MG Law No. 59 and comparable provisions of the other restitution laws.

Knox Lamb
Knox Lamb
General Counsel

RECEIVED
OFFICE OF THE
MONETARY RECONSTRUCTION COMMISSION
WASHINGTON, D.C.

Enclosures:

- 1. Three copies of letter from Federal Ministry of Finance dated December 9, 1954.
- 2. Three copies of letter from Federal Ministry of Finance dated March 18, 1955.
- 3. Three copies of letter from JRSO to Federal Ministry of Finance dated April 4, 1955.
- 4. Three copies of letter from Federal Ministry of Finance dated April 23, 1955.

The amounts claimed by the holders of the Reichsbank shares and the Reichsbank claims are to be satisfied by the Federal Republic of Germany and its Successor Organizations, in whole or in part, to the extent that the Federal Republic has actually received payments from the Reich.

The Federal Republic shall pay DM 75 million within the period of one year from the date of the entry into force of the Reich Liability Law for the satisfaction of monetary restitution claims against the Reich. All payments shall be made to the JRSO and JTC jointly.

The Federal Republic shall return to the JRSO and JTC the property and assets which have been received from the Reich.

There are also certain unliquidated claims of the Federal Republic against the Reich and its Successor Organizations, which are to be satisfied by the Federal Republic to the extent that it has actually received payments from the Reich.

[Handwritten signature]

UNCLASSIFIED

R 6 59
CDF, 1950-54
Box 1070
File 267.0041

339073

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

LAW OFFICES
LANDIS, COHEN, RUBIN AND SCHWARTZ

1832 JEFFERSON PLACE, N. W.

WASHINGTON 6, D. C.

STERLING 3-5905

June 24, 1955

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

James
Pls reply
[Signature]

Op/R
Central
7-165

This Document Must Be Returned to
262.0041/6-2455

reply drafted
file
7/6/55
Gen: Gen: Gen:
EdStan: WEA

Mr. Daniel F. Margolies
Office of German Affairs
Department of State
Washington 25, D. C.

Dear Dan:

Upon my return I found upon my desk a letter from Geoff Lewis, under date of May 20, referring to my letter of April 8, 1955, addressed to Wally Barbour. In my letter, I suggested the possibility that the proposed legislation for a limited return of vested German assets might include a provision authorizing and directing the Office of Alien Property to make a bulk settlement of the heirless property claims, now permitted on an individual basis under Public Law 626.

I note that the legislation which was merely proposed at the time of my letter and of Geoff's reply has now been introduced by Representative Priest. I would appreciate very much being informed of the legislative situation with respect to the proposed legislation, to the extent that the Department is able to furnish such information. In this connection also, I would very much appreciate, when you have time, such comment as the Department might make on its conversations with the Department of Justice with respect to my proposal.

I shall, of course, attempt to follow the legislation myself by keeping in touch with the relevant Committees in the Congress.

Sincerely yours,

[Signature]
Seymour J. Rubin

FILED
AUG 18 1955

DC/R
Anal *uv*
Rev
Cat *Hm*

CS/HM

262.0041/6-2455

R 65a 1955-9
CDF, ~~1950-54~~
Box 1070
File 262.0041

339074

DECLASSIFIED
Authority *MD 969003*
By *TB* NARA Date *6/19*

In reply refer to
GMA

July 14 1955

Dear Mr. Townsend:

I refer to Mr. Lewis' letter to you of May 20, 1955 with which was enclosed a letter dated April 8, 1955 from Mr. Seymour Rubin proposing a bulk settlement of the heirless property claims now permitted on an individual basis pursuant to Public Law 626.

Enclosed is a copy of a second self-explanatory letter from Mr. Rubin concerning this proposal.

The Department would appreciate receiving your views on this question.

Sincerely yours,

Jacques J. Reinstein
Acting Director
Office of German Affairs
Bureau of European Affairs

Enclosures:

Copy of letter from
Mr. Rubin, June 24, 1955.

The Honorable
Dallas Townsend,
Assistant Attorney General,
Office of Alien Property.

EUR:GER:GIA:MFWoodward:gd 7/13/55

This Document Must Be Returned to
DC/R
Central
Files
262-0041/6-2455

SS/R
Rev
Ger

S/S-CR
JUL 14 1955 P.M.
US/HHH

R 6 5 a
CDF, 1950-54
Box 1070
File 262.0041

339075

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

COPY

LAW OFFICES ~~July 14 1955~~
LANDIS, COHEN, RUBIN AND SCHWARTZ
1832 Jefferson Place, N.W.
Washington 6, D.C.

June 24, 1955

Mr. Daniel F. Margolies
Office of German Affairs
Department of State
Washington 25, D.C.

Dear Dan:

Upon my return I found upon my desk a letter from Geoff Lewis, under date of May 20, referring to my letter of April 8, 1955, addressed to Wally Barbour. In my letter, I suggested the possibility that the proposed legislation for a limited return of vested German assets might include a provision authorizing and directing the Office of Alien Property to make a bulk settlement of the heirless property claims, now permitted on an individual basis under Public Law 626.

I note that the legislation which was merely proposed at the time of my letter and of Geoff's reply has now been introduced by Representative Priest. I would appreciate very much being informed of the legislative situation with respect to the proposed legislation, to the extent that the Department is able to furnish such information. In this connection also, I would very much appreciate, when you have time, such comment as the Department might make on its conversations with the Department of Justice with respect to my proposal.

I shall, of course, attempt to follow the legislation myself by keeping in touch with the relevant Committees in the Congress.

Sincerely yours,

/s/ Seymour J. Rubin

R 6 5a

CDF, 1950-54

Box 1070

File 267.0041

339076

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

SURFACE POUCH

UNCLASSIFIED

DO NOT TYPE IN THIS SPACE

PRIORITY

(Security Classification)

FOREIGN SERVICE DESPATCH

262.0041/6-2855

FROM : AMEMBASSY BONN

2756

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

June 28, 1955

DATE

REF :

JUN. 29

File
KJ/C/R
General
Files

This Document Must Be Returned To

262.0041/6-2855

42 For Dept. Use Only	ACTION FOR-4A REC'D 11/2	DEPT. RM/R.2 O.LI.6 S.C.S.2 L.2	OTHER
-----------------------------	-----------------------------------	---	-------

SUBJECT: Office of General Counsel Monthly Reports

There are attached hereto for the information of the Department five copies each of the following reports:

Property Control Statistical Report, 31 May 1955;

Monthly Statistical Internal Restitution Report (U.S. MG. Law 59 and Western Berlin) as of May 31, 1955 (with the following annexes: (1) Types and Estimated Values of Property Restituted, (2) Distribution of Values by Nationality or Residence of Restitutees);

two summary reports - Internal Restitution.

Knox Lamb
Knox Lamb
General Counsel

Enclosures: *vot*

1. Property Control Report.
2. Internal Restitution Report.
3. Two summary reports.

DEPARTMENT OF STATE

1955 JUN 5 PM 1 12

OFFICE OF EUROPEAN AFFAIRS
MESSAGE CENTER

R. E. M.
RF Moores/rw
REPORTER

UNCLASSIFIED

ACTION COPY—DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

FILED
LWC
AUG 10 1955

7-10

(Individual plus successor organizations)	7,018 cases	37,546,447
(Including mine equipment)	800 cases	3,595,777
(Including German wrapped in)	2,352 cases	22,505,437
(Including German wrapped in)	1,779 cases	19,274
(Including (1001))	112 cases	4,247,459

*) Including 11,700 cases against...

R 6 5A
CDF, ~~1000~~
Box 1070
File 262.0041

339077

DECLASSIFIED
Authority NND 969003
By TB NARA Date 6/19

Internal Restitution Status in Eastern Berlin

I. Total (Individual plus Successor Organizations)

Total cases which have come before the restitution authorities	152,695	
Final dispositions:		
amicable settlements	6,269	
decisions in favor of claimants	6,222	
dismissals in favor of claimants	25,320	
withdrawals	46,597	
referrals to authorities of Fed Rep	3,247	87,819
Cases pending		66.2%
		44,076

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities	37,493	
Final dispositions:		
amicable settlements	5,083	
decisions in favor of claimants	6,246	
dismissals in favor of claimants	12,658	
withdrawals	5,484	
referrals to authorities of Fed Rep	535	28,584
Cases pending		76.2%
		8,909

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities	34,646	
Final dispositions:		
amicable settlements	125	
decisions in favor of claimants	1,022	
dismissals	12,515	
withdrawals	7,371	
referrals to authorities of Fed Rep	1,940	22,102
Cases pending		63.9%
		12,503

IV. Cases of Successor Organizations

Total cases which have come before the restitution authorities	60,556	
Final dispositions:		
amicable settlements	7,226	
decisions in favor of claimants	1,061	
dismissals	854	
withdrawals	151	
referrals to authorities of Fed Rep	38,322	37,098
Cases pending		61.2%
		23,464

V. Estimated Value of Property Restituted Individual Compensation Made Thereof:

Individual claimants	DM 250,109,015
Successor Organizations	DM 9,732,115
Total Total	DM 267,841,130

VI. Estimated Value of Judgments and Awards against the Reich (Individual plus Successor Organizations)

a) DM cases	3,595,777
b) RM (all values expressed in DM) non-convertible RM	19,516
c) RM (10:1)	4,244,459

*) Including 11,705 claim against the Reich.

339078

R 6 5 a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority: MD 969003

By TB NARA Date 6/19

INTERNAL RESTITUTION STATISTICS

(U.S. MC 147-52)

as of May 31, 1955

I. Total (Individual plus JRSO Cases)

Total cases which have come before the restitution authorities 195,626

Final dispositions:

amicable settlements	44,250	
decisions in favor of claimants	11,899	
dismissals	6,469	
withdrawals	39,215	
JRSO bulk settled	<u>60,220</u>	

163,453 83.5% ^{*} completed

Cases pending 32,193

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities 57,724

Final dispositions:

amicable settlements	29,340	
decisions in favor of claimants	5,061	
dismissals	6,067	
withdrawals	<u>14,295</u>	

54,763 94.9%

Cases pending 2,961

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities 24,644

Final dispositions:

amicable settlements	7,594	
decisions in favor of claimants	5,485	
dismissals	2,276	
withdrawals	<u>4,442</u>	

19,797 80.3%

Cases pending 4,847

IV. Cases of JRSO

Total cases which have come before the restitution authorities 113,250

Final dispositions:

amicable settlements	7,296	
decisions in favor of claimants	793	
dismissals	126	
withdrawals	20,470	
JRSO bulk settled	<u>60,220</u>	

88,873 78.5%

Cases pending 24,385 *)

V. Estimated Value of Property Restituted including Compensation made therefor:

Individual claimants	DM 867,584,935
J R S O	DM 29,667,146
JRSO receipts on account of bulk settlements	DM 43,609,153
Total	<u>DM 940,861,234</u>

VI. Estimated Value of Judgments and Awards Against the Reich

a) DM	7,518 cases	DM 57,946,661
b) DM (DM value expressed in non-convertible RM)	2,552 cases	DM 82,325,427
c) RM (10:1)	3,709 cases	DM 94,233,563

*) Including 23,070 claims against the Reich.

339079

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

DO NOT TYPE IN THIS SPACE

PRIORITY

(Security Classification)

FOREIGN SERVICE DESPATCH

262.0041/6-3055

FROM : AMEMBASSY BONN

EUR INDEX

2769
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

June 30, 1955 JUL. 5. 1955

REF : AMEMBASSY BONN Despatch No. 2436, May 16, 1955

47 For Dept. Use Only	ACTION	DEPT.	I N F O T H E R	K/R. 2 OLI-6 E-4 L-2	DC/R Central Files
	REC'D	OTHER			
	7/8	OCIA-5		TR-3 OAP-3	

SUBJECT: Internal Restitution - Claims Against the Former Reich

For various reasons the negotiations between representatives of the German Federal Government and the Conference on Jewish Material Claims against Germany, which were to have been undertaken immediately following the meeting reported in reference despatch, have not taken place.

We are concerned that the delay may cause consideration of the proposed law by the Bundestag to be deferred to 1956. Accordingly on June 29, 1955 an Embassy officer called informally upon an official of the German Foreign Office (Dr. Brueckner, who heads the German delegation) to express the hope that the negotiations would begin soon. The Foreign Office official explained that the delay was unavoidable but assured us that a meeting with the Material Claims Conference would take place in the early part of July. He reaffirmed the intention of the German Federal Government to introduce the law in time to permit enactment before the end of the year.

Knox Lamb
Knox Lamb
General Counsel

RECEIVED
DEPARTMENT OF STATE

1955 JUL 8 PM 3 59

DC/R
RECORDS BRANCH

DEPARTMENT OF STATE

1955 JUN 10 PM 4 09

OFFICE OF EUROPEAN AFFAIRS
MESSAGE CENTER

OFFICIAL USE ONLY

ACTION COPY—DEPARTMENT OF STATE

R. J. M.
RF Moores/rw
REPORTER

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

This Document Must Be Returned To
262.0041/6-3055

FILED
OCT 21 1955

7-21

262.0041/6-3055
LWC

R 6 59 1955-9 339080
CDF, ~~1070~~
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Personal please,
if possible

LYNWOOD, KING STREET, B
COMBEMARTIN, N. DEVON
24 VI 1955

To President JUL 31 1955
D. EISENHOWER
Whitehouse, Washington
Dear Sir,

no record
in W.H. files

Having written to you in
September 1954, stating our claims for
restitution (compensation) for total
loss of all possessions through con-
fiscation (unjustified) on part of
Nazi agents, I now venture to
appeal to you again for help in
recovering our losses.

In spite of your request to
Germany, some months ago, to speed
up payments of outstanding compen-
sation, the German authorities, after
stalling for years, have now sent me
the enclosed document, repudiating
our rights (as you will see in document)
by stating that we dealt with the
wrong department and that the one
responsible for such claims as ours,
has been out of action for years.

The document is a jumble
of words. I repeatedly mentioned
Rück erstattung and Wiedergutmachung.
Why was I not informed, had I
really been negotiating with the
wrong

278822

262.0041/6-2455

AUG 22 1955

PTJ:MD

262.0041/6-2455

339081

R 6 59 1955-a
CDF, ~~1955-4~~
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

our Kluge (case), if would depend
on our payment in advance,
for costs. Knowing us to be poor,
improvvised by highhanded, brutal
maxi action, they have the audacity
to demand advance payment to up-
hold a case, which earlier in the
same document they repudiate.
Is there no limit to their greed
and treachery?

How dare any debtor presume
to dictate to the claimant, the
amount, he or she, has the right to
claim? The debtor can not assess
the value of losses. To put a limit
of 45,000 Marks on such losses as ours,
is ridiculous.

I uphold our rights to claim
restitution in lieu of our confiscated
property (mobile) in the (underesti-
mated) sum of \$150,000 = 600,000 Marks.
\$150,000 = 600,000 marks. for my
mother, Bertha Heinemann,
my brother, Egon Heinemann
a myself E. M. S. Hallam,
née Heinemann

etc:

262.0041/6-2455

AUG 22 1955

FILED

339082

262.0041/6-2455

R 6 5 a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

Please Mr. President, help us! we are in such desperate need, and speedy recovery of losses (long overdue) is very urgent. My mother, in her nineties, and seriously ill, without medical help, begs me to come to see her in the States. I can scarcely afford a bus-ride, let alone a trip to Arkansas.

Thank you for anything you may do to help us.
God Bless!

Faithfully yours

E. M. S. Hallam (Mrs.)

now: "LYNWOOD",
formerly "Brookside",
COMBE MARTIN,
N. DEVON

262.0041/6-2455

AUG 22 1955

FILED

262.0041/6-2455

339083

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19



DEPARTMENT OF STATE INSTRUCTION

613

UNCLASSIFIED

NO. A-50 August 8, 1955

SUBJECT Letter to President from Mrs. E. M. S. Hillen

TO The American Embassy, London

Attached herewith is a copy of a letter dated June 24, 1955 to the President from Mrs. E. M. S. Hillen, Ignwood, Cockermouth, North Devonshire, requesting assistance in recovering certain losses which she sustained in Germany. A search of the Department files has failed to reveal any previous correspondence on this case.

It would be appreciated if the Embassy would make an appropriate acknowledgment of the receipt of Mrs. Hillen's letter to the President and reply somewhat along the following lines:

The administration of the restitution and indemnification program is a German responsibility. The restitution and compensation laws are administered by German agencies created for that purpose and are enforced by the German courts which are part of the German judicial system. These laws afford adequate protection to the rights of claimants. In view of these safeguards the United States Government has followed a policy of not interfering in the administration of the restitution and indemnification program and has not intervened for any particular claimant except where there is a showing of an arbitrary denial of the remedies provided under the restitution law or discrimination against a claimant in their application. The information set forth in your letter fails to reveal a basis for intervention in the matter. It is noted that you have been informed what legal remedy is available to you in Germany and it is believed that if you are not satisfied with the ruling in this case, this is a matter to be pursued with the German indemnification authorities in Germany.

The Department is not in a position to express an opinion whether your claims fall within the scope of restitution or indemnification legislation. However, your attention is invited to the fact that the German Federal Government has drafted legislation pertaining to the payments of claims against the German Reich arising

out

This Document Must Be Returned to
DOR
General
262.0041/6-2455
OS/E



UNCLASSIFIED

WST/S/S-GR
AUG 8 1955 P.M.

262.0041/6-2455

DRAFTED BY: [Signature]
EUR:GER:GEA:ISStarr:wev
CLEARANCES

APPROVED BY: GEA - Judson C. Jones

DEPARTMENT FILE COPY

R 6 59
CDF, 1950-54 339084
Box 1070
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

DEPARTMENT OF STATE INSTRUCTION

DECLASSIFIED

Page 2

out of German restitution legislation. The law, as presently drafted, provides among other things for the filing of claims by persons who would have had a monetary restitution claim against the German Government for damages but failed to file a petition within the period prescribed by the restitution law enacted in Western Germany. Apart from the question of whether your claim would have been cognizable under German restitution legislation, since the draft law is under active consideration at the present time, the Department is not in a position to indicate whether it will afford relief to you. It is assumed, however, that suitable publicity will be given to acquaint residents of the United Kingdom with the types of claims covered by legislation enacted in this regard, eligibility requirements and claim and where they may submit their claims.

Enclosure

✓ Letter from Mrs. Ballin,
June 14, 1955.

10423

DECLASSIFIED

PRACEREX

APPROVED EXX

YCLEARRANCEEX

DEPARTMENT FILE COPY

R 6 5a
CDF, 1950-54
Box 1070
File 262.0041

339085

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

SURFACE POUCH

UNCLASSIFIED

DO NOT TYPE IN THIS SPACE

PRIORITY

(Security Classification)

FOREIGN SERVICE DESPATCH

262.0041/7-2855

FROM : AMEMBASSY BONN

190

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

July 28, 1955

DATE

REF

EUR INDEX

JUL 29 1955

For Dept.	ACTION	DEPT.
Use Only	REC'D	IN
	8/20	RM/R2 041-6 SCS-2 L-2
		OTHER

This Document Must Be Returned to DC/R Central Files 262.0041/7-2855

SUBJECT: Office of General Counsel Monthly Reports

There are attached hereto for the information of the Department five copies each of the following reports:

Property Control Statistical Report, 30 June 1955;

Monthly Statistical Internal Restitution Report (U.S. MG Law 59 and Western Berlin) as of June 30, 1955 (with the following annexes: (1) Types and Estimated Values of Property Restituted, (2) Distribution of Values by Nationality or Residence of Restitutees);

Cumulative Statistical Report on Claims under the Federal Compensation Law (BEG) for the period of October 1, 1953 - March 31, 1955;

three summary reports - Internal Restitution and Compensation.

Knox Lamb
General Counsel

Enclosures:

1. Property Control Report.
2. Internal Restitution Report.
3. Compensation Report.
4. Three summary reports.

Handwritten notes and stamps: "Digital", "APR 20 1955", "JRH", "HP", "HP", "HP", "LWC" (written vertically)

RF Moores/rw
REPORTER

UNCLASSIFIED

ACTION COPY—DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

VI. Estimated Value of Judgments and Awards against the Reich

a) All cases 7,138 cases \$ 59,110,990

b) All (RE value expressed in non-convertible DM)

c) All (10:1)

Box 1070
File 262.0041

339086

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

INTERNAL RESTITUTION STATUS
 U.S. DEPT. OF JUSTICE
 as of June 30, 1955

Brown Dept 190
208

I. Total (Individual plus JRSO Cases)

Total cases which have come before the restitution authorities 133,658

Total cases which have come before the restitution authorities 195,856

Final dispositions:

amicable settlements	6,378	
decisions in favor of claimants	64,511	
dismissals	11,586	
withdrawals	8,509	
JRSO bulk settled	39,376	91,520
	60,247	164,029
		83.7%

Cases pending: 31,827

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities 57,805

Final dispositions:

amicable settlements	69,417	
decisions in favor of claimants	5,080	
dismissals	6,090	
withdrawals	16,361	
JRSO bulk settled		54,924
		95.0%

Cases pending: 2,881

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities 24,782

Final dispositions:

amicable settlements	7,799	
decisions in favor of claimants	5,543	
dismissals	2,293	
withdrawals	4,549	
JRSO bulk settled		20,183
		81.4%

Cases pending: 4,599

IV. Cases of JRSO

Total cases which have come before the restitution authorities 113,269

Final dispositions:

amicable settlements	7,299	
decisions in favor of claimants	763	
dismissals	125,082	
withdrawals	20,487	
JRSO bulk settled	60,247	88,922
		78.5%

Cases pending: 24,347

V. Estimated Value of Property Restituted including Compensation paid therefor

Individual claimants	DE 868,997,160
JRSO	DE 29,667,746
JRSO receipts on account of bulk settlements	DE 43,609,159
Total	DE 942,274,065

VI. Estimated Value of Judgments and Awards against the Reich

a) DE	DE 59,110,998
b) DE (DE value expressed in non-convertible DM)	DE 84,449,149
c) DE (10:1)	DE 97,562,468

Including 25,847 claims against the Reich

R 6 5 a
 CDF, 1950-54
 Box 1070
 File 262.0041

339087

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

Internal Restitution Status in Western Berlin

as of June 30, 1955
October 1, 1955

I. Total (Individual plus Successor Organizations)

Total cases which have come before the restitution authorities	133,690	
Final dispositions:		
amicable settlements	6,376	989,800
decisions in favor of claimants	6,432	26,806
dismissals	25,992	completed
withdrawals	49,676	57,006
referrals to authorities of Fed Rep	3,250	16,992
	<u>91,326</u>	<u>16,683%</u>
Cases pending	42,364	33,601

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities	37,521	48,915
Final dispositions:		
amicable settlements	1,162	965
decisions in favor of claimants	3,306	5,535
dismissals	4,868	1,534
withdrawals	15,901	2,835
referrals to authorities of Fed Rep	17,911	10,867
	<u>28,751</u>	<u>76.6%</u>
Cases pending	8,770	23,760

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities	35,606	213
Final dispositions:		
amicable settlements	126	87
decisions in favor of claimants	1,168	201
dismissals	7,446	181
withdrawals	1,042	706
referrals to authorities of Fed Rep	2,491	521
	<u>22,353</u>	<u>62.0%</u>
Cases pending	13,253	

IV. Cases of Successor Organizations

Total cases which have come before the restitution authorities	60,563	6
Final dispositions:		
amicable settlements	1,082	3
decisions in favor of claimants	958	11
dismissals	18,159	3
withdrawals	36,329	21
referrals to authorities of Fed Rep	11,694	7
	<u>40,222</u>	<u>66.4%</u>
Cases pending	20,341	*)

V. Estimated Value of Property Restituted, including Compensation made therefor

Individual claimants	19,720,101	47,850,726	239,866,015
Successor Organizations	13,348,847	19,540,110	10,045,548
hardship cases	2,245,488	214,057	2,427,905
Total	<u>25,314,436</u>	<u>67,604,893</u>	<u>252,339,468</u>

VI. Estimated Value of Judgments and Awards against the Reich (Individual plus Successor Organizations)

Total payments	876,000,000	126,120,000	64,385,833
b) RM (DM value expressed in non-convertible RM)	5 cases	RM	20,074
c) RM (10:1)	453 cases	RM	4,385,389

*) Including decisions still subject to appeal.
**) Partial decisions not included.
***) Including all claims against the Reich.

339088

R 6 5a
CDF, 1950-54
Box 1070
File 267.0041

Summary Report on Claims under the Federal Compensation Law

October 1, 1953 - March 31, 1955

		AMERICAN EMBASSY Office of General Counsel Germany	Abroad	Total
I. Claims received and disposed of:				
1. Compensation Agencies				
claims received				989,860
awards				26,186
compromises				3,457
rejections				37,006
other dispositions				16,952
Total dispositions *)				<u>83,601</u>
**)				
***)				
October 1, 1953 to March 31, 1955				
2. Landgerichte				
complaints received	23,782		25,133	48,915
awards	1,570		965	2,535
compromises	3,278		5,535	8,813
rejections	4,286		1,534	5,820
other dispositions	3,779	INDEX:	2,833	6,612
Total dispositions *)	<u>12,913</u>		<u>10,867</u>	<u>23,780</u>
**)				
***)				
3. Oberlandesgerichte				
appeals received	2,500		1,015	3,515
Claims received by Compensation Agencies				
decisions in favor of claimants	161		52	213
compromises	126		87	213
decisions against claimants	379		201	780
withdrawal of appeals				
and other dispositions	615		181	796
Total dispositions *)	<u>1,481</u>		<u>521</u>	<u>2,002</u>
**)				
***)				
4. Bundesgerichtshof				
appeals received	54		15	69
Total payments				
decisions in favor of claimants	5		1	6
compromises	2		-	2
decisions against claimants	8		3	11
withdrawal of appeals				
and other dispositions	18		3	21
Total dispositions **)	<u>33</u>		<u>7</u>	<u>40</u>
***)				

II. Payments (in DM):

loss of life	27,827,018	6,629,493	34,456,511
damage to limb or health	71,673,832	7,701,400	79,375,232
deprivation of liberty	19,728,101	47,857,714	67,585,815
damage to property and possessions	13,540,847	19,548,138	33,088,985
damage to economic prospects	23,835,389	12,024,869	35,860,258
hardship cases	2,243,898	214,007	2,457,905
Total	<u>158,849,085</u>	<u>93,975,621</u>	<u>252,824,706</u>
advance payments	17,582,801	32,153,905	49,736,706
Total payments	<u>176,431,886</u>	<u>126,129,526</u>	<u>302,561,412</u>

- *) Including decisions still subject to appeal.
- **) Partial decisions not included.
- ***) Partial decisions included.

339089

R 6 5 a
CDF, 1950-54
Box 1070
File 267.0041

AIR POUCH
PRIORITY

UNCLASSIFIED
(Security Classification)

DO NOT TYPE IN THIS SPACE

FOREIGN SERVICE DESPATCH

262.0041/7-2855

FROM : AMEMBASSY/BONN 194

TO : THE DEPARTMENT OF STATE, WASHINGTON

July 28, 1955

REF : Bonn Despatch 195 dated July 28, 1955

EUR INDEX

JUL 29 1955

13 For Dept. Use Only	ACTION	DEPT.
	REC'D	OTHER
	EUR-9	RM/R-2 A/REP-2 CLI-6 E-4 L-2 ICA-10
	8-1	TR-3 CIA-5

SUBJECT: Establishment of Federal Authority for the Examination of Foreign Restitution and Restoration Claims

During the meeting in London between the German delegation and foreign creditor representatives (see Reference Despatch) the British inquired if any steps had been taken to establish the Authority provided for in Chapter Ten of the Settlement Convention. The Germans replied that this action had been taken on May 5. In reply to further questions, they admitted that the only publicity that this announcement had received was in the Bundesgesetzblatt, and agreed to investigate the possibility of giving some further publicity to the establishment of this new Agency.

A translation of the announcement is enclosed.

For The Ambassador:

RECEIVED
DEPARTMENT OF STATE

1955 AUG 1 PM 1 50

DC/R
RECORDS BRANCH

last to Bonn
8/25/55
file
Enc: Ser. Gen.
Adltan: DEW

James C. Lobenstine
James C. Lobenstine
First Secretary of Embassy

DISTRIBUTION:

- E:OD 1
- E:FNP 4
- E:CAD 2
- OD:GC 2
- OD:PA 1

All Congens in Germany
USBER

ENCL: As Stated

DEPARTMENT OF STATE
OFFICE OF EUROPEAN AFFAIRS
AUG 3 PM 3 21
Free-NAR
8/25/55

FILED
AUG 01 1955
X JBH
IS
HR
HR
TGB
FT

E:FNP:JCLobenstine/mcl
REPORTER

UNCLASSIFIED

ACTION COPY—DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

339090

R 6 5a 1955-9
CDF, ~~10004~~
Box 1070
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

This document must be returned to DC/R Central Files

262.0041/7-2855

LWC

UNCLASSIFIED

(Classification)

Page 1 of

Encl. No. 1

Disp. No. 194

From AMEMBASSY/BONN

Announcement Concerning Para. 2 of Art. 1 of Chapter Ten
of the Convention on the Settlement of Matters Arising
out of the War and the Occupation.

May 5, 1955.

In accordance with Section I of the Annex to Chapter Ten of the Convention on the Settlement of Matters Arising out of the War and the Occupation (as amended by Schedule IV to the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany - Bundesgesetzblatt 1955, Part II, p. 405 -) in connection with Para 2 of Art 1 of Chapter Ten of this Convention the Federal Authority for the Examination of Foreign Restitution and Restoration Claims has been established as a Federal Higher Authority (Bundesoberbehoerde) to receive, to consider, and to decide on applications for return and restoration under Para. 2 of Art 1 of Chapter Ten of the above-mentioned Convention.

The Federal Authority is under the jurisdiction of the Federal Minister of Justice. It is located in Bonn.

The procedure for the filing and consideration of claims based on the provisions of Art 1 of Chapter Ten of the mentioned Convention and for the satisfaction of awards based on such claims will be governed by the provisions of the Annex to Chapter Ten of the Convention.

Bonn, May 5, 1955.

The Federal Chancellor
and Federal Minister for Foreign Affairs
Adenauer

The Federal Minister for Justice
Neumayer

UNCLASSIFIED

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

R 6 5a

CDF, 1950-54

Box 1070

File 262.0041

339091

AIR POUCH

UNCLASSIFIED

JUL 26 1955

262.0041/7-2655

FROM: AMEMBASSY BONN

179 262.0041/7-2655

13
REC'D
7-29
ACTION
EUR-9
INFO

TO : The Department of State, Washington

July 26, 1955

REF :

EUR INDEX
JCJ

SUBJECT: External Restitution (Chapter Five of Settlement Convention)

RW/R-2
OLI-6
L-2
E-4
ICA-10
CIA-5
TR. 3

The German Foreign Office has informed the Embassy that, pursuant to Article 1 of Chapter Five of the Settlement Convention and Section 1 of the Annex to that Chapter, the Federal Government has established a Federal Agency for External Restitutions.

The German name and the location of that Agency are:

Bundesamt fuer aeussere Restitutionen,
63 Luisenstrasse,
Bad Homburg v.d.H., Germany.

The said Agency will operate under the administrative supervision of the Federal Minister of Finance.

The Foreign Office also informed us that the Treuhandverwaltung fuer Kulturgut in Munich and Bonn will continue to operate within the Foreign Office as a custodian for cultural property.

This Document Must Be Returned To
DC/R
Central
Files
262,0041/7-2655

Henry F. Waldstein
Henry F. Waldstein
Chief
Legal Affairs Division

RECEIVED
DEPARTMENT OF STATE

1955 JUL 29 AM 11 28

DC/R
RECORDS BRANCH

DISTRIBUTION: OGC
E:OD

DEPARTMENT OF STATE
LEGAL AFFAIRS
AUG 2 1955
AM 11 24
NAR
JCJ

Press release issued 8/16/55.

HWaldstein/ah

UNCLASSIFIED

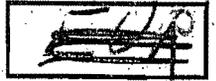
AUG 18 1955
FILED

R 6 59 1955-9
CDF, ~~HEBERT~~
Box 1070
File 262.0041

339092

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

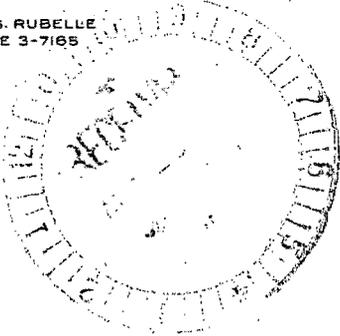
ACTION
is assigned to



LAW OFFICES
RUBELLE & PRATT
431 FIRST NATIONAL BANK BUILDING
PEORIA, ILLINOIS

IRWIN S. RUBELLE
PHONE 3-7165

EUGENE M. PRATT
PHONE 6-8813



August 8, 1955

*Reply drafted
file*

EUR INDEX

*8/25/55 RMR
Cur. by: Gen. [unclear]
Rdster*

The Honorable JOHN FOSTER DULLES,
Secretary of State,
Department of State
Washington, D. C.

Dear Sir:

We have been approached by clients with inquiries regarding reparations to victims of Nazi concentration camps. We are informed by them that a fund has been raised and a procedure developed whereby victims of Nazi persecution who have been expropriated of money and property and have suffered permanent injuries in concentration camps can receive compensation.

Please advise us if this is so, through what department it is handled and what the procedural rules are for that type of claim.

Very truly yours,

RUBELLE & PRATT

By Irwin S. Rubelle

ISR:ps

38

282117

Document Must Be Returned to
262.0041/8-855

OS/K

FILED
SEP 2 - 1955

262.0041/8-855

R6 5a
CDF, 1955-59
Box 1071
File 262.0041

339093

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM THE NATIONAL ARCHIVES

August 26 1955

In reply refer to
GEA 262.0041/8-855

262.0041/8-855

Dear Mr. Rubelle:

The Department has received your letter dated August 8, 1955 requesting information concerning compensation to victims of Nazi persecution for the loss of money and property and damage to health sustained in concentration camps.

While the Department is not in a position to determine whether your clients' claims are covered by German legislation, a general explanation of the situation in the Federal Republic of Germany and the Western Sectors of Berlin regarding indemnification to victims of Nazi persecution may be helpful to you.

On September 18, 1953 the Federal Republic of Germany enacted legislation entitled "Supplementary Federal Law for the Compensation of Victims of National-Socialist Persecution (NSG)". This legislation provides compensation to those who were persecuted because of political conviction or for racial, religious or ideological grounds and who suffered damage or loss of life, limb, health, liberty, possessions, property or economic advancement. To be eligible a claimant must satisfy certain requirements regarding residence in the Federal Republic or be a displaced person or expellee within the meaning of the law. Where a claimant satisfies this and the other requirements of the law he qualifies for compensation from the German authorities.

The Department does not have an English translation of this legislation available for general distribution. However, we are informed that the World Jewish Congress at 15 East Eighty-Fourth Street, New York 28, New York, has prepared for the convenience of claimants residing in the United States an explanatory memorandum of the principal provisions of the law. You may wish to communicate with the World Jewish Congress and request a copy of this memorandum to ascertain whether the claims about which you are inquiring may be

codifiable

CS/HHH

262.0041/8-855

DC/R
Anal 57
Rev
Oct 1954

Mr. Irwin S. Rubelle,
Law Offices
Rubelle and Pratt,
331 First National Bank Building,
Peoria, Illinois.

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041
339094

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM THE NATIONAL ARCHIVES

recognizable under this legislation. In addition the Department has been informed that the German Consulates throughout the United States are supplied with forms for the filing of claims and are in a position to advise claimants on the procedure to be followed. You may therefore write to the German Consulate General, 6 South Michigan Avenue, Chicago 1, Illinois, for advice and guidance in the matter. The time limit for filing claims under the Federal Indemnification Law is October 1, 1955.

The administration of the indemnification program in Germany is a German responsibility, is carried out by German agencies created for that purpose and is enforced by the German courts in Germany.

Sincerely yours,

For the Secretary of State


Julian C. Jones
Office of German Affairs
Bureau of European Affairs

S/S-CR
AUG 26 1955 P.M.

EUR:GER:GEA:JES Starr:wew

8/25/55

339095

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

NETHERLANDS EMBASSY
WASHINGTON 9, D. C.

LEGAL ADVISER
7/AUG 15 1955
8/57
DEPARTMENT OF STATE

ACTION
is assigned to

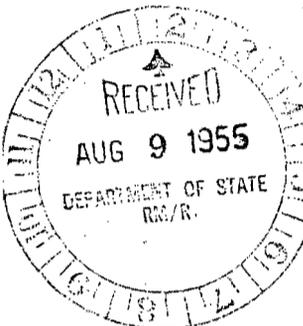
Life

1470 EUCLID STREET, N. W.
TEL. ADAMS 4-1862
CABLES: NETHERFIN

OFFICE OF FINANCIAL COUNSELOR

FA/822

August 9, 1955.



Mr. Stanley D. Metzger
Assistant Legal Adviser for
Economic Affairs
Department of State
WASHINGTON D.C.

Dear Mr. Metzger :

With reference to your letter of August 4, 1955 and further to my letter FA/789 of July 29, 1955, I herewith wish to send to you a list of the \$ 12,400.- securities which were indicated as being heirless during our negotiation of last spring. In connection herewith I must inform you, however, that in the meantime heirs have been found for the \$ 4,000.- Chicago Milwaukee bonds left by Bernhard Schuster and the \$ 2,000.- Chicago Milwaukee bonds left by Aron Muller.

The heirs of Mr. Schuster are :

1. Nelly Schuster, a British citizen, living in London N.W.3, 14 St. John's Court, Finchley Road;
2. Eugenie Wolfensohn, née Monachinoff, an Israelian citizen, living in Jerusalem, New Montefiore Quarter, House "Wolfensohn";
3. Johannes Monachinoff, for himself and in his capacity of guardian of his four children : Helene Anni, Alexander, Lore and Sonja Monachinoff, Netherlands citizens, living in Amsterdam, Randwijcklaan 25.

The heir of Aron Muller is :

Gerson Muller, calling himself G. Mac Murray, a British citizen, living in Amsterdam, Weesperzijde 93-II.

The \$ 12,400.- par value which should go to the Jewish Restitution Successor Organisation is therefore reduced to an amount of \$ 6,400.-. It is in connection herewith that the change of language proposed in my above mentioned letter is suggested. We would appreciate it very much, therefore, if you again would reconsider this matter.

The indication "S.D.Archief" after the last two securities on the list means that these securities were delivered at Lippmann, Rosenthal & Co. Sarphatistraat for account of unknown Jewish owners. These securities are also mentioned on a number of cards of the Sicherheits Dienst. Further data with respect hereto are not available.

Very truly yours,

P.C. Witte

P.C. Witte
Asst. Financial Attache

282100

RMIR

This Document Must Be Returned to
OC/R 262.004/7-29-55
955

CS/K

262.004/18-955

CC/R
Anal
Rev
Cat

Handwritten initials

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041

339096

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

HEIRLICKS ASSETS

\$ 4,000.-	Chicago Milwaukee, St. Paul & Pac. Rr. Co. Convertible Adjustment Series A, 5%, 2000 Nos. 26112, 26113, 105161, 181832.	V.O. 18521.	Bernard Semstern.
\$ 2,000.-	Idem, Nos. 109243, 165645.	V.O. 18521.	Aron Muller.
\$ 1,000.-	Cities Service Company, 5% Gold Deb. 1969, No. 110.	V.O. 18521.	W. DeVers.
\$ 1,000.-	Cuba Railroad Company (Inc) Trust Gold 5% due 1952, No. 1439.	V.O. 18521.	P. de Jong Pasbach
\$ 1,000.-	Denver and Rio Grande Western Railroad Company General Gold 5% due 1955, No. 19514.	V.O. 18521.	Julius Gottmann
\$ 400.-	Idem, Nos. 3291, 3292, 3293, 3294.	V.O. 18521.	" "
\$ 1,000.-	Illinois Central Railroad Co. Trust and Coll. Gold 4% due 1953, No. 5524.	V.O. 18521.	E. Offenbacher.
\$ 1,000.-	Citizens Service Company 5% Gold Deb. 1958, No. 10351.	V.O. 18519.	S. D. Aronier.
\$ 1,000.-	Southern Pacific Co. 4% Gold Trust Gold Bonds Issued 1899 due 1949, No. 11219.	V.O. 18519.	S. D. Aronier.

R 6 5 a
 CDF, 1955-58
 Box 1071
 File 262.0041
 339097

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

REPRODUCTION OF THE NATIONAL ARCHIVES

IN REPLY, PLEASE REFER
TO FILE NUMBER

THC:IEB:djw

034-220

DEPARTMENT OF JUSTICE
OFFICE OF ALIEN PROPERTY
WASHINGTON 25, D. C.

*Mr. Jones
Let to Rubin
9/8
Jill
Rm/R*

AUG 24 1955

Mr. Jacques J. Reinstein
Acting Director
Office of German Affairs
Bureau of European Affairs
Department of State
Washington 25, D. C.

Dear Mr. Reinstein:

Reference is made to your letter of July 11, 1955 with which you enclosed a copy of a letter from Mr. Seymour Rubin proposing a bulk settlement of the heirless property claims now permitted on an individual basis pursuant to Public Law 626.

The Jewish Restitution Successor Organization, which has been designated by the President as a successor organization under Public Law 626, has filed more than 8,000 individual claims with this Office. Mr. Rubin has just recently advised that an additional 600 claims will be filed by August 23, 1955, the last date for filing claims pursuant to Public Law 626. Until all the claims are filed and we have had an opportunity to analyze them, we would not be in a position to make an intelligent appraisal of the nature and extent of the problem involved. Accordingly, I am not in a position at this time to make any constructive suggestion with respect to a bulk settlement of the heirless property claims.

Sincerely yours,

Dallas S. Townsend

Dallas S. Townsend
Assistant Attorney General
Director, Office of Alien Property

BC/R
Anal 57
Rev
Oct 5

This Document Must Be Returned to
262-0041/8-2455
CSBM
FILED
SEP 16 1955

262-0041/8-2455

R 6 5a
CDF, 1955-58 339098
Box 1071
File 262-0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH
PRIORITY

OFFICIAL USE ONLY
(Security Classification)

DO NOT TYPE IN THIS SPACE

FOREIGN SERVICE DESPATCH

262.0041/9-855

FROM : AMEMBASSY BONN

516

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

September 8, 1955

REF : (1) Embassy's Despatch 404, August 23, 1955;
(2) Department's A-237, August 26, 1955

DATE

SEP 9 1955

For Dept. Use Only	ACTION EUR. 4	DEPT A/REP. 2 RM/R. 2 OLI. 6 E. 4 L. 2 ICA. 10
	REC'D 9-12	OTHER TR. 3 CIA 5

EUR INDEX
JCS
DC/R
Central
Files

SUBJECT: Foreign Interests in Germany

The conversations reported in reference (1) have apparently resulted in a decision on the part of the Federal Government to give at least some further publicity to the establishment and procedures of the Federal Authority for the Examination of Foreign Restitution and Restoration Claims. There is enclosed a summary of an announcement appearing in the Bundesanzeiger of September 8, 1955 (No. 173). The Department will note that in this further announcement the Federal Government has successfully avoided the problems which it foresaw in giving any further publicity to the establishment of this organization. Specifically, the announcement is worded in such a way as not to place in question the termination date for the filing of claims - May 6, 1956 - which had previously been announced.

Prior to the appearance of this new announcement this morning, the French and British Embassies had received instructions from Paris and London to make further representations to the Federal Government, requesting an extension of the claim filing period. In the light of the Department's past instructions, and the action taken by the Department (reference (2)) this Embassy is not associating itself with any further approaches to the Germans on this subject.

FOR THE AMBASSADOR

James C. Lobenstine
James C. Lobenstine
First Secretary of Embassy

Enclosure:

Summary of Announcement in the
Bundesanzeiger of Sept 8, 1955 (No. 173).

Distributions:

- E/OD 1 Amembassy Paris 1
- E/CAD 2 Amembassy London 1
- E/Treas 1
- E/FNP 5

E/FNP: JCLobenstine/ht
REPORTER

OFFICIAL USE ONLY

ACTION COPY—DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

339099

262.0041/9-855

This Document Must Be Returned To

FILED
JAN 14 1956
SECRET

Handwritten notes and signatures, including "JCL" and "W.C."

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/1/9

OFFICIAL USE ONLY

(Classification)

Page _____ of _____
Desp. No. _____
From _____

EMBASSY BONN

SUMMARY OF ANNOUNCEMENT IN THE BUNDESANZEIGER OF SEPTEMBER 8, 1955
(No. 173).

Federal Authority for the Examination of Foreign Restitution and
Restoration Claims
Filing and examination of claims

The "Bundesamt fuer die Pruefung auslaendischer Rueckgabe- und Wiederherstellungsansprueche" (Federal Authority for the Examination of Foreign Restitution and Restoration Claims), Rosenberg, Bonn, the establishment of which was announced in the Bundesgesetzblatt, Part II, page 628, of May 6, 1955 has in the meantime received numerous applications under Article 1 of Chapter Ten of the Convention on the Settlement of Matters Arising out of the War and the Occupation.

In order to facilitate matters, attention is called to the fact that the Federal Authority mentioned above is only competent for claims on the basis of Art 1 of Chapter Ten of the Settlement Convention and that Art 1 only applies to the following groups of claimants:

- a) The United Nations and their nationals,
- b) the legal successors to these nationals and
- c) legal persons constituted under German law in which United Nations nationals hold participations,

provided that these nationals or their legal successors were United Nations nationals at the time of the discriminatory treatment - except in the case of direct legal succession resulting from statutory inheritance or from testamentary disposition.

Claims are to be filed with the Federal Authority, Rosenberg, Bonn not later than May 6, 1956. The applications should contain:

- a) the Christian and last names and address of the claimant, or of his legal predecessor;
- b) an indication of the discriminatory measure and the property, rights or interests affected thereby;
- c) the nationality of the claimant and, if necessary, of his legal predecessor, at the time of the discriminatory measure.

Furthermore, the applications should mention to whom the property, rights or interests were transferred and who disposes of them at the time the application is filed. Any relevant documents which the claimant may have should be attached to the application in original or certified copy.

The above-mentioned items and further details of the procedure before the Federal Authority are governed by the Annex to Chapter Ten of the Convention for the Settlement of Matters Arising out of the War and the Occupation.

OFFICIAL USE ONLY

339100

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

September 9 1955

In reply refer to
GEA

Dear Mr. Rubin:

Reference is made to your letter of June 24, 1955 and to previous correspondence concerning your proposal for a bulk settlement of heirless property claims now permitted on an individual basis pursuant to Public Law 626.

As stated in the Department's letter of May 20, 1955, your proposal was referred to the Department of Justice for consideration. We are now in receipt of a letter from that Department indicating that an appraisal of the nature and extent of the problem involved in a bulk settlement cannot be undertaken until after they have had an opportunity to appraise the claims that have been filed pursuant to Public Law 626.

The letter states that in excess of 3000 claims have been filed pursuant to the above mentioned Law and indicates the Department of Justice will require some time to analyze the claims and to arrive at a conclusion on the proposal you made.

With regard to your inquiry about the legislative situation concerning the legislation recently proposed by the Department for a limited return of vested German and Japanese assets, the bills that were introduced in the Senate and the House were still pending in Committee upon the recent adjournment of the Congress. Senator Johnson, Chairman of the Senate Judiciary Sub-Committee, announced prior to the adjournment that hearings on the Senate bill would be held during the fall. So far as we are aware, however, a date for the hearings has not as yet been set.

Sincerely yours,

Daniel F. Margolias
Officer in Charge
German Economic Affairs
Bureau of European Affairs

Mr. Seymour J. Rubin,
Landis, Cohen, Rubin and Schwartz,
1832 Jefferson Place, NW.,
Washington, D.C.

S/S-CR
SEP 9 1955 P.M.

EUR:GER:GEA:JC Jones:gd 9/9/55

339101

This Document Must Be Returned to
DC/R
Central
Files
262.0041/8-2455
CSBM

262.0041/8-2455

262.0041/8-2455

262.0041/6-2455

262.0041/6-2455

DC/R
Anal 57
Oct 21

DECLASSIFIED
Authority MAD 969003
By JB NARA Date 6/19

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

SURFACE POUCH

UNCLASSIFIED

262.0041/9-3055

FOREIGN SERVICE DESPATCH

OCT 3 1955

FROM: AMEMBASSY BONN 661

TO: The Department of State, Washington

September 30, 1955

REF:

SUBJECT: Office of General Counsel Monthly Reports

EUR INDEX
J.C.J.

ACTION
EUR-4
INFO
RM/R-2
OLI-6
L*-2
SES*-2

There are attached hereto for the information of the Department five copies each of the following reports:

Property Control Statistical Report, 31 August 1955;

Monthly Statistical Internal Restitution Report (U.S. MG Law 59 and Western Berlin) as of August 31, 1955 (with the following annexes: (1) Types and Estimated Values of Property Restituted, (2) Distribution of Values by Nationality or Residence of Restitutees);

two summary reports - Internal Restitution.

For the Ambassador

[Signature]

Knox Lamb
General Counsel

Enclosures: *v u t*

- 1. Property Control Report.
- 2. Internal Restitution Report.
- 3. Two summary reports.

RECORDS BRANCH
DC-6

1955 OCT 30 AM 11 30

Records/rw
DEPARTMENT OF STATE
RECEIVED

UNCLASSIFIED

X
JBH
15
DEC 1 1955
file attached
restitution
statistical
reports
LWGC

Document Must Be Returned to 1
262.0041/9-3055

R 6 5a
CDF, 1955-58 339102
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM NATIONAL ARCHIVES

INTERNAL RESTITUTION STATUS
(U.S. MG LAW 59)
as of August 31, 1955

I. Total (Individual plus JRSO Cases)

Total cases which have come before the restitution authorities 196,317

Final dispositions:

amicable settlements	45,039	
decisions in favor of claimants	11,535	%
dismissals	8,577	completed
withdrawals	39,650	
JRSO bulk settled	60,308	165,109 84.1%
Cases pending		31,208

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities 57,969

Final dispositions:

amicable settlements	29,597	
decisions in favor of claimants	5,111	
dismissals	6,114	
withdrawals	14,421	55,243 95.3%
Cases pending		2,726

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities 25,040

Final dispositions:

amicable settlements	8,133	
decisions in favor of claimants	5,656	
dismissals	2,336	
withdrawals	4,721	20,846 83.3%
Cases pending		4,194

IV. Cases of JRSO

Total cases which have come before the restitution authorities 113,308

Final dispositions:

amicable settlements	7,309	
decisions in favor of claimants	768	
dismissals	127	
withdrawals	20,508	
JRSO bulk settled	60,308	89,020 78.6%
Cases pending		24,288 *

V. Estimated Value of Property Restituted including Compensation made therefor:

Individual claimants	DM 870,680,580
J R S O	DM 29,812,735
JRSO receipts on account of bulk settlements	DM 43,609,153
Total	DM 944,102,468

VI. Estimated Value of Judgments and Awards against the Reich

a)	DM 7,357 cases	DM 62,401,345
b)	RM (DM value expressed in non-convertible RM) 2,516 cases	RM 88,409,913
c)	RM (10:1) 3,916 cases	RM 101,500,949

* Including 23,810 claims against the Reich.

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

339103

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM THE NATIONAL ARCHIVES

Internal Restitution Status in Western Berlin
as of August 31, 1955

I. Total (Individual plus Successor Organizations)

Total cases which have come before the restitution authorities	137,967	
Final dispositions:		
amicable settlements	6,528	
decisions in favor of claimants	6,791	
dismissals	25,760	%
withdrawals	50,490	completed
referrals to authorities of Fed Rep	3,255	
	<u>92,824</u>	67.3%
Cases pending	<u>45,143</u>	

II. Cases of Individuals against Individuals

Total cases which have come before the restitution authorities	37,607	
Final dispositions:		
amicable settlements	5,235	
decisions in favor of claimants	4,424	
dismissals	12,924	
withdrawals	5,922	
referrals to authorities of FedRep	514	
	<u>29,019</u>	77.2%
Cases pending	<u>8,588</u>	

III. Cases of Individuals against the Reich

Total cases which have come before the restitution authorities	39,770	
Final dispositions:		
amicable settlements	172	
decisions in favor of claimants	1,321	
dismissals	12,654	
withdrawals	7,595	
referrals to authorities of FedRep	1,047	
	<u>22,789</u>	57.3%
Cases pending	<u>16,981</u>	

IV. Cases of Successor Organizations

Total cases which have come before the restitution authorities	60,590	
Final dispositions:		
amicable settlements	1,121	
decisions in favor of claimants	1,046	
dismissals	182	
withdrawals	36,973	
referrals to authorities of FedRep	1,694	
	<u>41,016</u>	67.7%
Cases pending	<u>19,574 *)</u>	

V. Estimated Value of Property Restituted including Compensation made therefor:

Individual claimants	DM 268,199,405
Successor Organizations	DM 10,732,081
	<u>DM 278,931,486</u>

VI. Estimated Value of Judgments and Awards against the Reich (Individual plus Successor Organizations)

a) DM	1,051 cases	DM 5,365,175
b) RM (DM value expressed in non-convertible RM)	8 cases	RM 24,761
c) RM (10:1)	478 cases	RM 4,601,735

*) Including 11,147 claims against the Reich.

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

339104

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

FOREIGN SERVICE DESPATCH

262.0041/10-2755
REC'D
ACTION
DEC-9

FROM: AMEMBASSY BONN the Federal Compensation Law 872
TO: The Department of State, Washington October 27, 1955
REF: German legislative practice has been followed because of the
SUBJECT: Federal Compensation Law

NOV 2 1955

The Embassy has received from the Foreign Office the text of a draft amendment to the Federal Compensation Law. The draft was prepared by the Federal Ministry of Finance and is said to reflect the views of the special committee which was established in February 1955 by direction of the Bundestag to meet the mounting criticism of the manner in which the indemnification program was being carried out (see Embassy despatch 1859, March 2, 1955). The Cabinet approved the draft and transmitted it as a government bill to the Bundesrat where it will be considered in the very near future.

In the justification (Begrundung) the Federal Government gives a variety of reasons in support of the draft. These may be summarized as follows: The present law is deficient in many respects. As a result of the pressure of time under which it was prepared it often lacks clearness. Many of its provisions are inequitable, and the Bundesrat, recognizing the deficiencies, consented to enactment only with the understanding that it will be improved by amendatory legislation as soon as possible. The law has been severely criticized within Germany and without. Public criticism came not only from persecutees but also from other circles which regarded an unsatisfactory compensation program as a serious danger to Germany's reputation abroad. Chiefs of German diplomatic and consular missions reported to the same effect and pointed out that the German appeal to justice and equity in the case of German foreign assets was often countered by the observation that in the matter of repairing Nazi wrongs Germany did not fully recognize these same principles. The general criticism was supplemented in the German and foreign press by the discussion of individual cases the unsatisfactory processing and settlement of which threw serious doubt upon the practicability of the law. Criticism has now reached a point where the demand for substantial improvements and extension of the benefits of the law to additional groups of claimants is supported by arguments so convincing that the political reputation of the Federal Republic would be jeopardized if substantial improvements and extensions were not made. Exclusion of former residents of areas which formed part of the Reich territory as of December 31, 1937 but do now not belong to the Federal Republic is no longer politically tenable since the Federal Republic claims the right under public and international law to represent these people.

Instr. to AmEmbassy Bonn
Sum. 11/2 5/55
view

Document Must Be Returned to
262.0041/10-2755

R.F.M.
RF Moores/rw

OFFICIAL USE ONLY

DEC 5 1955

LWC

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339105

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

262.0041/102755

REC'D
11-7

OFFICIAL USE ONLY

Page 2 of
Desp.No. 872
From: AMEMBASSY BONN

The modification of the Federal Compensation Law has been accomplished by rewriting the entire law and making it the Annex to the "Third Amendment to the Federal Compensation Law" and stating in the amendment that the law shall now have the version as set forth in the Annex. This somewhat unusual procedure in German legislative practice has been followed because of the extensive scope of the amendment.

As compared to existing compensation legislation, the draft amendment contains a number of substantial improvements and in some instances clearly exceeds the scope of the obligation undertaken by the Federal Republic in Chapter Four of the Settlement Convention and Protocol No. 1 of the German-Israel Agreement. Improvements of particular importance are: Former residents of the Eastern territories within the boundaries of the German Reich as of December 31, 1937 are eligible for compensation unless they are now residing in territories with whose governments the Federal Republic does not have diplomatic relations; compensation claims are freely inheritable; maximum amounts have generally been increased; the limitation of compensation for special levies (including Reich Flight Tax) by a maximum amount has been dropped.

The attached annex shows to what extent the amendment meets the Allied objections which were raised in the letter to the Chancellor of December 11, 1953 (AGSEC(53)1022).

According to our estimates the total obligation of the Federal Republic under a compensation program based on the amended law is DM 6.5 to 7 billion, i.e. DM 2.3 billion in addition to the estimated cost of the present legislation.

Taking into account the estimated cost of the proposed draft amendment plus payments under certain ancillary laws (viz. compensation laws for civil servants and laws covering social insurance losses), it appears that the overall expenditures from public funds for the redress of Nazi wrongs will approximate the following:

(1) Payments by the Laender prior to the coming into force of the Federal Compensation Law (BEG)	<u>DM</u> 1 billion
(2) Payments under the revised BEG	6.5 to 7 billion
(3) Payments under ancillary laws	1 billion
(4) Payments under the Reich Liability Law	1.5 billion
(5) Payments under the Israel Agreement	<u>3.5 billion</u>
Total	<u><u>14 billion</u></u>

OFFICIAL USE ONLY

339106

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 3 of
Desp. No. 872
From: AMEMBASSY BONN

The German Government did not invite the views of the three former Occupying Powers on the draft contrary to their assurance to do so (see Bonn telegram 1740 of December 14, 1954). The British and French at the working level expressed some annoyance and indicated that they may wish to discuss with the Germans the matter of Polish expatriates and French deportees, both groups not being covered in the draft. With respect to these groups we reaffirmed our position taken at the meeting of December 13, 1954 (Bonn telegram 1740).

Comment

Our general and preliminary appraisal of the draft is that it represents a marked improvement over the present law. The outstanding feature is the provision which makes former residents of the Eastern areas of Germany under Soviet and Polish administration eligible for compensation. When viewed in the light of the established policy of the Department of encouraging a program that will provide the greatest measure of assistance to persecutees as a whole, this feature may be regarded as a significant contribution in the furtherance of that policy. The additional sum of DM 2.3 billion required to meet increased benefits and satisfy new claimants represents a 40% increase over present estimates in the amount of aid that will be provided. The draft is also aimed at overcoming the unwholesome situation created by the administrative authorities and the courts which pursued a policy of restrictive interpretation of the law. In addition to the improvements noted above the draft contains a number of provisions designed to make it easier for the persecutee to establish his claim.

Representatives of the Conference on Jewish Material Claims against Germany presented their views to the committee during the negotiations on the draft. They have informally advised us that they consider the draft an improvement over the present law and generally satisfactory although the Conference will wish to appear before the Bundestag committee when hearings on the draft are held. One problem which the Conference intends to discuss is that raised in Department's instruction A-361 of October 11, 1955 on which we reported separately (Embassy despatch 876, October 27, 1955). It may also wish to comment on Article 100 of the present Law (see attached annex) although it has not indicated strong feelings on the point at this stage.

With respect to the comparative study shown in the annex, it should be observed that not all of the earlier objections of the Allied High Commission are met. Articles 7 and 24, which raised substantive issues are, in our view, satisfactorily solved by the draft. The draft introduces improvements in Articles 1 and 76 but falls short of meeting Allied criticisms. The reason given us informally by the German authorities for leaving Article 100 unchanged is that no practical purpose is served in making the shorter period available to all. The Germans do not plan to expand the court structure to handle claims. They wish to avoid a log jam in court calendars which will slow court procedure and increase delays. The large number of new claimants now eligible would serve to aggravate the situation. The Conference recognizes merit in the German argument and believes that the interests of claimants are better served by encouraging the Germans to

OFFICIAL USE ONLY

339107

R 6 59
CDF, 1955-59
Box 1071
File 267.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM THE NATIONAL ARCHIVES

take practical measures in the administrative field, viz. by augmenting the administrative agencies and introducing better procedures and techniques to deal expeditiously with petitions.

The Conference on Jewish Material Claims will meet in the early part of November to decide its official position regarding the draft amendment. This will be communicated to the Department when received. We shall also report developments arising out of the hearings in the Bundestag.

where these deviations are directed against National Socialism.

Knox Lamb
General Counsel

Enclosures

Annex (comparative study).

COORDINATED:

E - Mr. J.C. Lobenstine *JL*

Distribution:

- E- Mr. Lobenstine 3 copies
- PA 1 copy
- (*) GC 2 copies

This article, notwithstanding Article 25, which excludes any claims which might have been made under the Nazi laws. There is no more restrictive law in force in the United States.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

339108

R 6 5 a
CDF, 1955-58
Box 1071
File 267.0041

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

REPRODUCED BY NATIONAL ARCHIVES

OFFICIAL USE ONLY

Annex to
Desp.No. 872
from: AMEMBASSY BONN

Annex to AGSEC(53)1022

Federal Compensation Law (as amended)

(a) Article 1

Chapter Four does not restrict claims by persons who were persecuted on account of their political convictions, to cases where those convictions were directed against National Socialism.

Although Article 1 has been reworded and in some respects is generally more favorable, this specific restriction has been retained. The respective clause does now read:

"Any person who was persecuted by reason of his political opposition against National Socialism ..."

(instead of "because of his political conviction directed against National Socialism")

However, in Article 76, para.1 the following underlined words have been added:

"Persons who were persecuted under the National Socialist Regime by reason of nationality or as adherents to a National resistance movement ..."

As the Allied objection was particularly raised in favor of national persecutees who often could not prove the "direction" of their political convictions, but not in favor of members of other German Fascist organizations (persecuted merely as competitors) whom the Federal Government primarily intended to exclude by the objectionable words, the amendment of Article 76 would appear to meet Allied requirements.

(b) Article 7

This article, notwithstanding Article 21(3), rigidly excludes many claims which might have been, but were not, made under the Restitution Laws. There is no such limitation under the Compensation Law in force in the United States Zone.

Article 7 has been retained in substance and is now Article 3 of the new law (wording revised). Claims adversely affected by Article 7 were those where the payment of a special levy was made by delivery of identifiable property and alternatively gave rise to a restitution claim under Military Government legislation. In regard of these claims the amendment provides in Article 23, para.4:

OFFICIAL USE ONLY

339109

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

"The persecutee shall be entitled to compensation pursuant to paragraphs 1 and 2 also if the special levy was, in whole or in part, paid by delivery of property which as such is subject to restitution."

It would thus appear that the cause for Allied objection against Article 7 has virtually been removed by Article 23, paragraph 4 of the amendment.

(c) Article 24

This article sets a total limit of DM 75,000 on claims which, under the Compensation Laws in force in the United States Zone, are subject to two separate limits of that amount, making DM 150,000 in all.

The objection has been met by limiting the ceiling to the extent provided in the former U.S. Zone Laender Laws.

(d) Article 76

This article provides that persons who were persecuted on grounds of nationality will receive considerably smaller benefits for similar damages (compare Article 15) than persons who were persecuted on the grounds enumerated in the first sentence of Article 1. Indeed, some of the benefits provided for the latter persons by Article 15 are not available at all to national persecutees.

Under the new Article 76 national persecutees still will receive smaller benefits than other persecutees. However, there is a substantial improvement of the benefits for national persecutees as the following comparison will show.

Benefits under present Article 76:

Minimum incapacitation required: 50%

Annuities for incapacitation of

50%	DM 100
60%	DM 120
70%	DM 140
80%	DM 160
90%	DM 180
100%	DM 200

Benefits under new Article 76:

Minimum incapacitation required: 25%

Annuities for incapacitation of

25 to 49%	DM 100
50 to 59%	DM 120
60 to 69%	DM 140
70 to 79%	DM 160
80% and more	DM 200

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

339110

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 3 of
Annex to
Desp.No. 872
From: AMEMBASSY BONN

(e) Article 100

This article is limited to persons who are over 60 or incapacitated. There is no equivalent limitation under the Compensation Laws in force in the United States Zone. There is also a change in the period and ground for appeal.

No substantial changes.

OFFICIAL USE ONLY

REF 8-6822

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339111

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

UNCLASSIFIED

262.0041/10-2755

FOREIGN SERVICE DESPATCH

FROM: AMEMBASSY BONN 876 JCS

TO: The Department of State, Washington

October 27, 1955

REF: Dept's A-361, October 11, 1955

follows the letter EKR-9 R.M/R-2 L-2

OCT 31 1955

SUBJECT: Jewish Restitution Successor Organization

The problem which is raised in the letter forwarded by reference instruction concerns the limitation on compensation for damage to property under the Federal Compensation Law (BEG) where a successor organization asserts the claim.

Article 24, paragraph 1 of the BEG provides that the total amount of compensation to be paid to the individual claimant for damage to property by acts of vandalism, and certain financial losses, such as transfer losses and boycott damage, shall not exceed DM 75,000. Article 24, paragraph 2, sentence 1 states that "the ceiling of paragraph 1 shall not apply to claims filed by successor organizations".

The recent draft amendment of the BEG (which is reported separately) retains the ceiling of DM 75,000 for individual claimants. In respect of successor organizations the amendment provides that the ceiling shall apply to claims which a successor organization has acquired from one individual claimant. It is this provision which Mr. Ferencz has found objectionable in his letter to Dr. Schaeffer.

The reasons for the change of Article 24 adduced by the Federal Government in the "Begrundung" to the recent draft amendment are as follows: The present version is ambiguous. It is not clear whether the ceiling of DM 75,000 applies to each individual claim held by a successor organization or to the totality of claims which it has acquired. The provision in the draft amendment applies the ceiling to a successor organization to the extent it would have applied to its predecessor in interest, i.e. to individual claimants separately, on the ground that it would not be equitable that a successor organization should acquire a better claim than the original claimant to whom it has succeeded.

In terms of practical values the provision means that where JRSG holds claims for the destruction of a number of synagogues which formerly all belonged to one Jewish community, as is the case in Hamburg, it could recover only DM 75,000.

A representative of the Conference on Jewish Material Claims, with whom we have discussed this matter, has indicated that the

R.F.M.
RPMoore/rw

UNCLASSIFIED

10-21

X
JBH
17
NR
NR

NOV 8 1955

FILED

262.0041/10-2755

This Document Must Be Returned To
DC/R
Central
Files

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339112

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

UNCLASSIFIED

Page 2
Desp. No. 8
From: AMEMB

FROM: AMEMBASSY MOHR

possibility exists that the objectionable restriction may be eliminated by the Law Committee of the Bundestag when it considered the draft amendment. The Conference will keep the Embassy informed of further developments.

DATE: 1-30-55, October 11, 1955

We appreciate the concern of the Conference in this matter and will follow the problem closely. The question of whether the Embassy should approach the Federal Government with the view of supporting the position of the Conference should, in our view, be reserved for consideration at a later stage.

The problem which is raised in the instruction concerns the indication for the Ambassador under the Federal Compensation Law (BZG) which provides for the claim.

Article 24, paragraph 1 of the BZG provides for the right of compensation to be paid to the individual **Knox Lambert** for property by acts of vandalism, and as **General Counsel** transfer losses and losses of income which do not exceed 10% of the Article 24, paragraph 2, sentence 1 states that the provisions of Article 1 should not apply to claims filed by successor organizations.

The present draft of the BZG (which is to be revised) retains the ceiling of DM 10,000 per individual claimant. The provision of successor organizations the Bundestag provides that it is only applicable to claims which a successor organization has acquired from an individual claimant. It is only possible to file a claim if the claimant is the letter to Dr. Scheffler.

The reason for the change of Article 24, paragraph 1 of the BZG in the "Gesetzgebung" to the present version is as follows: The present version is necessary. It is necessary to provide the selling of DM 10,000 applies to each individual claimant of a successor organization or to the transfer of the claimant's claim acquired. The provision in the draft of the BZG would allow a successor organization to file a claim for a claimant's claim in interest, i.e. to file a claim for a claimant's claim. It is necessary to provide that a successor organization should require a letter from the original claimant to file a claim if necessary.

In terms of practical values the provision means that a successor organization holds claims for the acquisition of a number of syndicated claims. Formerly all belonged to the original claimant, i.e. the original claimant. Hamburg, it could recover only 10% of the claim.

A representative of the Bundestag in Berlin has been contacted with a view to have discussed this matter. He indicated that...

UNCLASSIFIED

1955 OCT 11 9 18 22

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

339113

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

RECORDED AT THE NATIONAL ARCHIVES

RMK

Office Memorandum • UNITED STATES GOVERNMENT

OFFICIAL USE ONLY

TO : GER - Mr. John B. Holt

DATE: November 8, 1955

FROM : GEA - Daniel F. Margolies

File 262.0041/11-55

SUBJECT: Meeting with JRSO Representatives, Thursday at 3:30 P.M.

I am submitting the following to acquaint you with some of the problems that the JRSO delegation may wish to discuss at the Thursday meeting:

RM/R
Central
Files

BACKGROUND:

The Jewish Restitution Successor Organization was designated under the terms of MG Law 59 to succeed to unclaimed property of deceased Jewish victims of Nazi persecution. The property received by the JRSO is devoted to the relief of the survivors among such victims.

The Law Firm of Landis, Cohen, Rubin and Schwartz represents the JRSO in Washington. Mr. Seymour Rubin of this firm, will attend the meeting on Thursday and he will be accompanied by Mr. Benjamin Ferencz, Director General of JRSO in Germany and Mr. Saul Kagan, Secretary of the Conference on Jewish Material Claims against Germany. We have been informed that JRSO representatives merely wish to report to the Department the nature of the problems they have encountered in carrying out their programs in Germany and it is not expected that they will request the Department to take any specific action. In this connection, Mr. Rubin has supplied us with the following topics for discussion. I have briefly summarized for your information the problems relating to these subjects insofar as they are known to the Department:

1. Status of Successor Organizations Under the Revised BEG (German Indemnification Law.)

Under the present Indemnification Law the total amount of compensation that can be paid to an individual claimant for damage to property due to acts of vandalism, boycott damage, etc. is DM 75,000 but it specifies that this ceiling shall not apply to claims filed by successor organizations. A recent draft amendment to the law provides that the ceiling shall apply to claims which a successor organization has acquired from one individual claimant. This would mean that where JRSO holds claims for the destruction of a number of Synagogues which formerly belonged to

one

DC/R
Anal. 32
Est. 11/19

OFFICIAL USE ONLY

This Document 662:0041/11-855

CS/Y

FILED

JAN 27 1956

262:0041/11-55

339114

DECLASSIFIED
Authority: MD 969003
By: TB NARA Data 6/19

RG 59
Entry CDF 1955-59
File 262.0041
Box 1071

OFFICIAL USE ONLY

- 2 -

one Jewish community, it could only recover DM 75,000. This amendment is still in its early stages of consideration and the Embassy reports that there is a possibility that the Law Committee of the Bundestag may eliminate this restrictive clause. The Embassy recommends that we should delay approaching the Federal Government in support of JRSO until a later date.

2. Status of Successor Organization Under Equalization of Burdens Tax.

Under the terms of the Bonn Convention, property held by JRSO is exempt from this tax but the exemptions cease to be operative when property is transferred to a new owner. Since the property is subject to tax when ownership is transferred, its market value is decreased. The tax, however, diminishes each year and in order to increase its recovery from sale of the property, the JRSO has in some instances delayed sale. The JRSO is of the opinion that this situation is causing a delay in terminating their authorities in Germany. The Department's view as stated in a recent letter to Congressman Zelenko is that any delay based on such considerations is due solely to the internal policies of JRSO and that there is no basis for seeking any additional exemption.

3. Bulk Settlement Against the Reich.

There are no outstanding problems known to the Department in connection with this subject.

4. Berlin Bulk Settlement.

Last Spring, Berlin Senat approved in principle, bulk settlement with JRSO and later voted to acquire JRSO claims for DM 13.5 million. In so doing, however, the Senat was vague as to what claims were to be acquired but passed a resolution which "contemplated" that a draft contract establishing details of a settlement be agreed on between JRSO and Senat negotiators and submitted to proper Senat Committee by August 2. No agreement was reached on the contract by August 2. Negotiations have now been resumed and appear to be

proceeding

OFFICIAL USE ONLY

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

RG	<u>59</u>
Entry	<u>CAF 1955-59</u>
File	<u>262.0041</u>
Box	<u>1071</u>

339115

REPUBLICAN NATIONAL ARCHIVES

2 m 12

OFFICIAL USE ONLY

- 3 -

proceeding smoothly. JRSO has stated they would not ask us to intervene except to urge appointment of negotiators whose attitude would not place Berlin's good faith in question. (Presence of persons opposed to bulk settlement on Senat negotiating group has caused delay in negotiations heretofore.)

EUR:GER:GEA:JKrizay:wew

OFFICIAL USE ONLY

339116

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

RG 59
Entry: CDF 1255-59
File: 262.0041
Box: 1071

SEARCHED SERIALIZED INDEXED FILED



DEPARTMENT OF STATE INSTRUCTION

2894

2834

OFFICIAL USE ONLY
(Security Classification)

FOR DC USE ONLY.

NO.: A-515 November 30, 1955

SUBJECT: Jewish Restitution Successor Organization's Interest in Proposed Amendment to Federal Compensation Law

TO: The American Embassy, Bonn

The Department appreciates the reports recently submitted by the Embassy in despatches 872 and 876, both dated October 27, 1955. The information contained in these despatches was of considerable benefit in recent discussions between representatives of the Department and representatives of the Jewish Restitution Successor Organization at which time the proposed amendment and other matters were taken up.

As we pointed out in our A-361 of October 11, 1955, the Jewish Restitution Successor Organization is particularly concerned about the provision in the proposed amendment which would make the DM 75,000 limitation for individual claims applicable to successor organizations. This matter was brought up again during the meeting referred to above. Mr. Ferencz stated that he had addressed a letter to Finance Minister Schaeffer with regard to this matter but as yet had received no reply. He also stated that he had taken up the problem orally with Ministerial Direktor Wolf, who was quite sympathetic to the Jewish Restitution Successor Organization's point of view and agreed to make an effort to have the objectionable provision eliminated. The JRSO representatives felt that representations from this Government at this time would be beneficial in strengthening the hand of Herr Wolf in his endeavors.

We have noted in your despatch 876 that representatives of the Conference on Jewish Material Claims indicated to the Embassy that the objectionable provision might be eliminated by the Law Committee of the Bundestag. We also note that the Embassy recommended that an approach to the Federal Government on this matter be delayed until a later date. However, in view of the fact that the JRSO has said that representations would be beneficial and has requested that they be made, it is the Department's view that an approach to the Federal Government should be made at an early date. It is suggested, therefore, that if the Embassy perceives no objections, it prepare a note to the German Federal Government pointing out the following:

- 1. That

OFFICIAL USE ONLY
(Security Classification)

DRAFTED BY: EUR:GER:GEA:JKrizay:wew

11/25/55

APPROVED BY: GER - John B. Holt

CLEARANCES:

L/GER

NOV 30 1955 P.M.

This Document Must Be Retained In 262.0041/10-2755

262.0041/10-2755
Official Use Only

TC/R
Agst 62
✓

R 6 5a
CDF, 1955-59
Box 1071
File 267.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY
(Security Classification)

1. That this Government has noted with interest the proposed amendment to the Federal Compensation Law and is gratified to see that it contains a number of improvements.
2. That we note, however, that the amendment also contains a provision which would make the 75,000 DM limitation on individual claims applicable to successor organizations.
3. That if this provision were adopted, it is our understanding that it would preclude, for example, the JRSO from recovering more than DM 75,000 in cases where it holds claims for the destruction of a number of synagogues which formerly all belonged to one Jewish community. This would be contrary to previous practice and to the provisions of para 2 (b) of Chapter 4 of the Bonn Conventions which states that legislation shall be enacted providing for compensation no less favorable than that afforded in the U.S. Zone of occupation.
4. That in view of this situation, this Government hopes that the Federal Republic will be able to have this provision eliminated before passage of the amendment by the Bundestag.

The JRSO representatives also called the attention of the Department to the status of DP's under the proposed amendment. They pointed out that DP's who qualify as persecutees receive compensation only for time of incarceration, for loss of life or limb, etc., but no compensation for economic loss as is the case with other groups. They further pointed out that the proposed amendment does not alter this situation and that their representations in this respect have so far been of no avail. They have, therefore, requested the Department to approach the Federal Republic on this subject as well. The Department is inclined to go along with this request and suggests that the Embassy might include a reference to this subject in the note outlined above. In this connection, it should be pointed out that the Allied High Commission forwarded a letter to Chancellor Adenauer on this same subject in December of 1953. In drawing this matter to the attention of the Federal Republic, it is suggested that reference be made to the AHC letter of December 1953 and that a statement be included in the note

to

OFFICIAL USE ONLY
(Security Classification)

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

339118

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY
(Security Classification)

to the effect that we consider the moment opportune to rectify the situation. The note should also inform the Federal Republic that we are now studying the proposed amendment and should we have any further observations we will communicate further with them.

The American Embassy, Bonn

The British
The Informant
DULLES

[Faint, mostly illegible typed text follows]

OFFICIAL USE ONLY
(Security Classification)

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041
339119

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REF ID: A66000

November 30 1955

In reply refer to
GEA

Dear Mr. Scharf:

Reference is made to your letter of November 25, 1955 to Mr. Daniel F. Margolies inquiring what can be done to expedite the payment of a claim for restitution which you state a German refugee has filed with the appropriate German office in Land Bavaria, Germany.

It appears from the information contained in your letter that your client filed a claim under German legislation which provides compensation to those who were persecuted because of political conviction or on racial, religious or ideological grounds and who suffered damage to life, limb, health, liberty, possessions, property or economic advancement.

The administration of the indemnification program in Germany is a German responsibility, is carried out by German agencies created for that purpose and is enforced by the German courts. The Department has consistently refrained from intervening with the German courts on behalf of individual claimants. The Department regrets that it must therefore inform you that it is not in a position to take any action as far as expediting your client's claim is concerned.

With respect to the payment of your client's claim according to information received by the Department priority is being given to those who are sixty years of age or older, those who are in dire economic necessity and those who are at least fifty percent disabled. This is in accord with our understanding of the Federal Indemnification Law which provides that in view of the financial impossibility of giving immediate satisfaction to all claimants priority be given to

the

Mr. Philip Scharf,
Harding and Scharf,
Attorneys at Law,
Sixteen Court Street,
Brooklyn 1, New York.

DC/R
Ans: 18

FW 262.0041/1-2-55

RG	59
Entry	CAF 1955-59
File	262.0041
Box	1071

339120

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

the most needy. If you believe that your client's circumstances are such as to warrant special consideration, it is suggested that you inform the competent German indemnification office in Bavaria of these facts and request that his claim be considered as soon as possible.

Sincerely yours,

For the Secretary of State:

[Signature]
Judson G. Jones
Office of German Affairs
Bureau of European Affairs

EUR:GER:CEA:ISMorgen thau rwe

11/29/55

S/S-CR
NOV 30 1955 A.M.

RG 59
Entry CDF 1955-59
File 262.0041
Box 1071

339121

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

POUCH

OFFICIAL USE ONLY

FOREIGN SERVICE DESPATCH

262.0041/12-655

HA 762a.34

R-3
REC'D
12-9

ACTION

7 EUR-4

FROM: AMEMBASSY BONN 1171

TO: The Department of State, Washington

December 6, 1955 INFO

REF: Embassy despatch 872, October 27, 1955

A/REP-2

RM/R-2

COLI-6

E-4

L-2

SUBJECT: Federal Compensation Law

DEC 6 1955
E-4
L-2

At its meeting on November 11, 1955 the Bundesrat adopted a resolution stating that in principle there were no objections to the government draft of the Third Amendment to the Federal Compensation Law but that a number of modifications should be recommended.

The modifications recommended are of a substantive and technical character and cover approximately seventy points. In some instances the position of persecutees is improved. On the other hand one of the amendments would exclude former residents of the Eastern areas of Germany. In two other instances the amendments would (1) reduce the maximum compensation for damage to property to DM 100,000, and (2) delete the words "or as adherents to a National resistance movement" in the first sentence of paragraph 1 of Article 76 of the draft. Each of these last mentioned amendments affect the problems discussed under (c) and (a) respectively of the Annex to AGSEC(53)1022.

The extent to which the Federal Government may be disposed to accept the Bundesrat proposals cannot be predicted at this time. The Embassy has been informed unofficially that the draft is presently being reconsidered by the Federal Ministry of Finance in the light of the suggested changes. It would appear that the great number of Bundesrat proposals could result in a considerable delay in the enactment of the draft into law.

For the Ambassador

Knox Lamb
General Counsel

Distributions:

E: FNP 1
PA 1
GC 2

R.F.M.
RPMoores/rw

OFFICIAL USE ONLY

Handwritten signatures and stamps, including a circular stamp with "FEB 7 1955" and "DEPARTMENT OF STATE".

262.0041/12-655

FILED

HO

RG 59
Entry CDF 1955-59
File 262.0041
Box 1071

339122

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

UNCLASSIFIED

262.0041/12.1455

REC'D
12-17

FROM: AMEMBASSY BONN 1242

TO : THE DEPARTMENT OF STATE, WASHINGTON

December 14, 1955

ACTION

REF : Embassy's Despatch 179, July 26, 1955

DEC 14 1955

SUBJECT: External Restitution (Chapter Five of Settlement Convention)

INFO
A/REF-2
Rm/8-2
OL-6
E-4

The Federal Agency for External Restitutions has submitted its first report pursuant to paragraph 5 of Article 1 of Chapter Five of the Settlement Conventions. The report covers the period beginning with the establishment of that Agency and ending November 5, 1955. The report sets forth the following:

No claims were received under Article 1 or 2 of Chapter Five (cultural property).

1233 applications for compensation under Article 4 of Chapter Five (non-cultural property) were received. A breakdown according to claimant countries is as follows:

Belgium	119
France	38
Greece	78
Italy	184
Yugoslavia	6
Netherlands	55
Norway	9
Austria	8
Poland	1
Czechoslovakia	41
Russia	10
Hungary	684
Total	<u>1233</u>

Of these 1233 applications, 53 were received by transfers from the American, British and French Embassies made pursuant to paragraph 3 of Article 4. A breakdown of these 53 applications is as follows:

- 1 for Austria from the American Embassy
- 1 for Poland from the American Embassy
- 37 for Czechoslovakia, of which 35 from the French Embassy and one each from the American and British Embassies
- 10 for Russia, from the British Embassy
- 4 for Hungary of which one from the British Embassy and 3 from the American Embassy.

Total 53

262.0041/12.1455
Be Returned to
A 280-12-1-15-1

UNCLASSIFIED

X
JBH
DEC 23 1955

LWVC

RG	59
Entry	CAF 1955-59
File	262.0041
Box	1071

339123

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

No. 1242, December 14, 1955

UNCLASSIFIED

- 2 -

DEPARTMENT OF STATE, WASHINGTON

December 14, 1955

The applications received could not yet be examined in detail since further information and documentation will have to be collected.

FOR THE AMBASSADOR:

The Federal Agency for External Restitutions has submitted the report pursuant to paragraph 5 of Article 1 of Chapter Five of the Convention. The report covers the period beginning with the opening of that Agency and ending November 5, 1955. The report was prepared by Henry F. Waldstein

Henry F. Waldstein

Henry F. Waldstein

Chief, Legal Affairs Division

The applications were received under Article 1 or 2 of the Convention.

Of these 1233 applications, 11 were received by the American Embassy and 1222 by the American Legation in Prague.

Belgium	1
France	1
Germany	1
Italy	1
Poland	1
Czechoslovakia	1
Yugoslavia	1
Spain	1
Austria	1
Russia	1
Sweden	1
Hungary	1
Total	1233

Of these 1233 applications, 11 were received by the American Embassy and 1222 by the American Legation in Prague.

DISTRIBUTION:

- OGC
- E:FNP - Mr. James C. Lobenstine
- 1 for Austria from the American Embassy
- 1 for Poland from the American Embassy
- 37 for Czechoslovakia, of which 35 from the American Embassy and one each from the American Legation in Prague and the American Embassy in Bratislava
- 10 for Russia from the British Embassy
- 4 for Hungary of which one from the American Embassy and 3 from the American Legation in Prague
- Total 1233

HFwaldstein/ah

UNCLASSIFIED

DEC 15 1955

RG 59
 Entry CBF 1955-59
 File 262 0041
 Box 1071

339124

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

262 0041/12-1955

REC'D
12-27
ACTION
EUR-9

FROM: AMEMBASSY BONN 1281

EUR INDEX

TO: The Department of State, Washington

December 19, 1955

- REF: (A) Dept's A-515, November 30, 1955
- (B) Deptel 1600, November 9, 1955
- (C) Embassy Despatch 1064, November 23, 1955
- (D) Embassy Despatch 1171, December 6, 1955
- (E) Embassy Despatch 872, October 27, 1955

DEC 20 1955
Inst. to Bonn
File

INFO
RMR 2
OL 6
E 4
L 2
SLS 2

SUBJECT: Federal Compensation Law

2/3/56
Em: Ken: per.
JC Jones - wpa

The two problems raised in reference (A) have been studied in the light of developments reported references (C) and (D).

Article 24 (DM 75,000 Limitation). The Laender compensation laws of the United States Zone provided a general DM 75,000 limitation in respect of a claim for damage to property which was applicable in two situations permitting a possible maximum recovery of DM 150,000. Successor organizations could assert such claims for damage under Article 17(3). However, they were not exempted from the limitation and were in this respect in the same position as claimants generally. The Federal Compensation Law amended the limitation clause in two respects: (a) it freed successor organizations from the limitation altogether but (b) imposed a more stringent limitation on other claimants by restricting the maximum possible recovery to DM 75,000 in all instances. It was this latter point which the Allied High Commission criticized in its letter of December 11, 1953 (AGSEC(53)1022).

The draft amendment proposes to revert to the original position of the Laender laws with the result that successor organizations would lose the exemption they now have but other claimants would be restored to the rights previously enjoyed. Since the draft amendment is not less favorable to JRSO than the U.S. Zone Laender laws, it would not appear possible to support an approach to the German Federal Government on the basis that the draft is contrary to the provisions of paragraph 2(b) of Chapter Four of the Settlement Convention.

On the other hand we believe that sympathetic consideration should be given where successor organizations succeed to community property. This is a special problem peculiar to successor organizations and not to other claimants. A valid argument can be made that it should be treated as an exception to the principle that successors in interest should receive no greater right than their predecessors. We believe that it should be discussed on its merits with the German authorities. We doubt whether a note at this time is the best or most appropriate way of bringing it up. In view of the developments reported reference (D) and the assurance given by the German representatives to meet formally with Allied representatives after the Cabinet has again studied the draft in the light of the recommendation of the Bundesrat, we feel that the better course is to discuss the matter at that time. We could then follow up with a note confirming our sympathetic support of JRSO on this issue if this should prove desirable.

R. F. M.
RF Moores/rw

OFFICIAL USE ONLY

JBA
im
NR
NR

FILED
LWC

262-0041/12-1955

RG 59
Entry CDF 1955-59
File 262.0041
Box 1071

339.125

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED FROM ORIGINAL ARCHIVES

SECRET
 (E) Dispatch Dated 815, October 31, 1953
 (D) Dispatch Dated 1117, December 3, 1953
 (C) Dispatch Dated 1007, November 5, 1953
 (B) Dispatch 1000, November 3, 1953
 (A) Dispatch 1-12, November 30, 1953
 THE DEPARTMENT OF STATE
 WASHINGTON, D.C.
 TSCG

DEC 5 10 1953
 December 10, 1953
 RECEIVED

OFFICIAL USE ONLY

Disp. No. 1281
 From AMEMBASSY BONN

Article 71 (DP Persecutees). We believe that discussions with the German Federal Government on the question of compensation to displaced persons for economic loss have to rest on appeals for recognition of the moral obligation which the Federal Republic has in this field. Displaced persons who meet the residence requirements under Article 8 of the Federal Compensation Law are fully eligible for compensation, including compensation for economic loss. The Federal Compensation Law follows the U.S. Zone Laender laws in this respect. As a practical matter the principle of full eligibility has only theoretical significance since most displaced persons do not meet the general requirement that damage to economic prospects had to occur within the territory of the former Reich as it existed on December 31, 1937.

However, the Federal Compensation Law also provides compensation for an entirely new group of displaced persons. These are the "stateless persons and political refugees" referred to in Article 71 who do not meet residence requirements. We understand the Department's observations in reference (A) to apply to displaced persons in this group. It is true, as the Department states, that they are not fully eligible and cannot claim compensation for economic loss. On the other hand the U.S. Zone Laender laws did not provide for them at all, and it would follow from this that the Federal Republic has undertaken no obligation with respect to them in Chapter Four of the Settlement Convention. The particular aspect of the problem of displaced persons which was discussed in the letter of the Allied High Commission of December 11, 1953 (AGSEC(53)1022) concerned the first above-mentioned group. We doubt, therefore, that it would be proper to bring the new group into our discussion with the Federal Government of its contractual obligation toward the other.

It should be noted that the explanation for the inclusion of Article 71 is in paragraph 14 of Protocol No. 1 of the German-Israel Agreement. This provision does not require the Federal Republic to provide compensation to this group for economic loss. Our information regarding the negotiating history of the provision indicates that the question was raised and was taken into account in arriving at the bulk settlement figure of DM 3.5 billion to Israel. We have discussed this point with a representative of the Conference on Jewish Material Claims Against Germany who agrees that the omission in the draft amendment of a provision on economic loss is not in violation of Protocol No. 1. (We wish to remark that some representatives of the Conference feel that they are in a weak position in arguing with the Germans for compensation for economic loss in view of the background of this provision of the Protocol.)

In view of the above it would appear that our position should be one of urging the German Federal Government to give practical expression of its moral obligation toward these persecutees. We are prepared to cover this present problem in the forthcoming discussion with the German Federal Government. We feel that the considerations mentioned regarding the sending of a note on the question of the limitation of DM 75,000 apply also in this instance.

Recommendation. In light of the above it appears to us that both problems are matters of new substance and should not be mingled with other problems on

OFFICIAL USE ONLY

339126

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

RG 59
 Entry CAF 1955-59
 File 262.0041
 Box 1071

OUTGOING TELEGRAM

INDICATE COLLECT
 CHARGE TO

Department of State

CONFIDENTIAL
Classification

08847

1955 DEC 20 PM

DC/T

SENT TO: USBER BERLIN 317

RPTD INFO: Amembassy BONN 1689

262.0041
12-1955

Central Files

Original Document Must Be Returned

RE BERLIN 555 REPEATED BONN 501.

According our information JRSO has conceded all points except group presumed claims filed by JRSO on behalf of persons ~~presumably~~ dead who later came forward and ~~have~~ filed claims against JRSO. JRSO believes it should maintain such claims for benefit such individuals and not repeat not include them in bulk settlement. Individuals concerned have appealed to Department and Congress for assistance and Department has urged JRSO to make every effort ^{tardy in} settle such claims even though individuals concerned were ~~not~~ ^{also} asserting their rights. Department ~~informed that~~ Berlin Senat had agreed such claims could be excluded from settlement but insisted on right approve each settlement made by JRSO. JRSO objected supervision on case-by-case basis but willing settle for periodic spot-checks. Department informed amount such claims in neighborhood DM 800,000. Possible this is same problem involved in DM 400,000 mentioned reference telegram.

Unable here account for DM 3 million figure or for suggestion ~~that~~ additional concessions being sought by JRSO. ~~Request~~ Report factual situation as it may develop.

DCR
Anal 62
Rsv
Cal

Dulles
John B. Holt

Drafted by: EUR:GER:GEA:DMargolis:acm 12/20/55

Telegraphic transmission and Classification approved by: John B. Holt

Clearances: GER - Mrs. Dulles

S/S-CR
DEC 20 1955 P-M

CONFIDENTIAL
Classification

REPRODUCTION FROM THIS COPY, IF CLASSIFIED, IS PROHIBITED.

262.0041/12-1955

CONFIDENTIAL FILE

CSN

RG 59
Entry CDF 1955-59
File 262.0041
Box 1071

339128

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19



DEPARTMENT OF STATE INSTRUCTION

OFFICIAL USE ONLY

921

NO. **1-000 January 12, 1956**

SUBJECT: **Federal Compensation Law**

TO: **Treasury RUM**

Reference: **Despatch 1281**

Transmitted herewith is a copy of a memorandum submitted to the Department on behalf of the Conference on Jewish Material Claims. You will note that the memorandum points out that the proposed amendment to the Federal Compensation law is deficient in certain respects and that certain other aspects of it are in violation of Chapter IV of the Settlement Convention.

The Department is now considering what further action should be taken with respect to this matter in light of the Treasury's recommendation as contained in reference despatch and in light of the representations recently made by the various Jewish organizations.

It would be greatly appreciated therefore if the Treasury could submit its comments on the attached memorandum so that the Department could have the benefit of them in deciding what course of action it should follow.

Attachment: *MS*
Memorandum

DELETS

DCR
APR 1956
Cat. 11/12

262.0041/12-1955

OS/S

OFFICIAL USE ONLY

S/S-CP

JAN 12 1956 P.M.

DRAFTED BY: **EUR:GER:GEA:JTB:ay:ma 1/11/56**

APPROVED BY: **GEA: Daniel P. Margolies**

CLEARANCES:

DEPARTMENT FILE COPY

RG 59
Entry CBF 1955-59
File 262.0041
Box 1071

339129

DECLASSIFIED
Authority **MD 969003**
By **TB** NARA Date **6/19**

AIR POUCH

OFFICIAL USE ONLY

262.0041/1-1656

FOREIGN SERVICE DESPATCH

JAN 17 1956

FROM: AMEMBASSY BONN 1453

TO: The Department of State, Washington

January 16, 1956

- REF: (A) Dept's A-361, October 11, 1955
- (B) Dept's A-515, November 30, 1955
- (C) Embassy Despatch 876, October 27, 1955
- (D) Embassy Despatch 1281, December 19, 1955

SUBJECT: Federal Compensation Law

Instr. to Bonn file

*262.0041/1-1656
3/15/56
E. J. M.*

42
1/20
E.O.R. 9
KPK 2
A/REP 2
O.L.I. 6
E-4
1-2

On January 11, 1956, Mr. Benjamin B. Ferencz, Director General of the JCSO and representative of the Conference on Jewish Material Claims against Germany, met with members of the Embassy to discuss the draft amendment to the Federal Compensation Law.

Mr. Ferencz stated that representatives of the Conference had met in unofficial session with leading members of the Compensation Committee of the Bundestag on January 10. The Conference took occasion to express its concern over the negative position taken by the Chairman of the Committee regarding the unsatisfactory provisions of the draft law concerning (1) the application of the DM 75,000 limitation for damage to property to successor organizations, and (2) the level of compensation to stateless persons and refugees mentioned in reference (D).

With regard to the first point Mr. Ferencz stated that the Conference is of the opinion that the German position constitutes a violation of Chapter Four of the Settlement Convention for the reason that the draft law is less favorable than the former U.S. Zone Laws. The rationale is of a technical legal nature and is examined under "Comments" below. The Chairman of the Bundestag Committee argued that granting an exemption from the limitation to successor organizations would raise serious domestic problems because trade unions also held claims as successors to trade organizations which were suppressed under National Socialism. These claims are of considerable magnitude the satisfaction of which would be beyond what the Federal Republic considers its financial capabilities under the program. The Committee was of the view that it could not endorse an exemption for successor organizations without according comparable treatment to trade unions.

With respect to the second point Mr. Ferencz stressed the importance which the Conference attaches to bringing about an improvement of compensation payments to this group. He stated that the present scale of payments was a source of widespread dissatisfaction. The Conference has suggested to the Bundestag Committee that the draft law should provide a lump sum payment of DM 3,000 to stateless persons and refugees to cover their material losses (i.e. economic losses as distinguished from losses arising out of personal injury). The Conference estimates that this would cost the Federal Republic approximately DM 250 million. Mr. Ferencz indicated that the Conference would be prepared to adjust its criticisms of other provisions of the draft for a solution along these lines, and requested that the Embassy support the

R. J. M.
RFMcres/rw

WE 2 10 20 10 10 10
OF EN 05 05 10 10 10 10
OFFICE

OFFICIAL USE ONLY

FILED
JAN 17 1956
JFK
119
10

Must Be Returned to 262.0041/1-1656

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

339130

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 2 of
Desp. No. 1453
From AMEMBASSY BONN

Conference to this end in the forthcoming Allied-German discussions. He stated that the Department would also be asked to give favorable consideration to this request.

Mr. Ferencz also raised certain questions in respect of the assessment of levies under the Equalization of Burdens Law against UN nationals. He promised to submit a memorandum discussing these matters in detail.

Comments.

The problem of the limitation of DM 75,000 has been discussed in reference (D). It appears to us that the following German legislation will determine to what extent it is possible to support the view that the draft law, if enacted, would constitute a violation of Chapter Four of the Settlement Convention:

- (a) The U.S. Zone Laws state: "The amount of compensation to be paid by the Land shall not exceed DM 75,000 in the individual case".
- (b) The Federal Compensation Law states: "The compensation to be paid to the individual persecutee shall not exceed the amount of DM 75,000. This limitation shall not apply to the claims of the Successor Organizations".
- (c) The draft amendment states: "The compensation to be paid to the individual persecutee shall not exceed the amount of DM 75,000".

A comparison of (a) (b) and (c) shows that successor organizations are exempt from the limitation only under (b) and that they would receive less favorable treatment under (c). We note that the Conference, in its memorandum dated December 29, 1955, a copy of which we understand was given to the Department, advanced the argument that the term "the legislation in force" in paragraph 2(a) of Chapter Four of the Settlement Convention relates to the legislation in force on October 23, 1954, the date of signature of the Paris Protocol, rather than to the legislation in force when the Bonn Conventions were signed. In the meeting here reported Mr. Ferencz did not refer to that view. He argued that (b) and (c) are less favorable to claimants than (a) and are for this reason in violation of the Settlement Convention.

As may be seen from the underlined words the U.S. Zone Laws were ambiguous. The phrase "in the individual case" could mean either the amount of compensation to be paid to one individual claimant (who may hold several claims) or to the amount of compensation to be paid for a single claim. Under (b) and (c) the ambiguity is removed. In this connection we wish to qualify our discussion of this problem in reference (D) to the extent that we overlooked the possibility of ambiguity in the U.S. Zone Laws.

In the light of the above it would appear that the best case we can make to the German Federal Government based upon Chapter Four is that the draft law should

OFFICIAL USE ONLY

339131

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

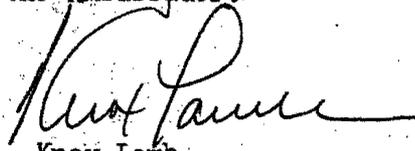
Page 3 of
Desp. No. 1453
From AMEMBASSY BONN

adopt the ambiguous language of the U. S. Zone Laws. This would give the claimant the opportunity of having the courts resolve the ambiguity. Whether this would result in any practical benefit to claimants seems doubtful.

With respect to compensation for economic losses of stateless persons and refugees, we believe that the proposal of the Material Claims Conference for a lump sum payment should be supported in the forthcoming discussions with the German Federal Government based on the principles underlying our general discussion of this question in reference (D).

It is expected that a meeting with representatives of the British, French and United States Embassies and the German Federal Government will take place in the near future. We would appreciate any comments the Department may wish to make.

For the Ambassador:



Knox Lamb
General Counsel

OFFICIAL USE ONLY

REC-1028

339132

NWZ

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19



DEPARTMENT OF STATE INSTRUCTION

350

350

OFFICIAL USE ONLY
(Security Classification)

FOR DC USE ONLY

NO.: A - 717 February 3, 1956

262,0041 / 1-1654

SUBJECT: Federal Compensation Law

TO: ~~WESTERN~~ American Embassy, BONN

Reference:	Bonn D-1153	1/16/56
	Bonn D-1281	12/19/55
	Dept A-515	11/30/55
	Dept A-611	1/12/56

262,0041 / 1-1955

262,0041

This Document Must Be Returned to
RM/A
Central
Files
262.0041/1-1656

The Department appreciates the Embassy's reports concerning the proposed amendment to the Federal Compensation Law and especially the comments with respect to the provisions of the amendment concerning the application of the 75,000 DM limitation to Successor Organizations and compensation to non-German persecutees. As stated in our previous communications, the various Jewish Organizations have sought the Department's assistance in trying to persuade the German Federal Government to modify these two provisions and the Department has agreed to consider whether it would be feasible to approach the Germans on either or both of these matters.

75,000 DM Limitation

The Department is of the opinion that the application of the 75,000 DM limitation to successor organizations would place an unfair restriction on the JRSO, especially insofar as the organization has claims for a number of synagogues formerly belonging to one community. If this provision is allowed to go into effect in its present form there will no doubt be considerable criticism which could overshadow many of the desirable features of the amendment. We believe therefore that an effort should be made to persuade the Federal Republic that this provision should be eliminated or modified before the proposed amendment is enacted.

The question is whether the approach to the Federal Republic can be made on a legal basis - that is on the grounds that the provision is less favorable than similar provisions in United States Zone Laws and therefore contrary to Chapter IV of the Settlement Conventions, - or whether we can only make an approach on the grounds of the Federal

Republic's

OFFICIAL USE ONLY
(Security Classification)

DRAFTED BY: EUR:GER:GEA:JKrizay:wew 2/3/56
CLEARANCES: L/GER - Mr. Wehmeyer

APPROVED BY: GEA - Daniel W. Margolies

S/S-CR
FEB 3 1956 P.M.

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041

339133

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

Official Use Only 262.0041/1-1656 CS/A

OFFICIAL USE ONLY
(Security Classification)

Compensation to Non-German Persecutees

Our A-515 of November 30, 1955 suggested that the Embassy support the JRSO position with respect to this problem believing that the Organization was concerned about non-German persecutees who were persecuted in Germany or who otherwise met the residence requirements of the Federal Compensation Law. In any event, it was this group that the Department's A-515 referred to. The Department in the past has taken the position that non-German persecutees who were persecuted outside of Germany would have to look to the country of their own nationality for settlement of their claims. Although we are gratified that the proposed amendment will provide some compensation for this group, we do not feel that we can, under the terms of the Settlement Convention press the Federal Republic to undertake any obligations with respect to these persecutees beyond those they have already indicated a willingness to undertake. Should an appropriate opportunity present itself, however, it might be pointed out to the Federal Republic that if their Government would see fit to narrow the discriminatory features of this provision we believe it would discourage criticism of the law and make the program more effective.

We are, however, interested in whether or not non-German persecutees who meet residence requirements under the terms of the Law, receive compensation comparable to that received by persecutees who are German nationals. According to your D-1281, however, this group is fully eligible for compensation including compensation for economic loss. We hope that under the proposed amendment this group will be eligible for compensation comparable to the compensation which is paid to other groups. In this connection, however, we note that the memorandum submitted by the Conference on Jewish Material Claims (transmitted as our A-614) lists as deficiencies in the proposed amendment: the fact that it (the amendment) decreases capital payments to expellees for loss of life; establishes for stateless persons minimum annuities and capital payments lower than for other groups in deviation from the existing law; and maintains the 75% rate of compensation for damage done to stateless persons and refugees and the payment of "capital" compensation for loss of life and health from January 1, 1949 only. It is not clear to us which group this refers to. The language used in stating these deficiencies (particularly underlined portions) would seem to indicate that the reference is to groups covered in the existing law; that is those meeting residence requirements since other non-Germans are not covered under the present law. If there are such groups who are receiving compensation at a discriminatory rate, we believe that the matter should be drawn to the attention of the Federal Republic and that they should be informed of our interest in seeing this situation rectified.

The

OFFICIAL USE ONLY
(Security Classification)

339134

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Bonn

PAGE 4

OFFICIAL USE ONLY
(Security Classification)

The manner of approach on both of the above matters is left to the discretion of the Embassy. We would appreciate being informed of the status of the proposed amendment and of the reaction of the Federal Republic to any approach that is made.

DULLES

OFFICIAL USE ONLY
(Security Classification)

339135

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Embassy
of the
Federal Republic of Germany

January 25 1956

In reply refer to
GEA 262.0041/1-1356

JAN 18 AM 8 17

COMMUNICATIONS
BRANCH

TM/R
Central
Files

Document Must Be Returned
262.0041/1-1356

Dear Senator Lehman, presents his compliments

The German Embassy has informed us that it has brought to the attention of the Foreign Office at Bonn, Germany, a copy of your letter of December 3, 1955 in which you express your concern about the discrimination in the draft amendment to the Federal Indemnification Law between German and non-German victims of Nazi persecution in Germany.

Sincerely yours,

For the Secretary of State:

Thruston B. Morton
Assistant Secretary

The Honorable
Herbert H. Lehman,
United States Senate.

du
H +

S/S-CR

JAN 25 1956 A.M.

DM/R
20

EUR:GER:GEA:ISMorgenthau:ml

1/24/56

JAN 23 1956

297137

Jacklin

1956

GF

339136

CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

262.0041/1-1356

CS/E

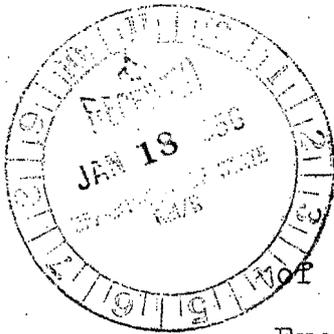
Embassy
of the
Federal Republic of Germany
Washington, D.C.

JAN 18 1956

ACTION
is assigned to

EUR

RECEIVED
DEPARTMENT OF STATE
1956 JAN 18 AM 10 17



RMR
CURRENT RECORDS
BRANCH

The Ambassador of the Federal Republic of Germany presents his compliments to His Excellency the Secretary of State and with reference to the Secretary's note of December 21, 1955, has the honor to inform the Department of State that this Embassy has sent copy of the letter dated December 3, 1955 from the Honorable Herbert H. Lehman, United States Senate, in which he expresses his concern about the discrimination in the draft amendment to the Federal Indemnification Law recently approved by the German Cabinet between German and non-German nationals who were victims of Nazi persecution in Germany, to the Foreign Office in Bonn and that the matter has been called to the attention of the Foreign Office.

Washington, D.C., January 13, 1956.

RECEIVED
DEPARTMENT OF STATE
FILES

262:0041/1-1355

CS/LS

①

*Letter to Sec. Lehman
1/24/56
257 Morgan
7/15
9F*

297137

L R
39
Nov
Cochran

FILED
FEB 23 1956

262.0041/1-1356

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339137

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

15
REC'D

262.0041/2-2156 FEB 23 1956
2-21

FROM: AMEMBASSY BONN 1746

February 21, 1956

TO: The Department of State, Washington

REF: Embassy despatch 1281, December 19, 1955

SUBJECT: Federal Compensation Law

EUR INDEX

ACTION

EUR-9

INFO

Central

Files

Document

SCS-2

NEA-4

ICA-10

TRB

OH

CA

Returned to

262.0041/2-2156

1. On February 20, 1956, an officer of the Embassy met with officials of the Federal Finance Ministry (Mr. Feaux de la Croix and Dr. Kuschnitzky) to discuss the problem faced by successor organizations arising out of the draft amendment of the Federal Compensation Law relating to the limitation of DM 75,000 in respect of damage to property. The question was examined along the lines reported in reference despatch.

2. The Embassy representative stated that it was the Embassy's understanding that, in the course of the hearings on the draft in the Bundestag Committee, the possibility of dropping the limitation for successor organizations was examined on the basis of an undertaking from the successor organizations to spend the compensation awarded in the Federal Republic. The Embassy representative also stated he was advised that the feasibility of negotiating a bulk settlement of claims of this type which were held by the Jewish Restitution Successor Organization had been discussed with the Federal Finance Ministry. The Embassy representative explained that the purpose of his call was to convey to the German Government the interest of the United States Government in seeing the problem brought to a satisfactory solution. Referring to the traditional policy of the Department of encouraging bulk settlements as a means of avoiding lengthy litigation thereby making funds available for pressing rehabilitation requirements, the Embassy representative expressed the hope that a similar arrangement would be possible in the present situation, adding that the Embassy was prepared to lend appropriate assistance and encouragement in this direction.

3. The German officials explained that the question of dropping the limitation in respect of successor organizations was one to be decided by the Bundestag and was out of their hands. With regard to the feasibility of a bulk settlement, they pointed out that discussions with JRSO were in a very preliminary stage. They stated this was a complicated problem inasmuch as the obligation to pay such claims rested on the Laender and the Federal Government could not enter into any arrangement without their participation and agreement. The German officials expressed their appreciation of the United States interest and said the matter would be given careful study.

4. The German officials stated frankly that JRSO had and would continue to receive considerable sums under restitution and indemnification far beyond what had originally been envisaged either by the German authorities or JRSO itself. Accordingly they felt that the DM 75,000 limitation should apply to

R.F.M.
RFMoore/lw

RECEIVED

OFFICIAL USE ONLY

JBF

TRB

UTB

LWC

Inst. to Bran
File
3/20/56
J.C. Jones
NEW

R 6 5a
CDF, 1955-58
Box 1071
File 262.0041

339138

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

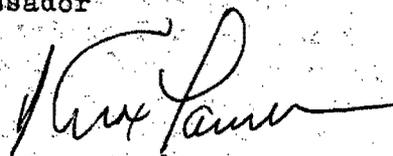
OFFICIAL USE ONLY

Page 2, AMEMBASSY BONN
Despatch No. 1746
February 21, 1956

JRSO in the same manner as to claimants generally. They expressed some surprise that the United States Government appeared to concern itself more with the problems of JRSO than of individual claimants. The Embassy representative took this opportunity to reassure the German officials that the United States recognized that the redress of individual injustices was the first objective of the compensation program and that its primary interest was to see this achieved. He pointed out that the present discussion concerned a narrow issue which only affected successor organizations, and noted that the United States Government would have the occasion to state its views on the principal question of the treatment of individuals when the German Government transmitted the text of the amended draft.

5. The above meeting was arranged at the urging of JRSO in order to encourage the German Government to pursue actively the bulk settlement proposal. JRSO has been informed of the substance of this message.

For the Ambassador



Knox Lamb
General Counsel

CC: PA
GC

OFFICIAL USE ONLY



NEW

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

330139

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

(B)
MAR - 9 1956
REC'D
3-12

262.0041/3-956

FROM: AMEMBASSY BONN 1878 March 9, 1956
TO: The Department of State, Washington
REF: (A) Department S A-893, March 24, 1955
(B) Department S A-955, April 12, 1955
(C) Embassy Despatch 2125, April 5, 1955
(D) Embassy Despatch 2436, May 16, 1955
(E) Embassy Despatch 408, August 24, 1955
SUBJECT: Internal Restitution - Claims Against the Former Reich

ACTION
R.M.I.R.
L-2 Department
E-4
REF-2
SBS
TR-3 Be Returned to
OAP-3
CIA-5

The negotiations between the Federal Government and the Conference on Jewish Material Claims against Germany about which the Embassy reported in references (D) and (E) have resulted in a revision of the draft Reich Liability Law discussed in reference (C) and the approval of the revised draft by the Claims Conference. In confirmation of its approval the Conference has submitted to the Embassy the following statement:

"The Claims Conference has received from the Ministry of Finance of the Federal Republic the final draft of a Federal law for the settlement of monetary claims against the Reich (Bundesgesetz zur Regelung der rueckerstattungsrechtlichen Geldverbindlichkeiten des Deutschen Reichs und gleichgestellter Rechtstraeger (Bundesrueckerstattungsgesetz - BRueG -)).

Please be advised that, after due consideration, the Claims Conference has reached the conclusion that it would be in the interest of the claimants if the law, as now proposed, would be promptly enacted. It is therefore respectfully requested that the United States Government raise no objection to the proposed law.

Sincerely yours,

/s/ Herbert S. Schoenfeldt
/t/ Herbert S. Schoenfeldt
Director for Germany "

The Embassy has been orally informed that the same letter has been written by the Conference to the French Embassy and that a letter containing a similar statement has been sent to the British Embassy by the Jewish Trust Corporation, acting in the name of the Conference.

The revised draft law is presently before the Federal Cabinet and has not as yet been officially submitted to the Allied Powers. The following comments are based on a copy of the draft which the Embassy obtained through unofficial channels.

EALeber/lw

OFFICIAL USE ONLY

See to Bonn
#3273-5155-6
Jones

Instr. to Bonn
3/20/56
Jones: was
W6

LWC

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339140

DECLASSIFIED
Authority: MD 969003
By: TB NARA O:la 6/19

262.0041/3-956

OFFICIAL USE ONLY

Page 2, Despatch 1878
AMEMBASSY BONN,
March 9, 1956

The revised law has in substance remained almost the same as the one discussed in reference (C). Apart from some minor improvements, the only material change which the Claims Conference has achieved in lengthy negotiations is the satisfaction of claims arising from the confiscation of household effects in transit (lift vans) in non-German European ports from funds not to be charged to the maximum amount of DM 1.5 billion.

In some respects, the arbitrary departure from what was intended by the framers of Chapter Three of the Settlement Convention is in our opinion even more pronounced in the revised law than it was under the previous draft. Thus, the revised law provides that 25% of the amount assessed as damages will be paid as compensation for profits and interest lost, and that in the case of confiscation of securities and shares even only 10% (repeat: ten %) of the amount assessed by the courts as present purchase value of the securities will uniformly be granted as compensation for interest and dividends lost. This provision clearly amends existing restitution legislation to the detriment of claimants. Practically, it means for example that a persecutee who in 1936 was deprived of a security which had at that time a stock exchange value of RM 800, and who in 1956 is awarded an amount of DM 1,000 which is the present stock exchange value of the security formerly owned by him, will receive DM 100 (10% of DM 1,000) as compensation for the dividends lost between 1936 and 1956, i.e. 10% dividends for 20 years! In regard of judgments and amicable settlements rendered or concluded before its enactment the law provides that such judgments and settlements shall be deemed to be amended or supplemented accordingly.

Another provision which, in effect, amounts to an amendment of existing restitution legislation relates to the confiscation of bank accounts. Contrary to the rulings of the courts in the British Zone and in Berlin, the courts in the U.S. Zone hold that a transfer from a bank account is to be considered as disposition of identifiable property and gives rise to a claim under Military Government Law No. 59. The revised law provides that such transfer shall not be considered as a transfer of identifiable property, thus overruling the courts of the U.S. Zone by amendatory legislation. It is admitted that, to some extent, this provision may not be unfavorable to the program as a whole for the following reason: Transfers from accounts were mostly made for the payment of special levies. Compensation for special levies is paid by the Laender under the Federal Compensation Law. Accordingly, restitution claimants have in such cases an alternative or optional claim under the Compensation Law. If special levies were paid by the transfer of identifiable property, the Laender will be reimbursed, and only then will be so reimbursed, under the Reich Liability Law out of the DM 1.5 billion fund. Thus, if bank accounts are not to be considered as identifiable property, the Laender cannot request reimbursement of payments which they make under compensation legislation if special levies were paid by transfer from bank accounts. Despite these considerations, the fact remains that there may be legal

OFFICIAL USE ONLY

R 6 5 a
CDF, 1955-58
Box 1071
File 262.0041

339141

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 3, Despatch 1878
AMEMBASSY BONN
March 9, 1956

and factual situations where the rights of claimants presently recognized under applicable restitution legislation and by established court rulings and guaranteed by Chapter Three of the Settlement Convention are radically extinguished also in cases where no alternative or optional claim lies under compensation legislation.

In summing up our comments made in reference (C) and our foregoing observations, the Embassy notes that the draft Reich Liability Law contains provisions which on their face are clear-cut inconsistencies with the Settlement Convention in that they make a number of categories of payments a charge upon the DM 1.5 billion fund which were not contemplated or included by the Allied and German negotiators of Art. 4 of Chapter Three of the Settlement Convention, or otherwise curtail the rights of claimants under the existing Allied restitution legislation by directly or indirectly amending such legislation. As the version of the draft law is by no means always unambiguous and clear, further inconsistencies may develop when the law is interpreted and administered by the restitution agencies and courts.

Conclusion and Recommendation

The draft Reich Liability Law which is presently pending in the Federal Cabinet and will probably be officially submitted to the Embassies of the Three Powers in the near future, does not satisfactorily carry out the treaty obligation of the German Government. In view of its many provisions which conceivably are detrimental or may turn out to be detrimental to the interests of claimants, it must be expected that it will be subject to most violent attacks and severest criticism from circles within Germany and without. The Embassy can therefore, despite the recommendation of the Claims Conference, not advocate the unqualified Allied consent to the enactment of the law in its present version. The Embassy is aware that any serious attempt on its part to achieve a thorough improvement of the law and elimination of its deficiencies by Allied-German negotiations would involve further delay of its enactment for an incalculable period of time. For this reason, the Embassy considers to take, subject to the Department's approval, the following position when the revised law is officially submitted by the German Government;

The Federal Government has in Article 4 of Chapter Three of the Settlement Convention assumed certain obligations in regard of the monetary restitution liabilities of the German Reich. Whether this treaty obligation will be satisfactorily carried out by enactment of the present draft Reich Liability Law is in the first place a matter within the discretion of the German legislature. The Settlement Convention does not require the approval of the Three Powers to the Reich Liability Law prior to its enactment. The Allied Governments can ultimately decide whether in their opinion the law sufficiently meets the treaty obligations only on the basis of the practical results achieved under it while being interpreted and administered by the agencies and courts. As far as the

OFFICIAL USE ONLY

R 6 5 a
CDF, 1955-59
Box 1071
File 267.0041

339142

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 4, Despatch 1878
AMEMBASSY BONN
March 9, 1956

extension of the law to additional groups of persecutees is concerned, the U.S. Government will not raise any objections, neither at this time nor at a later date.

The advantage of this position will be threefold:

- (1) It will deprive the Federal Government of any excuse for further delay and pave the way for expeditious enactment of the law so that there is at least a law to begin with, no matter how bad it is;
- (2) It will avoid that the Allied Governments make concessions under the pressure of time which otherwise they would not make;
- (3) It will leave the door open for Allied action under Chapter Three of the Settlement Convention if the dissatisfaction among persecutees reaches a point where Allied action is warranted.

The Department's views on the foregoing proposal would be appreciated. In the meantime, the Embassy will find out whether the French and British take a similar position in respect of the draft law and inform the Department thereof in due course.

For the Ambassador:

Knox Lamb

Knox Lamb
General Counsel

OFFICIAL USE ONLY

339143

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

SURFACE POUCH

UNCLASSIFIED

262.0041/3-1456

FROM: AMEMBASSY BONN

1912

March 14, 1956

RECD 3/20

TO: The Department of State, Washington

MAR 15 1956

ACTION EUR 4

REF: claims received

SUBJECT: Reports under the Federal Compensation Law

EUR INDEX IM

INFO RM/R-2 OLI-6

Attached for the Department's information are five copies of the Cumulative Statistical Report on Claims under the Federal Compensation Law (BEG) for the period of October 1, 1953 to December 31, 1955, and five copies of a summary compensation report.

For the Ambassador:

[Signature]

Knox Lamb
General Counsel

262.0041/3-1456

This Document Must Be Returned to

Enclosures:

- 1. Five copies of Compensation Report.
- 2. Five copies of summary report.

RECEIVED DEPARTMENT OF STATE

1956 MAR 20 AM 11:57

RM/R CURRENT RECORDS BRANCH

[Handwritten signature]

UNCLASSIFIED

RE Moores/lw

advance payments	27,932,172	59,294,000	01,220,000
------------------	------------	------------	------------

Total payments	365,768,184	346,890,289	712,658,473
----------------	-------------	-------------	-------------

- *) Including decisions still
- **) Partial decisions not in
- ***) Partial decisions includ

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339144

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

262.0041

*Encl. to Insp. 1912
from Bonn - 3/14/56*

EUK

Summary Report on Claims under the Federal Compensation Law
October 1, 1953 - December 31, 1955

I. <u>Claims received and disposed of:</u>	<u>Germany</u>	<u>Abroad</u>	<u>Total</u>
1. <u>Compensation Agencies</u> claims received			1,214,140
awards			72,605
compromises			7,043
rejections			69,627
other dispositions			29,809
Total dispositions *) **)			<u>179,084</u>
2. <u>Landgerichte:</u> complaints received	31,943	28,046	59,989
awards	2,358	1,554	3,912
compromises	8,091	7,900	15,991
rejections	7,896	2,270	10,166
other dispositions	6,793	3,901	10,694
Total dispositions *) ***)	<u>25,138</u>	<u>15,625</u>	<u>40,763</u>
3. <u>Oberlandesgerichte:</u> appeals received	4,018	1,750	5,768
decisions in favor of claimants	351	111	462
compromises	326	159	485
decisions against claimants	951	318	1,269
withdrawal of appeals and other dispositions	1,395	249	1,644
Total dispositions *) ***)	<u>3,023</u>	<u>837</u>	<u>3,860</u>
4. <u>Bundesgerichtshof:</u> appeals received	115	22	137
decisions in favor of claimants	24	2	26
compromises	4	7	11
decisions against claimants	29	7	36
withdrawal of appeals and other dispositions	51	4	55
Total dispositions ***)	<u>108</u>	<u>20</u>	<u>128</u>
II. <u>Payments (in DM):</u>			
loss of life	56,388,271	19,484,551	75,872,822
damage to limb or health	140,257,010	26,453,542	166,710,552
deprivation of liberty	53,693,083	150,881,710	204,574,793
damage to property and possessions	17,846,042	41,389,225	59,235,267
damage to economic prospects	65,291,416	48,912,186	114,203,602
hardship cases	4,360,190	474,417	4,834,607
Total	<u>337,836,012</u>	<u>287,595,631</u>	<u>625,431,643</u>
advance payments	27,932,172	59,294,658	87,226,830
Total payments	<u>365,768,184</u>	<u>346,890,289</u>	<u>712,658,473</u>

*) Including decisions still subject to appeal.
 **) Partial decisions not included.
 ***) Partial decisions included.

339145

R 6 5a
 CDF, 1955-59
 Box 1071
 File 262.0041

Final Report
Summary Report on Claims under the Federal Compensation Law
October 1, 1953 - December 31, 1955

<u>Claims received and disposed of:</u>	<u>Germany</u>	<u>Abroad</u>	<u>Total</u>
I. Compensation Agencies:			
claims received	AMERICAN EMBASSY Office of General Counsel		1,214,140
awards	APG 30		72,605
compromises			7,043
rejections			69,627
other dispositions			29,809
Total dispositions *)			179,084
	**)		
2. Landgerichte:			
complaints received	31,943	28,046	59,989
awards	2,358	1,554	3,912
compromises	8,091	7,900	15,991
rejections	7,896	2,270	10,166
other dispositions	6,793	3,901	10,694
Total dispositions *)	25,138	15,625	40,763
	***)		
3. Oberlandesgerichte:			
appeals received	4,018	1,750	5,768
decisions in favor of claimants	331	111	462
compromises	326	159	485
decisions against claimants	991	318	1,269
withdrawal of appeals and other dispositions	1,395	249	1,644
Total dispositions *)	3,023	837	3,860
	***)		
II. Payments:			
4. Bundesgerichtshof:			
appeals received	115	22	137
decisions in favor of claimants	24	2	26
compromises	4	7	11
decisions against claimants	29	7	36
withdrawal of appeals and other dispositions	51	4	55
Total dispositions ***)	108	20	128

II. Payments (in DM):

loss of life	56,388,271	19,484,551	75,872,822
damage to limb or health	140,257,010	26,453,342	166,710,352
deprivation of liberty	53,693,083	150,881,710	204,574,793
damage to property and possessions	17,846,042	41,389,225	59,235,267
damage to economic prospects	65,291,416	48,912,186	114,203,602
hardship cases	4,360,190	474,417	4,834,607
Total	337,836,012	287,595,631	625,431,643
advance payments	27,932,172	59,294,658	87,226,830
Total payments	365,768,184	346,890,289	712,658,473

- *) Including decisions still subject to appeal.
 **) Partial decisions not included.
 ***) Partial decisions included.

339146

R 6 5a
 CDF, 1955-59
 Box 1071
 File 262.0041

HENRY J. ZACHARIAS
ATTORNEY AT LAW
ONE EAST FIFTY-SEVENTH STREET
NEW YORK 22, N. Y.
MURRAY HILL 8-6670

GER
APR 12 1956

HJM
J.S.

CABLE:
"ZACHLAW, NEW YORK"

April 10th, 1956.

U.S. Department of State,
Washington, D. C.

Attention: Office of German Affairs.

Gentlemen:-

I understand from certain recent publications that there exists a Press Release No. 497 issued by your Department under date of August 16, 1955, relating to certain provisions in the State Treaty with Germany for the restitution of property looted in occupied territories.

I also understand that there exists a deadline for the filing of claims pursuant to the foregoing treaty provisions which expires May 8, 1956.

I should greatly appreciate your courtesy in sending me a copy of the aforesaid press release No. 497, as well as any other explanatory material which your Department might have published in connection with the foregoing.

Respectfully yours,

[Signature]
Henry J. Zacharias

HJZ/em

DC/R
Anal 31
Rev _____
Cat *[initials]*

MAY 2 - 1956

PTL:EM

339147

262.0041/4-1056
262.0041/4-1056
262.0041/4-1056

CS/W

DECLASSIFIED
Authority *MD 969003*
By *TB* NARA Date *6/19*

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

REPRODUCED AT THE NATIONAL ARCHIVES

April 17 1956

In reply refer to
GEA

Dear Mr. Zacharias:

In accordance with your request of April 10, 1956, there is enclosed a copy of the Department's Press Release No. 497 of August 16, 1955 concerning the establishment by the Federal Republic of Germany of an administrative agency for external restitution pursuant to Chapter Five of the Convention on the Settlement of Matters Arising Out of the War and the Occupation, as amended by the Paris Protocol of 1954.

You request any other explanatory material which the Department might have published with respect to the restitution of property in occupied territories. The Department has not published any explanatory material on this subject. It is hoped, however, that the following may be helpful.

The Allied occupation authorities in Germany established programs to return property which could be located and identified in the Federal Republic of Germany or West Berlin as having been looted in countries occupied by Germany. This program has been substantially completed. However, Article 3 of Chapter Five of the Settlement Convention entitled "External Restitution", as amended by the Paris Protocol, has a bearing on such claims. It reads as follows:

- "1. Notwithstanding provisions of German law to the contrary, any person who, or whose predecessor in title, during the occupation of a territory, has been dispossessed of his property by larceny or by duress (with or without violence) by the forces or authorities of Germany or its allies, or their individual members (whether or not pursuant to orders), shall have a claim against the present possessor of such property for its restitution, subject, however, to:
 - (a) Reimbursement by the claimant to the defendant for expenditures, which have enhanced the value of the property, made after its acquisition;
 - (b) Payment by the claimant of the value of any consideration received by him or his predecessor in title, which shall be treated in the same manner as German assets existing at the date of removal in the country from which the property was removed.

No such

Mr. Henry J. Zacharias,
Attorney at Law,
One East Fifty-seventh Street,
New York 22, New York.

RECEIVED
APR 17 1956
Central
M/P
Re Returned to

262.0041/4-1056 CS/W

262.0041/4-1056

262.0041/4-1056

DC/R
Anal 3/1
Rev
Cat

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

339148

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCTION OF THIS DOCUMENT IS PROHIBITED

No such claim shall exist if the present possessor has possessed the property bona fide for ten years or until 8 May 1956, whichever is later.

2. Any claim to restitution pursuant to paragraph 1 of this Article may be brought before a German court on or before May 8, 1956 or before the expiration of ten years during which the possessor possessed the property bona fide, whichever is later, by any national or resident of a State which has acceded to the Charter of the Arbitral Commission on Property, Rights and Interests in Germany.
3. No restitution claim may be asserted, if, prior to the entry into force of the present Convention, a request by a Government on behalf of the claimant for restitution of the property concerned was rejected as not well founded by an agency of one of the Three Powers, except in a case where evidence which could not previously be presented is adduced.

If claimants are able to locate and identify in the Federal Republic of Germany or West Berlin their property which was removed from territory occupied by Germany, they may avail themselves of the remedy provided in Article 3 of Chapter Five and will no doubt wish to pursue their claims under the procedure established thereunder. If not, they would appear to have no recourse to the German Government at this time.

You may be interested in knowing that the Convention on the Settlement of Matters Arising Out of the War and the Occupation, as amended by the Paris Protocol of 1954, has been printed in a Senate Document which is on public sale at the Government Printing Office. You may, if you so desire, write to the Government Printing Office, Washington 25, D. C., to obtain a copy of it, making reference to Senate Document No. 11, 84th Congress, First Session, entitled "The Bonn Agreements of 1952 as amended by the Paris Protocol of 1954".

Sincerely yours,

J. C. Jones
Julian C. Jones
Office of German Affairs
Bureau of European Affairs

Enclosure:

Press Release No. 497.

S/S-CR
APR 16 1956 P.M.

EUR:GER:GEA:ESmorgenthau:ml 4-13-56

Cat _____

This Document Must Be Returned to
 RM/R
 SEC
 004174-10
 ER
 CSIW
 262.0041-1088

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339149

AMERICAN ASSOCIATION of FORMER AUSTRIAN JURISTS, Inc.
NEW YORK, N. Y.

DIRECTORS

Chairman:
 SIEGFRIED GEYERHAHN

Executive Vice-Chairman:
 JOSEPH A. HAIM
 60 East 42nd Street
 New York 17, N. Y.

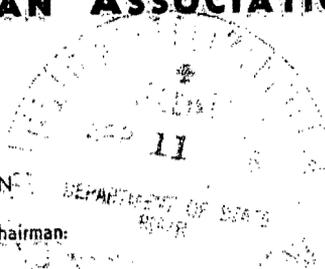
Vice-Chairmen:
 PAUL L. BAECK
 ERNST NEWERLY

Secretary:
 FELIX HAAS

Treasurer:
 EGON F. BERGSON

Assistant Treasurer:
 PAUL E. DEUTSCH

ARTHUR BONDI
 HUGO KNOEPFMACHER
 VICTOR ORNSTEIN
 OTTO STRAUSS
 ROBERT F. WEISSENSTEIN



Department of State
 Washington, D. C.

April 10, 1956.

File copy sent 4/20/56
 L/GER

LEGAL ADVISER

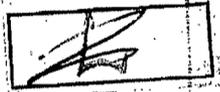
APR 17 1956

DEPARTMENT OF STATE

Att.: Mr. John W. Raymond
 Assistant Legal Adviser
 L/GER 262.0041/2-2156

(Please address replies to)
 SIEGFRIED GEYERHAHN, CHAIRMAN
 94-06 34th ROAD,
 JACKSON HEIGHTS 72, N. Y.

ACTION
 is assigned to



My dear Sir:

With your letter of March 19, 1956, you were kind enough to clarify certain questions as to the time of filing suit under Article 3 of Chapter 5 of the Convention.

In view of the fact that in only very rare cases the claimant might know the person who is in possession of the seized property, such an action for restitution can hardly be brought. For American naturalized citizens, who immigrated from countries occupied by Germany, the question of bringing suit for compensation under Article 4, subdivision 2, of the Convention is of paramount importance.

The last sentence of said subdivision 2 gives the time limit for filing such actions. The application referred to in said last sentence is the application for compensation, which can be submitted by a Government only to the "Agency". A private person is compelled to bring suit against the Federal Republic of Germany for compensation.

Now under the last sentence of subdivision 2 the time limit for bringing such action is one year after notification of the claimant that the property is not available for restitution. It appears from this wording that the claimant has first to secure such notification as a prerequisite to bringing the action for compensation.

Upon request to the German Agency, either to inquire as to the whereabouts of the seized property, or to state that the property is not available for restitution, the German Agency simply stated in letters like the one, of which we enclose a copy, that it has nothing to do with private claims, contrary to the last sentence of subdivision 2, which expressly sets a limit of one

THIS DOCUMENT MUST BE RETURNED TO
 THE LEGAL ATTACHE
 DEPARTMENT OF STATE
 WASHINGTON, D. C.

APR 30 1956

ATTEND

262.0041/4-1056

CS/LS

262.0041/4-1056

D. R.
 SB
 [Handwritten initials]

R 6 5 a
 CDF, 1955-59
 Box 1071
 File 262.0041

339150

DECLASSIFIED
 Authority MD 969003
 By TB NARA Date 6/19

AMERICAN ASSOCIATION of FORMER AUSTRIAN JURISTS, Inc.
NEW YORK, N. Y.

DIRECTORS

Chairman:
SIEGFRIED GEYERHAHN

Executive Vice-Chairman:
JOSEPH A. HAIM
60 East 42nd Street
New York 17, N. Y.

Vice-Chairmen:
PAUL L. BAECK
ERNST NEWERLY

Secretary:
FELIX HAAS

Treasurer:
EGON F. BERGSON

Assistant Treasurer:
PAUL E. DEUTSCH

ARTHUR BONDI
HUGO KNOEPFMACHER
VICTOR ORNSTEIN
OTTO STRAUSS
ROBERT F. WEISSENSTEIN

(Please address replies to)
SIEGFRIED GEYERHAHN, CHAIRMAN
94-06 34th ROAD,
JACKSON HEIGHTS 72, N. Y.

year, commencing at the time of receipt of such notification, that the property is not available for restitution.

In view of the fact that bringing suit in Germany against the Federal Republic of Germany entails a very substantial risk for the claimant by his being obliged to pay substantial attorney's fees and court costs, a clarification of the discrepancy between the viewpoint of the German Agency and the text of the Convention referred to above would be necessary. Therefore it is submitted that an extension of time for filing such actions for compensation should be arranged with the German Authorities, if the viewpoint of the German Agency should be adopted. Otherwise the German Agency should be induced to change its position and to give the requested notification to the claimant, that the property is not available for restitution, in order to secure the one year time for bringing the action, as provided in the last sentence of subdivision 2 of Article 4 of the Convention.

Since there are only three weeks open for bringing such action, we would highly appreciate, if you would advise us at your earliest convenience as to your reaction to this confusing situation.

Respectfully yours,

AMERICAN ASSOCIATION OF FORMER
AUSTRIAN JURISTS, INC.

BY

Joseph A. Haim
Joseph A. Haim
Executive Vice-Chairman

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339151

DECLASSIFIED
Authority <u>MD 969003</u>
By <u>TB</u> NARA Date <u>6/19</u>

Bundesamt fuer Aeussere Restitutionen

Bad Homburg

RE-424/56

6. April 1956.

Dr. S. Kantor
67-76 Booth Street
Forest Hills 75, N. Y.

Aeussere Restitutionen auf Grund des 5. Teiles des Vertrages zur Regelung aus Krieg und Besetzung entstandener Fragen vom 5. Mai 1955/BGBI. Teil II/432 ff (Ueberleitungsvertrag)

Bezug Ihr Schreiben vom 22. Maerz 1956.

Wegen Ihrer in Wien von deutschen Streitkraefte oder Dienststellen entzogenen Sachen koennen Sie nach Artikel 3 a. a. O. gegen die jetzigen Besitzer dieser Sachen bis zum 8. Mai 1956 eine Restitutionsklage erheben. Sollten Ihnen die Besitzer Ihrer Sachen nicht bekannt sein, so koennen Sie nach Artikel 4, Absatz 2, gegen die Bundesrepublik bis 5. Mai 1956 eine EntschaeDIGungsklage erheben, wenn die Voraussetzungen des Artikels 4, Abs. 1, vorliegen, das heisst, wenn die Sachen u. a. vorher in Deutschland identifiziert worden sind. Die EntschaeDIGungsklage gegen die Bundesrepublik ist beim Landgericht Bonn einzuleiten. Das Amt ist in das Verfahren nicht eingeschaltet. Eine Verlaengerung der angegebenen Frist ist im o. a. Vertragsteile nicht vorgesehen.

Die Frage, ob Ihnen eventuell nach anderen Gesetzen EntschaeDIGungsansprueche zustehen, kann das Amt nicht beurteilen, da Fragen dieser Art nicht zu seinem Aufgabenbereich gehoeren. Ich habe deshalb Ihre Eingabe vorsorglich dem Bundesminister der Finanzen zur weiteren Pruefung vorgelegt. Sie werden von dort gegebenenfalls noch weiteren Bescheid erhalten.

(Unterschrift)

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041

339152

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AMERICAN JURISTS

This Document Must Be Returned to
PM/R
General
Files

April 23 1956

In reply refer to
L/OSR 262.0041/4-1056
OK

LEGAL ADVISER

Dear Mr. Geyerhahn:

The Department of State has received the letter of April 10, 1956 from your organization with further reference to the filing of claims under Article 4 of Chapter Five of the Convention on the Settlement of Matters Arising Out of the War and the Occupation.

Chapter Five makes provision for two types of cases:

(1) Cases involving restitution to a Government of cultural property, jewelry, silverware and antique furniture as specified in Article 1. Claimants to property in this category file claims with the German agency mentioned in paragraph 1 of Article 1.

(2) Cases where an individual finds property in Germany which was taken from him. In such cases a proceeding is possible in a German court in accordance with paragraph 1, Article 3.

With regard to the two situations described above, there is in addition a special provision that in cases where property, after identification in Germany, has been utilized or consumed in Germany before return to the claimant or been destroyed, stolen or otherwise disposed of, before the claimant obtains restitution of the property, he is entitled to claim compensation under Article 4.

Sincerely yours,

For the Secretary of State:

Donald A. Wehmer
Assistant to the Legal Adviser

DC/R
April 31
Rev
Cav

S/S-CR Mr. Siegfried Geyerhahn,
Chairman, American Association
of Former Austrian Jurists, Inc.,
24-06 34th Road,
Jackson Heights 72, New York.

L/SER: D. Wehmer/dw 4/19/56

See Mr. Mangler

262.0041/4-1056 GS/W

262.0041/4-1056

APR 23 1956 P.M.

R 6 5a
CDF, 1955-59
Box 1071
File 262.0041

339153

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY
OFFICIAL USE ONLY

REC'D
APR 12 1956
4-16

262.0041/4-1156

From: AmEmbassy Bonn Desp. No. 2093

To: The Department of State, Washington, among other April 11, 1956

Ref.: (A) Dept's A-717, February 3, 1956
(B) Dept's A-843, March 20, 1956
(C) Embassy Despatch 1746, February 21, 1956

Subject: Federal Compensation Law in Luxembourg that this latter group of stateless persons and refugees may receive compensation on a limited basis only (75% as a minimum). What the Conference now requests in its report on March 26, 1956, representatives of the Allied Embassies met with a German delegation to discuss the draft amendment to the Federal Compensation Law. While the British and the French representatives repeated their request for extension of the law to their deportee and forced laborer group, the US representative concentrated upon the two points dealt with in reference (A). Regarding the DM 75,000 limitation on claims of successor organizations, the Department's instruction contained in reference (A) was followed. The Embassy had ascertained in the meantime that the clause in the US Zone Laws "the amount of compensation....shall not exceed DM 75,000 in the individual case" was, in fact, more favorable to successor organizations, as in settling with the JRSO Land Wuerttemberg-Baden had interpreted the clause to apply to each claim separately and not to all claims which one claimant may hold. In accordance with the Department's comments which had made the position to be taken by the Embassy dependent on the previous practice under the US Zone Laws, the approach was therefore made on the basis of Chapter Four of the Settlement Convention. The inclusion of the deportee and slave laborer group.

Regarding compensation to stateless persons and refugees, the Department agreed in reference (A) that there is no legal basis for requesting further improvements under Chapter Four, although it is quite correct that all groups of stateless persons and refugees are generally worse off under compensation legislation than former German residents. This is also the reason why sometimes it is not quite clear and has not been clear to the Department (reference (A)) to which group the Material Claims Conference has reference. There is first to be distinguished that group of stateless persons and refugees which in theory is fully eligible for compensation because residence requirements are met (by stay in a German DP camp on January 1, 1947 or by settlement in the Federal Republic). This group can in practice not claim, or can claim in exceptional cases only, compensation for economic losses because such losses must have occurred within Reich territory, and these people in the natural course of events suffered their economic losses elsewhere. The Claims Conference has suggested to remedy this inequity by granting the persecutees concerned some lump sum payment for their economic losses. The other group of stateless persons and refugees for which the Claims Conference speaks has no residential connection at all to the Federal Republic. Compensation for this group is provided under Article 71, paragraph 1 of the Federal Compensation Law presently in force. Article 67, paragraph 1 specifically exempts this group from residence requirements. However, compensation for

GC:OD:EALeber:rw

OFFICIAL USE ONLY

ACTION
EUR 4
INDEX
EUR INDEX
SK
Document
SCS
SCA-2
ICA-8
TR
CH
Returned to

262.0041/4-1156

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041

339154

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

SEARCHED SERIALIZED INDEXED FILED

OFFICIAL USE ONLY

this group is subject to certain limitations along the lines of Part I, paragraph 14 of Protocol No. 1 which provides, among other matters, that these persecutees "shall receive appropriate compensation for deprivation of liberty and damage to health and limb, in accordance with the basic principles of the General Claims Laws of the US Zone and in line with the compensation payments established therein, i.e., as a rule, not less than 3/4 of those rates". From the wording of Part I, paragraph 14 of Protocol No. 1 it can be seen that the Material Claims Conference conceded in its negotiations with the Federal Republic in Luxembourg that this latter group of stateless persons and refugees may receive compensation on a limited scale only (75% as a minimum). What the Conference now requests in its memorandum referred to in reference (A) (transmitted as the Dept's A-644) does therefore not even find a legal basis in Protocol No. 1.

In view of the foregoing considerations the US representative was not in a position to make an approach in behalf of stateless persons and refugees on the basis of Chapter Four but confined himself to expressing the interest of the United States Government in seeing also these people compensated at a satisfactory and non-discriminatory rate.

The German delegation took official notice of the statements of the US representative and when asked whether the submission of a formal note on the two subjects would be desired stated that this was not necessary. The British and French representatives submitted a paper to the German delegation which originally they had intended to present as Allied paper to which, however, the US representative did not subscribe because this paper explicitly stressed the inclusion of the deportee and slave laborer group.

Regarding the approach to officials of the Federal Ministry of Finance reported in reference (C), it should be noted that the primary purpose of this approach was to convey to the German Government the interest of the United States Government in a bulk settlement of the JRSO's claims under the Federal Compensation Law. As a bulk settlement might include a satisfactory solution of the issue of the DM 75,000 limitation on claims of successor organizations, this problem was touched upon only incidentally by the Embassy representative and to the extent to which it was necessary to indicate to the German representatives that the JRSO's position in regard of the DM 75,000 limitation enjoys the full support of the US Government. It was not the purpose of this call to get involved into legal arguments with the German representatives as the proposition of a bulk settlement must in the first place be discussed and advocated outside any legal considerations.

It would appear that the foregoing answers also the Department's questions raised in reference (B). As far as the two points are concerned which Mr. Seymour Rubin discusses in his letter of February 27, 1956, the desired action has already been taken by the Embassy, except that the concern of the US Government was not expressed in the form of a note but has

OFFICIAL USE ONLY

339155

R 6 59
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

OFFICIAL USE ONLY

Page 3 of
Desp. No. 2093
From AmEmbassy Bonn

been orally conveyed to the Federal Government. Regarding the bulk settlement of the JRSO's claims, the Embassy feels that an official note to the Federal Government would be premature at this time and should be reserved for a more advanced stage of the Conference's negotiations on the matter with the Federal Government.

For the Ambassador:

Knox Lamb
Knox Lamb
General Counsel

Distribution:

GC:OD - 4 copies.

OFFICIAL USE ONLY

339156

R 6 5 a
CDF, 1955-59
Box 1071
File 262.0041

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/1/9

INCOMING TELEGRAM

Department of State

ACTION COPY

62

OFFICIAL USE ONLY

57-H
Action

EUR

Info

RMR

L

E

SCS

OLI

GIA

DCL

FROM: BONN
TO: Secretary of State
NO: 4188, MAY 11, 6 PM
RE DEPTTEL 3122.6

JCS

Control: 6513
Rec'd: MAY 11 3:18 PM

OFFICE OF EUROPEAN AFFAIRS
MESSAGE CENTER
MAY 11 1951
4 25
Report to Board
DEPARTMENT OF STATE

This Document Must Be Returned to
RM/R
Central
Files

262.0041/5-1156

EMBASSY PROPOSES FOLLOWING EXCHANGE OF LETTERS: FEDREP TO EMBASSY STATING OBJECTIVE PROPOSED LAW IS PROVIDE BROADEST POSSIBLE BASIS AND UNIFORM TREATMENT ALL PERSECUTEES. THIS REQUIRES INCLUSION FRENCH ZONE, CLAIMS AGAINST NSDAP AND PRUSSIA, AND REOPENING FILING PERIOD. LETTER WILL FURTHER CONTAIN ESTIMATE ACCORDING WHICH SATISFACTION OF ALL CLAIMS IN FULL LIKELY AND IN NO EVENT LESS THAN 80 PERCENT. EMBASSY IN REPLY WILL STATE THAT U.S. GOVT APPROVES INCLUSION NEW CLAIMS AND CLAIMANTS LISTED ABOVE BUT IN OTHER RESPECTS RESERVES ITS RIGHTS UNDER SETTLEMENT CONVENTION. GERMANS INDICATED AT WORKING LEVEL PROPOSED LETTERS ACCEPTABLE. REINSTEIN CONCURS IN PROPOSAL AND APPROVED DRAFT LETTERS PREPARED BY EMBASSY. ALLIED-GERMAN MEETING SCHEDULED MAY 16. RECOMMEND EMBASSY BE AUTHORIZED AGREE PROPOSED LAW IF GERMANS AGREEABLE EXCHANGE LETTERS. INSTRUCT SOONEST.

CONANT

RNS

OFFICIAL USE ONLY

FILED
MAY 24 1951

OFFICIAL USE ONLY

REPRODUCTION FROM THIS COPY, IF CLASSIFIED, IS PROHIBITED

PERMANENT

RECORD COPY • This copy must be returned to RM/R central files with notation of action taken •

RG 59
Entry CDR 1955-59
File 262.0041
Box 1072

339157

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date 6/19

AIR POUCH

OFFICIAL USE ONLY

2338

TO: THE DEPARTMENT OF STATE, WASHINGTON

FROM: AMEMBASSY BONN

SUBJECT: Interpretation of Article 4 of Chapter Five of Settlement Convention (External Restitution)

EUR INDEX
JCJ

DEPARTMENT OF STATE

MAY 17 1955
MAY 17 1955

262.0041/5-1756
RM/18
RECD
ACTION

Central
RM/18-2
OLI
E
L
CIA
OAP

Must Be Returned to

262.0041/5-1756

1. The British and French Embassy officers in charge of restitution matters have asked us to join with them in seeing Mr. Wechnor of the German external restitution agency, with a view to obtaining a reconsideration of its interpretation of Article 4 in two respects, as follows:

a. Interpretation of Article 4(3). This paragraph covers "claims falling within the scope of paragraph 1 filed with an agency of the Three Powers before May 5, 1955". The German agency takes the view that this means compensation claims. The British/French view is that it means restitution claims approved by one of the Three Powers. This interpretation issue affects primarily two categories of cases:

(1) Cases in which the restitution claim was approved during the early occupation period by issuance of an authority of release but where the claimant government never notified the occupying power prior to May 5, 1955 that the property had not been restituted and that compensation was requested. Under the German view these cases do not fall within Article 4(3); under the British/French view they do. Some Dutch claims and possibly others are in this category. (2) Cases in which the restitution claim was not approved but where a compensation claim was filed with the Occupying Power before May 5, 1955. Under the German interpretation, these cases would probably be covered by Article 4(3); under the British/French view they are not covered. Most of the Italian claims are in this category.

b. Interpretation of Article 4(4) second sentence. That provision prescribes that "the agency shall also accept as conclusive" certificates of non-receipt. The German view seems to be that such certificates are conclusive only on what they certify, to wit, that the property was not received by an agency of the Occupying Power. The British/French view is that such certificate establishes conclusively that the property was after identification in Germany consumed in Germany or otherwise disposed of, and that therefore the approval of a restitution claim and such certificate taken together establish conclusively that the claimant government is entitled to compensation.

2. We explained to the British and French that we think that, unless the Department should instruct otherwise, we cannot support their position on these two points for the following reasons:

HFwaldstein/ah

OFFICIAL USE ONLY

FILED
LWC

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339158

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

REPRODUCED AT THE NATIONAL ARCHIVES

EMIR-00-821
CONFIDENTIAL OFFICIAL USE ONLY

a. Interpretation of Article 4(3).

Our own previous reading of Article 4(3) has always been the same as that of the German agency. Consequently, we informed the Italian Embassy in our letter of May 3, 1955 (copy transmitted to Department with our 2350 of May 4, 1955) that our non-approval of claims "does not affect any right of the Italian government to seek compensation under the provisions of Article 4..." The British/French interpretation, if accepted, would cut off all non-approved Italian government claims. The language of the Convention seems to support the German view. Section 3 of the Annex to Chapter Five refers to "applications for compensation... specified in paragraph 3 of Article 4".

We have examined the background and the records of the negotiation of Article 4. In the Allied-German communications exchanged during the period August 1950 to November 1951 (Annexes B to E of our despatch 3291 of April 24, 1953, Subject: Yugoslav copper claim) the claims were described as compensation claims filed by the countries concerned. The Allied draft of Article 4(3) of March 10, 1952, described the claims as "claims for compensation filed with an agency of any of the Three Powers and falling within the scope of this Article". At the Allied-German rapporteur meeting of March 12, 1952 (according to Mr. Debevoise's notes on the said draft) there were first inserted before "compensation" the words "restitution or" and after "compensation" the word "already". At the same meeting, this was then changed again and the present text was adopted. In Mr. Debevoise's letter to Professor Kaufmann of May 5, 1952 (Annex F of said despatch) the claims were described as "claims for restitution, approved by one .. of the Three Powers but where satisfaction could be only given by way of compensation".

This history provides arguments both ways. It also lends support to a third view, namely, that Article 4(3) covers restitution claims approved by one of the Three Powers before May 5, 1955 (regardless of whether a compensation claim was filed with such Power) as well as compensation claims within the scope of paragraph 1 filed with an agency of one of the Three Powers before May 5, 1955. We now favor this third view. Should the Department agree with this third view, we think the British and French would probably accept it.

b. Interpretation of Article 4(4) second sentence.

The British/French view appears to be irreconcilable with the opinion in Mr. Schwarz' letter to Professor Kauffmann of March 23, 1954 that "questions of identification and disposition are left initially for determination by the German ... Agency" (see paragraph 3 of our 2305, of May 15, 1956). It further appears irreconcilable with the standard applied by us after May 5, 1955 in the issuance of certificates of non-receipt to the Italians. Pursuant to the Department's wish that we issue such certificates in as many cases as feasible, and on the basis of the said opinion, we issued such certificates (contrary to the British/French practice) in cases where the restitution claim had not been approved and

CONFIDENTIAL OFFICIAL USE ONLY

339159

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY

where the evidence was not adequate to show that the property had been disposed of after identification. We acted on the view that these certificates are conclusive only on what they certify.

3. Although we consider that we cannot support the British/French interpretation on the two points discussed above, we are in agreement with our British and French counterparts that the processing by the German agency of those claims which were approved by the occupation authorities is not satisfactory and that we owe it to the claimant governments to try to improve the situation. We think that the following matters should informally be taken up with the chief of that agency (preferably jointly with the British and French, provided that we can agree with them on a common position):

a. The claimant governments should not be asked to prove identification again in all cases, since the occupation authorities did not approve claims without prior identification of the property in Germany and since the German side, in the negotiation of Article 4, gave the assurance that the German agency would not reopen the identification question in such cases (see paragraph 5 of our 2305, May 15, 1956). We think that this position is not in conflict with the opinion in Mr. Schwarz' letter to Professor Kauffmann of March 23, 1954, because that letter related to the effect of the approval as a matter of law and does not preclude the view that, as a matter of administrative practice, no further evidence should normally be required on the identification point. It may be observed in this connection that the Yugoslav copper claim presented a somewhat exceptional situation and has long since been settled between Germany and Yugoslavia. Most of the other claims approved by the occupation authorities fall into a rather different factual pattern.

b. The disposition requirement should be construed liberally; see paragraph 2 of our 2304, May 15, 1956.

c. Where the restitution claim was approved by the occupation authorities, compensability should not depend on a compensation claim having been filed prior to May 5, 1955 (see above part 2, a, last paragraph).

d. It should be explored what other steps can be taken to facilitate the processing of the approved claims, especially those which were on the lists transmitted in 1951 or were subsequently approved by the occupation authorities. Each of these cases was previously discussed by the occupation authorities with the Federal Ministry of Finance. As to many or most of them, agreement then existed that the claims involved were compensable under the Convention. Where such agreement existed, the German agency should not reopen the matter and should merely assess the amount of the compensation. Where no such agreement existed, it seems to us that the German agency should in the first place ask

OFFICIAL USE ONLY

339160

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

DECLASSIFIED

Authority MD 969003

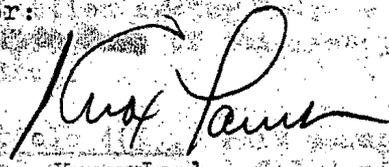
By TB NARA Date 6/19

OFFICIAL USE ONLY

for the file of the occupation authorities rather than ask the claimant government to prove facts which occurred in Germany during the occupation period and which normally cannot be readily ascertained by the claimant government.

We believe that the British and French would be agreeable to some such joint approach to Mr. Fechner. The Department's views and instructions would be appreciated.

For the Ambassador:



Knox Lamb
General Counsel

The British Board of Control for Internal Security has been advised that the Department has approved the proposed approach to Mr. Fechner. The Board has also advised that the proposed approach is in line with the Department's policy on the subject. The Board has also advised that the proposed approach is in line with the Department's policy on the subject.

OFFICIAL USE ONLY



339161

RG 59
Entry CBF 1955-59
File 262.0041
Box 1072

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

OFFICIAL USE ONLY

262.0041/5-1856
18

FROM: AMEMBASSY BONN 2350
TO: The Department of State, Washington

May 18, 1956

REC'D
5/21
ACTION

EUR INDEX

REF: Deptel 3273, Embassy Telegram 4188

Small amount involved and the equal chance

SUBJECT: Internal Restitution - Claims Against the Former Reich

On May 16, officers of the three Embassies and representatives of the German Federal Government met to discuss the draft Reich Liability Law and the proposed exchange of letters mentioned in Embtel 4188. The French and British representatives joined the U.S. proposal, subject to the consent of their Governments which they stated however is only a formality and in all probability will be given. The German delegation accepted our proposed exchange of letters and agreed to the reservations which the Allied Governments wish to make. English and German drafts of the proposed letters are attached for the Department's information. The Department's attention is invited particularly to paragraph 2 of the reply to be given by the Three Embassies to the Federal Government. The reservations therein expressed will enable the Allied Governments to reopen negotiations with the view to relieve the DM 1.5 billion fund from the burden of any other categories of claims and claimants not covered by Article 4 of Chapter Three of the Settlement Convention to the inclusion of which the Allied Governments did not specifically consent in paragraph 1 of their letter. Such categories would be for example claims for a more liberal conversion rate under the Old Savings Accounts Law, the claims of restitutors under Article 44(3) of U.S. MG Law No. 59 and the claims of the Laender for reimbursement of certain special levy payments they made under Laender and Federal Compensation legislation. Our position laid down in paragraph 2 of the reply further permits us to approach the Federal Government in respect of any other deficiencies of the law which we may consider as inconsistencies with the Settlement Convention. It was made clear to the German delegation during the meeting that this is the intent of the Allied reservations and that these reservations shall include the reservation of the right to bring any dispute which may arise and which cannot be settled by negotiations before the Arbitration Tribunal.

The British representative raised the question of the so-called hardship fund (DM 50 million) which is set aside by the draft law for certain hardship cases and suggested that a timely limitation should be placed on the existence of such hardship fund and that after expiration of a certain date the unused portion of that fund would be carried back to the general fund. The German delegation agreed with this proposal and promised to recommend that an appropriate clause be added by the Bundestag Law Committee. The German delegation on its part inquired in this connection whether the Allied representatives would in principle agree to the establishment of a hardship fund as

KLamb/joc

OFFICIAL USE ONLY

Inst. to
file
5/23/56
Eus. Res. Sec. J. E. Janos
JUN 7 - 1956
WG

Files
Central
Documents
2
2
6
4
2
2
5
3

Returned to 262.0041/5-1856

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339162

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

Proposed letter from the German - 2 - to the Three Powers

envisaged by the draft law. The Allied representatives stated that they have no objection. It was agreed that in view of the relatively small amount involved and the equal chances to all persecutees (including those who have filed timely claims under existing restitution legislation) to profit from that fund the significance of this point was negligible and did not warrant special mention in the letters to be exchanged but could be settled by an appropriate statement in the minutes which the German Foreign Office kept of the meeting.

The German delegation submitted to each of the Allied representatives one typewritten copy of an English translation of the draft law. We will furnish the Department some copies of this translation together with the German version as soon as more copies are available.

Regarding the chances for an early enactment of the Law the German representatives stated that it is too late for enactment prior to the summer recess of the Bundestag, but that they hope that it can be processed at least up to the first Bundestag reading. This would make it possible to enact the Law without further delay right after the summer recess. The following considerations:

Comments

The Embassy believes that the compromise reached by the mutual acceptance of the proposed exchange of letters is the best result the Three Powers could obtain under the circumstances. It avoids further delay by lengthy negotiations and at the same time permits the reopening of negotiations in the future on a number of questions in the interest of persecutees. If future statistics in a more advanced stage of completion of monetary restitution cases against the Reich show that the total of DM 1.5 billion is sufficient for the full satisfaction of all claims in any event, the question of elimination from payment out of the DM 1.5 billion fund of such claims as those of the restitutors and those of the Laender for reimbursement need never be raised. If, however, for example when the program is 50% complete it becomes apparent that the maximum amount of DM 1.5 billion will be insufficient to pay all claims in full, the Allied Governments would be free to request elimination from the DM 1.5 billion of all categories of event payments not covered by the Settlement Convention and not specifically consented to. Our British and French colleagues also gave expression of their belief that the U.S. proposal was an excellent solution of this difficult problem the Allied Governments found themselves confronted with.

Enclosure:
✓ Draft letters
(4 pages)

Att

For the Ambassador: *[Signature]*
Knox Lamb
General Counsel

[Handwritten mark]

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339163

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

UNCLASSIFIED

Enclosure to Despatch
No. 2350, AMEMBASSY BONN
May 18, 1956

Proposed Letter from the German Federal Government to the three Embassies

Re: Draft Law concerning the Settlement of Monetary Restitution
Liabilities of the German Reich and Comparable Legal Entities
(Federal Restitution Law)

The United States Government is pleased to receive the
In the preparation of the foregoing draft law the Federal Government has been guided by the principle of providing for the satisfaction of monetary restitution claims against the German Reich on as broad a basis as possible and of according uniform treatment to all persecutees who have been deprived of their property by the Reich. This principle requires that (1) persecutees whose claims arise in the former French Zone enjoy no lesser rights than claimants under the U.S. and British restitution laws, (2) persecutees who failed to file timely claims under existing restitution legislation be granted another opportunity to assert their claims by reopening of the filing periods, and (3) claims against the NSDAP and Land Prussia be treated as claims against the German Reich. The Federal Government takes the view that in all probability the inclusion of these groups of persecutees and claims will not substantially reduce the amount to be received by any persecutee who has already filed a valid claim. This view is supported by the following considerations:

On the basis of the records available to the Federal Ministry of Finance it can be assumed with sufficient certainty that the satisfaction of all claims arising within the territory of the three former Western Zones - including the newly established restitution claims for damages arising in the former French Zone - will not require an amount materially exceeding DM 800 million and that in any event an amount of DM 1 billion will not be reached. Accordingly, an amount of DM 500 million, if not more, would be left for claims arising in Berlin. In the field of compensation legislation it has turned out that the compensation claims in Berlin are approximately 25 to 33% of the total number of compensation claims. If one applies the same proportion to the restitution claims, the amount available for Berlin of probably at least DM 500 million would therefore also in Berlin suffice for the full satisfaction of all claims coming within the purview of the draft law. But even if the total amount of DM 1.5 billion would be exceeded, this would not result in any substantial curtailment of payments on claims already covered by existing restitution legislation. According to the draft law all claims up to DM 10,000 will in any event be satisfied in full. Regarding claims exceeding the amount of DM 10,000 it is the considered opinion of the Federal Government that also these claims can possibly be fully satisfied and, if not, at the least can be satisfied up to 80% of the amounts awarded.

Apart from the foregoing, the Federal Government is of the opinion that the draft law fully meets the requirements of Article 4 of Chapter Three of the Convention on the Settlement of Matters Arising out of the War and the Occupation and is in every respect in accordance with said Convention.

UNCLASSIFIED

RG 59
Entry CDF 1955-59
File 262 0041
Box 1072

339164

DECLASSIFIED

Authority MD 969003
By TB NARA Date 6/19

UNCLASSIFIED

Page 2 of Enclosure
to Despatch No. 2350
AMEMBASSY BONN
May 18, 1956

Vorgeschlagener Wortlaut des Briefes von der Deutschen Bundesregierung
Proposed Reply of Embassy

The United States Government appreciates the desire of the Federal Government to provide for the satisfaction of monetary restitution claims against the German Reich on as broad a basis as possible and to accord equal treatment to all persecutees whose property was confiscated by the German Reich. The United States Government accordingly will not raise any objections against the extension of the law to claims and claimants specified in paragraph of your letter of ...

Regarding the question whether the draft law in other respects is fully consistent with Article 4 of Chapter Three of the Convention on the Settlement of Matters Arising out of the War and the Occupation, the United States Government will refrain from taking a position at this time and will reserve all rights which the Three Powers may have under said Convention if in their opinion an obligation assumed by the Federal Republic in said Convention is not satisfactorily discharged.

Die Bundesregierung ist der Ansicht, dass in der Veranschaulichung der verschiedenen Verfolgungsgruppen die Beschränkung der Zahl der benannten Verfolgten nicht, wie behauptet wird, die Zahl der Verfolgten unwesentlich vermindern wird. Diese Ansicht wird durch die folgenden Erwägungen unterstützt:

Nach den dem Bundesministerium der Finanzen vorgelegten Unterlagen ...

UNCLASSIFIED

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

RG 59
Entry: CDF 1955-59
File: 262.0041
Box: 1072

339165

201 West 92nd Street
New York 25, New York

Received
Hei
6/18/56
file 6/20/56
reply drafted
E.C.R. D.A.E.R. G.C.H.
T.S. Marjand
Mitt
Central

that the German Government should be made to
take action without further discrimination
... June 15, 1956
... true Germany

Reference: My Indemnification Case
Case Title: Henry Jeret - Citizen
File #37029 filed in Trier, Germany
Thanking you very much for your kind consideration of
Office of German Affairs respectfully,
Department of State
Washington 25, D.C.

Dear Sir:

The U.S. Federal Attorney in New York City directed me to your
office, concerning my complaint against German tactics of dis-
crimination referring to the indemnification laws of Germany.

1. According to the German Law I was supposed to receive 150 marks per month for the slave work I did in different forced labor and concentration camps; however, I received only 75% of half the amount due me. The reason for this is I was not in Germany in January of 1947. I slaved as much for Germany as the other fellow who was in Germany in January of 1947. I feel that I am entitled to at least the 150 marks per month without having been in Germany on a specific date.
2. I am also not being refunded for any loss of personal property and for the interruption of studies because I am considered a Central European Jew.
3. A German sentry knocked out several of my teeth which today requires extensive dental work and money to which the Germans don't pay any attention, as far as indemnifying me is concerned. Although I enclosed a statement from a Dentist certifying to its urgency because the Germans neglected it for several years.

I am taking the liberty of asking the State Department to see to it that the following action should immediately be taken:

#C/R
Anal 2
Rev
Cat

JUL 2 1956
FILED

262.0041/6-1556 CS/W

262.0041/6-1556

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339166

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

This Document Must Be Returned to

1. That the German Government should be made to pay all legitimate claims without further discrimination and torture.
2. An interest of 6% starting as of May 5, 1945, should be added to all cases that are not solved within a reasonable period of time, as it is already eleven years since Germany lost the war.

Hoping that you will see to it that something is done in the near future and that you will kindly notify me of the results.

Thanking you very much for your kind consideration of my problem. I remain very respectfully yours,

Henry Jeret
Henry Jeret

P.S. I wish to remark that I am not the only one who is being treated that way, there are many more.

Copies of this letter have been sent to:
German Consulate, N.Y.C. - United Jewish
World Congress in N.Y.C. and the United
Restitution Organization in N.Y.C.

A copy of my file from Trier, Germany,
is available at the United Restitution
Organization, 50 West 77th Street, N.Y.C.

Sincerely yours,

Enclosure

Division of War Relocation
Office of War Relocation
Department of War Relocation

Mr. Henry Jeret,
222 East 71st Street,
New York 17, New York

RG	59
Entry	CAF 1955-59
File	262.0041
Box	1072

339167

DECLASSIFIED

Authority MD 969003

By TB NARA Date 6/19

June 23 1956

RM/R
General
Files

In reply refer to
GRA

Dear Mr. Jaret:

The Department has received your letter of June 15, 1956 in which you comment on the treatment accorded certain victims of Nazi persecution under German indemnification legislation.

We note from the information contained in your letter that you filed your claim with the German indemnification office at Trier. Since this is a German compensation office which handles claims of stateless and political refugees within the meaning of Article 71 of the Federal Indemnification Law, it is assumed that you are concerned about those aspects of the law which are less favorable to non-German than to German nationals who were persecuted in Germany during the Nazi regime.

The Department has been informed that on June 15, 1956 the German Parliament unanimously approved an amendment to the Federal Indemnification Law. According to the information received by the Department, the amendment contains a number of substantial improvements in the amounts of benefits granted claimants such as you.

Unfortunately, however, we do not have copies of the amendment available for general distribution. It is our understanding that the World Jewish Congress at 25 East Eighty-fourth Street, New York 28, New York, has prepared an explanatory memorandum of the principal provisions of the amended version of the Federal Indemnification Law. You may wish to communicate with the World Jewish Congress to endeavor to obtain a copy of this memorandum in order to ascertain how the changes in the amendment affect your claims, and what action, if any, you must take to receive the additional benefits thereunder. Alternatively, the German Consulate General at 745 Fifth Avenue, New York, New York, may be able to give you advice and guidance in this matter.

Sincerely yours,

For the Secretary of State:

eat S/S
JUN 22 1956 P.M.

Judson C. Jones
Office of German Affairs
Bureau of European Affairs

Mr. Henry Jaret,
201 West 92nd Street,
New York 25, New York.

6/22/56

This Document Must Be Returned to
262 0041
6-1556
762 0041

DECLASSIFIED
Authority MD 969003
By JB NARA Data 6/19

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339168

REPRODUCED FROM NATIONAL ARCHIVES

ARTHUR VANOUS June 21 1956

316 EAST 71ST STREET NEW YORK 21, N.Y.

Central Files
This Document Must Be Returned to

In reply refer to
GEA.

Dear Mr. Vanous:

I have received your letter of June 13, 1956 in which you refer to Chapter Four of the Convention on the Settlement of Matters Arising Out of the War and the Occupation and ask whether in the opinion of the Department the proposed amendment to the Federal Indemnification Law does not represent a violation of the obligation the Federal Republic assumed under this Chapter with respect to compensation to victims of Nazi persecution. You are primarily concerned because the claims of non-German persecutees who were persecuted outside Germany are not included in this draft amendment.

In this connection your attention is invited to Chapter Four, Articles 2(a) and 2(b) which state that legislation in this field in the Federal Republic in the future shall be not less favorable to claimants than the legislation in force and not less favorable than the compensation laws enacted in the United States Zone. In order to qualify for compensation under the General Claims Law enacted in the United States Zone claimants had to fulfill certain restrictive residence requirements similar to those imposed under the Federal Indemnification Law. Thus the obligation to victims of Nazi persecution which the Federal Republic assumed pursuant to Chapter Four of the Settlement Convention does not extend to the class of persecutees whom you represent.

Sincerely yours,

Judson C. Jones
Office of German Affairs
Bureau of European Affairs

Mr. Arthur Vanous,
316 East 71st Street,
New York 21, New York.

DC:R
MAIL 55
REV
CAL

S/S-CR
JUN 21 1956 A.M.

EUR:GER:GEA:ISMorgenthau:ms 6/20/56.

7W 262.0041/61356

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339169

DECLASSIFIED
Authority MD 969003
By TB NARA O:la 6/19

ARTHUR VANOUS

316 EAST 71ST STREET NEW YORK 21, N. Y.

June 13, 1956

Mr. Judson C. Jones
Office of German Affairs
Bureau of European Affairs
Department of State
Washington

Dear Mr. Jones :

I thank you very much for your kind letter of May 29, and I should like to inform you that meanwhile I have received a copy of the report prepared by the German Ausschuss fuer Fragen der Wiedergutmachung. I have studied those paragraphs in this report which deal with the compensation of non-German Nazi victims, in which I am most interested. The "Ausschuss" worked hard, as a comparison of the new draft with the old one will show; the wording has been almost entirely changed, but any material improvement in paragraphs 160 to 168 dealing with non-German victims, is negligible.

Discrimination against non-German Nazi victims has not been eliminated in the new draft of the proposed law; nor has the "Ausschuss" abandoned the principle of territory (Territorialitaetsprinzip) as a criterion for awarding full compensation, though such a criterion violates the peace treaties. The violated portions read as follows:

Chapter Four of the Convention of the Settlement of Matters Arising out of the War, etc.

Par. 1. "The Federal Republic acknowledges the obligation to assure in accordance with the provisions of paragraphs 2 and 3 of this Chapter adequate compensation to persons persecuted for their political convictions, race, faith or ideology, who thereby have suffered damage to life, limb, health, liberty, property, their possessions or economic prospects (excluding identifiable property subject to restitution). Furthermore ... etc."

Par. 2 (d) "that the effective and expeditious processing, determination and satisfaction of claims for compensation in this field shall be assured without discrimination against groups or classes of persecuted persons."

The violation of these regulations by the proposed new law is evident. I cannot believe that the Government of the United States will agree to such a flagrant violation of the peace treaties.

I should be very grateful were you to inform me of the point-of-view of your department. May I also add that I greatly appreciate your interest in the affairs of the Nazi victims.

Very sincerely yours

Arthur Vanous

55
✓
MINK

file
6/20/56
reply drafted
ELK: G. ERIGER
I.S. Margulies

Files
Central
M/R

This Document Must Be Returned to 262.0041/6-1356

CS/T

262.0041/6-1356

RG 59
Entry COE 1955-59
File 262.0041
Box 1072

DECLASSIFIED
Authority: MD 969003
By: TB NARA Date: 6/19

339170

This Document Must Be Returned to 262.0041/6-1356

HERBERT TENZER
LOUIS GREENBLATT
NATHANIEL R. KAPLAN
HERBERT BERMAN
HYMAN J. FLIEGEL
HENRY ZELTNER
DANIEL R. KAPLAN
FREDERICK A. LIND

TENZER, GREENBLATT, FALLON & KAPLAN
COUNSELLORS AT LAW
285 MADISON AVENUE, NEW YORK 17, N. Y.

December 4, 1956

TELEPHONE
LEXINGTON 2-4560
CABLE ADDRESS
'TENGRAN NEW YORK'

4/ber
DEC 6 1956

The Office of the Legal Adviser
Department of State
Washington 25, D. C.

Re: Claim #31773 against Merck, Finck & Company, Berlin, Germany, for \$20,759. and interest, and Claim #34583 against Commerz und Privatbank, Berlin, Germany, in the sum of \$10,110. plus interest

This Document Must Be Returned to
RM/R
Central Files
262.0041/12-456 CS/F

Dear Sir:

We represent Mrs. Rachel Nash, formerly Ruchel Nachtgeist, who has filed the above claims with the office of Alien Property at Washington 25, D. C.

Since both of the above banks are insolvent, we do not expect full payment thereof. However we are now inquiring as to the possibility of instituting restitution or indemnification proceedings in Germany regarding the above claims and have been advised by the Department of Justice to communicate with you. Please advise whether such proceedings can be instituted.

Ben

Can you also please advise us whether or not these debtors are authorized to do business in the United States.

HE

Very truly yours,

TENZER, GREENBLATT, FALLON & KAPLAN

By *Hyman J. Fliegel*
Hyman J. Fliegel

HJF: pkr.

Reply Drafted
File
EUR: 66RIG EA: LRF: emc
11/9/57

JWS

FILED
FBI - 1957

LEGAL ADVISER
DEC 5 1956
DEPARTMENT OF STATE

4/ber
262

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339171

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

In reply refer to
GEA

January 25 1957

Dear Mr. Fliegel:

The Department has received your letter of December 4, 1956 concerning possible claims which your client, Mrs. Rachel Nash, has filed with the Office of Alien Property.

From the facts which you have stated in your letter, it would not appear that your client's possible claims would come within the purview of either restitution or indemnification legislation of the Federal Republic of Germany. However, a general explanation of the situation in Germany regarding restitution and indemnification legislation may be helpful to you.

With respect to the restitution of confiscated identifiable property in the Federal Republic of Germany or West Berlin, the Allied military authorities in those areas enacted restitution laws which provided for the return of such identifiable property to persons who were wrongfully deprived of such property for reasons of race, religion, nationality or political opposition to National Socialism. The time for filing claims under these laws expired at various dates between August, 1948, and June, 1950 and the Department understands that the German authorities are not accepting claims at this time.

However the German Federal Government has drafted legislation pertaining to the payment of claims against the German Reich arising out of German restitution legislation. The law, as presently drafted, provides among other things for the filing of claims by persons who would have had a monetary restitution claim against the German Government for damages but failed to file a petition within the period prescribed by the restitution laws enacted in Western Germany. If provision is made for a general extension of the time limit for the filing of monetary claims against the Reich, your client could then file claims, provided they are otherwise eligible.

Mr. Hyman J. Fliegel,
Tenser, Greenblatt, Fallon & Kaplan,
Counselors at Law,
285 Madison Avenue,
New York 17, New York.

RG 59
Entry CDF 1955-59
File 262.0041
Box 1072

339172

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

This legislation may be enacted by the Bundestag sometime this year. When and if this enactment takes place, you may be assured that the widest possible publicity will be given to it in the press.

As far as indemnification from the German Government to Nazi persecutees is concerned, on September 18, 1953 the Federal Republic of Germany enacted legislation entitled "Supplementary Federal Law for the Compensation of Victims of National-Socialist Persecution (BEG)". This legislation, which has been recently amended, provides compensation to those who were persecuted because of political conviction or on racial, religious or ideological grounds and who suffered damage to life, limb, health, liberty, possessions, property or economic advancement. To be eligible a persecutee must satisfy certain requirements regarding residence in Germany or be a displaced person or expellee within the meaning of the law. Where a persecutee satisfies this and the other requirements of the law he qualifies for compensation from the German Government.

The Department does not have an English translation of the German Federal Indemnification Law or the requisite forms available for general distribution. However, it is our understanding that the German Consulates throughout the United States are supplied with forms for the filing of claims and are in a position to advise claimants on the procedure to be followed. If you have not already done so, you may wish to communicate with the German Consulate General at 745 Fifth Avenue, New York, New York to ascertain whether the claims about which you are inquiring are cognizable under this law and, if so, to request advice and guidance in the matter. In addition, the Department has been informed that the World Jewish Congress at 15 East Eighty-fourth Street, New York 28, New York has prepared for the convenience of claimants residing in the United States an explanatory memorandum of the principal provisions of the Federal Indemnification Law, which is available upon request. The time limit for filing claims under the Federal Indemnification Law is October 1, 1957.

As to whether or not these debtor firms are authorized to do business in the United States, this is a matter within the laws of the several states. The Department regrets therefore that it is unable to advise you whether these firms have been authorized to do business in the United States.

Sincerely yours,

Judson G. Jones
Office of German Affairs
Bureau of European Affairs

S/S-CR

JAN 25 1957 P.M.

EUR:GER:GEA:LPMickett:emc 1/24/57

RG 59
Entry CAF 1955-59
File 262.0041
Box 1072

339173

DECLASSIFIED
Authority MD 969003
By TB NARA Date 6/19

THIS DOCUMENT MUST BE RETURNED TO THE RM/R CENTRAL FILES

262.0041/8-2257

HBS

262.0041/8-2257

7/4/57 (21)

27 Rec'd

8-27
Action
4-2

AIR POUCH

UNCLASSIFIED

FOREIGN SERVICE DESPATCH

Page 2, Despatch
AUGUST 22, 1957

W/GER file

FROM: AMEMBASSY BONN No. 350 AUG 22 1957

TO: the WDAR, its formations, its affiliated associations
The Department of State, Washington; August 22, 1957 -

REF: (1) Embassy D-2125, April 5, 1955 262.0041/4-555
(2) Embassy D-2093, May 21, 1957 262.1141/5-2157
(3) Embassy D-134, July 22, 1957 262.1141/7-2257

Imp
REF-2
RM/R-2
ENR-9
OLI-8
E-4
SCS-2
CIA-12

Monetary restitution claims are claims under the restitution legislation on the payment of a notional amount or of damages which arise from unlawful takings, such as expropriations, seizures, or invasions of property which at the time of the taking was "identifiable" in the meaning of restitution legislation but which cannot be restituted because of loss, damage or deterioration.

Law card

SUBJECT: Internal Restitution - Outline of Federal Restitution Law

The Federal Law concerning the Settlement of Monetary Restitution Liabilities of the German Reich and Similar Legal Entities of July 19, 1957, (shortly called the "Federal Restitution Law", was promulgated on July 23, 1957 (Federal Law Gazette, Part I, Issue No. 32, page 733). It entered into force on July 19, 1957 and is applicable in the area of the Federal Republic (except the Saarland) and West Berlin (hereinafter called "West Germany"). It is designed to carry out the undertaking given by the Federal Republic in Article 4 of Chapter Three of the Settlement Convention. Copies of the German text of the Law and of an English translation prepared by the Claims Conference are transmitted herewith. legislation, and

Supplementing the referenced reports, the following outline of the principal matters covered by the law has been prepared by the Embassy to assist the Department in answering inquiries from interested parties.

A. Claims Covered

The Federal Restitution Law applies to monetary restitution claims against one of the following entities:

- (1) the German Reich;
- (2) the German Reich Railroads;
- (3) the Reich Post;
- (4) the former Land Prussia;
- (5) the enterprise "Reichsautobahnen";

LEGAL ADVISER
RECORDED SEP 4 1957
DEPARTMENT OF STATE

POL:EA Leber:HF Waldstein:lp.

UNCLASSIFIED

Enclosure to be forwarded when received in RM/R

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

RG 59
Entry COE 1955-59
File 262.0041
Box 1073

339174

UNCLASSIFIED

- 2 -

Page 2, Despatch No. 350
AMEMBASSY BONN
August 22, 1957

- (6) the NSDAP, its formations, its affiliated associations and the other dissolved NS-organizations;
- (7) the Reich Association of Jews in Germany;
- (8) the Emigration Fund of Bohemia and Moravia.

Monetary restitution claims are claims under the restitution legislation for the payment of a Reichsmark amount or of damages which arise from unlawful takings (transfers under duress, seizures, confiscations, etc.) by one of the entities listed above of tangible or intangible property which at the time of the taking was "identifiable" within the meaning of restitution legislation but which cannot be restituted because of loss, damage or deterioration.

Typical examples of takings giving rise to monetary restitution claims: seizure, forced sale or compulsory delivery of securities or jewelry; forfeiture by operation of law (Eleventh Implementing Regulation to the Reich Citizenship Law) of Reichsmark credit balances; collection of rents from confiscated real estate.

The Federal Restitution Law applies only to

- (1) claims within the purview of Military Government restitution legislation, and
- (2) monetary restitution claims newly created by the provisions of the Federal Restitution Law, i.e.:
 - a. monetary restitution claims arising in the former French-Zone,
 - b. claims for household effects in transit (lift vans) confiscated in non-German European places, provided that the claimant is a persecutee who emigrated from West Germany and immediately prior to emigration had his domicile or residence in West Germany (Article 13).

B. New Categories of Claims Allowed

The provisions of the Law permit, in effect, three new categories of claims to be asserted.

The first and second category are described above in Section A, fourth paragraph, sub-paragraph (2), as "newly created".

UNCLASSIFIED

RG 59
Entry CAF 1955-59
File 262.0041
Box 1073

339175

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

UNCLASSIFIED

Page 3, Despatch No. 350
AMEMBASSY BONN
August 22, 1957

- 3 -

The third category, while not "newly created" in a legal sense, is new for all practical purposes. It relates to property seized from persecutees by the Reich outside West Germany, for instance in France or Holland, and removed to West Germany or East Berlin. The Law provides (Article 5) that if the place in West Germany to which such property was brought is unknown, the registration and restitution agencies in West Berlin shall have jurisdiction with regard to compensation claims for such property.

Registration of Claims

A registration of monetary restitution claims is required in all cases where:

- (1) such claim has not been timely and properly filed under existing restitution legislation, or
- (2) a timely and properly filed claim was finally rejected, withdrawn or waived.

Cut-off date for the filing of claims: April 1, 1958

- Registration Agencies:
- (1) Former U.S. Zone: Verwaltungsamt fuer innere Restititionen, Aussenstelle Muenchen, Deroystrasse 4, Muenchen 2.
 - (2) former British Zone: Verwaltungsamt fuer innere Restititionen, Obernstrasse 29, Stadthagen.
 - (3) Berlin: Haupttreuhaender fuer Rueck-erstattungsvermoegen, Nuernbergerstrasse 53-55, Berlin W 30.
 - (4) Former French Zone: Claims must be asserted by the filing of suit with the Restitution Chamber of the appropriate Landgericht.

Claims should be filed with that registration agency or restitution chamber in whose district the property was located at the time of the confiscation or into whose district it was taken after its confiscation. In the case of household effects in transit confiscated outside West Germany the confiscation is deemed to have occurred at the place where the persecutee had his domicile or residence

UNCLASSIFIED

DECLASSIFIED
 Authority NND 969003
 By JK NARA Date 6/20

RG 59
 Entry DF 1955-59
 File 262.0041
 Box 1073

339176

UNCLASSIFIED

Page 4, Despatch No. 350
AMEMBASSY BONN
August 22, 1957

- 4 -

immediately prior to his emigration or to the dispatch of the household effects, unless there is known a place in West Germany to which the property was removed. As to properties which are known to have been removed to West Germany or East Berlin while the exact place is unknown, see section B, last paragraph, above.

If a monetary restitution claim has been filed prior to April 1, 1958 with a compensation agency established under the Federal Compensation Law, no further registration is required. The claimant should, however, request the compensation agency to refer the matter to the appropriate restitution agency.

An error in selecting one of the four above-listed registration agencies is harmless. The agency which receives the claim will forward it to the proper agency where appropriate.

D. Payments Time and method: Payment is to be made in accordance with the following schedule:

(1) Computation of Amounts

a. Claims for the payment of a Reichsmark amount are converted at the rate of 10:1 into DM. 25 percent will be added as accrued interest to the DM-amount arrived at.

b. Claims for damages are assessed on the basis of the replacement value within West Germany as of April 1, 1956. In the case of tangible property the condition of the property at the time of confiscation will be taken into account in assessing its replacement value. 25 percent will be added as accrued interest to the amount so assessed, or 10 percent in the case of shares of stock and other participations.

c. Claims for damages arising from the confiscation of a Reichsmark credit balance which in the absence of a confiscation would have been subject to conversion pursuant to Article 13, para 3 of the Currency Conversion Law (i.e., bank accounts and RM payments made for the transportation of lift vans) shall be converted at the same ratio at which they would have been converted in the absence of a confiscation (normally 6.5 DM for 100 RM). 25 percent will be added as accrued interest.

UNCLASSIFIED

UNCLASSIFIED

RG 59
Entry CDF 1955-59
File 262.0041
Box 1073

339177

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

UNCLASSIFIED

Page 5, Despatch No. 350
AMEMBASSY BONN
August 22, 1957

- 5 -

In the case of bank accounts or other Reichsmark credit balances to which the provisions of the Old Savings Accounts Law apply, the benefits provided in that Law shall be added to the amount to be paid. The benefits of the Old Savings Accounts Law in effect raise the conversion rate to a ratio of 2 for 10.

(2) Satisfaction of Claims

a. Ceiling: Claims are to be satisfied by the Federal Republic up to the maximum total amount of DM 1.5 billion. This ceiling does not apply to the new lift van claims.

b. Time and method: Payment is to be made in accordance with the following schedule:

Until April 1, 1959 - up to DM 20,000 of the total amount awarded to each claimant.

Until April 1, 1960 - up to 50 percent of the total amount awarded to each claimant.

Until April 1, 1962 - the unpaid balance of the total amount awarded; whether this balance will be paid in full or be proportionately reduced will depend on whether the amount of DM 1.5 billion is sufficient to allow full satisfaction.

Until December 31, 1962- 4 percent annual interest since April 1, 1956, provided that this can be paid within the ceiling of DM 1.5 billion.

B. Procedure and Remedies

All monetary restitution claims, the newly created claims as well as the old claims, are processed in accordance with the provisions of the applicable Military Government restitution legislation. Judgments rendered or amicable settlements made prior to the effective date of the Law are to be adjusted in harmony with the provisions of the Law. After a claim has been established under the procedures of the restitution legislation, its amount is assessed by the Oberfinanzdirektion.

UNCLASSIFIED

RG 59
Entry CD 1955-59
File 262.0041
Box 1073

339178

DECLASSIFIED

Authority NND 969003

By JK NARA Date 6/20

Feb 1957

UNCLASSIFIED

Page 6, Despatch No. 350
AMEMBASSY BONN
August 22, 1957

- 6 -

The decision of the Oberfinanzdirektion may be appealed to the Restitution Chamber. The period for appeal is three months from the date of service of the decision, or six months if the claimant resides abroad.

F. Advance Payments and Hardship Clause

Advance payments may be made up to an amount of 50 percent of the total award if the first DM 20,000 appear insufficient to alleviate the distress of the claimant.

Natural persons may, upon application, be granted certain payments in hardship cases. Such application must be filed on or before April 1, 1958 with the Oberfinanzdirektion at Frankfurt/Main (Bundesvermoegens- und Bauabteilung).

For the Ambassador:

Elin O'Shaughnessy
Counselor of Embassy

Enclosures:

1. Three copies of English translation of Federal Restitution Law.
2. Three copies of German text of Law. (Will be dispatched separately).

Distribution:

- POL, Mr. O'Shaughnessy - 1
- POL, Mr. Leber - 6
- E/FNP, Mr. Herberg - 1

UNCLASSIFIED

DECLASSIFIED
 Authority NND 969003
 By JK NARA Date 6/20

RG 59
 Entry CDR 1955-59
 File 262.0041
 Box 1073

339179

September 4 1957

In reply refer to L/GER

Dear Mr. Ungar:

Following our recent conversation, the Department received a communication from the American Embassy at Bonn with regard to recent modifications in the German Federal Restitution Law. While I am not certain whether the changes are significant in connection with your case, it is possible that they may be and I therefore wanted to bring them to your attention.

As we understand the German position, they are now prepared to recognize claims in connection with property confiscated outside Germany, say in Austria, where the claimant is able to prove that identifiable property which was seized was subsequently sent into Germany. Article 5 of the relevant law reads as follows:

"Where identifiable property was confiscated by one of the legal entities enumerated in Article 1 outside the area of applicability of this law, and subsequent to the confiscation can be shown to have been forwarded into this area of applicability but its location is not known, such property shall be deemed to have been forwarded into the area of applicability of the legislation for the restitution of identifiable property mentioned in Article 11, Section 1, sub-section 4*. The same shall apply if confiscated property can be shown to have been forwarded into the territory of the City of Berlin as defined by Article 4 of the Berlin Constitution of 1950."

The American Embassy at Bonn reports that former Austrian residents who can prove that they were deprived of identifiable property located in Austrian territory and that such property was subsequently moved into Germany, will have a valid claim under the Federal Restitution Law regardless of whether or not they know the final location of their property.

The

* BK/O(49)180 "Restitution of Identifiable Property to Victims of Nazi Oppression", applicable in the three Western Sectors of Berlin.

Mr. David Ungar,
601 Sixth ESPT,
Annapolis, Maryland.

THIS DOCUMENT MUST BE RETURNED TO THE RM/R CENTRAL FILES

232.0041/9-457 CS/G

262.0041/9-457

79
ES

RG 59
Entry CBF 1955-59
File 262.0041
Box 1073

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/2/00

339180

WRIGHT PATMAN, TEX., CHAIRMAN
RICHARD ROLLING, MO.
WILBUR D. MILLS, ARK.
AUGUSTINE B. KELLEY, PA.
HENRY O. TALLE, IOWA
THOMAS B. CURTIS, MD.
CLARENCE E. KILBURN, N. Y.

JOHN W. LEHMAN,
ACTING EXECUTIVE DIRECTOR

CONGRESSIONAL

FOR IMMEDIATE ATTENTION

DEPARTMENTAL REGULATIONS REQUIRE THAT
AN ANSWER OR ACKNOWLEDGMENT BE MADE
WITHIN THREE DAYS

JOHN SPARKMAN, ALA., VICE CHAIRMAN
PAUL H. DOUGLAS, ILL.
J. W. FULBRIGHT, ARK.
JOSEPH C. O'MAHONEY, WYO.
RALPH E. FLANDERS, VT.
ARTHUR V. WATKINS, UTAH
BARRY GOLDWATER, ARIZ.

M-118
7-10-57

(See RP 152.4)

ACTION
is assigned to

EMR

Honorable John Foster Dulles
Secretary of State
U.S. Department of State
Washington 25, D.C.

EUR INDEX
WA

Dear Mr. Secretary:

I have received the enclosed correspondence from a constituent of mine, Dr. Marianne L. Simmel, of Chicago, Illinois.

Will you kindly have your appropriate staff advise me as to whether there is any way in which our government can secure understanding and just disposition of the type of claims which are described in Dr. Simmel's letter? I shall also appreciate the return of this material with your reply.

Thank you for your consideration.

With best wishes,

Faithfully yours,

Paul H. Douglas

PHD/fwm/es
encs. ✓

This Document must be Returned
to the RMJR Central Files

262-0041/5-1558

MAY 27 1958

RECEIVED

Letter and enclosures, if any,
microfilmed by RMJR

351957

RG 59
Entry CAF 1955-59
File 262.0041
Box 1073

339182

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

UNIVERSITY OF ILLINOIS
COLLEGE OF MEDICINE
912 SOUTH WOOD STREET
CHICAGO 12, ILLINOIS

DEPARTMENT OF PSYCHIATRY

April 21, 1958

NEUROPSYCHIATRIC INSTITUTE

The Honorable Paul H. Douglas
United States Senate
Washington 25, D.C.

MAY 7 1958

Dear Senator Douglas:

I am writing to you to call your attention to a situation which may merit investigation and possible action by the proper agencies of the United States Government. May I emphasize at the outset that while I happen to be personally involved in the specific instance which is outlined in the appended pages, I am not asking for any special action in this particular case (as far as I can tell it is beyond further action anyway); rather, I am concerned about the general policy and the number of people who may be similarly affected.

You will recall that during the Allied occupation of Germany after World War II a series of laws were enacted at the instigation of the United States Government, laws pertaining to restitution of property and recompensation for loss incurred by former German citizens as a result of persecution by the Hitler regime, and that these laws became part of the contractual peace agreement between the United States and the Bonn government. Certain section of these laws provide for payments in the form of pensions to widows of the victims of various forms of Nazi persecution, e.g. incarceration in concentration camps. While I am not completely familiar with the exact wording of these provisions, as best as I can piece them together the applicable conditions are defined as "direct cause of death, contributing to death or creating conditions which may have contributed to death." It now appears that at least in some of the so-called "restitution courts" these regulations are administered in disregard of both the letter and the spirit of the law, and that claims of widows are rejected on a more rigid basis than any American insurance company would dare to use and stay in business under our laws. I have no way of knowing how many widows of concentration camp victims are affected--there must be thousands--nor how many of these women have no financial support during their old age other than these pensions to which they are legally entitled. And even if it were possible to ignore the financial aspects, the form in which such claims are rejected seems calculated to add insult by the present German government to the tragic injuries which such people have received at the hands of the former German government--a government which is supposedly being repudiated by its successors.

In view of the fact that the United States Government was instrumental in formulating the policies regarding these matters and bears a continuing responsibility under the contractual peace agreement, it would seem appropriate that this situation be investigated and, if found wanting, efforts be made towards correction of abuses. I append a brief outline of one case, of the facts

RG 59
Entry CAF 1255-59
File 262.0041
Box 1073

339183

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

involved in my mother's claim following my father's death as a result of his enforced stay at Dachau concentration camp in 1938. As mentioned above, I am not asking for action in this particular instance, but if the details of an individual case may help in any phase of the more general investigation I hope you will feel free to use them--or refrain from doing so--to whatever the extent seems profitable to you. I will of course be happy to supply any additional particulars at your request.

Very sincerely,

Marianne L. Simmel

Marianne L. Simmel, Ph.D.
Clinical Associate Professor of Psychology
University of Illinois
College of Medicine

Home address: 4747 South Woodlawn Avenue
Chicago 15, Illinois

MLS:hwj
Enclosure

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

RG 59
Entry CBF 1955-59
File 262.0041
Box 1073

339184

Principle facts providing the basis for my mother's claim.

(a) History:

My father (Dr. Hans E. Simmel) was a physician in Stuttgart, Germany, actively engaged in the practice of internal medicine, with a large and busy practice, frequent night calls which often required him to drive into the surrounding country, etc... In early November 1938 he was arrested and sent to Dachau concentration camp from where he returned on December 12, 1938, a seriously ill man. As soon as he was able to travel at all, Swiss friends arranged for him to go to a sanatorium in Switzerland where, after many months of medical care he recovered sufficiently to immigrate into this country in March 1940--though even at that time he was afraid he might not be admitted for reasons of physical health. He remained a partial invalid, was never again well enough to take up the strenuous life of active medical practice. Having passed his medical examination in New York he took a largely sedentary nine-to-five post as hospital pathologist, a position where, if necessary he could rest during the day. Even so he repeatedly fell ill again and finally died on August 23, 1943.

(b) Relevant Medical Facts:

In 1929 (?) a routine X-ray showed a "suspicious shadow" but thorough and repeated examination did not reveal any evidence of tuberculosis.

In 1935, and without previous illness he had a sudden hemorrhage of one kidney which, upon surgical removal proved to have a tubercular lesion. He recovered quickly and continued his medical practice after a few weeks without any reduction in activity or ill effects.

Upon his arrival in Switzerland after his release from Dachau the principle diagnosis of the physicians examining him was "tubercular infection of the throat"--apparently a not unusual result of the conditions prevalent in the German concentration camps.

His relapses in 1942 and 1943 were tubercular flare-ups. The diagnosis of the final illness was tuberculous meningitis.

(c) Opinion of the German restitution court, in denying my mother's claim.

Original text: Die Gesamtschau des Krankheitsbildes lässt auch in dem medizinischen Laien die Überzeugung aufkommen, dass Dr. Hans Simmel mit der Tuberkulose schicksalhaft verbunden war und ihr so oder so eines Tages zum Opfer gefallen wäre. . . . Eine entscheidende Wende in dem schicksalhaften Ablauf des Geschehens vermag die Kammer in der Vierwochenhaft nicht zu sehen....Insbesondere erweist sich kein Ursachenzusammenhang zwischen der Haft und der Todesursache.

Translation of above: A review of the history convinces even the medical layman that Dr. Simmel's was a tubercular fate which would have led to his death some day in one way or the other. . . . the court does not recognize a crucial turning point in the course of this fate brought about by four weeks of arrest. . . specifically there is no causal connection between the arrest and the cause of death.

In so ruling the court ignored completely various documents submitted--medical affidavits, proof of income from medical practice prior to incarceration, American and German medical publications concerning the incidents of tubercular infection in Nazi concentration camps (as high as 80% in some instances). The ruling is based

RG 59
Entry CAF 1255-59
File 262 0041
Box 1073

339185

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/20

in its entirety on one review of a medical examiner appointed by the court (another medical examiner—apparently also appointed by the court came to a different conclusion but his opinion is not mentioned in the court ruling). Nor does it reply to the argument that even if my father were to have been considered as more prone to a tubercular reinfection than perhaps some other individuals without his history, the acute illness from which my father never completely recovered was a direct result of his incarceration.

(d) Additional Points:

Two additional points, both in the category of "rumor" might be added.

- i) Not only his family and friends who knew him before and after Dachau have always considered his death as a direct sequel of his stay there. It is apparently "common knowledge" among former friends of the family, Germans who had not seen him in many years. For instance in the memoirs of Marianne Weber (widow of the economist Max Weber), there is a statement to that effect (Lebenserinnerungen, 1948; p. 400); there may be others.
- ii) According to rumor the court in Stuttgart (with jurisdiction over a large part of Southern Germany) is said to be especially "tough." It is reported that a Dr. Kuster, who was either a judge or a medical expert for the court in charge of these matters was "oustet because of an attitude too favorable to the refugees" and that his successor is eager not to lay himself open to similar charges.

Marianne C. Simmel

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/2/20

RG 59
Entry COF 1955-59
File 262.0041
Box 1073

339186

In reply refer to
GRA 262,0041/5-1558

May 21 1958

Dear Senator Douglas:

I have received your letter of May 15, 1958 which transmitted a communication with enclosure from Dr. Marianne L. Sirmel of Chicago Illinois concerning the indemnification claim of her mother against the Federal Republic of Germany.

Under the Bonn Settlement Convention the Federal Republic undertook to carry out restitution and indemnification measures which would be no less favorable than those which had been enacted in their respective zones by the Allied Powers. The indemnification legislation which has been enacted by the Federal Republic does in fact go beyond any narrow interpretation of its commitments, and the Department has consistently taken the position that there is no legal obligation of the Federal Republic under which this Government might ask for further extension of the indemnification laws.

The Department and its representatives in Germany have given close attention to the carrying out of the indemnification legislation in the Federal Republic, and we have often expressed our interest in prompt and adequate compensation for the victims of Nazi persecution. Since there are about 1,500,000 compensation claims pending, and these are handled by a large number of tribunals in the initial instance, there is bound to be some lack of uniformity in the decisions of the tribunals. However, the indemnification law provides for an appeal procedure, and as claimants have recourse to this remedy, and as a body of precedent is built up, it is expected that initial injustices will be corrected.

In general, the Department has pursued a policy of not interfering in the administration of these laws, and of intervening on behalf of individual claimants who are United States

citizens

The Honorable
Paul H. Douglas,
United States Senate.

262.0041/5-1558

CS/E

262.0041/5-1558

59
n.g.

RG 59
Entry CDF 1955-59
File 262.0041
Box 1073

339187

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/20

citizens only where there is a showing of an arbitrary denial of the remedies provided under the laws or discrimination against the claimant in their application. It does not appear, from the statements in Dr. Simmel's letter, that the decision on her mother's claim has been appealed, nor is it clear whether it is intended to take the case to a higher instance.

I assure you that we have the greatest sympathy for the victims of Nazi persecution, and that we shall continue to use every appropriate occasion to assist them in obtaining the compensation to which they are entitled. In this case, if Dr. Simmel believes that there are circumstances which indicate discrimination or an arbitrary denial of the remedies provided under the indemnification law, we would be glad to receive this information and would then be in a position to undertake an investigation of the case with the competent German authorities.

I hope that this information will be helpful to you in replying to Dr. Simmel, and if I can be of further assistance to you please do not hesitate to call on me. The enclosures to your letter are returned as you requested, copies having been made for the Department's files.

Sincerely yours,

For the Secretary of State:

\$

William B. Masomber, Jr.
Assistant Secretary

SK

Enclosure:

Letter from Dr. Simmel, April 21, 1958
with attachment.

S/S CR *CCP*

MAY 20 1958 P.M.

MAY 21 1958

EUR:GER:GEA:Wgallen:mm
5-19-58 *Wg*

Wg

Wg

RG 59
Entry COF 1955-59
File 262.0041
Box 1073

339188

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/20

UNCLASSIFIED

(65)

DEPARTMENT OF STATE

Memorandum of Conversation

DATE: April 25, 1958

SUBJECT: Relation of Claims and Assets Legislation to Possible Compensation for Victims of Nazi Persecution

PARTICIPANTS: Mr. Fritz Moses, Attorney, New York, New York
Mr. R. H. Harlan, GER:GEA

13

COPIES TO: GER - Mr. Lisle L/ EUR - Mr. Kearney Am. Embassy, Bonn (2)
GEA - Mr. Bray L/C - Mr. Griffin EUR (2)
W - Mr. Whitehouse H - Mr. Leahy

2 XR/6

MAY 3 - 1958

262.0041/4-2558 CS/W

Mr. Moses called at the Department to discuss the question of the possible return of vested assets in connection with the outstanding problem of the claims of certain victims of Nazi persecution who were neither nationals nor residents of Germany and are thus ineligible for compensation under the German Federal Indemnification Law.

Mr. Moses said he had just come from a panel discussion at the annual meeting of the American Society of International Lawyers in which they had dealt with the German assets problem. He said that one of the arguments used against a return of assets was that based on Article 6 of the Paris Reparation Agreement which precludes the return of German external assets taken as reparation. Mr. Moses said that he understood it was this argument which had been used by a number of the signatories of the Paris Reparation Agreement in protesting earlier proposals for the return of German assets vested in the United States. He said he assumed that the principal objections came from those eight countries which in the past few years have also been endeavoring to elicit some commitment from the German Government to provide compensation for victims of Nazi persecution who were nationals of those countries and who did not qualify for compensation under present German legislation. He said that he further assumed that the basic reason for the protests of these nations was their concern that the claims which they were seeking to assert on behalf of their nationals might be prejudiced by the passage of United States legislation for the return of vested German assets.

XR

611.62221

With this return in mind, Mr. Moses said that it had occurred to him that an approach to the problem might be found which would remove the basis for Allied protest. The approach he had in mind would be for the United States to take the lead in calling a conference of all the interested nations for the purpose of settling the claims of the victims of Nazi persecution who do not now qualify for compensation under German legislation. He said that such a conference could lead to an agreement which would fall within the meaning of the Bonn

RG 59
Entry CBF 1955-59
File 262.0041
Box 1073

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

339189

UNCLASSIFIED

Bonn conventions with respect to reparation (Article 1, Chapter 6 of the Settlement Convention). If an agreement were to be achieved whereby these Allied nationals would be compensated for damage which they may have suffered as persecutees, Mr. Moses said he thought that the Allies concerned would not only withdraw their protests to United States proposals for the return of vested German assets, but would even support them with enthusiasm on the theory that additional funds might become available for the satisfaction of the claims of their nationals.

Mr. Harlan said he had several comments on the proposal which Mr. Moses had outlined which might help Mr. Moses see some of the problems as viewed in the State Department perspective. First, to the best of Mr. Harlan's knowledge, none of the comments received from the various signatories of the Paris Reparation Agreement concerning the relationship of United States proposals for the return of assets to Article 6 of the agreement had made any reference to the problem of compensation for victims of Nazi persecution who were nationals of the signatories concerned and who were not eligible for compensation under German legislation. In any event, the United States problem with respect to passage of legislation offering a solution to the problem of American damage claims against Germany arising out of World War II and the problem of the return of vested German assets was primarily a domestic one. Our international relations are, of course, involved, but the opponents of the bill would doubtless use the Article 6 argument whether or not any of the signatories of the Paris Reparation Agreement raised this question.

With respect to claims of persons who were victims of Nazi persecution but who are not eligible for compensation under German law because of failure to qualify on nationality or residence grounds, the Department has consistently taken the position that there is no basis for asserting that there is a legal obligation of the Federal Republic to compensate such persons in that the obligation for the compensation of victims of Nazi persecution was clearly established in Chapter 4 of the Settlement Convention, and it is the view of the Department of State that the German obligation there specified has been fully discharged in German legislation which has been adopted. The Department does recognize that there are moral considerations with respect to the need for adequate compensation to such persecuted persons and has taken advantage of appropriate occasions to bring these moral considerations to the attention of representatives of the Federal Republic. It is pertinent to note, however, that few, if any, of these claimants were American nationals at the time their claims arose, and the Department of State has also consistently taken the position that the United States Government cannot assert claims against another Government on behalf of persons who were not American nationals at the time their claims arose.

262.1141 Mr. Moses said that he had always thought that the protests from the signatories of the Paris Reparation Agreement had been based on the practical considerations of avoiding prejudice to the efforts of these signatories to secure compensation for their nationals who were not eligible under existing German laws for compensation as victims of Nazi persecution. He said also that he did not agree with the Department's position that it should not assert claims on behalf of persons who were not nationals of the United States at

the time

UNCLASSIFIED

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/20

RG 59
Entry COF 1255-59
File 262.0041
Box 1073

339190

UNCLASSIFIED

the time the claims arose, since, in this instance, there was an overriding consideration, viz., that these were claims arising out of the war and should be asserted by the coalition of Governments which won the war and which should be continuing to combine their efforts in seeing that such claims were adequately satisfied.

Mr. Moses said he wished Mr. Harlan to understand that he did not oppose a return of assets and, in fact, had argued in favor of it at the panel discussion he had just left, but that the proposal he had outlined above was intended to eliminate objections based on the fact that a return of assets would be in violation of Article 6 of the Paris Reparation Agreement. He noted that he had never agreed with the interpretation which the Secretary of State had given at the hearings in 1954 that Article 6 was not intended to operate in perpetuity.

Mr. Harlan called to Mr. Moses' attention that the present Administration proposal did not contemplate a return of assets per se and that only a partial monetary return was in prospect. He suggested that such a monetary return could not be considered to be a return of assets to German ownership or control within the meaning of Article 6 of the Paris Reparation Agreement. Mr. Moses said he was interested to hear this argument put forward, for it is one which he indicated in an article which he hopes to publish soon could more effectively be used than the one which the Secretary used in 1954. Mr. Moses added that in his article he indicates that he would also disagree with such an argument, however.

Mr. Moses thanked Mr. Harlan for the opportunity to discuss this subject with him and expressed the hope that Mr. Harlan would call Mr. Moses' proposal to the attention of the interested persons in the Department of State. Mr. Harlan said he would do this.

EUR:GER:GEA:RHHarlan:mb:4-28-58

EUR
Anal 39
Rev
Cat

UNCLASSIFIED

DECLASSIFIED
 Authority NND 969003
 By JK NARA Date 6/20

RG 59
 Entry CAF 1955-59
 File 262.0041
 Box 1073

339191

INCOMING AIRGRAM

Department of State

ACTION COPY

1958 OCT 22 PM 4 38

This Document must be Returned to the RMR Central Files

47
Action
P

Info

RMR

EUR

PAGE 1 OF 2 PAGES

FROM: AMCONSUL FRANKFURT

TO: Secretary of State

NO: **G-73**

Ref: Dept's A-161 to Bonn, Munich's G-14, Oct. 10, 1958 to Dept.

Unclassified		Date Sent	
ACT	INF	ACT	INF
	Berding	White	Rec'd.
	Anderson	Merrill	
	Hightner	McCullough	
	Kretzmann	Colligan	
	Simmes	Magdanz	
	Reid	Cook	
	Parker	Noble	
	Curran	Rice	
		Foster	
		Hall	

B-1460

File to reply necessary

This Consulate General has checked to see whether transport lists of property confiscated by the Einsatzstab Reichsleiter Rosenberg are in existence in this area. We were informed by Professor Holzinger of the Staedel Museum in Frankfurt that he was present in 1949 when the U.S. Military Government in Wiesbaden turned over the art items stored at the Wiesbaden Collecting Point to the Hessische Landesregierung. According to the professor, the Wiesbaden office closed before the Collecting Point in Munich did, and no lists were left in Wiesbaden, nor was there anywhere in Frankfurt to which they would have been sent. However, he is certain that all items turned over to German authorities were of German origin and that there were no lists of ERR transports among them.

Professor Holzinger stated that Dr. Hoffmann in Munich, whose office has already been contacted by the Munich Consulate General, would be the most likely person to know of any such lists. He said that as far as he knew the ERR articles were from France, although there might possibly have been some from other countries, but that he knows nothing about them.

An official of the Office for External Restitution in Bad Homburg suggested that it might be possible that the lists had been sent to the French Government and said in such case Mlle. Rose Valland in the Service de Protection des Oeuvres d'Art, Ministere de l'Education Nationale, Direction des Musees de France, 11 Rue Berryer, Paris 8^e, might know about them. This official believed it was also possible that since records of some type previously stored in Offenbach had been shipped to Kansas City, that ERR lists might also have been sent there. The official thought Mr. Henry Waldstein, formerly in the Embassy in Bonn, might know of this. If Mr. Waldstein did indeed work with the records shipped to Kansas City, the Department may have files that would show what was dispatched to Kansas City and to what address it was sent.

262.0041/10-2258 HBS

PERMANENT RECORD COPY

Unclassified

REPRODUCTION FROM THIS COPY IS UNAUTHORIZED

DECLASSIFIED
 Authority NND 969003
 By JK NARA Date 6/20

RG 59
 Entry CF 1955-59
 File 262.0041
 Box 1073

339192

2

G- 73

Amconsul Frankfurt

Unclassified

The United Restitution Organization in Frankfurt had no information other than one brief page which listed how many wagon-loads of material were dispatched to certain towns in Germany, with no breakdown whatsoever on what they contained. The above appears to be the extent to which it is possible to ascertain anything concerning an inventory of ERR records insofar as this office is concerned.

BLANCHE

Authorized by: *LeBouch*

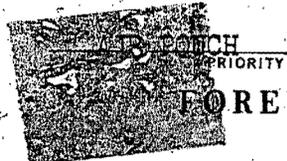
GitSec; AMGriffith; ib; Oct. 20, 1958
ext. 231

Unclassified

DECLASSIFIED
Authority <i>NND 969003</i>
By <i>JK</i> NARA Date <i>6/20</i>

RG	<u>59</u>
Entry	<u>CAF 1955-59</u>
File	<u>262.0041</u>
Box	<u>1073</u>

339193



UNCLASSIFIED
(Security Classification)

DO NOT TYPE IN THIS SPACE.
262.0041/11-658

FOREIGN SERVICE DESPATCH

FROM : AmEmbassy BONN
TO : THE DEPARTMENT OF STATE, WASHINGTON.
REF : Dept's A - 210, October 30, 1958

727
DESP. NO.

~~REPLY TO OFFICE~~

November 6, 1958
DATE

NOV. 12. 1958

EUR:GER:GEA:WGAllen:mm 11-19-58

This Document must be Returned to the RM/R Center

4V For Dept. Use Only	ACTION	DEPT.
	REC'D 11/15	IN F O Rmk 2 L-2

EUR INDEX

SUBJECT: Supreme Restitution Court

262.0041/11-658

As reported in Embassy despatch No. 313 of August 25, 1958, the third reading of the budget took place on July 4, 1958, without any action being taken on document No. 354 containing the recommendation of the Ways and Means Committee for the dissolution of the Supreme Restitution Court.

The Embassy was at that time of the view that no further action on the recommendation would be taken since the budget readings had been completed. However, as mentioned in the referenced Department's instruction, the meeting of the Bundestag in Berlin on October 2, 1958, took steps to correct the previous error of the Bundestag in failing to record a decision on the recommendation. Before proceeding to the regular agenda for the meeting Vice-President Schmid drew attention to this oversight, read out the proposal contained in document No. 354 and put it immediately to a vote. The hand vote was recorded as unanimous. There was no discussion.

The action on October 2 had the effect of regularizing the recommendation contained in the budget proposal. The Federal Government will therefore have to take an official position on the recommendation.

Since the recommendation was made in the course of the consideration of the budget it can be presumed that one of its objectives was to effect a financial saving. The proposal may also reflect a sensitivity on the part of the Bundestag and the German people to the derogation of their sovereignty by the presence in Germany of an international tribunal exercising jurisdiction in a legal field which is normally within the competence of local courts. On the other hand the Government is undoubtedly well aware of the practical and political advantage of having restitution cases tried by mixed courts under neutral Presidents since the bulk of the cases involve claims by foreigners, former persecutees, whose distrust of German courts in such matters might lead to situations which would be embarrassing to the reputation of the Federal Republic abroad.

An informal inquiry at the Legal Section of the Foreign Office on November 6 elicited the information that that Section was unaware that any action had been taken by the Bundestag on October 2 on this matter. The initial reaction of the Foreign Office spokesman was on the lines of the previous paragraph.

NOV 25 1958
FILED

POL:L:HCLee/rw
REPORTER

UNCLASSIFIED

ACTION COPY - DEPARTMENT OF STATE

The action office must return this permanent record copy to RM/R files with an endorsement of action taken.

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/2/00

RG 59
Entry CDF 1955-59
File 262.0041
Box 1073

339194

262.0041/11-658 FBS

UNCLASSIFIED

Desp
From Ambr

The Embassy does not believe, therefore, that there will be any serious attempt by the German Government to dissolve the Supreme Restitution Court. The present proposal, however, might afford a convenient excuse for reviewing the cost and salary structure of the present divisions and for considering possible action to accelerate the work of the Second Division of the Court at Herford.

The Embassy will keep the Department informed of any further developments.

For the Ambassador:

William R. Tyler

William R. Tyler
Counselor of Embassy

262 0041/11-658 HBS

DISTRIBUTION:

POL:L - 5 copies

UNCLASSIFIED

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

RG 59
Entry CAF 1955-59
File 262.0041
Box 1073

339195

THIS DOCUMENT MUST BE RETURNED TO THE RM/R CENTRAL FILES

October 27, 1958

In reply refer to GEA

Dear Mr. McGettrick:

The Department has received your letter of October 15, 1958 in which you have requested information concerning the restitution program of the Federal Republic of Germany.

With respect to the restitution of confiscated identifiable property in the Federal Republic of Germany or West Berlin, the Allied military authorities in those areas enacted restitution laws which provided for the return of such identifiable property to persons who were wrongfully deprived of such property for reasons of race, religion, nationality or political opposition to National Socialism. The time for filing claims under these laws expired at various dates between August 1948, and June 1950, and the Department understands that the German authorities are not accepting claims at this time.

The Government of the Federal Republic has enacted legislation pertaining to the payment of claims against the German Reich arising out of German restitution legislation. The law provides, among other things, for the filing of claims by persons who would have had a monetary restitution claim against the German Government for damages but failed to file a petition within the period prescribed by the restitution laws enacted in Western Germany. Provision has been made for a general extension of the time limit for the filing of monetary claims against the Reich. Such claimants may file claim, provided they are otherwise eligible. The Department's Press Release No. 171 of April 4, 1958 with respect to this law and our Information Sheet which provides additional detailed information, are enclosed for your further assistance.

On September 18, 1953, the Federal Republic of Germany enacted legislation entitled "Supplementary Federal Law for the Compensation of Victims of National-Socialist Persecution (BEG)". This legislation, which has been recently amended, provides compensation to those who were persecuted

Mr. F. B. McGettrick,
2730 Reese Street,
Baltimore 18, Maryland.

RM/R
Anal 79
LWS

because

262.0041/10-1558

262.0041/10-1558

LWS

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/2/00

RG 59
Entry CBF 1955-59
File 262.0041
Box 1073

339196

because of political conviction or on racial, religious or ideological grounds and who suffered loss of life or damage to limb, health, liberty, possessions, property or economic advancement. To be eligible a persecutee must satisfy certain requirements regarding residence in Germany or be a displaced person or expellee within the meaning of the law. Where a persecutee satisfied this and the other requirements of the law he qualified for compensation from the German Government.

The Department does not have an English translation of the German Federal Indemnification Law available for general distribution. In addition, the Department has been informed that the World Jewish Congress, at 15 East Eighty-fourth Street, New York 28, New York, has prepared for the convenience of claimants residing in the United States an explanatory memorandum of the principal provisions of the Federal Indemnification Law, which is available upon request. The time limit for filing claims under the Federal Indemnification Law was April 1, 1958, and no provision for a general extension of this deadline was made.

Sincerely yours,

For the Secretary of State:

W

John Devine
German Economic Affairs
Bureau of European Affairs

Enclosures:

- 1. Press Release No. 171.
- 2. Information Sheet.

EUR:GER:GEA:WAllen:dg
10/21/58 *WJG*

S/S CR
Ret'd for file - LCR
OCT 24 1958 P.M.

OCT 27 1958

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

RG	<u>59</u>
Entry	<u>CBF 1955-59</u>
File	<u>262.0041</u>
Box	<u>1073</u>

339197



DEPARTMENT OF STATE INSTRUCTION

455
LIMITED OFFICIAL USE
(Security Classification)

FOR DC USE ONLY

PRIORITY

No. CA-2192 September 4, 1959

SUBJECT: Indemnification by the Federal Republic of Germany of Refugees Persecuted by Reason of Nationality.

TO: The American Embassy, BONN

INFO: The American Consulate General GENEVA

RPED/ ~~The U.S. Resident Delegation and Consulate General, GENEVA~~
The American Embassy, LONDON 262 0041
232042

Reference is made to despatches Nos. 252, April 14, 1959; 267, April 24, 1959; and 316, June 29, 1959 on the above subject from Geneva and to the Department's G-293, June 10, 1959, to Geneva, repeated info Embassy Bonn as G-507. There are attached for Embassy Bonn copies of the enclosures to the Geneva despatches since it appears possible that copies of the despatches only were sent to Embassy Bonn.

More recently the Department has been informed that UNHCR Lindt has had one discussion with Foreign Minister von Brentano on this subject and that the UNHCR believes that the Federal Republic intends to make some decision on this matter during the current month. In the latter connection the UNHCR has again expressed his hope that the United States Government will intervene with the German authorities on behalf of the refugees whom the UNHCR considers have not received adequate compensation. The UNHCR has been informed that the problem has been under careful study in the Department and that the Department hoped to reach a decision on the matter early this month.

In general, the Department has taken the position that the Federal Indemnification Law, as amended in 1956, fulfills the obligation undertaken by the Federal Republic in the Settlement Convention and that there is no legal basis on which this Government can ask for modifications of the German legislation. None the less, the Department has always considered that it has a real interest in the prompt and adequate implementation of the indemnification legislation and that this Government continues to look to the Federal Republic to fulfill this obligation in a generous manner. With regard to the problem of the stateless refugees, the Department has no information that there is any

likelihood

LIMITED OFFICIAL USE
(Security Classification)

FM/R
Anal 40
Rev
Cat
S/S CR

SEP 4 1959 PM
DRAFTED BY: WJA

APPROVED BY: GEA - William H. Brown

EUR:GER:GEA:WJA:llan:mfp:9-2-59
CLEARANCES: L/EUR - Mr. Wehmeyer (in draft) IO/OES - Mr. Mulliken (in
ORM - Mr. Warren

BNA - Miss Barker

THIS DOCUMENT MUST BE RETURNED TO THE FM/R CENTRAL FILE

262.0041/9-459

CLASSIFIED

262.0041/9-459

DECLASSIFIED
Authority AND 969003
By JK NARA Date 1/20

RG 59
Entry CDF 1955-59
File 262.0041
Box 1074

339198

LIMITED OFFICIAL USE
(Security Classification)

likelihood that the existing indemnification legislation will be changed in a manner which will be more favorable to this group of persons and assumes that the Embassy concurs in this respect. If any action were to be taken which would benefit the stateless refugees it seems that such action would necessarily have to be along the lines which the UNHCR is pursuing.

The Department has taken into consideration the efforts which certain Western European Governments are making to reach settlements with the Federal Republic on the question of national persecution and notes that some agreements have already been reached (Bonn's D-149, D-205 and D-224). The Department does not wish to become enmeshed in the bilateral negotiations which have taken place or which are taking place in this connection. The British have, however, made a certain connection between their own case and the efforts of the UNHCR (London's D-140, August 17, 1959). It is therefore proposed that any steps which this Government takes with the Federal Republic in support of the UNHCR should be essentially unilateral in nature and without specific reference to support given the UNHCR by the British and French. In particular this should be without any implied connection between the bilateral negotiations which the Western European countries are carrying on with the Federal Republic.

However, this Government does in fact have an obligation to support efforts which are made by the UNHCR on behalf of the stateless refugees who are under his mandate. The circumstance that the British and French as former members of the AHC and signatories to the Settlement Convention have supported the UNHCR's efforts lends further weight to the need for this Government to take some appropriate step. Furthermore, the general efforts which are being made in connection with the current World Refugee Year serve to point up the problem of stateless refugees and make it incumbent upon participating countries to make a special effort on behalf of these refugees.

If the Embassy perceives no objection, it is requested to make a unilateral approach at an appropriate level of the Foreign Office and express this Government's interest in and support for the UNHCR's negotiations for a lump sum settlement in favor of these stateless refugees. It may be pointed out that the UNHCR's proposal would benefit a group of persons who are not otherwise represented and who, as a special group, merit the attention of Governments supporting the activities of the UNHCR. It might also be pointed out that the Federal Republic might wish to undertake such a gesture as part of its efforts during the current World Refugee Year. It is left to the Embassy's discretion whether the approach should be oral or whether it would be appropriate to leave an aide-memoire incorporating the above points. In addition to the above-mentioned enclosures to the Geneva despatches there is also attached ~~(for Embassy Bonn)~~ a memorandum which has been prepared at the Department to furnish the Embassy with background information about the UNHCR and the World Refugee Year. It is requested that the Department and the U.S. Resident Delegation, Geneva, be informed concerning the Embassy's action.

For Embassy

LIMITED OFFICIAL USE
(Security Classification)

RG	59
Entry	CAF 1955-59
File	262.0041
Box	1074

339199

DECLASSIFIED
Authority NND 969003
By JK NARA Date 1/22

LIMITED OFFICIAL USE
(Security Classification)

For Embassy London: Although it was contemplated at an earlier date that this problem might be referred to the Embassy at Bonn for discussions with the British and French (CA-915, July 27) it is now believed that in view of the considerations outlined above and in view of the urgency with which the UNHCR views the matter, that it would be inadvisable to discuss the matter on a tripartite basis at Bonn. The Department recommends that Embassy London informally advise the Foreign Office that it has not been possible to defer our approach to the Germans sufficiently long to provide for further discussions of the matter.

ANNEX - Background Information on Uncompensated Stateless Victims of Nazi Persecution Falling Under the Concern of the United Nations High Commissioner for Refugees.

Enclosures: (for Embassy Bonn)

DILLON, ACTING

1. Letter from UNHCR, dated 2 April 1959.
2. Aide-memoire, dated 2 April 1959.
3. Letter from Office of UNHCR, dated 21 April 1959.
4. Copy of Note from Government of the United Kingdom to Office of the UNHCR.
5. Letter dated June 29, 1959 from Office of UNHCR.

LIMITED OFFICIAL USE
(Security Classification)

DECLASSIFIED
Authority NND 969003
By JK NARA Date 6/20

RG 59
Entry CAF 1955-59
File 262.0041
Box 1074

339200

UNCLASSIFIED
(Security Classification)

ANNEX:

BACKGROUND INFORMATION ON UNCOMPENSATED STATELESS VICTIMS OF
NAZI PERSECUTION FALLING UNDER THE CONCERN OF THE
UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

Some 11 Western European Governments, including the United Kingdom, have recently been in negotiation with the German Government at Bonn with respect to lump sum settlements in compensation to victims of Nazi persecution who are their nationals including those who were non-nationals at the time of persecution. By general agreement, intervention on behalf of stateless victims of Nazi persecution resident on their territories and similar victims wherever resident, including those resident in Germany, has been left to the United Nations High Commissioner for Refugees who has similarly intervened with the German Government for a lump sum settlement in compensation to those falling under his mandate.

Under the terms of his Statute the High Commissioner is responsible for the protection of refugees falling under his mandate. Article 8 (b) of the Statute provides that, "The High Commissioner shall provide for the protection of refugees falling under the competence of his Office by promoting through special agreements with governments the execution by any measures calculated to improve the situation of refugees and to reduce the number requiring protection."

Many stateless victims of Nazi persecution fall under the High Commissioner's mandate and remain his concern so long as they are stateless. Those resident in Germany and the Western European countries have been recipients of relief over the years from their countries of residence, the High Commissioner and voluntary agencies. Those resident in overseas countries of immigration such as Australia, Canada, and the United States have not been assisted from international funds. The High Commissioner has estimated that approximately 10,000 refugees under his competence might benefit from compensation funds placed at his disposal for administration. Of this number, some 1200 are estimated to be resident in Germany.

A substantial number of governments are participating in the World Refugee Year sponsored by the United Nations. Among the purposes of the World Refugee Year are to focus interest on the refugee problem and to encourage additional financial contributions from governments for its solution and additional opportunities for refugees to achieve self-dependence.

In addition

UNCLASSIFIED
(Security Classification)

RG 59
Entry CAF 1955-59
File 262 0041
Box 1074

339201

DECLASSIFIED

Authority NND 969003By JK NARA Date 6/20

AIR POUCH
PRIORITY

LIMITED OFFICIAL USE

DO NOT TYPE IN THIS SPACE

FOREIGN SERVICE DESPATCH

(Security Classification)

262.0041/9-1759
X 340.42
7 SEP 1959

This Document must be Returned to the RM/R Central Files

FROM : American Embassy, London

662

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

September 17, 1959

DATE

REF : CA-2192, September 4, 1959; Embassy despatch No. 440, August 17, 1959

For Dept. Use Only	ACTION	DEPT.	OTHER
	REG	I	O
	EDC-9	R M R. 2	IA 10
	7/14	1 RC 8	OSD-2
		IO-4	USIA-10
		USUN-10	Army - 2 Navy - 3
			air - 1

SUBJECT: Aid to Stateless Victims of Nazi Persecution

The reporting officer spoke to Mr. Pridham of the Foreign Office and referred to the conversation reported in paragraph 3 of the Embassy's despatch referred to above. At that time, it had been stated that the Department was considering the question of aid to stateless victims of Nazi persecution on the basis of communications from the United Nations High Commissioner. It had further been stated that the Department intended if it decided to pursue the matter further, to discuss it with the British and the French at Bonn. Pursuant to the instruction referred to above, the reporting officer told Mr. Pridham that due to the shortness of time our Embassy at Bonn would not be in a position to discuss the matter with the British and the French before making representations to the German Government, assuming that it were decided to take such a course of action.

Mr. Pridham said that his Government was hopeful that the United States Government would pursue the matter with the German Government and did not attach importance to any further discussions of the subject at Bonn. He said that the United Kingdom Government would appreciate being informed in due course of any action that the United States Government might take and of any results that might follow from the discussions with the German Government.

For the Ambassador:

Daniel F. Margolies

Daniel F. Margolies
First Secretary of Embassy

Cleared: POL/E: Mr. Irving *kel*

BY THE
CONSUL GENERAL
BONN

DELETED
23 SEP 1959

Copy to Amembassy BONN

E/ECD:DFMargolies:fjb

REPORTER

LIMITED OFFICIAL USE

ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

262.0041/9-1759

CAA

CLASSIFIED FILE

DECLASSIFIED

Authority NND 969003

By JK NARA Date 6/20

RG	59
Entry	CBF 1955-59
File	262.0041
Box	1074

339202