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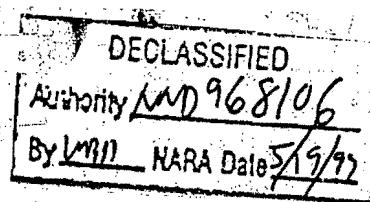
RG 59 General Records of the  
Department of State

Office of Financial Operations (E/OFE/FN)

RECORDS RELATING TO THE TRIPARTITE  
COMMISSION FOR THE RESTITUTION OF  
MONETARY GOLD 1942-1962

Tripartite Gold Commission 1954-1958

NN3-59-96-59 Lot 62D1 Box 2



RG 59  
TGC  
Lot 62D 115  
Box 2

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By LMLI NARA Date 5/19/72

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TGC  
Lot G2D 115  
Box 2

Enclosure # to Brussels (TGC) despatch 351, October 25, 1954.

cc/cz

Le 20 octobre 1954.

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B  
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A

Monsieur Jan Chlátil,  
Délégué de la Tchécoslovaquie près  
l'Agence interalliée des Réparations,  
5, avenue du Congo,  
Bruxelles.

Monsieur le Délégué,

J'ai l'honneur de vous informer que la Commission, à laquelle Sir Ronald Wingate, son Président, a transmis des copies de votre lettre n° 646/54, en date du 15 octobre 1954, ainsi que du memorandum qui y était annexé, m'a chargé d'accuser réception de ces documents et de vous fournir les détails suivants sur les questions soulevées dans votre memorandum.

Il est exact que les travaux de la Commission ont duré plus longtemps qu'il n'avait été prévu à l'origine.

Cela est dû à certaines circonstances imprévues, indépendantes de la volonté de la Commission et à la complexité des questions soumises à l'examen de cette dernière, dont certaines, parmi les plus compliquées, concernent précisément les demandes présentées par votre Gouvernement.

Vous avez été informé, comme le fait ressortir votre memorandum, que la documentation et les détails fournis par votre Gouvernement étaient suffisants pour les besoins de la Commission, mais cela n'impliquait pas que les problèmes qui se présentaient pourraient être résolus rapidement.

La quantité de 6.074,156 kilogrammes d'or qui a été remise à votre Gouvernement au cours de la distribution préliminaire n'était pas anormale par rapport à ce qui a été délivré à d'autres pays demandeurs. Les centaines livrés dépendaient de l'état des demandes et certains Gouvernements demandeurs ont reçu moins, toutes proportions gardées, que le vôtre, alors que d'autres n'ont rien reçu.

Lorsque la Commission sera en mesure de faire connaître l'état de ses travaux ainsi que la valeur de la masse d'or disponible pour restitution, qui fait, d'ailleurs, l'objet de certaines négociations qui ne sont pas encore terminées, vous pouvez être assuré qu'elle ne manquera pas de le faire.

Veuillez agréer, Monsieur le Délégué, l'assurance de ma haute considération.

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Enclosure 1 to Brussels despatch

35

October 25, 1954.

DÉLÉGUÉ  
DU GOUVERNEMENT TCHÉCOSLOVAQUE  
PRÈS L'AGENCE INTERALLIÉE  
DES RÉPARATIONS

N° 646/54

BRUXELLES, le 15 octobre 1954.

Monsieur le Président,



Sur l'ordre du Gouvernement de la République Tchécoslovaque, j'ai l'honneur de vous remettre le Memorandum concernant la quote-part tchécoslovaque en or monétaire gérée par la Commission Tripartite. En cette connexion, je voudrais rappeler à votre attention les démarches effectuées jusqu'à présent à ce sujet auprès de la Commission Tripartite, dont les dernières remontent au 25 Septembre 1952 et au 9 Décembre 1952. Ces démarches, malgré les diverses promesses et les assurances données, n'ayant abouti à aucune fin, le Gouvernement de la République Tchécoslovaque juge utile de reprendre en détail les phases de cette question.

Je vous prie d'agréer, Monsieur le Président, les assurances de ma haute considération.

Le Délégué:

Son Excellence  
M. R. E. Schwarzenberg  
Président de la Commission Tripartite  
pour la Restitution de l'Or Monétaire,

213859

Bruxelles.

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## Memorandum.

Aux termes de "l'Accord concernant les réparations à recevoir de l'Allemagne, l'institution d'une Agence interalliée des Réparations et la Restitution de l'or monétaire", entré en vigueur le 24 janvier 1946, la République Tchécoslovaque a déclaré, dans les sens de la Partie III, alinéa E de cet Accord, ses droits à la Commission Tripartite pour la restitution de l'or monétaire qui agit au nom des trois Gouvernements que l'Accord a chargés de la restitution de l'or monétaire; à la date du 29 avril 1947, la République Tchécoslovaque a fourni des renseignements vérifiables sur les pertes d'or subies par elle du fait que l'Allemagne l'a spoliée de cet or ou que cet or a été transféré sur son territoire.

A la date du 3 mai 1948, la Commission Tripartite a remis, au délégué de la République Tchécoslovaque auprès de l'Agence Interalliée des Réparations, l'original de la lettre adressée à la Federal Reserve Bank, New York, d'après laquelle la dite Banque devait transférer du compte or de la Commission Tripartite au compte de la Banque Nationale Tchécoslovaque la quantité d'or tchécoslovaque, soit 6.074,1564 kgs d'or pur. Cette quantité représentait une allocation provisoire à valoir sur la valeur totale du droit tchécoslovaque qui se monte à 45.008,27845 kgs d'or.

Depuis cette date, la République Tchécoslovaque n'a reçu de la part de la Commission Tripartite aucune communication officielle portant sur le progrès de la procédure relative au droit tchécoslovaque; ce n'est qu'à la date du 7 novembre 1951 que M. Watson, Secrétaire Général de la Commission, a invité les experts tchécoslovaques à se rendre à Bruxelles pour y ré-

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poudre à des questions desquelles la Commission jugeait utile de recevoir des éclaircissements dans l'intérêt même de la procédure.

Les renseignements fournis par les experts ont permis d'éclairer toutes les circonstances touchant le droit tchécoslovaque. M. Watson, Secrétaire général de la Commission, n'a pas manqué de reconnaître à nouveau ce fait, une première fois le 23 novembre 1951, puis en dernier lieu le 9 décembre 1952.

A la première de ces occasions, M. Watson avait déclaré qu'il n'était guère possible d'attendre de décision avant Noël 1951, mais qu'elle intervendrait au cours du premier semestre 1952.

Etant donné que ni au cours du premier semestre 1952, ni même jusqu'à la fin du mois d'août 1952, le Délégué tchécoslovaque auprès de l'Agence Interalliée des Réparations n'a reçu de communication au sujet de la restitution de l'or monétaire, il a, par lettre du 9 septembre 1952, attiré l'attention du Secrétaire général, M. Watson, sur cet état de choses, en lui demandant également de lui faire savoir si la Commission avait pris une décision au sujet de la quote-part tchécoslovaque.

Lors de la remise de cette lettre M. Watson avait déclaré que le cas de l'or monétaire tchécoslovaque était suffisamment clair à la Commission et que la décision à intervenir n'était point une question de mois, mais de semaines.

A la date du 25 septembre 1952, le Délégué de la République Tchécoslovaque, avait adressé, d'ordre de son Gouvernement, au Président de la Commission Tripartite, M. le Colonel Rolland Wingate, une lettre demandant l'octroi d'une nouvelle allocation provisoire de 15.000 kgs d'or.

Le Président de la Commission, M. le Colonel Wingate, lors de la remise de la lettre, a déclaré qu'il ne manquerait pas de

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la transmettre à la Commission et que la Tchécoslovaquie pouvait compter avec certitude que la Commission liquiderait l'ensemble de la question de l'or monétaire avant la fin de 1952.

A la date du 9 décembre 1952, le Délégué de la République Tchécoslovaque auprès de l'Agence Interalliée a adressé, d'ordre de son gouvernement, au Président de la Commission, M. le Colonel Wingate, une note dans laquelle il récapitulait les assurances données jusqu'alors par le Secrétaire général, M. Watson et par le Président de la Commission, M. Wingate, et dans laquelle il réciterait également la demande d'allocation provisoire en tenant compte du fait que la première allocation attribuée à la Tchécoslovaquie avait été, en proportion, trop basse. De plus, il y exprimait l'avis que le temps était venu de communiquer aux Gouvernements des Etats participants, conformément aux alinéas 5/c et d/ du Statut de la Commission tripartite, la valeur totale de la masse /pool/ d'or monétaire commune, ainsi que le montant total des demandes soumises avant que ne soit communiquée la décision prise par la Commission au sujet du montant des quote-parts attribuées. Le Gouvernement tchécoslovaque étant de l'avis que l'utilité du secret a cessé d'exister dans cette phase de la procédure, la République tchécoslovaque ne voit pas d'objections à ce que le montant de son propre droit soit, de cette manière, également communiqué aux autres intéressés.

Le Délégué de la République Tchécoslovaque auprès de l'Agence interalliée n'a reçu aucune réponse concrète à ses démarches.

Le Gouvernement de la République Tchécoslovaque ayant estimé que sept années ont été largement suffisantes pour résoudre ce problème, exprime ses inquiétudes au sujet des continuels aménagements apportés au règlement de la question qui, de l'avis

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du Secrétaire général de la Commission Tripartite, est tout à fait clair. Le Gouvernement tchécoslovaque jugeant que tout nouvel atermoiement apporté à la solution de cette question serait non fondé, se verrait dans l'obligation de voir, en le refus d'accorder à la Tchécoslovaquie sa juste part d'or monétaire, une violation de l'Accord du 24 janvier 1946.

Bruxelles, le 15 octobre 1954.

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## DEPARTMENT OF STATE

DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

122864

TC NO.

T-3/1954

Preston

**Replies to Requests (200) Dispatch 351, October 25, 1954.**

U.S.A.

October 20, 1954.

Mr. Jim GRIMSTAD was in no position to make known the exact  
amount of information to you at your request by the Inter-  
national Rehabilitation Agency, as he was not in a position to do so.  
He advised me that he had been informed by the  
Government that he could do nothing.

Mr. Delegates:

I have the honor to inform you that the Commission, to which  
Sir Ronald Wingate, its Chairman, has transmitted copies of your  
letter no. 646/54 dated October 15, 1954, and of the memorandum  
enclosed therewith, has instructed me to acknowledge receipt of  
those documents and to furnish you with the following clarifications  
of the questions posed in your memorandum.

It is true that the work of the Commission has lasted longer  
than was anticipated at the outset.

This is due to certain unforeseen circumstances, beyond the  
control of the Commission, and to the complexity of the questions  
submitted to it for examination, some of which, among the most  
complicated, concern the very claims submitted by your Government.

You have been informed, as is evident from your memorandum,  
that the documents and the verbal explanations furnished by your  
Government were sufficient for the Commission's needs, but that  
did not imply that the problems presented could be solved quickly.

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The quantity of 6,071,150 kilograms of gold which was delivered to your Government during the preliminary distribution was not abnormal as compared with that which was delivered to other claimant countries. The amounts delivered depended on the status of the claim, and, all proportions being maintained, certain claimant governments have received less than yours, while others have received more.

When the Commission is in a position to make known the status of the work and to reveal the amount of gold available for restitution, you will find, I am sure, considerable interest in the applications that have not yet been completed. You may rest assured that we do will make every effort to do so.

For the Restitution of Monetary Gold

Very truly yours,

Mr. Chairman

J. A. Watson

By order of the Government of the Czechoslovak Republic, I have the honor to transmit to you the information concerning the Czechoslovak share of monetary gold administered by the Tripartite Commission. In this connection I should like to call to your attention the steps taken thus far with the Tripartite Commission in this matter, the last of which go back to September 25, 1952 and December 9, 1952. Since those steps, in spite of the various promises and assurances given, have been without result, the Government of the Czechoslovak Republic deem it advisable to take up again in detail the various phases of this question.

Accept, Mr. Chairman, the assurance of my high consideration.

Very truly yours,

Belalje

Mr. Excellency

L. E. Whittier,

Chairman of the Tripartite Commission

for the Restitution of Monetary Gold,

BY LAW AND CONTRACT USE

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DEPARTMENT OF STATE  
DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

TC NO. 12280-B  
I-39/R.III  
French

Enclosure No. 1  
To Despatch No. 351 (TGC)  
Date: October 25, 1952  
From: Brussels

DELEGATE  
OF THE CZECHOSLOVAK GOVERNMENT

TO THE INTER-ALLIED  
REPARIATION AGENCY  
No. 446/52

Brussels, October 15, 1952

Stamp of the Tripartite Commission

for the Restitution of Monetary Gold/

Mr. Chairman:

By order of the Government of the Czechoslovak Republic, I have the honor to transmit to you the Memorandum concerning the Czechoslovak share of monetary gold administered by the Tripartite Commission. In this connection I should like to call to your attention the steps taken thus far with the Tripartite Commission in this matter, the last of which go back to September 25, 1952 and December 9, 1952. Since these steps, in spite of the various promises and assurances given, have been without result, the Government of the Czechoslovak Republic deems it advisable to take up again in detail the various phases of this question.

Accept, Mr. Chairman, the assurances of my high consideration.

(Signature)

Delegate

His Excellency

R. E. Wingate,

Chairman of the Tripartite Commission

for the Restitution of Monetary Gold,

Brussels.

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Now to the interests of the present **Tripartite Commission**

The information supplied by the Commission on the Restitution  
shows that as all the circumstances of the transfer, date, amount  
etc., Mr. Wilson, Secretary General of **Commission of Inquiry**, had not  
done. In accordance with the fact again, the first time on December 23,  
1945, in accordance with the terms of the Agreement on Reparation from  
Germany, on the establishment of an Inter-Allied Reparation Agency  
and on the liquidation of Monetary Gold, which entered into force  
on January 21, 1946, the Czechoslovak Republic presented its claims  
under Part III, Paragraph 3 thereof, to the Tripartite Commission  
for the liquidation of Monetary Gold, which is acting on behalf of  
the three states that had been during the war the owners  
of monetary gold. On April 29, 1947 the Czechoslovak Republic  
submitted certain information concerning the gold losses suffered  
by IV owing to the fact that Germany loaned this gold to it or that  
the gold was transferred to its territory.

On May 3, 1948 the Tripartite Commission transmitted to the  
delegate of the Czechoslovak Republic to the Inter-Allied Reparation  
Agency the original of the letter addressed to the Federal Reserve  
Bank, New York, in accordance with which the aforementioned claim was  
to transfer from the gold account of the Tripartite Commission to the  
account of the National Czechoslovak Bank the following amount of  
one thousand gold 6,074.156 kilograms of pure gold. This amount  
represented a provisional allocation on account of the total of the  
claimed claim, which amounts to 15,032.2765 kilograms of gold.

Since that date the Czechoslovak Republic has received no official  
communication from the Tripartite Commission bearing on the progress  
of the payment of its claim with the Czechoslovak claim. It can  
not fail to note that he might not fail to mention that on May 7, 1951 that Mr. Wilson, Secretary General of the  
Commission, invited the Czechoslovak experts to come to Brussels to

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answer some questions that the Commission thought required clarification in the interests of the proceedings themselves.

The information supplied by the experts made it possible to throw light on all the circumstances affecting the case over again. Mr. Watson, Secretary General of the Commission, did not fail to recognize this fact again, the first time on November 19, 1951 and the last time on December 9, 1952.

On the first of these occasions Mr. Watson stated that it was now definitely possible to expect any decision before Christmas of 1951, but that a decision would be reached during the first six months of 1952.

In view of the fact that neither during the first six months of 1952 nor even up to the end of the month of August 1952 did the Czechoslovak Delegates to the Inter-allied Reparation Agency receive any communication concerning the restitution of the monetary gold, in a letter dated September 7, 1952 he called the attention of the Secretary General, Mr. Watson, to this state of affairs, asking him at the same time to let him know whether the Commission had taken a decision with respect to the Czechoslovak share.

On receipt of this letter Mr. Watson stated that the case of the Czechoslovak monetary gold was sufficiently clear to the Commission and that the decision to be reached was not a question of months but of weeks.

On September 25, 1952 the Delegate of the Czechoslovak Republic, by order of his Government, addressed to the Chairman of the Tripartite Commission, Colonel Bernard Wingate, a letter requesting a new provisional allocation of 15,000 kilograms of gold.

On receipt of the letter the Chairman of the Commission, Colonel Wingate, stated that he would not fail to transmit to the Czechoslovak Delegates to the Inter-allied Reparation Agency the statement that their share of monetary gold was a fraction of the Agreement of January 24, 1946.

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Strasbourg, October 16, 1952

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## DEPARTMENT OF STATE

DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

Commission would settle the whole monetary gold question before the end of 1952.

On December 9, 1952 the Delegates of the Czechoslovak Republic to the Inter-Allied Agency, by order of his Government, sent the Chairman of the Commission, General Wingate, a note in which he recapitulated the assurances given up to that time by the Secretary General, Mr. Watson, and by the Chairman of the Commission, Mr. Wingate, and in which he also repeated the request for a provisional allocation, in view of the fact that the first allocation made to Czechoslovakia had been, proportionately, the low. Furthermore, he there expressed the opinion that the time had come to announce to the Governments of the participating States, in accordance with paragraphs 5(c) and 5(d) of the Regulations of the Tripartite Commission, the total value of the gold discovery and, as well, the total amount of the claims submitted during the enforcement of the decisions taken by the Commission with regard to the amount of the shares allocated. Since the Czechoslovak Government considers that, in this stage of the negotiations, the opportunity for amicable no longer exists, the Czechoslovak Delegation has no objection to having the amount of its own claim be announced in this manner to the other interested governments without delay or comment.

The Delegates of the Czechoslovak Republic to the Inter-Allied Agency has received no definite reply to his representations.

The Government of the Czechoslovak Republic, regarding several years of study and discussion to resolve this problem, expresses its concern over the continual delay in the settlement of the question, which, in the opinion of the Secretary General of the Tripartite Commission, is perfectly clear. The Czechoslovak Government, knowing all the many new delay in the settlement of this question would be unjustified, would feel obliged to regard the refusal to grant Czechoslovakia its fair share of monetary gold as a violation of the Agreement of January 26, 1946.

BOSTON, October 15, 1952

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Enclosure 2 to Department's  
CA-3335, November 18, to  
Brussels

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procedures presented could be completed quickly.

Department's Revised Text of  
Mr. Watson's Draft letter to the Czech Delegate  
The quantity of 6,074.100 grammes of gold which was delivered  
to your Government during the preliminary conference was compared  
with that which was delivered to other claimant countries. The  
amounts delivered depended on the status of the claims, and, all  
proportions being maintained, certain countries (October 20, 1954) have  
received less than yours, while others have received nothing.)

Mr. Jan Obliky is in a position to make known by further  
Delegates of Czechoslovakia to the rest assured that it will not  
Inter-Alifted Reparation Agency,

5, Avenue du Congo, Brussels. Very truly yours,  
J. A. Watson

Secretary General

Mr. Delegate:

I have the honor to inform you that the Commission, to which  
Sir Ronald Wingate, its Chairman, has transmitted copies of your  
letter no. 646/54, dated October 15, 1954, and of the memorandum  
enclosed therewith, has instructed me to acknowledge receipt of  
those documents and to furnish you with the following clarifications  
of the questions posed in your memorandum:

It is true that the work of the Commission has lasted longer  
than was anticipated at the outset.

This is due to certain unforeseen circumstances, beyond the  
control of the Commission, and to the complexity of the questions  
submitted to it for examination, some of which, among the most  
complicated, concern the very claims submitted by your Government.

You have been informed, as is evident from your memorandum,  
that the documents and the verbal explanations furnished by your  
Government believed at that time to be sufficient for the Commis-  
sion's needs, but that did not imply that deliberations on the

problems

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By LMH NARA Date 5/9/93

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re 2 to Department's  
Cable, November 18, to  
Brussels.

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problems presented could be completed quickly.

The quantity of 6,074.156 kilograms of gold which was delivered to your Government during the preliminary distribution was comparable with that which was delivered to other claimant countries. (The amounts delivered depended on the status of the claims, and, all proportions being maintained, certain claimant Governments have received less than yours, while others have received nothing.)

Mr. When the Commission is in a position to make known any further statement in the matter, you may rest assured that it will not fail to do so. Reparation Agency,

S, Avenue du Congo,

Brussels

Very truly yours,

J. A. Watson

Secretary General

Mr. Delegate:

I have the honor to inform you that the Commission, to which Sir Ronald Wingate, its Chairman, has transmitted copies of your letter no. 646/54 dated October 15, 1954 and of the memorandum enclosed therewith, has instructed me to acknowledge receipt of those documents and to furnish you with the following clarifications of the questions posed in your memorandum:

It is true that the work of the Commission has lasted longer than was anticipated at the outset.

This is due to certain unforeseen circumstances, beyond the control of the Commission, and to the complexity of the questions submitted to it for examination, some of which, among the most complicated, concern the very clauses submitted by your Government.

You have been informed, as is evident from your memorandum, that the documents and the verbal explanations furnished by your Government believed at that time to be sufficient for the Commission's needs, but that did not imply that deliberations on the

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## Memorandum

Stamp of the Tripartite

Commission for the Restitution  
of Monetary Gold, dated

October 20, 1951

In accordance with the terms of the Agreement on Reparation from Germany, on the Establishment of an Inter-Allied Reparation Agency and on the Restitution of Monetary Gold, which entered into force on January 24, 1946, the Czechoslovak Republic presented its claims, under Part III, Paragraph E thereof, to the Tripartite Commission for the Restitution of Monetary Gold, which is acting on behalf of the three Governments charged by the Agreement with the restitution of monetary gold. On April 29, 1947 the Czechoslovak Republic supplied verifiable information concerning the gold losses suffered by it owing to the fact that Germany looted this gold from it or that the gold was transferred to its territory.

On May 3, 1948 the Tripartite Commission transmitted to the delegate of the Czechoslovak Republic to the Inter-Allied Reparation Agency the original of the letter addressed to the Federal Reserve Bank, New York, in accordance with which the aforementioned Bank was to transfer from the gold account of the Tripartite Commission to the account of the National Czechoslovak Bank the following amount of Czechoslovak gold: 6,074.1564 kilograms of pure gold. This amount represented a provisional allocation on account of the total of the Czechoslovak claim, which amounts to 45,008.27845 kilograms of gold.

Since that date the Czechoslovak Republic has received no official communication from the Tripartite Commission bearing on the progress of the proceedings in connection with the Czechoslovak claim. It was not until November 7, 1951 that Mr. Watson, Secretary General of the Commission, invited the Czechoslovak experts to come to Brussels to

answer

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answer some questions that the Commission thought required clarification in the interests of the proceedings themselves.

The information supplied by the experts made it possible to throw light on all the circumstances affecting the Czechoslovak claim. Mr. Watson, Secretary General of the Commission, did not fail to recognize this fact again, the first time on November 23, 1951 and the last time on December 9, 1952.

On the first of these occasions Mr. Watson stated that it was scarcely possible to expect any decision before Christmas of 1951, but that a decision would be reached during the first six months of 1952.

In view of the fact that neither during the first six months of 1952 nor even up to the end of the month of August 1952 did the Czechoslovak Delegate to the Inter-Allied Reparation Agency receive any communication concerning the restitution of the monetary gold, in a letter dated September 9, 1952 he called the attention of the Secretary General, Mr. Watson, to this state of affairs, asking him at the same time to let him know whether the Commission had taken a decision with respect to the Czechoslovak share.

On receipt of this letter Mr. Watson stated that the case of the Czechoslovak monetary gold was sufficiently clear to the Commission and that the decision to be reached was not a question of months but of weeks.

On September 25, 1952 the Delegate of the Czechoslovak Republic, by order of his Government, addressed to the Chairman of the Tripartite Commission, Colonel Rolland Wingate, a letter requesting a new provisional allocation of 15,000 kilograms of gold.

On receipt of the letter the Chairman of the Commission, Colonel Wingate, stated that he would not fail to transmit to the Commission and that Czechoslovakia could be certain that the

Commission

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Commission would settle the whole monetary gold question before the end of 1952.

On December 9, 1952 the Delegate of the Czechoslovak Republic to the Inter-Allied Agency, by order of his Government, sent the Chairman of the Commission, Colonel Wingate, a note in which he recapitulated the assurances given up to that time by the Secretary General, Mr. Watson, and by the Chairman of the Commission, Mr. Wingate, and in which he also repeated the request for a provisional allocation, in view of the fact that the first allocation made to Czechoslovakia had been, proportionately, too low. Furthermore, he there expressed the opinion that the time had come to announce to the Governments of the participating States, in accordance with paragraphs 5(c) and 5(d) of the regulations of the Tripartite Commission, the total value of the pool of monetary gold, as well as the total amount of the claims submitted before the announcement of the decision taken by the Commission with respect to the amount of the shares allocated. Since the Czechoslovak Government considers that, in this stage of the proceedings, the necessity for secrecy no longer exists, the Czechoslovak Republic has no objection to having the amount of its own claim also announced in this manner to the other interested parties.

The Delegate of the Czechoslovak Republic to the Inter-Allied Agency has received no definite reply to his representations.

The Government of the Czechoslovak Republic, regarding seven years as amply sufficient to resolve this problem, expresses its concern over the continual delays in the settlement of the question, which, in the opinion of the Secretary General of the Tripartite Commission, is perfectly clear. The Czechoslovak Government, deeming that any new delay in the settlement of this question would be unjustified, would feel obliged to regard the refusal to grant Czechoslovakia its fair share of monetary gold as a violation of the Agreement of January 24, 1946.

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Brussels, October 15, 1954.

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AIR POUCH

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(Security Classification)

## FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, PRAGUE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF : (LIMIT DISTRIBUTION)

62 October 13, 1954

DATE

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42	ACTION	DEPT.
For Dept.	E&R 5	IN C/R & O/L 9/1/54 E&R 6/2/54
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SUBJECT: United States-Czechoslovak Economic Problems

Various Proposals  
What reply?

Now that the sale of the steel mill is an accomplished fact, I believe it important that the Embassy and Department carefully assess the numerous outstanding economic issues pending between the United States and Czechoslovakia with a view to determining whether some strategy can be devised that would help some hope of breaking the present impasse which is operating to the marked disadvantage of the United States. This impasse finds origin not only in the usual difficulties of dealing with a Communist regime, but in the measures and counter measures of both Governments resulting from United States efforts to obtain a settlement for nationalized property in Czechoslovakia and to obtain the release of the U.S. correspondent, William CATIS, with the added complication of the Czech monetary reform of June 1953. The two Governments have at different times variously linked the questions to such a degree that it has become impossible to consider any one question without considering most if not all of the others. It appears to the Embassy that the following are the questions and issues which are involved in the present situation. If others occur to the Department, the Embassy would appreciate being informed.

## A. U.S. Demands on Czechoslovakia.

1. Claims for U.S. private property nationalized by Czechoslovakia. This is the oldest and largest outstanding economic issue between the two Governments going back to the period prior to the Communist coup of 1948. It appears that both Governments long agreed that a lump sum government-to-government settlement was the only feasible solution and that the U.S. was at one time willing to accept \$40,000,000 while the Czechs were conditionally prepared to offer up to \$25,000,000. The Embassy is not clear what effect, if any, the Czech monetary conversion of 1953 will have on the total of U.S. claims. The Czechs have always insisted that payment could only be made as a percentage of exports to the United States along the lines of the compensation agreements they have made with other countries. At one time the Czechs offered to begin making such payments on the basis of eight percent of exports prior to agreement being reached on the total figure. While U.S. was at one time prepared to consider payments as a percentage of Czech exports (15 percent was the figure considered) to the U.S., it also insisted on a cash payment of \$3,000,000. Because of its inability to obtain a settlement, the U.S. insisted on

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No. 127

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blocking of funds derived from the sale of the steel mill and has consistently linked the steel mill to claims for nationalized property. The Czechs have never accepted such linking and have linked their suspension of payments under the surplus property agreement to the U.S. action with respect to the steel mill.

It is not believed that the Czechs now have any substantial dollar holdings from which they could, even if they desired, make any substantial cash payment for nationalized property claims of the U.S. The present level of exports from Czechoslovakia to the U.S. is so low (about \$2,000,000 a year) that payment of the usual Czech five percent or other similar figure from this source would bear an entirely unrealistic ratio to the amount of U.S. claims.

**2. Suspended payments on Surplus Property Agreement.** The Czechs suspended payments under this agreement in 1952. As of July 1, 1952 the total balance of principal still outstanding was \$4,869,867.94; total payments due as of the same date were \$313,672.66. The Czechs have linked the suspension of payments under this agreement not only to the steel mill question as mentioned above, but also to the refusal of the U.S. to recognize the Czech claim of immunity in the attachment of certain funds of the Czech State Bank by a New York State court in a suit by a private individual. To a lesser degree the Czechs also have linked the suspension of payments under this agreement to the suspension of U.S. Treasury payments to veterans, Social Security and other such U.S. beneficiaries residing in Czechoslovakia, as well as to alleged U.S. failure to supply surplus property up to the \$50,000,000 provided in the agreement.

One of the most serious results of cessation of Czech payments under this agreement is that the U.S. Government is being forced to obtain local currency requirements by exchanging approximately \$250,000 a year at a highly unfavorable rate of exchange. The Czechs correspondingly benefit. Not only are they saving the cost of payments under the agreement, but they are in addition receiving approximately \$250,000 a year in unblocked dollar exchange.

**3. Blocking of U.S. Army Crown Account.** The dollar value of this account (established by an agreement of July 25, 1947) at the time of the 1953 currency conversion was \$994,592.12. At a meeting of the Executive Board of the International Monetary Fund, the Czech representative gave assurance that the U.S. would not lose as a result of the conversion. However, no reply has yet been received to a note of March 9, 1954 from the Embassy asking that this assurance be implemented. It is not known what effect, if any, the recent expulsion of Czechoslovakia from the IMF will have on the Czech attitude concerning this account. Under the agreement of July 25, 1947 this crown account was "available for expenditure in Czechoslovakia by the U.S. Army and its affiliated entities..." However, efforts made since 1952 by the Army Attaché to draw on this account for

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that purpose were first refused by the bank on the ground that it "represented old crowns blocked by the monetary reform" and subsequently by the statement that payments from this account can be made only with special approval of the Exchange Control Authorities which has not been forthcoming.

4. Defaulted dollar bonds. According to the Foreign Bondholders Protective Council, beginning in 1952 Czechoslovakia defaulted in payments on dollar bonds than having a principal amount outstanding of \$2,767,200 under the debt adjustment plan of 1946. According to the Council, payments had been fully maintained between 1946 and 1952, and service is being maintained on sterling bonds. The Council states the fiscal agents have been unable to elicit a satisfactory explanation of the default. There has not yet been any official exchange between the U.S. and Czechoslovak Governments on this subject.

5. Film Account. As of January 1, 1954, the balance of this account was Kes 887,729 (approximately \$123,000). Full conversion of this account was made by the bank at the time of the monetary reform and interest is regularly being credited. Its use is limited to charitable and educational purposes and is not available for local U.S. Government expenditures. Details are contained in the Embassy's despatch No. 240, March 16, 1950.

6. IBM Machines. In the summer of 1952 the Czechoslovak Government also defaulted on an agreement with the International Business Machine Corporation under which that firm was receiving approximately \$47,000 a month for the use of its machines by customers in Czechoslovakia. The Czechoslovak Government also refused to permit the machines to be shipped from Czechoslovakia in accordance with the terms of the agreement and placed the property of the Company under "national administration". The Czechs have inferred that this action was related to the steel mill and Statni Banka cases. From the information in Embassy files, it appears that the value of the machines is about \$1,500,000 and that the arrears of dollar payments is now probably also about \$1,500,000.

#### B. Probable Czech Demands on the U.S.

1. Steel Mill. In any discussion of economic issues, the Czechs can be expected at the minimum to demand reimbursement for the approximately \$16,000,000 they paid U.S. manufacturers for the steel mill. They could also be expected to ask for a large sum for "damage to the Czech economy", etc. In any event, the action that the U.S. has taken with respect to the steel mill can be expected to continue to be the central factor in Czech attitudes towards economic negotiations. The subject is still frequently alluded to by the President, the Prime Minister and other officials in public speeches, as an example of U.S. "iniquity". The citing of the "Trading with the Enemy Act" in connection with the

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measures that were taken as exacerbated the reactions of Czech officials to the action.

The \$9,000,000 derived from the sale of the mill is "deposited in banks in the United States for the account of the Czechoslovak owners of the property, but these amounts will remain blocked pending consideration of American claims against Czechoslovakia". The Embassy is not clear whether, in the absence of Czechoslovak agreement, those funds could be made available to private U.S. claimants against Czechoslovakia. Even if possible, such distribution of the funds without some agreement with Czechoslovakia would, of course, not move all of the other important U.S. claims any nearer settlement.

2. Attached Statni Banka Funds. From the Department's A-17 August 27, 1953, it appears that the amount involved in this attachment is probably somewhat less than \$100,000. If the court finds in favor of the defendant, this would presumably resolve this question. However, if the court finds in favor of the plaintiff, the Embassy is not clear to what extent a precedent may be established for similar suits by private claimants against Czechoslovakia, what effect this might have on other Czechoslovak funds in the U.S. including the sum derived from the sale of the steel mill, and what the effects might be on the ability of the Executive to negotiate with Czechoslovakia on the subject of claims.

3. U.S. Treasury Payments to Beneficiaries in Czechoslovakia. This subject has frequently been mentioned by Czech officials as insulting to and discriminatory against Czechoslovakia. The subject not only involves the question of the beneficiaries' receiving the real value of the remittances and the Embassy's ability to carry out its responsibilities with regard thereto, but also the political effects of the U.S. discharging its obligations to persons scattered throughout Czechoslovakia and dollar assets available to Czechoslovakia. It is understood that at the time of cessation of payments they were totalling approximately \$200,000 a year.

4. U.S. Trade Policy Toward Czechoslovakia. Although the special measures with regard to trade with Czechoslovakia taken at the time of the Oatis case have been rescinded, the complete interruption of trade channels which took place at that time, together with withdrawal of GATT concessions, has resulted in Czech exports to the U.S. resuming only a small proportion of their previous volume. As U.S. trade policy toward Czechoslovakia is now substantially the same as toward the remainder of the Soviet bloc, the Czechs could hardly expect to obtain any more favorable treatment from the United States. However, the Czechs could be expected to raise the subject, hoping to obtain concessions which would enable them to increase their exports to the U.S.

5. Czech Share of Gold Pool. This subject has never entered into U.S.-Czech exchanges. The Embassy is not clear what the present status of this question is, nor whether there is now any possibility of its use by the U.S. in negotiations with Czechoslovakia.

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From the foregoing it appears clear that in the absence of some new element or elements introduced into the situation, there is no hope of obtaining from Czechoslovakia any resolution satisfactory to the U.S. of outstanding economic questions. There is nothing in the present situation which would impel Czechoslovakia to settle even any one of the issues. It is also apparent that the questions of nationalized property and the steel mill are the keys to the settlement of the others. Various possibilities suggest themselves and are mentioned not in the sense of recommendations, but only in an attempt thoroughly to canvass all possible lines of action.

First, there is the possibility of offering trade concessions of such a nature as to permit the development of Czech export trade to the U.S. to the point that Czechoslovakia could make a realistic settlement for nationalized property. All or a major part of the \$9,000,000 derived from the sale of the steel mill could be applied against such a settlement and the counter claim of Czechoslovakia for losses incurred with respect to the steel mill offset in the bargaining over the total amount claimed by the U.S. for nationalized property so that the net figure would still constitute an amount acceptable to the U.S.

This course of action does not appear practicable under present conditions. It would presumably require major concessions to Czechoslovakia as compared with the other countries in the Soviet bloc without any real basis for the major political implications that would inevitably flow therefrom, primarily for the benefit of the relatively few claimants for nationalized property. Also, it is very questionable whether, whatever the degree of concessions offered by the U.S., the present state of Czech economy and its orientation to the Soviet bloc would permit of any major expansion of the present level of exports to the U.S.

Secondly, there is the possibility of considering that the \$9,000,000 received from the sale of the steel mill is all that the U.S. claimants can realistically expect to receive for their nationalized property in the foreseeable future.

Therefore, enter into an agreement with Czechoslovakia under which the U.S. claims for nationalized property would be offset against the Czechoslovak claims with respect to the steel mill, Czechoslovakia also to resume payments under the surplus property agreement and unblock U.S. Government funds in Czechoslovakia, resume service on the defaulted dollar bonds, etc. The objections and difficulties of this course of action are obvious. Among others, Czechoslovakia would liquidate claims for which the U.S. has asked \$40,000,000 and Czechoslovakia had at one time conditionally offered \$25,000,000 at a direct cost to itself of only \$16,000,000 and the claimants would only realize \$9,000,000. However, against this must be weighed the value to the claimants of receiving something immediately as against the very problematical possibility of receiving something

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more at some unknown time in the future, the resumption of service on dollar bonds, the savings accruing to the U.S. Government by again being able to finance its activities in Czechoslovakia from surplus property payments by the Czech Government and presently frozen funds. Of course, a variant of this plan would be to attempt to reach agreement on a higher figure for Czech reimbursement for nationalized property—the amount above \$9,000,000 to be paid from a percentage of Czech exports to the U.S. While this might be a good bargaining position, it would yield the claimants very little and insistence on a large figure would probably involve boundless Czech counter claims on the steel mill and frustrate the reaching of any agreement. There is also the question of Czech ability to do this and at the same time resume service on the dollar bonds and other dollar obligations.

In this connection it is roughly estimated that apart from nationalized property claims, Czech arrears of dollar obligations listed in the first part of this despatch are probably in the magnitude of \$3,000,000 (surplus property \$1,000,000; dollar bonds \$500,000; IBM contract \$1,500,000), and annual obligations under these agreements in the order of \$1,200,000 a year. This takes no account of any obligations under current trade transactions, and official Czech expenditures in the U.S. for its Embassy in Washington, U.N. Delegation, travel of trade representatives, etc. Against this is the current level of approximately \$2,000,000 total exports to the U.S. and probable absence of any other substantial sources of dollar earnings. Thus there may be a real question of Czech ability to service without outside help even its dollar obligations other than claims for nationalized property at the current level of exports to the U.S.

If it is concluded that there is no reasonable possibility of obtaining at the present time an overall settlement of economic issues including nationalization claims, we should thoroughly explore the possibilities of obtaining a more narrow settlement which would include Czech resumption of payments under the Surplus Property Agreement. However, the Embassy finds it difficult to evolve any formula which would offer any possibility of success.

The Czechs had already defaulted on the Surplus Property Agreement when we removed the special trade measures which had been introduced as a result of the Oatis case, and, in any event, the present level of trade is so low as to constitute a very feeble and probably ineffective weapon even if the decision were reached that it would be wise to use it.

If resumption of payments under the Surplus Property Agreement cannot be obtained we should examine other methods of reducing the present excessive dollar cost at which this Embassy must obtain local currency for its operations, and the consequent unearned dollar advantage to Czechoslovakia. We are now in the very anomalous position of substantially contributing to the dollar earnings of Czechoslovakia because Czechoslovakia refuses to fulfill an agreement with the U.S.

It is noted that in its telegram No. 307, December 17, 1952, the Embassy suggested that the Czech Embassy, Washington, be required to purchase all

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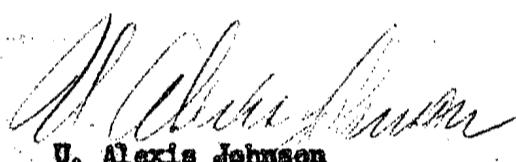
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dollars for its operations at a rate designated by the U.S. The dollar being a free currency there would appear to be considerable difficulty in applying a measure of this kind against a single country, and to be of doubtful value unless a means could be worked out whereby the Czech currency thus obtained could be used by the U.S. Government in Czechoslovakia. The Department may have precedents with respect to other countries that might serve as a guide for measures that could be taken to meet the present situation. However, before adopting any measures in this regard, we should be reasonably convinced that they will accomplish their purpose and not just contribute to broadening and making more rigid the present impasse.

None of the foregoing takes into consideration the possible use, if any, that could be made of the Czech share of the gold pool with regard to which the Embassy does not have sufficient current information to reach any judgment.

This is presented not as any definitive final analysis but simply as preliminary thoughts with the hope that it may be of some usefulness to the Department in considering this complex subject. No attempt has been made to consider tactics which would have to be carefully planned after any course of action was determined upon. Perhaps the problems are insurmountable for the time being and the best course of action for the present is for the U.S. to take no steps to break the impasse. However, I would be reluctant to reach that conclusion until all other courses of action have been fully considered.


  
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## FOREIGN SERVICE DESPATCH

FROM : U.S. Commissioner, TGC  
AmEmbassy, BRUSSELS

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF :

292

DESP. NO.

October 6, 1954

77200.6241-GOLD  
10-6-54

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SUBJECT: Alteration of "Final" Texts of Certain Gold Commission Adjudications, suggested by French Commissioner.

There is enclosed a photostat copy of a letter, dated October 2, 1954 (number INT-2800) received from Colonel Watson, Secretary General of the Tripartite Commission for the Restitution of Monetary Gold, regarding alterations proposed by the French Commissioner to be made in several of the "final" decisions of the Commission. Attached to Colonel Watson's letter and also enclosed herewith, are (1) photostat copies of (a) the French Commissioner's Memorandum and (b) pertinent sections of "final" texts of the Czech, Yugoslav and Belgian adjudications and (2) a copy of Colonel Watson's draft analysis on the problem of gold recoveries (Problem No. 14). It is believed that the enclosures are self-explanatory.

A meeting of the Gold Commission is scheduled for October 11, 1954 with the following agenda:

1. Exchanges of views regarding the suggestions contained in the French Commissioner's note of 30 September 1954, circulated, with certain comments by the Secretary General, under cover of the Secretariat's INT-2800, dated 2 October 1954.
2. Any other questions for discussion.

In accepting the October 11 date I made it clear to the Secretary General and through him to the Chairman that I did not expect to be in a position to express a definitive opinion on the French proposal at that time. The purpose of the meeting therefore is primarily to provide the French Commissioner an opportunity to table his proposal and secondarily to enable the Commissioners to discuss informally any other item of business. Under the latter, it is anticipated that the French Commissioner will reiterate his position on liquidation of the Commission, i.e. that it would be unwise to announce all final awards while denying award or payment to Czechoslovakia. The French are apprehensive that such a move might enable Czechoslovakia to

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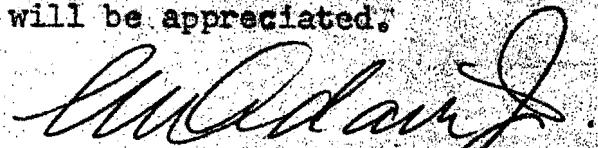
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institute legal action against the Commission.

The Department's comments will be appreciated.



Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

## Enclosures:

1. Gold Commission letter, INT-2800, 2 October 1954 (photostat), w/4 enclosures.
2. Problem No. 14 (duplicate).

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PROBLEM No. 14.

Problem No. 14 concerned gold recovered by certain countries,

after the liberation, from neutral countries, where it had accumulated, in  
ENCLOSURE different ways, during the occupation by Germany of the relevant countries.

From U.S. despatch DD 2 should be taken into account in the Com-  
mission's adjudication (Czechoslovakia, Yugoslavia) October 2, 1954.

The main recovery was by Czechoslovakia.

The situation which arose in that country has already been described  
and no useful purpose would be served by giving here a detailed account, which  
will, in any event be found in the Commission's adjudication. Later in this  
report, of the somewhat complicated operations whereby the National Bank of  
Czechoslovakia, which is the bank with which the Commission is concerned in the  
present analysis, came to be credited at the Swiss National Bank with a  
considerable amount of gold.

The amount, subject of the Commission's study, was 5,909.2142 kgs  
of fine gold and it represented, broadly speaking, the currency or exports  
from Slovakia, which, it will be recalled, was a puppet state of Germany.  
to Switzerland and to Germany. The National Bank of Slovakia had no gold  
when it started functioning and this gold accumulated to its account as a  
result of its trade transactions with or under the control of Germany. The  
gold was delivered, after the liberation, to the reconstituted National Bank  
of Czechoslovakia by the Swiss National Bank.

It might conceivably have been argued that since this gold accu-  
mulated in Switzerland as a result of German action, it should have been  
put into the gold pool or deducted from Czechoslovakia's share in the  
pool as if Czechoslovakia had received it from the pool. However, the  
assembling of the pool was not a matter which the Commission was competent  
to deal with and the gold was not put into the pool, nor was the Commission  
directed to examine this aspect of the situation.

There were no specific stipulations regarding gold recoveries in

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Box 2PROBLEM No. 14.

Problem No. 14 concerned gold recovered by claimant countries, after the liberation, from neutral countries, where it had accumulated, in different ways, during the occupation by Germany of the claimant countries, and the question as to whether it should be taken into account in the Commission's adjudication (Czechoslovakia, Yugoslavia).

The main recovery was by Czechoslovakia.

The situation which arose in that country has already been described and no useful purpose would be served by giving here a detailed account, which will, in any event be found in the Commission's adjudication, later in this report, of the somewhat complicated operations whereby the National Bank of Slovakia, which is the bank with which the Commission is concerned in the present analysis, came to be credited at the Swiss National Bank with a considerable amount of gold.

The amount, subject of the Commission's study, was 5,909.2342 kgs of fine gold and it represented, broadly speaking, the counterpart of experts from Slovakia, which, it will be recalled, was a puppet state of Germany, to Switzerland and to Germany. The National Bank of Slovakia had no gold when it started functioning and this gold accumulated to its account as a result of its trade transactions with or under the control of Germany. The gold was delivered, after the liberation, to the reconstituted National Bank of Czechoslovakia by the Swiss National Bank.

It might conceivably have been argued that since this gold accumulated in Switzerland as a result of German action, it should have been put into the gold pool or deducted from Czechoslovakia's share in the pool as if Czechoslovakia had received it from the pool. However, the assembling of the pool was not a matter which the Commission was competent to deal with and the gold was not put into the pool, nor was the Commission directed to examine this aspect of the situation.

There were no specific stipulations regarding gold recoveries in

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the basic texts governing the Commission's work but the declaration annexed to the Protocol which the three Governments signed with Austria (see Annex 7) set what might be considered as a precedent inasmuch as it warned Austria that the Commission might have to take a recovery which Austria had made into account in connection with Austria's claim and the preamble to Part III of the Paris Agreement on Reparation made it quite clear that the Commission's procedure had to be an equitable one.

It would hardly have been equitable, particularly having regard to the fact that no other claimant country was able to recover gold in circumstances such as have been described above, to allocate gold to Czechoslovakia from the pool in respect of losses of gold through German action whilst not taking into account recoveries of gold which accumulated to the credit of Czechoslovakia as a result of German action, direct or indirect.

The Commission did not deduct the 5,909.234.2 kgs from Czechoslovakia's share but it decided that it would be equitable that this amount should be set off against the total of Czechoslovakia's claim, in other words that gold which accrued as a result of German action should be set off against gold which was lost as a result of German action and it adjudicated accordingly. It is perhaps not unnecessary to recall here that there was only enough gold in the pool to meet some 62% of the total of claims found established by the Commission and that a deduction from Czechoslovakia's share would have been equivalent to taking accruals into account on a basis of 100% as against an allocation of only 62% in respect of established losses.

The above decision may be open to some criticism on strict legal grounds and it might, conceivably, be argued that the Commission was not competent to take recoveries into account but the Commission has already explained, at some length, the principles on which it worked and the way in which it interpreted the intentions of the Paris Agreement on Reparation and the solution it has adopted is the best that could be reached in the circumstances..

There was another case in which gold in the vaults of the Central Bank of a puppet State set up by Germany found its way to the Swiss National Bank and was recovered, after the liberation, by the claimant country.

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The country was Yugoslavia, the Bank was the so-called Croatian State Bank and the gold amounted to 980.4543 kgs.

The circumstances were, however, quite different from those which have been described in the Czech case, for this gold was gold which had formed part of Yugoslavia's genuine pre-war monetary reserves and which had been seized by officials of the puppet State of Croatia from the Sarajevo branch of the National Bank of the Kingdom of Yugoslavia (which was the Central Bank of Yugoslavia at the time of the German invasion) and put into the vaults of the so-called Croatian State Bank. Patriotic officials of the latter Bank caused the gold to be transferred, at some later date, to the Swiss National Bank which returned it, after the war, to the present day Central Bank of Yugoslavia, the National Bank of Yugoslavia.

What happened in this case was akin to what happened in the case of - say - Greece which was able to transfer its pre-war monetary reserves to a place of safety abroad prior to the German invasion and recovered them after the war.

Greece did not, of course, claim in respect of this gold, neither did Yugoslavia in respect of the 980.4543 kgs and the Commission, having regard to the texts governing its work and to the interpretation which it has given to these texts, decided not to take this particular recovery of pre-war monetary gold into account.

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**CHANGES IN THE MIGRATION PATTERNS  
OF CLOTHESLINE**

REMARKS: THE 1000' DEEP CUE IS LOCATED ON THE EAST SIDE OF THE  
VALLEY. IT IS A NARROW CUE WHICH IS APPROXIMATELY 100' WIDE.  
IT IS LOCATED ON THE SLOPES OF THE MOUNTAIN. THE CUE IS APPROXIMATELY  
100' DEEP AND IS LOCATED ON THE EAST SIDE OF THE MOUNTAIN.  
THE CUE IS LOCATED ON THE SLOPES OF THE MOUNTAIN. THE CUE IS APPROXIMATELY  
100' DEEP AND IS LOCATED ON THE EAST SIDE OF THE MOUNTAIN.

1.2. **Geographical distribution** of *Leucosphaera* species in India

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Les conditions dans lesquelles il a été procédé à ces grandes exactions, jusqu'à présent inconnues, sont évidemment de nature à donner une idée assez exacte de l'atmosphère dans laquelle le régime des révolutionnaires a été exercé. Les deux dernières années ont vu l'application d'un programme d'opérations militaires et politiques qui, dans les deux dernières années, ont entraîné des pertes humaines et matériels évaluées à plus de 7.300.000 francs suisses. Ces opérations, qui avaient commencé en Allemagne, étaient destinées à la conquête de l'Autriche et à l'extinction du Jura où elles se sont terminées. Le Commissaire des armées estime qu'il y a eu au moins 1.700 morts dans les combats, 2.000 blessés et 3.600 prisonniers. Les pertes humaines ont été évaluées à 1.000.000 francs suisses, soit 100 millions de francs suisses de l'or allemand, soit 25 millions de francs suisses, ou un peu moins de 5.900.000 francs suisses, soit 100 millions de francs suisses de l'or allemand, et ce qui est bien qu'aucune analogie

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dévolues à une Agence de la Banque Nationale de Tchécoslovaquie.

Le juriste estime donc que les motifs actuels invoqués par la Commission pour justifier son rejet sont insuffisants et que, dans son état actuel, la décision est en contradiction avec celles qui ont été adoptées pour les demandes grecques et yougoslaves similaires.

Il semblerait donc souhaitable que la Commission envisage de reexaminer ce point, et sauf arguments nouveaux à faire valoir à l'appui de sa thèse actuelle, étudie la possibilité d'accepter la demande portant sur les 1008 kg transférés en Allemagne.

b) Récupération d'or en Suisse

La Commission a longuement examiné aux pages 24 à 30 du texte français de son projet, le problème posé par les récupérations d'or en Suisse que la Tchécoslovaquie avait pu effectuer après la Libération.

La Tchécoslovaquie avait été dépossédée par les Allemands de la totalité de l'or monétaire qu'elle détenait avant guerre. Cependant après la Libération, elle vit rentrer dans ses caisses 7.308,0099 kg, que les institutions sous contrôle allemand, installées sur son territoire, avaient amassés en Suisse durant les hostilités.

Pour des raisons de compétence et afin de respecter l'équité que lui paraît réclamer le préambule de l'Accord de Paris, la Commission, dans son projet actuel, ne considère par ces récupérations comme une main mise sur de l'or allemand, mais, et à concurrence seulement de 5,909,2342 kg, comme une atténuation de la perte subie et ceci, bien qu'aucune analogie n'existe entre l'or perdu et l'or récupéré.

Le juriste consulté s'élève vivement contre la décision envisagée. Selon lui la Commission n'a pas à tenir compte du préambule de l'Accord de Paris, mais de son texte seul qui est parfaitement explicite en ce qui concerne les récupérations. Le paragraphe G de la Partie III, en particulier, ne prête à aucune interprétation: "Tout or monétaire qui pourra être récupéré d'un pays tiers dans lesquel il a été transféré par l'Allemagne sera réparti...."

Les transferts des quantités d'or en cause ont été effectuées par la Banque de Slovaquie, qui de l'aveu même

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du 9 octobre 1944, doit être considéré comme un document.

Il indique que la Commission a donc accepté d'accorder une compensation avec les dispositions de l'Accord de Paris et le plus possible dans les proportions

qui sont établies pour la réparation des dommages de la guerre.

2. - démontrer la régularité de 7.308.000 kg comme une compensation pour la République Tchèque.

Le point essentiel consiste à démontrer que cette somme est destinée au paiement de la Commission, d'introduire et d'admettre que l'Allemagne a effectivement versé des fonds nécessaires portant une somme 1350.7757 kg pour la République Tchècoslovaque et dont la partie est en tout point assimilable à celle subie par la République Tchèque à l'ordre de 12.000.000 de kg.

3. - Les compensations pratiques pour la Tchécoslovaquie sont approximativement les suivantes : la question de réparation.

### LES COMPENSATIONS pratiques de

L'acte qui concerne la compensation de l'ordre de l'Italie est l'Allergoie est signé par Rafaello Mussolini le 5 octobre 1944.

→ 1.350.7757

comme étant les

L'article 1er de cet accord dispose que l'Italie s'engage à verser à la République Tchèque une somme de 100 millions de lire en or, soit environ 350.7757 kg. La devise paragraphe de cet article indique qu'il faut verser de ce montant 10 millions de lire, soit 3.000 kg, et il a été avancé à cet effet de la partie des forces armées étrangères du Reich".

Le taux de conversion n'est pas clair et on peut se demander si il n'indique pas qu'avant l'annexion de l'Allemagne au territoire d'Italie 1944, il devait faire les termes de compensation de Mussolini. Mais ce n'est pas l'interprétation générale.

129.300 kg pour la République Tchèque par ce petit parti.

Alors que la décision actuelle de la Commission la ferait verser 129.300 kg - 31.458 kg, compte tenu des avances faites à Mussolini qui resteraient à lui verser 16.300 kg au nom de Mussolini dans les conditions présentes.

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Le problème pose est assez difficile, cependant le projet initial de disposition en dispose en six lignes.

Le jugeote confirme que le motif principal pourraient être développés en vingtaine.

Il ne s'agit là que d'une simple question de terminologie.

3.— DEMANDE D'EXPLICATION

L'acte qui concerne la disposition de l'or de l'Italie par l'Allemagne est l'accord Riva-Rasetti du 9 février 1931.

L'article 1er de cet accord dispose que l'Italie cédera à l'Allemagne, pour les dépenses des renseignements diplomatiques italiens à l'étranger, 100 millions de lira en or, soit environ 370 kg. Mais la demande paragraphe de cet article indique qu'il faudra déduire de ce montant 10 millions de lira, soit 30 kg, destinée à cet effet de la part du Ministère des Affaires étrangères du Reich.

Le texte de cette disposition n'est pas clair et on peut se demander si il ne signifie pas qu'avant l'invasion allemande contre l'Italie 350 kg d'or pour les besoins du Gouvernement de Mussolini. Dans ce cas, il n'y aurait pas spécification, mais seulement remboursement par l'Italie à l'Allemagne.

Il conviendrait néanmoins d'expliquer ce point précis dans le cadre de la question.

4.— DEMANDE D'EXPLICATION

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Le juge de paix écoutait alors que le Commissaire en tant que demandeur présentée par le Gouvernement voulait dire pour les 109 kg d'or envoyés par les Ottomans à l'empereur des empereurs de Chine. Le juge a dit que les détails étaient des secrets diplomatiques et que cela devait être conservé dans les archives de la République Fédérale de Chine ou au moins dans les archives de l'ambassade de Chine.

Selon lui, le rejet de cette demande est une mesure discriminatoire contre l'ambassade de Chine.

Il a également déclaré que l'ambassade de Chine devrait être informée de la décision du juge.

Ensuite, il a demandé que l'I.M.F. ait la possibilité de faire une inspection des coffres-forts de l'ambassade de Chine pour vérifier si les documents sont bien rangés et si les portes sont fermées.

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DEPARTMENT OF STATE  
DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

531

TC NO.

11737

T-52/R-III

French

D-1  
B-35  
P-35  
Pm

September 30, 1954.

## Comments on the Draft Decisions of the Commission

The French Commissioner submitted all the drafts drawn up by the Commission to a qualified jurist. The latter made comments principally on the texts relating to Czechoslovakia, Belgium, Italy, and Yugoslavia.

In accordance with the latitude allowed him by the Commission, the French Commissioner brings these comments to the attention of his colleagues. Their sole purpose is to enable the Commission to make its decisions as coherent and unassailable as possible.

The conditions under which this juridical examination was made are identical, in all probability, with those which will govern the studies that will be made by the competent services of the nations participating in restitutions of gold.

Because of this and in view of the competence and impartiality of the jurist whom he consulted, the French Commissioner considers it extremely desirable that the modifications called for in the comments presented, with whatever consequences they may involve, be adopted.

1. Czechoslovak Claim

(a) The SKODA Company Gold (claim referred to in Title D of the draft, discussed on pages 21 to 24 of the French text).

The Commission considered that the gold managed by the Company was private gold, the loss of which could not, therefore, form the basis of a claim for restitution. The jurist consulted, on the contrary,

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contrary, was inclined to consider that the gold in question had the character "of monetary gold by intended purpose", as was admitted in the case of certain Greek and Yugoslav claims. In his opinion, and this is naturally the thesis upheld by the Czechoslovak Government on quite convincing evidence, the Skoda Company received allocations of monetary gold that would normally have fallen to an agency of the National Bank of Czechoslovakia.

The jurist therefore considers that the present reasons invoked by the Commission to justify its refusal are insufficient and that, as it now stands, the decision is at variance with those adopted with respect to the similar Greek and Yugoslav claims.

It would therefore seem desirable for the Commission to consider reexamining this point and, barring new arguments in support of its present thesis, to study the possibility of admitting the claim to the 1008 kgs. transferred to Germany.

#### (b) Recovery of Gold in Switzerland

The Commission has examined in detail, on pages 24 to 30 of the French text of its draft, the problem presented by the recoveries of gold in Switzerland which Czechoslovakia was able to obtain after the Liberation.

Czechoslovakia had been dispossessed by the Germans of all the monetary gold it had before the war. However, after the Liberation, 7,308.0099 kgs., which institutions under German control established in its territory had amassed in Switzerland during hostilities, were returned to its treasury.

For reasons of competence and in order to respect the equity which the Preamble of the Paris Agreement seems to it to demand, the Commission in its present draft does not consider these recoveries a seizure of German gold, but, only to the amount of

5,909.2342 kgs.,

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5,909.2342 kgs., a reduction of the loss suffered, even though there is no analogy between the gold lost and the gold recovered.

The jurist consulted strongly protests the decision contemplated. In his opinion the Commission has not to take into account the Preamble of the Paris Agreement, but its text alone, which is perfectly explicit regarding recovery. Paragraph G of Part III, in particular, requires no interpretation: "Any monetary gold which may be recovered from a third country to which it was transferred by\* Germany shall be distributed...." *This is not a case of recovery*

The transfers of the quantities of gold in question were made by the Bank of Slovakia which, by the very admission of the Czechoslovak Government, must be considered an agent of Germany.

In brief, the jurist therefore thinks that the present decision is an infringement of the provisions of the Paris Agreement. It therefore seems to him essential:

1. Not to make any deduction from the amount claimed;
2. To consider the recovery of 7,308.0099 kgs. an advance against allocation;
3. To take into account the concept of monetary gold by intended purpose admitted by the Commission, to file and admit in favor of Czechoslovakia a new claim for the 1,398.7757 kgs. of gold removed from Czechoslovak soil, the loss of which is in every respect similar to that suffered by Yugoslavia in the matter of the Bor Mines gold.

N.B. The practical consequences with respect to Czechoslovakia would be approximately as follows:

Its admitted claims would be:

$$\begin{array}{r} 45,008.2784 \\ + 1,398.7757 \\ \hline 46,407.0541 \text{ kgs.} \end{array}$$

Total

\* The official English text reads "from". -TC

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Lot 62D115

Box 2

Total claims admitted for all countries would be:

**516,458.6336**

out of total available assets of

**322,000**

**7,308**

**329,308**

Czechoslovakia would then receive a total of:

**329,308**

**516,458** X **46,407** = approximately 29,500 kgs.

while the present decision of the Commission would give it

**24,150 + 7,308 = 31,458** kgs., and, account being taken of the advances already made, there would remain an outstanding balance of 16,100 kgs. due it instead of approximately 18,100 under present conditions.

## 2. Belgian Claim

Gold purchased from Germany: 6,772 kgs. (pages 20 and 21 of the French text).

Germany sold to Belgium, before invading it, and then dispossessed it later of some gold which it had looted previously from Austria and Czechoslovakia.

Belgium submitted a claim for restitution, thus involving gold claimed also by other countries. The Commission admits that all these claims are well founded.

The problem presented is quite delicate; however, the present draft decision disposes of it in six lines.

The jurist considers that the reasons for the decision might be profitably developed and strengthened.

This is merely a matter of presentation.

## 3. Italian Claim

The act establishing Germany's dispossessing Italy of its gold is the Rahn Mazzolini "agreement" of February 5, 1944.

Article 1

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Article 1 of that agreement provides that Italy will transfer to Germany, for the expenses of Italian diplomatic representatives abroad, 100 million lire in gold, or approximately 3,584 kgs. But the second paragraph of the article states that 10 million lire, or 358.4 kgs., "already advanced for that purpose by the Reich Ministry of Foreign Affairs", must be deducted from that sum.

The text of this provision is not clear and one wonders whether it does not mean that before the Italian armistice Germany had advanced 358.4 kgs. of gold to Italy for the needs of the Mussolini Government. In that event, there would be no looting, but merely reimbursement of Germany by Italy.

It would seem that this particular point in the text of the decision should be examined.

4. Yugoslav Claim

Gold from the Bank of Croatia

The jurist consulted considers that, in rejecting the claim submitted by the Yugoslav Government for the 109 kgs. of gold removed by the Ustasi, the Commission is allowing appearances to prevail over reality. The Ustasi were agents of Germany as, for example, the Italian Social Republic officials were of Mussolini.

In his opinion, the rejection of this claim is a discriminatory measure adopted to the detriment of Yugoslavia.

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To MN Fletcher  
for further action



**THE FOREIGN SERVICE**  
**DEPARTMENT OF THE**  
**UNITED STATES OF AMERICA**

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1954 AUG 27 PM 1 56

AMERICAN EMBASSY,

Brussels, August 24, 1954.

verification of the texts in your possession of the final editions.

MESSAGE CENTER

Colonel Watson has agreed to have additional copies of the final texts run off, if necessary, although Dear Mr. Srole require a couple of weeks time and some expense. It therefore you are not able to identify sati With reference to your letter of August 5, 1954, I raised with Colonel Watson the question of identifying preliminary and final versions of the various adjudications of the Gold Commission and received from him a chart showing the dates on which the first and final editions were distributed. The Secretary General tells me he sent two photo copies of the final English edition of each adjudication to the Embassy. Both of these copies evidently were sent to the Department under cover of Embassy despatch (U.S. Commissioner, United TGS) No. 415 of October 28, 1953, meeting on the understanding that no decisions will be taken at that time.

On the basis of my having been unable to locate Colonel Watson's letters under cover of which these documents were sent to the Embassy, it is quite possible that the letters were also forwarded to the Department with despatch No. 415. If that was done, it might be fairly easy for you to verify the numbers and dates of Colonel Watson's letters against the numbers and dates contained in Column 4 of the enclosed chart. Except for the Yugoslav claim, the final texts of all adjudications, including Austria, predate October 28, 1953. It is likely therefore that all enclosures to despatch No. 415 represent so-called "final" editions.

As a result of the identification problem I have told Colonel Watson that my approval of the proposed insertion in the Austrian text must be contingent upon the United States Commissioner

Saul R. Srole, Esq., I.A.C. - Reparation Commission for the Restitution of Monetary Gold

Chief Monetary Stabilization Branch,

Enclosure Department of State,

Chart, Washington.

August 19, 1954.

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TGC  
Lot G2D115

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-2-

verification of the texts in your possession as final editions.

Colonel Watson has offered to have additional copies of the final texts run off, if necessary, although this would require a couple of weeks time and some expense. If, therefore, you are not able to identify satisfactorily the final texts, please let me know and I will request the extra copies.

At present, the Chairman of the Commission is planning a meeting of the three Commissioners for September 15 for the purpose of hearing comments and suggested changes which the French Government wishes to propose in connection with several adjudications. These plans, I am told, derive from a direct approach by the French Government to the Government of the United Kingdom. I have agreed to the meeting on the understanding that no decisions will be taken at that time on the French proposals. Colonel Watson has not seen the proposals but said he would suggest to the Chairman that if possible they be circulated to the Commissioners prior to the meeting. If the Department has any comments to make on any of the adjudications, the September 15 meeting should provide a good opportunity to present them. In this, of course, I should be guided by your reply.

Sincerely yours,

Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

## Enclosure:

Chart, dated  
August 19, 1954.

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200.6241-GOLD  
G704-8/245

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By LMBN NARA Date 5/19/93

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Lot 62D115

Box 2

August 1954

R.M.G.

Country

Date rough text of adjudication sent out and amendments    Date approval

(Representing numbers & dates of Secretary General's covering letter)

ALBANIA

INT-2632 30 Sept. 1953 133rd Mtg.  
INT-2650 22 Oct. 1953 7 July 1954

INT-2654 27 Oct. 1953  
(Last page to be completed at the last moment)

AUSTRIA

INT-2158 28 Jan. 1952 129th Mtg.  
INT-2544 25 Mar. 1953 N.B. INT-2775  
(Sec.Gen.re-draft) 14 July 1954  
(Unimportant addition awaiting U.S.Comm.approval)

INT-2648 21 Oct. 1953

BELGIUM

INT-2292 18 Apr. 1952 123rd Mtg.  
INT-2737 6 Apr. 1954 U.S.Comm.appr.  
(Amendment page 14) by teleph.  
7 Apr. 1954

INT-2648 21 Oct. 1953

CZECHOSLOVAKIA INT-2151

23 Jan. 1952 124th Mtg.  
23 May 1953

INT-2648 21 Oct. 1953

INT-2323

21 May 1952

(Revised version prepared by Chairman)

GREECE

INT-2292 18 Apr. 1952 123rd Mtg.  
INT-2357 27 June 1952 22 Apr. 1952  
(Full text sent out)

INT-2648 21 Oct. 1953

INT-2543 25 Mar. 1953  
(New pages 15 and 20)

ITALY

INT-2324 21 May 1952  
INT-2633 1 Oct. 1953 130th Mtg.  
(S.G.rev.edition incor. 16 Oct. 1953  
Istcambi & gold Bank (With a reserve  
Albania) regarding Istcambi  
gold)

INT-2654 27 Oct. 1953

LUXEMBOURG

INT-2129 21 Dec. 1951 123rd Mtg.  
22 Apr. 1952

INT-2569 7 May 1953

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R.M.G. (CONT.)

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Lot 62D115 1 August 1954

Box 2

NETHERLANDS	INT-2142	14 Jan. 1952	122nd Mtg. 10 Apr. 1952	INT-2592 30 June 1953
POLAND	INT-2212	29 Feb. 1952	123rd Mtg. 22 Apr. 1952	INT-2648 21 Oct. 1953
	INT-2446	15 Oct. 1952 (Full text sent out)		
	INT-2496	6 Jan. 1953 (New pages 15 & 15)		
	INT-2538	17 Mar. 1953 (Protocol as annex)		
POLAND (Danzig)	INT-2139	8 Jan. 1952	123rd Mtg. 22 Apr. 1952	INT-2648 21 Oct. 1953
YUGOSLAVIA	117.55263	PER/YUG-2270 28 Mar. 1952	129th Mtg. 24 July 1953	INT-2758 17 May 1954
	INT-2480	10 Dec. 1952 (S.G.'s redraft)		
	2,681.38020	INT-2156 23 Jan. 1952	132nd Mtg. 3 May 1954	INT-2758 17 May 1954
	137.36884	INT-2066 20 Nov. 1951	125th Mtg. 20 June 1952	INT-2758 17 May 1954
	12,264.92418	PER/YUG-36 24 Oct. 1951	125th Mtg. 20 June 1952	INT-2758 17 May 1954

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Authority ND 968106  
By LMB/JJ NARA Date 5/9/92

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September 28 1954

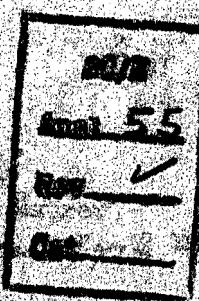
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Section X. The following is a list of the names of the members of the Board of Education, their terms of office, and the date of their election.

I have said previously that I believe that the best way to get rid of  
overfishing is to let the market do its job. The price of fish should reflect

Digitized by Google



This Document  
Oct/P  
200.6241-GOLD/8-2454 CS/E  
200.6241-GOLD  
8-2454

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By L/MN NARA Date 5/9/93

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- 2 -

In our opinion to be taken on your part. We expect approval by the  
 Canadian Parliament and Governor and the children before the end of  
 November. If their commitment to the new government becomes final the delivery  
 date will be soon as the funds required for their approval by their  
 Parliament.

Sincerely yours,

George W. Macmillan  
 Canadian Ambassador  
 Embassy of Canada  
 Ottawa, Ontario, Canada

Enclosure

Copy of Award with the understanding  
 dated 26 September 1954.

O/F

SIS ✓ CR  
 SEP 27 1954 P.M.

OFD IMN: OFF Fletcher ifew  
 9/27/54

L/E - Mr. Maurer

dated with Mr. Maurer

O/F

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213902



DEPARTMENT OF STATE

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Authority AND 968106

By LMH NARA Date 5/9/72

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UNCLASSIFIED

NO. A-6, July 9, 1954

83 ms SUBJECT: United States Representation on the Tripartite Commission for the  
 ORIGIN: Restitution of Monetary Gold (TGC) and the Inter-Millied Reparation  
 E Agency (IARA).

INFO: TO: The American Embassy BRUSSELS

BUR  
 OC  
 L  
 UNA  
 OCL

Reference is made to the Embassy's Despatch No. 1311, dated June 17, 1954.

1. Mr. Charles Adair has been designated as the official U.S. representative on both the Tripartite Gold Commission and IARA and you are authorized to notify TGC and IARA accordingly, in order that his name can be entered on the official list and the names of Mr. Fox and Mr. King be deleted. Mr. Adair, as you are already aware, will arrive at Brussels about August 1 and immediately contact the Secretariats of the two agencies.

2. With regard to the position of U.S. Deputy Commissioner on TGC and Alternate U.S. Delegate to the IARA, the Department concurs that the Ambassador be authorized to fill these vacancies if and when the need ~~arose~~ arises.

3. As to the sale of two gold bars, it does not appear from Col. Watson's memorandum that there is an immediate need for additional funds. While we have no objection to the suggested sale of two gold bars, if and when additional funds are needed, it would seem preferable to have the two other Commissioners sign first and not Mr. Adair who at this moment cannot possibly have any opinion whether or not these funds are needed at this time. The Department would prefer, however, that the next sale of bars necessitated by the lack of funds, should, if possible, take place in London from the deposit with the Bank of England. In the past all such sales were made from the smaller deposit with the Federal Reserve, New York, for compelling reasons. The new regulations regarding gold trade in London might make it possible for a non-resident deposit holder such as TGC to sell gold against Belgian francs, directly or indirectly. Mr. Adair is aware of the Department's reasoning in this respect and will upon his arrival explore the feasibility of the above suggestion with Col. Watson.

The enclosures to your despatch under reference are herewith returned.

## Enclosures:

1. TGC Letter (INT-2753) of June 16, 1954. DULLES
2. TGC Letter (INT-2754) of June 16, 1954 with attachments.

UNCLASSIFIED

DRAFTED BY:

OFG, MN, OFFletcher, dm

7/1/54

APPROVED BY:

OFG, MN, OFFletcher

CLEARANCES:

WE RA OFD GBA LB OCK  
Mr. Adair

7-24

213903

DECLASSIFIED

Authority AND 968106

By LMR NARA Date 5/19/77 FS

RG 59

TGC

Lot 62D115

Box 2

CONFIDENTIAL

DATE: April 28, 1954

**SUBJECT: Meeting with British and French Representatives on TGC Liquidation.**

After the meeting with the British and French representatives on April 28, 1954, the Department will be able to advise them of their position on the awards and the adjudications to be made by the Commission under the TGC. The notes and memorandum of the meeting will be forwarded to the appropriate offices in the Department.

**PARTICIPANTS:** Mr. Sharp, British Embassy

Mr. Corbett, OFD

Mr. Ruffin, French Embassy

Mr. Rosenson, MN

Mr. Vedeler (EE)

Mr. Fletcher, MN

Mr. Maurer (IE)

Mr. Beale, BNA

Mr. Barbour, EE

Mr. Lyons, ME

Mr. Vedeler, EE

Mr. American Embassy - Prague

Mr. Beale, BNA

Mr. American Embassy - Brussels

Mr. Fletcher, MN

Mr. Lyons, ME

Mr. Corbett, OFD

Mr. Fletcher, MN

Mr. Metzger, IE

Mr. Fletcher, MN

Mr. Maurer, IE

Mr. Fletcher, MN

**COPIES TO:**

Mr. Rosenson, MN

Mr. Barbour, EE

Mr. Fletcher, MN

Mr. Vedeler, EE

Mr. Fletcher, MN

Mr. Beale, BNA

Mr. Fletcher, MN

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Authority AND 968106

By LMI NARA Date 5/19/73

RG 59

TGC

Lot 62D115

Box 2

Memorandum ~~CONFIDENTIAL~~ ~~Classification~~

- 2 -

DATE April 28, 1954

The U.K. representative replied that the British Government too has a problem with the Czechs, but his Government was interested that the Czechs should receive their share at the earliest possible moment, so as to enable the Czech Government to pay off some outstanding debts to the U.K. Mr. Sharp then inquired whether we are already sending instructions to the U.S. Commissioner to the effect that he is authorized to sign all adjudications with the exception of the Czech adjudication, and whether we think that the Commission could be dissolved while the Czech claim remained unsettled. Mr. Fletcher, MN

To that the Department's representatives remarked that no instructions are being sent for the time being and that we are waiting for the reaction of the British and French Governments to our position. As to the question whether the Commission could be terminated without having adjudicated the Czech claim, it appears that the Commission would have to stay alive — at least on paper — until all adjudications, including the Czech, have been acted upon, in accordance with the provisions of the terms of reference by which the Commission was established. The Czech award, however, could be signed in one single meeting. In the meantime the remaining odds and ends of the business could be taken care of by a single liquidator and no full-time Commissioner or Secretariat would be needed after the issuance of the bulk of the adjudications and the disbursement of the corresponding balances. They expressed their opinion that there should be no more delay in the winding up of the Tripartite Gold Commission and that both the British and French representatives promised to report forthwith to their Governments, will be able to agree to send instructions to their representative on the Gold Commission to the effect that the adjudications may be signed and the awards announced. (Text of the note was circulated among the interested officers in the Department and transmitted to Embassy Prague; copy of British note attached to this memorandum for Brussels. It is understood that the British presented a similar note to the French Foreign Office.)

On April 28 a meeting with representatives of the British and French Embassies took place in Mr. Corbett's office in which Mr. Corbett formally replied to the British note as follows:

The Department concurs in the British viewpoint that the time is ripe to sign the adjudications and announce the awards but, as the British and French Governments are probably aware, the U.S. Government for years has been trying in vain to obtain from the Czechs a settlement of our compensation claims. Consequently, the United States is determined not to sign the Czech adjudication at this time. If the British and French Governments wish to go ahead with all the other awards, this Government will be glad to cooperate fully in any effort to that effect. The Department's experts, working on these matters, agree that this could be done in about six to eight weeks. We consider the British deadline of three weeks as too close since a number of minor technical problems are still to be solved.

The U.S.

OFD:MN:OFFletcher:AG  
4/28/54

~~CONFIDENTIAL~~

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Authority AND 968106

By LMH NARA Date 5/19/92

RG 59

TGC

Lot 62D115

Box 2

OFFICIAL INFORMATION

~~CONFIDENTIAL~~

Dear Mr. Wright:

I am referring to your letter dated March 29 in which you requested comments on Col. Watson's outline of a sort of history of the Tripartite Gold Commission.

As I have indicated to Henry Lee in the work, the Commission does not look upon itself as the custodian of such a document as this. I have enoted more rounded out other interested officers in the Department and checked their thoughts with my own feeling in this respect. And we have again come to the conclusion that we ought to have every opportunity to do so. We note, therefore, with satisfaction that no report will be made to the three governments and that it will be up to the three governments to decide what they want to do with the document. However, however, I think there might be some value in the document being published and in virtue of the number of people who might be interested in the Report, I think it should be as short as possible and should contain only such facts as could enhance the three governments' role. The document should not be so long as to be used by the revolutionaries in their propaganda or presented to the international legal forums. For this reason, I would like to communicate our suggestions as to the proposed report as follows:

The Report should be limited to a narration of certain facts, such as: the constitution of the Commission by the three governments; the setting-up of the Commission's offices and staff; the arrival out of the questionnaire; the receipt of claims; the working procedures of the Commission; the issuance of the awards; the advance payment; update; the final distribution; the facts established; the conclusions and the competition of the members; and finally, the techniques used in the physical assembly, maintenance, and distribution of the gold. Any

long

Mr. Thomas K. Wright,  
First Secretary,  
American Embassy,  
Brussels, Belgium.

~~CONFIDENTIAL~~

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Authority NMD 968106  
By LMBN NARA Date 5/9/77

RG 59

TGC

Lot 625115

Box 2

- 2 -

legal argumentation such as indicated in the first two lines of the "outline" part I, and the whole part II should be omitted. (We take the view that the decisions speak for themselves and we should not permit ourselves to encumber an summarizing the "principles" underlying the Commission's decisions or its jurisprudence. We should avoid in all ways possible any weakening of the decisions by official statements issuing from the same body which emanates the decisions.)

As to the addition to the report, in appendix form, of all the documents submitted by each claimant country, we are wondering if it is not a waste of money and if it would not be enough to place those documents in the archives of either the French or British Governments, available for public inspection (which fact could be mentioned in the report).

It is suggested that the above is a slight deviation from the pertinent recommendation of the Tripartite Conference at Brussels. However, we consider that this and the accompanying recommendations which the Commission can take in writing the final draft decisions, supply guidance on unrecorded communications.

It will be appreciated if you would pass our comments to Sir Ronald and Col. Watson in a manner which you deem appropriate.

In the very beginning of your letter M-3, you asked for an opinion on the Gold Commission and YADA (your letter of April 12), I think that I should inform you that the Department is considering the possibility of continuing, now, in case the President so desires, an Office representative at YADA and Commissioner for the Gold Commission, and you as alternate at YADA and deputy to the Commissioner. However, Mr. Tolson is on vacation now and we will take this up with him when he returns to the Department for consideration before having any discussion at the end of June. We would appreciate it if you would let us know whether such a solution would be all right with you.

Sincerely yours,

George F. Fletcher  
Special Assistant  
Montgomery, Foreign Staff

*an*  
OFD:MN:OFFletcher:dl "4/16/52" L/E  
APR 22 1954 P.M.

WE  
*W.L.*

RA  
*R.A.*

CONF-101  
COTY 4/16/52

213907

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Authority AID 968106

By LML NARA Date 5/19/72

RG 59

TGC

Lot 62D 115

Box 2

Turn to MH  
for further action  
D. J. [Signature]

THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

Preliminary Statement



- 1) General considerations which led up to the formulation of the principle of restituting American Embassy, Brussels, Belgium,
- 2) The Inter-Allied Declaration against March 29, 1954.
- 3) Possession committed in territories under enemy occupation or control.

Dear Dr. Fletcher: Allied Declaration on Gold.

4) An encloasing is a copy of the suggested synopsis which Col. Watson has sent to me for your reference.

From what I have learned, the outline would seem to be quite in order. However, my knowledge of the Gold Commission's activities, past and present, are for the most part based on conversations with Mr. Fox, Sir Ronald Wingate and Col. Watson.

- 5) Allied Control in Germany.

I would appreciate your looking over the synopsis and if you have any comments or recommendations, please send them to me and I will pass them on to Col. Watson.

Col. Watson in his covering letter, said that he was starting work immediately on the historical account, and for that reason I would appreciate your sending me whatever comment you might have as soon as is convenient. Preparation Agency and on the Restitution of Monetary Gold.

Yours sincerely, A.C.C.

The Tripartite Commission for the Restitution of Monetary Gold.

- 1) Establishment and Terms of Reference of the Commission.

2) First Secretary of Embassy.

- 3) The Status of the Commission.

Enclosure: Position of the Commission and its Secretariat.

- 4) Suggested Synopsis definition of monetary gold.

- 5) The Commission's letter of 23 March 1947 and Questions re.

Dr. Otto Fletcher, Special Assistant to the Commissioner of Monetary Affairs Division,  
Department of State,

Washington 25, D. C.,

U. S. A.

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Authority AND 968106

By LMPN NARA Date 5/19/93

RG 59

TGC

Lot 62D 115

Box 2

Preliminary Statement

- 1) General considerations which led up to the formulation of the principle of restitution in the adjudications and manner in which these were dealt with.
- 2) The Inter-Allied Declaration against acts of dis-possession committed in territories under enemy of the occupation or control of Albania.
- 3) The Inter-Allied Declaration of Gold Trust Federal Government.
- 4) Resolution VI of the Final Act of the United Nations Monetary and Financial Conference.
- 5) The Crimea Conference.
- 6) The Potsdam Conference.
- 7) Allied Control in Germany.

The announcement and accompanying documentationThe Paris Conference on Reparation.

- 1) General consideration statement adopted with a view to putting paragraph 5 (d) of the Commission's Terms
- 2) Part VI of the Agreement on Reparation from Germany, on the Establishment of an Inter-Allied Reparation Agency and on the Restitution of Monetary Gold.

The Assembling of the Pool of Monetary Gold.The Tripartite Commission for the Restitution of Monetary Gold.  
responsibility of the governments of the United States,

- 1) Establishment and Terms of Reference of the Commission.
- 2) The Status of the Commission.
- 3) Gold found in Germany (and in Austria).
- 4) Gold delivered to the pool of monetary gold by neutral.
- 5) The Commission's definition of monetary gold.
- 6) The Commission's letter of 13 March 1947 and Questionnaire.
- 7) General considerations and principles governing the Commission's work.

b) at the Bank of England.

c) at the Bank of France.

- 8) Steps taken to protect the gold deposits from attachment.
- 9) Regulatory statement of account (part 1).
- 10) Administration of the Pool of monetary gold by the Commission and the reasons therefore.

3/....

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Authority AND 968106

By LMI/II NARA Date 5/19/93

RG 59

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Lot 62D115

Box 2

-2-

7) Technical considerations affecting the composition  
The Commission's Adjudications of gold.

- 1) Analysis of certain special problems which arose in connection with the Commission's adjudications and manner in which these were dealt with.
- 1) The reasons for it.
- 2) Adjudication on the claims of the Government of the People's Republic of Albania.
- 3) Adjudication on the claim of the Austrian Federal Government in connection therewith in favour of:
- 4) Adjudication on ... Federal Government.
- 5) Adjudication on ... Central Bank of ...
- 6) etc. etc. ....

The announcement and accompanying documentation concerning the share in the pool of monetary gold available for restitution to each General considerations to participate in the pool.

- 2) Procedure and documentation adopted with a view to putting paragraph 5 (d) of the Commission's Terms of Reference into execution.

The Assembling of the Pool of Monetary Gold.

- 1) The assembling of the pool of monetary gold was the responsibility of the Governments of the United States, the United Kingdom of Great Britain and Northern Ireland and of France.

The 21st Gold found in Germany (and in Austria).

- 3) Gold delivered to the pool of monetary gold by neutral countries.
- 2) Final deliveries to:
- 4) The opening of the gold accounts:
  - a) The Austrian Federal Government
  - b) etc. ....
  - b) at the Bank of England.
  - c) ....
  - c) at the Bank of France.

Accounts:

- 5) Steps taken to protect the gold deposits from attachment.
- 1) Recapitulatory statement of account (gold pool).
- 6) Administration of the Pool of monetary gold by the Commission and the reasons therefore.

3/....

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Authority AMP 968106  
By LBN NARA Date 5/9/97

RG 59

TGC

Lot G2D 115

Box 2

- 7) Technical considerations affecting the composition of the pool of monetary gold.  
 b) Reciprocally statements of accounts (individual participant countries).

The Preliminary Distribution.

- (Reciprocally statement of expenditure incurred:
- 1) The reasons for it.
    - a) In assembling the pool of monetary gold;
  - 2) The interim delivery documentation.
    - b) In administering the commission;
  - 3) The preliminary distribution (and subsequent adjustments in connection therewith in favour of:

(NOTE: a) The Austrian Federal Government's share was decided as follows:

- b) etc ...
- c) appreciation of the work done by the Commission's
- c) etc ...

Deliveries following upon the Commission's announcement of the share in the pool of monetary gold available for restitution to each country entitled to participate in the pool.

- 1) General considerations.
- 2) Deliveries to :
  - a) The Austrian Federal Government
  - b) etc .....
- 3) Statement of accounts after completion of the above deliveries.

The Distribution of the Reserve and Accruals.

- 1) General considerations.
- 2) Final deliveries to :
  - a) The Austrian Federal Government
  - b) etc .....
  - c) .....

Accounts.

- 1) Reciprocally statement of account (gold pool).

4/....

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Authority AND 968106  
By LMBII NARA Date 5/9/97

RG 59  
TGC  
Lot 62D115  
Box 2

To Mh  
- 1077  
for

## THE FOREIGN SERVICE

OF THE  
UNITED STATES OF AMERICA

- 2) Recapitulatory statements of accounts (individual claimant countries).
- 3) Recapitulatory statement of expenditure incurred:  
Brussels, Belgium,  
 a) in assembling the pool of monetary gold, 1954.  
 b) in administering the Commission.

Dear Mr. Fletcher:

(NOTE : The Chairman has requested me to insert here a reminder  
Col. Watson to me for comment.

I would appreciate your looking over the synopsis and  
quite in staff". However, my knowledge of the Gold Commission's  
activities, past and present, are for the most part based on  
conversations with Mr. Fox, Sir Ronald Wingate and Col. Watson.

I would appreciate your looking over the synopsis and  
if you have any comments or recommendations, please send them  
to me and I will pass them on to Col. Watson.

Col. Watson, in his covering letter, said that he was  
starting work immediately on the historical account, and for  
that reason I would appreciate your sending me whatever  
comments you might have as soon as is convenient.

Yours sincerely,

Thomas K. Wright  
First Secretary of Embassy, London

Enclosure: 1. A copy of the proposed and the suggested

suggested synopsis

Dr. Otto Fletcher, Special Assistant,  
Monetary Affairs Division,  
Department of State,  
Washington 25, D. C.,  
U. S. A.

Re:

229443

Dkt

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DECLASSIFIED

Authority AND 968106  
By LHM HARR Date 2/9/73

CONFIDENTIAL

RG 59  
TGC  
Lot 620115  
Box 2March 19, 1964  
*M. M. Geller*

Subject: Czech Share in Gold Pool

Moore, Vodoler, E., Neagley, Naure, L/E, Roseman (part-time), Fletcher, W., not to review the situation with respect to the Czech share in the gold pool, and with particular reference to Ambassador Johnson's recommendation that, after sale of the steel mill, the U.S. should resort to the Czech share in the gold pool for payment of the balance of U.S. nationalization claim. This meeting also considered the revised inquiry by the British Foreign Office about the U.S. intentions regarding the Czech claim.

After discussion of the various political, legal and financial aspects involved it was agreed as follows:

a. The gold is in the joint possession of the United States, the United Kingdom and France and consequently there can be no unilateral action by the United States to utilize the gold for the anti-faction of United States claims. Further, it is most improbable that France and the United Kingdom would at this time put the Czech gold at the disposal of the United States. However, some minimum action is necessary for validity any valid or my delivery of the gold. The United States possesses bargaining power vis-a-vis Czechoslovakia by its ability to refuse to take any action and thereby deny the gold to Czechoslovakia.

b. It is the policy of the United States that no gold should go to Czechoslovakia from the pool before a satisfactory settlement of our compensation claims is obtained. One of the ways which should be utilized by the United States in order to obtain such a settlement is to delay agreeing with the United Kingdom and France on the Czech award.

c. At the present time the United States is delaying final agreement on all awards. If and when the British raise their inquiry in a more formal manner about financing the awards "in kind" differently, or if and when Ambassador Johnson's negotiations at a certain point require changing our hand, we shall inform the British and French of our compensation claim problem and request their cooperation. If the British and

France

The Czech award will amount to about \$2 million of gold they received before their inclusion in the Soviet bloc on advance payment of about \$6-1/2 million; balance due to them after liquidation of all awards about \$19-1/2 million (on the basis of a 60% distribution).

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Authority MD 968106  
By LMBN NARA Date 5/19/93RG 59  
TGC  
Lo+G2D 115  
Box 2

THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

OFFICIAL - INFORMAL

American Embassy,  
Brussels, Belgium,  
March 1, 1954.

T.F.C.  
S.S.S  
D  
B-1  
A-3

Mr. Otto F. Fletcher,  
Monetary Affairs Staff Division,  
Department of State,  
Washington, D. C.

Dear Mr. Fletcher:

I am enclosing for the information of the Department  
a statement of the Gold accounts of the Tripartite Gold  
Commission as of January 31, 1954.

Very truly yours,

*Thomas K. Wright*  
Thomas K. Wright  
First Secretary of Embassy

Enclosure:

Statement of gold accounts

213914

213915

SITUATION DU POOL D'OR MONETAIRE AU 31 JANVIER 1954.

Origine de l'Or	Lieu du Dépôt								Total en onces	Total en kilogrammes		
	Allemagne - Autriche		Federal Reserve Bank		Bank of England		Banque de France					
	Lingots	Monnaies	Lingots	Monnaies	Lingots	Monnaies	Lingots	Monnaies				
Allemagne-Zones:	onces	onces	onces	onces	onces	onces	onces	onces	onces	kgs.		
(a) américaine	3.783.413,606	3.771.492,075							7.554.905,6813	234.985.8670		
(b) britannique	2.758,672	74.226,476							16.985,148	2.391.5061		
(c) française		105,184							105,184	3.3726		
Autriche	2.731,687	135.992,774			2.903,063	647,329			142.273,853	4.425.2121		
Espagne			644,531	40,107	3.267,271				3.951,909	122.9181		
Japan			4.815,541						4.815,541	149.7801		
Portugal				1.174,864					1.174,864	36.5421		
Roumanie					578.700,153				578.700,153	17.959.5893		
Suisse			230.049,065						230.049,065	7.155.3268		
(B.R.I.)		1.659.121,321			120.243,777				1.659.121,321	52.604.4488		
									120.243,777	3.740.00011		
Transferts d'Allemagne	3.788.903,965	3.981.815,509	1.894.630,458	1.214,971	705.114,264	647,329			10.372.326,4963	322.625.4623		
Refonte de monnaies en lingots	2.025.672,463	2.222.639,836	18.514,852	2.282,457	2.005.894,380	2.146.022,912	1.263,251	74.4,467				
TOTAL GENERAL	1.763.233,502	1.759.116,673	303.245,910	3.497,428	2.745.053,476	2.142.123,429	1.263,251	74.4,467	10.372.326,4963	322.625.4623		
MONTANT DES LIVRAISONS												
Luxembourg (livré à la France)	26.409,444	24.378,492	11.246,918						62.034,854	1.929.4999		
	2.331,697	135.992,774	152.61007		350.34,398	330.80			115.350,398	3.475.2121		

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Authority LND 968106  
By LMM NARA Date 5/7/92

Origine de l'Or	Allemagne - Autriche		Federal Reserve Bank		Bank of England		Banque de France		en onces	en kilogrammes
	Lingots	Monnaies	Lingots	Monnaies	Lingots	Monnaies	Lingots	Monnaies		
Allemagne-Zones:	onces	onces	onces	onces	onces	onces	onces	onces	onces	kgs.
(a) américaine	3.783.413,606	3.771.492,075							7.554.905,681	234.983,8
(b) britannique	2.758,672	74.226,476							76.985,148	2.394,5
(c) française		105,184							105,184	3.2716
Autriche	2.731,687	135.991,774			2.903,063	647,329			142.273,853	4.425,2121
Espagne			644,531	40,107	3.267,271				3.952,909	122.9181
Japon			4.815,541						4.815,541	149.7801
Portugal				1.174,864					1.174,864	36.5424
Roumanie					578.700,153				578.700,153	17.999.5893
Suède			230.049,065						230.049,065	7.155.3268
Suisse (B.R.I.)		1.659.121,321			120.243,777				1.659.121,321	52.604.4488
									120.243,777	3.740.0001
Transferts d'Allemagne	3.788.903,965	3.981.815,509	1.894.630,458	1.214,971	705.114,264	647,329			10.372.326,4963	322.615.4624
Refonte de monnaies en lingots	2.025.672,463	2.222.639,836	18.514,852	2.282,457	2.005.894,380	2.146.022,912	1.263,231	1.334,467		-
TOTAL GENERAL	1.763.231,502	1.759.115,673	1.913.145,310	3.497,428	2.715.975,456	2.142.323,429	1.263,231	1.334,467	10.372.326,4963	322.615.4624
MONTANT DES LIVRAISONS										
Luxembourg (livré à la France)	26.409,444	24.378,492	11.246,918						62.034,854	1.929.4999
Autriche	2.731,687	135.991,774	152.639,007	358,24,098	330.86,153				1.175.651,843	4.031,8249
Belgique (livré à la France)	1.240.742,109	1.145.325,760	528.426,720	520.775,361	282.793,189				3.718.265,139	115.650,9277

213916

DECLASSIFIED  
Authority NWD 968106  
By LMM NARA Date 5/9/97

RG 59  
TGC  
Lot 62D 115  
Box 2

Salles de bains	1.210.144.402	1.215.217.176	528.426.720	2.115.182	28.197.189
- La France	163.171.725	141.734	463.664.244	114.623	11.114
- L'Italie	241.734	269.110.696	314.663.644	6.623	6.623
- Le Portugal	-	269.041.099	269.041.099	6.223	6.223
Pays-Bas	142.414.291	153.421.418	209.201.693	140.191.633	66.223.623
Belgique	165.232	-	362	225.055.116	7.192.218.312
Autres	1.666.140	1.666.140	1.666.140	1.666.140	1.666.140
Total	3.692.772	3.692.772	3.692.772	3.692.772	3.692.772
Portes et serrures	15.829.204	15.829.204	15.829.204	15.829.204	15.829.204
Portes de garde	1.433.242	1.433.242	1.433.242	1.433.242	1.433.242
Portes de circulation	843.650	843.650	843.650	843.650	843.650
Portes de toilette	1172.780	1172.780	1172.780	1172.780	1172.780
Portes de chambre	54.258	54.258	54.258	54.258	54.258
Autres portes	3.652	3.652	3.652	3.652	3.652
Total portes	1.819.156.019	1.621.124.214	1.621.124.214	1.621.124.214	1.621.124.214
Autres articles de menuiserie	-	-	6.201	8.511.170.223	11.114
Autres articles de menuiserie	331.235.816	3.497.428	826.192.437	1.263.211	1.263.211
Autres articles de menuiserie	-	-	488.189.285	1.263.211	1.263.211
Autres articles de menuiserie	2.715.355.456	2.212.323.429	1.263.211	1.263.211	1.263.211
Autres articles de menuiserie	3.497.428	2.715.355.456	1.263.211	1.263.211	1.263.211
Total articles de menuiserie	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613
Total mobilier	1.666.140	1.666.140	1.666.140	1.666.140	1.666.140
Total articles de menuiserie	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613	2.163.231.759.175.613
Total	3.832.371.811	3.832.371.811	3.832.371.811	3.832.371.811	3.832.371.811

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By WBN HARA Date 5/9/77

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THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

1) - Amount of the Gold available as of Dec. 31, 1953.  
2) - General amounts which have become available since  
**CONFIDENTIAL** (i.e., 1954, for distribution American Embassy,  
Brussels, Belgium,

January 29, 1954.

- Less Advances paid so far:

= 266.21  
= 53.81

Mr. Otto F. Fletcher, Commissioner's future  
Monetary Affairs Staff Division,

- Balance available for distribution at the  
Washington, D.C. occasion of publication of awards

48.77

Dear Mr. Fletcher:

Reference is made to your letter of January 19th with  
which you enclose a table to be filled in by Colonel Watson.  
I received back today the table which I am forwarding herewith due at pending  
and hope that it will meet your requirements. Distribution (on basis  
of 62% Distribution)

I had a letter from Homer Fox this past week and he tells  
me that for the time being I will forward papers to him for signa-  
ture, pending final resolution of the problem by the Department.

Albania (2)	2.5	2.45	1.52
Austria			4.80
Belgium (France)	If you have any questions on which you think I may be of any help, please do not hesitate to call on me.		7.37
Czechoslovakia	45.0	38.10	17.53
Greece	7.4	0.00	0.05
Italy (4)	76.4	69.32	41.81
Luxembourg (5)	4.3	4.22	2.68
Netherlands	145.6	110.17	75.34
Poland	138.7	7.00	4.39
Danzig (6)	4.7	3.86	Thomas K. Wright First Secretary of Embassy
Yugoslavia (7)	3.4	5.12	1.63
Totals	411.2	369.19	206.21
			46.77

**Enclosure:** Observations of the Secretary General to the Commission

(1) This figure includes certain quantities of gold which were delivered direct to Austria and Yugoslavia by the American and British Forces respectively and which were later considered as forming part of the gold pool. These quantities are included in the "Advances paid out" figuring in column 3 opposite the names of Austria and Yugoslavia respectively.

(2) The Commission's decision provides that the share of Austria will be immobilized.

(3) The total share allocated to Belgium goes to France, since the Belgian claim in respect of the gold collected by the Banque d'Emission has been rejected.

(4) The Italian claim in respect of the "Istambi Gold" has been taken as rejected, for the purpose of these calculations, but, in this connection, see the decision taken by the Commission at its 130th Meeting, which reads as follows:

" The Commission desired to record that it had now come to a unanimous decision on all the cases on which it had been called upon to adjudicate, and that the texts of these adjudications had been agreed in English though the French texts were not, in a few cases, completed. It was expected that these latter texts would be ready by the end of the year.

" There were however two cases where further information was awaited before the Commissioners felt that they could sign the present agreed texts. The first concerned a small portion of the "Bor Mine" claim with regard to which the French Commissioner had

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(In thousands of Kilograms)

(1) - Amount of the Gold Pool as of Dec. 31, 1953 :	322.02
(i.e. Total amount which has become available as of Dec. 31, 1953, for distribution by way of restitution).	
- Less Advances paid so far :	<u>266.21</u>
	55.81
- Less reserve for Commission's future) expenses & legal contingencies )	<u>7.04</u>
- Balance available for distribution at the occasion of publication of awards :	48.77
	=====

## Breakdown (In Thousands of Kilograms)

Claimant Country	: Claim	: Amount	: Advances paid:	Amount Due at Impending
	: submitted	: validated	: out (at the	Distribution (on basis
			: occasion of	of 62 % Distribution)
			: interim dis-	:
			: tribution)	:
Albania (2)	: 2.5	: 2.45	: -	: 1.52
Austria	: 91.3	: 78.27	: 44.03	: 4.50
Belgium (France)(3)	: 204.9	: 198.43	: 115.65	: 7.37
Czechoslovakia	: 45.0	: 38.10	: 6.07	: 17.55
Greece	: 7.4	: 0.08	: -	: 0.05
Italy (4)	: 73.4	: 69.32	: 31.67	: 11.31
Luxemburg (5)	: 4.3	: 4.22	: 1.93	: 0.68
Netherlands	: 145.6	: 110.17	: 66.54	: 1.77
Poland	: 138.7	: -	: -	: -
Danzig (6)	: 4.7	: 3.86	: -	: 2.39
Yugoslavia (7)	: 3.4	: 3.14	: 0.32	: 1.63
Totals	: 721.2	: 508.04	: 266.21	: 48.77

## Observations of the Secretary General :

(1) This figure includes certain quantities of gold which were delivered direct to Austria and Yugoslavia by the American and British Forces respectively and which were later considered as forming part of the gold pool. These quantities are included in the "Advances paid out" figuring in column 3 opposite the names of Austria and Yugoslavia respectively.

(2) The Commission's decision provides that the share of Albania will be immobilized.

(3) The total share allocated to Belgium goes to France, since the Belgian claim in respect of the gold collected by the Banque d'Emission has been rejected.

(4) The Italian claim in respect of the "Istcambi Gold" has been taken as rejected, for the purpose of these calculations, but, in this connection, see the decision taken by the Commission at its 130th Meeting, which reads as follows :

" The Commission desired to record that it had now come to a unanimous decision on all the cases on which it had been called upon to adjudicate, and that the texts of these adjudications had been agreed in English though the French texts were not, in a few cases, completed. It was expected that these latter texts would be ready by the end of the year.

" There were however two cases where further information was awaited before the Commissioners felt that they could sign the present agreed texts. The first concerned a small portion of the "Bor Mine claim with regard to which the French Commissioner had

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By LMBII HARA Date 5/9/77

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"informed his colleagues that he awaited certain information from "his Government which might, or might not affect the Commission's "present decision or the text thereof. The second concerned the "Istcambi portion of the Italian claim where the American Commissioner "stated that he might receive certain information from his Government "which might, or might not affect the Commission's present decision "or the text thereof.

" Subject to the above two points being cleared, and to the "French texts being completed, the Commission wished to record "that it would be prepared to sign the adjudications at such "time as the three Governments constituting the Commission "deemed appropriate."

Decision : "This text was unanimously agreed and it was decided "that it would be incorporated in the Minutes of this "Meeting and that the Commissioners, individually, "would communicate this Minute to their respective "Governments."

(5) The total share of Luxemburg goes to France.

(6) The Commission's decision provides that : the share in respect of the gold of the Bank of Danzig will be immobilized.

(7) The whole of the Yugoslav claim in respect of the Bor Mine gold has been taken as validated, for the purpose of these calculations, but, here again, see the decision taken at the 130th Meeting, quoted above.

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D  
B 1/3GOLD COMMISSION ADJUDICATIONSSuggestion of the United Kingdom Government

That the Gold Commission should make an interim payment of gold to claimant countries.

We suggest that the U.K., U.S. and French Governments should send a letter to their respective Gold Commissioners saying that "they understand that although the majority of cases have now been adjudicated by the Gold Commissioners some are still outstanding. In order to expedite the distribution of monetary gold you are consequently authorised to distribute such amount of monetary gold as you think suitable in cases which you think have been established."

We think such an arrangement should mean that all claimants equally will receive 80% of the gold which they would get if the pool could be liquidated now. We would prefer this proportion to apply to Czechoslovakia, but would be open to consideration that Yugoslavia might receive a lower but nevertheless substantial percentage of her claim.

Arguments in favour of this approach could all

(a) Would eliminate the danger that members of the pool might resort to international litigation.

(b) Since an interim payment could be regarded as the executive act of the semi-independent Gold Commission, we hope it would be politically acceptable to the United States.

If the U.S. is prepared to accept the United Kingdom's suggestion in principle, an announcement would be sent by the Gold Commission to each recipient in the following terms:

"The Gold Commissioners are prepared to make a further distribution of gold to the amount of ... representing the proportional share of ... in respect of claims made by the ... Government which in the view of the Commissioners have been definitely established. The final distribution will be made at the earliest possible date."

Duc.  
28th January, 1954.

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To: The American Embassy Prague  
 Subject: Economic Negotiations

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In connection with the proposed note to the Czechoslovak Government concerning disposition of the proceeds from the sale of the steel mill and related economic issues (Department's telegram no. 111 of October 14, 1947) the Department has studied the survey of US-Czechoslovak economic problems set forth in the Embassy's despatch no. 127 of October 13. While a number of economic issues between the two Governments exist, as you have outlined, we consider the four major ones to be: (1) claims for compensation for nationalization and other taking of property belonging to American citizens; (2) financial claims of the US Government; (3) disposition of the proceeds from the sale of the mill; (4) disposition of the Czechoslovak share of monetary gold available for restoration by the Tripartite Gold Commission.

Our leverage in negotiations on economic issues derives from our complete control over the \$9 million paid by Argentina for the mill and deposited in Federal Reserve Banks in the US and our power as a member of the Tripartite Gold Commission to delay the issuance of the Czechoslovak award, amounting to some \$20 million, or if necessary to block delivery of the gold once the award is announced.

We believe that these two weapons of control over the steel mill funds and control over the Czechoslovak gold pool share should be utilized at this time in an effort to get a settlement of compensation claims and if possible agreement of the Czechoslovak Government to resume payments on the surplus property awards and other financial accounts. Without minimizing the importance of resumption of surplus property payments it seems to us that the best tactics are to concentrate first on discussion of compensation claims with the hope that if this issue can be resolved the way would be paved for settlement of the other questions. The US Government could not permit the transfer of

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the Czech will provide without a satisfactory compensation claim settlement. In the absence of such a settlement covering disposition of the Czech gold proceeds and clearing the obstacles to award of the Czechoslovak gold share there would appear but limited chance of reaching a waiver agreement on repayment of surplus property and excess account payments. At least we would wait the finalization of the letter until the State Bank case is disposed of.

In the Embassy's referenced despatch you mention the Czechoslovak share of the gold pool and the fact that you do not have sufficient information to reach a judgment as to what use could be made of this share as a bargaining weapon. In this connection there is attached a separate memorandum on this delicate and complicated subject which may prove of use in your consideration of the matter.

The difficulties of utilizing our control over the Czechoslovak gold share, in view of the British and French interests as members of the Tripartite Gold Commission, are apparent from the attached memorandum. Going to the delivery of the situation from a legal standpoint our purpose now is to convey an impression to the Czechs without any explicit statement to this effect that there is a relation between failure to receive their gold award and failure to pay our financial claim. In order to do so we propose a move to three successive steps: (1) copy of the Secretary General of the Tripartite Gold Commission to the Czechoslovak Ambassador's letter of October 26 urging an early award of Czechoslovakia's share; (2) your reply, and separately but parallel replies of the UK and French Ambassadors, to the letters from the Ministry of Foreign Affairs on the same subject; and (3) our note to the Czechoslovak Government proposing discussion of economic issues, the text of which you suggested to the Department's referenced telegram. *Enclosure 15*

As indicated in the Department's OA-335 of November 13 and *Enclosure 15*, the Gold Commission's reply states that a decision

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has not been reached because of the complexities of the case. With reference to the second step you are now requested, as soon as this instruction is received, to consult with your UK and French colleagues ~~regarding~~ <sup>in regard to</sup> the letter of the Foreign Office ~~concerning~~ <sup>concerning</sup> referring to the Gold Commission's response. The last of the three steps should follow promptly thereafter through your delivery of our note ~~concerning~~ <sup>concerning</sup> ~~the same~~ <sup>the same</sup> issue.

If the Czechs should respond favorably to our note we would hope that the discussions could begin with an exploration of the factors which might be brought within the terms of an agreement. The central component in such an agreement would be our view concerning a commitment to pay a satisfactory <sup>large</sup> sum in compensation to American claimants. Since our previous discussions with the Czechs on the subject, we have made a further study of the total amount of claims funded and have again reached the conclusion that we should make a lump sum settlement of \$25 million. The payment of a lump sum might be executed by transfer to the US of the \$9 million representing the steel mill proceeds and an appropriate amount, possibly \$16 million from the Czechoslovak gold pool share. If the Czechs would agree to such a transfer the US would in return no longer ~~possess~~ <sup>delay</sup> ~~possess~~ <sup>on and during</sup> the Czechoslovak share of monetary gold. However, in view of the propensity of British and French governments to ~~and mind~~ <sup>and mind</sup> of the ~~inherent~~ <sup>inherent</sup> ~~problem~~ <sup>problem</sup> involved in the world of the gold decision, the next that we could assure the Czechs, if and when the satisfaction of American claims appears to be dependent upon confirmation of the gold claim, is that the US would do its best to expedite a decision.

Such a possibility would offer the Czechs at least about \$4 million in gold (the balance of the Czechoslovak share of monetary gold), the removal of basic economic issues with the US and a better foundation for rebuilding its export trade with this country. The US cannot restore any IMF concessions to Czechoslovakia and no possibility is foreseen of any early return to a

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volumne of exports approaching that which existed prior to the Czech case.

Nevertheless, Czechoslovakia should be able to develop a larger dollar balance in its export trade with the US than is now the case once troubleshoot economic issues between the two countries are removed.

In the course of negotiations the impression may be conveyed to the Czechs of the desirability in the mutual interests of both countries of clearing away those economic issues outstanding between them, of the importation which such a settlement would give the US to work for expeditious final action on the Czechoslovak gold claim, and of the amount of gold accruing to the Czechs over and above the portion transferred to American claimants through an economic settlement. If necessary, we would be willing to study the possibility of working out an arrangement whereby a part of the large sum payout could be met from the ~~the other~~ <sup>in consideration of the Czech</sup> ~~the other~~ <sup>because</sup> ~~the~~ <sup>the</sup> overall proposal might be more acceptable to the Czechs ~~to~~ <sup>because</sup> ~~arrangement~~ ~~which~~ would enable them to increase their net return of monetary gold to \$6 or \$7 million and allow a compensation agreement more comparable to those signed by Czechoslovakia with other countries whose nationals have suffered losses from the nationalization program and other takings.

The above is outlined by way of giving some notion of our hopes and tactical plans in the endeavor to conduct negotiations with the Czechs. Should discussions begin and develop into an exploratory stage we would supply further comment.

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By LMD NARA Date 5/9/93

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PE IN THIS SPACE

## FOREIGN SERVICE DESPATCH

FROM : AmEmbassy, BELGRADE

313

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

December 20, 1954

DATE

REF : Embdesp 870, June 29; Dept's A-11, July 20, 1954.

4 ✓ For Dept. Use Only	ACTION	DEPT.
	E	I IN F O
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SUBJECT: YUGOSLAV CLAIM TO MONETARY GOLD.

In accordance with the Department's reference airgram, the Yugoslav Government was informed on July 27, 1954 that the work of the Tripartite Gold Commission had not yet been completed and that it was, therefore, not possible to determine the date of publication of the adjudications.

In a note from the Secretariat of State for Foreign Affairs dated December 14, of which a copy is attached as Enclosure No. 1, the Yugoslav Government states that the Tripartite Commission has long since completed its work and that an adjudication of its claim awaits only the approval of the Tripartite Governments. The Yugoslav Government notes that the other countries already have received advances against their claims and asks that a similar advance be granted to Yugoslavia against its claim prior to final adjudication.

The Embassy would appreciate a statement from the Department as to the current status of Yugoslavia's monetary gold claim, as well as to the possibility of Yugoslavia's obtaining an advance against its claim.

For the Ambassador:

*Charles P. O'Donnell*Charles P. O'Donnell  
First Secretary of Embassy

## Enclosure:

1. Copy of Note No. 92605 dated December 14, 1954, from Secretariat of State for Foreign Affairs, FPRY.

(This note bears same number as that of June 25, 1954, but may be differentiated by its date.)

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REPORTER

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Encl. No. 1  
Desp. No. 313  
From BELGRADEPage \_\_\_\_\_ of  
Desp. No. \_\_\_\_\_  
From \_\_\_\_\_OFFICIAL USE ONLY  
(Classification)

No. 92605

The Secretariat of State for Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer again to the question of the restitution of the Yugoslav monetary gold, which matter, according to information received by the Yugoslav Government in the Tripartite Commission, was completed in the Tripartite Commission long time ago and now only the agreement of the three Governments, i.e., of the Governments of the United States, the United Kingdom and France is awaited.

In expectation of this final decision and in view of the fact that the other countries have already received an advance on their monetary gold, the Government of the FPRY has the honour to request that it be accorded the same treatment in this regard and that an advance on its monetary gold be allocated to it before the final decision.

The Secretariat of State for Foreign Affairs does not doubt that the Government of the United States of America will on its part undertake all the necessary steps so that the Yugoslav Government, too, would receive a corresponding advance and avails itself of this opportunity to renew to the Embassy of the United States of America the assurance of its highest consideration.

Beograd, December 14, 1954.

EMBASSY OF THE  
UNITED STATES OF AMERICA  
Beograd

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By 1MII NARA Date 5/9/93

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Desp. No. 313  
From BELGRADE

Dec 20

No. 92605

The Secretariat of State for Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer again to the question of the restitution of the Yugoslav monetary gold, which matter, according to information received by the Yugoslav Government in the Tripartite Commission, was completed in the Tripartite Commission long time ago and now only the agreement of the three Governments, i.e., of the Governments of the United States, the United Kingdom and France is awaited.

In expectation of this final decision and in view of the fact that the other countries have already received an advance on their monetary gold, the Government of the FPRY has the honour to request that it be accorded the same treatment in this regard and that an advance on its monetary gold be allocated to it before the final decision.

The Secretariat of State for Foreign Affairs does not doubt that the Government of the United States of America will on its part undertake all the necessary steps so that the Yugoslav Government, too, would receive a corresponding advance and avails itself of this opportunity to renew to the Embassy of the United States of America the assurance of its highest consideration.

Beograd, December 14, 1954.

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Beograd

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THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICAOFFICIAL--INFORMALCONFIDENTIAL

ADDRESS OFFICIAL COMMUNICATIONS TO

American Embassy, Brussels,  
December 9, 1954.

Dear Mr. Fletcher:

I refer to the Department's CA-3335 of November 18, 1954, regarding the Gold Commission's proposed reply to the Czechoslovak reminder regarding their share.

The alterations suggested in the enclosures to this instruction were circulated to the British and French Commissioners and were discussed at the meeting of the Gold Commission last Monday, December 6. There were no real objections to any of the new language suggested until we came to the fifth paragraph which stated that the preliminary distribution to Czechoslovakia was "comparable with that which was delivered to other claimant countries." The compromise arrived at is included in the attached redraft of the Commission's reply. As you will guess after seeing the enclosed draft, both the British and French Commissioners and the Secretary General felt it would be preferable to reply to the Czech note in French, as has been the practice for sometime past. I am inclined to agree with this view, especially inasmuch as I presume we do not wish to give the impression that the reply is essentially a product of the U.S.A., an impression which could easily be obtained if we suddenly switched languages.

If you approve the enclosed draft, I would appreciate your letting me know as soon as possible so that I may give Colonel Watson the green light.

With reference to your letter of December 6, I have asked Colonel Watson to give me duplicate copies of the minutes of the meetings which you listed. He has promised to let me have them within the next few days and I will forward them to you immediately.

I

Mr. Otto F. Fletcher,  
Special Assistant, Monetary Affairs Staff,  
Department of State,  
Washington, D.C.

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By LWN NARA Date 5/19/73

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I have also received your second letter of December 6 requesting French, British and Gold Commission views on whether copies of the Albanian-Italian gold award should be made generally available. I will make inquiries of Sir Ronald Wingate and M. Jacques Lanson as well as Colonel Watson and will let you know the results as soon as possible.

Very truly yours,



Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

Enclosure:

Redraft of Gold Commission's  
reply to Czech note.

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By LMR NARA Date 5/9/9

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OF THE  
UNITED STATES OF AMERICA

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B. 7

American Embassy, Brussels,  
December 9, 1951.

Dear Mr. Fletcher,

#### **REFERENCES**

**Revised for the National League prior to 1960**

regarding ~~the~~ ~~other~~ ~~various~~ ~~organizations~~, November 18, 1954,  
reminder re: ~~the~~ ~~other~~ ~~various~~ ~~organizations~~ reply to the Czechoslovak

If you approve, kindly let us know by return of your letter, so that we may forward to the Headquarters various forms used by your Government in their efforts to combat the scourge, for the use of the Committee, and also any publications on the subject you may have prepared.

Colonel Watson to give me information & you will get a 600 word  
the meetings which you plan to conduct in your town or vicinity. At all comparable  
time you will have the information you want & I will forward them to you

Levez la Commission sera en mesure de vous adresser une déclaration à ce sujet, vous pourrez être assuré qu'elle ne transmettra pas de

Everett Fletcher,  
Speaker.

Special Assistant. Monday, 11 June, 1945. Now that the war has ended, I have no objection to your leaving.

Department of State  
Washington, D.C.

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12/7/54

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## CONFIDENTIAL

MEMORANDUM

on the  
Greek Share in the Gold Pool  
in Connection with the  
Formation of the Tripartite Gold Commission

Consequently, the awards which would be put into effect this summer will be:

In implementation of Part III of the Gold Repatriation Act, which provides for pooling recovered monetary gold for distribution among the three belligerent countries from which it was looted during the war, the U.S., U.K., and French Governments established in 1946 a Commission at Brussels known as the Tripartite Gold Commission for the Distribution of Recovery Gold. When countries submitted claims covering about \$60 billion dollars, among them Czechoslovakia, the partly unpaid debts after the Czech claim, like most of the debts of other countries, is composed of several portions which, in total, will for the remaining three countries amount to 45,000 million dollars or just the equivalent of about \$1.5 billion dollars. After protracted study of all the claims submitted and after obtaining additional information, partly through negotiations and partly through oral hearings with representatives of the claimant and governments, the Commission is about to conclude its deliberations and in fact has submitted drafts of its decisions for review and approval by the three governments. The claims up the Commission, among the most controversial and most complicated claims were the ones comprising the Greek submission.

It should be noted at this point that if the awards are made as proposed at present by the Commission, a quota of over 60 percent of the claims approved can be expected by the claimants. The Greek share would amount to about 27 million dollars. On the occasion of the preliminary distribution

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In January, 1948, Czechoslovakia, at that time not in the Soviet Bloc, received an advance of about 6000 kilograms of gold (valued at about \$7 million.) Consequently, the amount which would be due her under the proposed division at the impending final distribution is about 20 million dollars worth of gold. However, the French Government, in reviewing the final terms has, through its representative on the Commission, suggested important changes in the Czech award, changes which would involve certain other cases before the Commission. These changes, expressed in dollars, concern about 10 million dollars' worth of gold. Since the suggested changes involve both credits and debits, they partly cancel each other out, however. The net result, if all French changes were accepted by the other U.S. and U.K. members of the Commission, would be a reduction in the Czech share by about \$2 million. The suggested changes are being studied both at the Commission and the government level; no final report upon them has been made. For the past three years or so, it has been understood among the interested officers of the Department that any major Czech asset we could directly or indirectly control should be used as a lever to obtain settlement of our claim against Czechoslovakia. The only sizeable Czech asset left in the U.S. is the proceeds of the steel rolling mill blocked by Treasury's special order and thus available to be used for the aforementioned purpose. The other even bigger asset is the Czech share in the gold pool. With respect to the Czech share in the gold pool the Department's present policy was set out in the Department's memorandum of March 19, 1954, a copy of which was sent to the Embassy. As was stated in that memorandum, "the Department considered that the 'United States would be in a stronger legal and policy position if no Czech award were agreed on and..."

C. A. Signed

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Authority NID 968106  
By LMM NARA Date 5/19/72RG 59  
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Lot G2D 115  
Box 2

formed, and the United States alone was restraining delivery." The United States policy was therefore to delay agreeing on and signing the Czech award and the Department was desirous, when the remaining awards were ready to be published, that it be stated in appropriate language that the Czech award had not yet been agreed upon because of its complicated nature.

Therefore, several months ago, when after the sale of the steel mill the time appeared to be appropriate to renew our endeavors for continuation of financial negotiations with the Czechs, the Department invited representatives of the British and French Embassies in Washington to discuss with them our views with respect to the Czech share in the pool as stated above. (April 22, 1954) We told them that we would prefer a procedure whereby all awards with the exception of Czechoslovakia would be issued simultaneously when they were finally ready and a statement would be issued at the same time by the Commission saying that the Czech award had not been agreed upon due to the complexities of the Czech claim. (In view of the French request for changes mentioned above, there is a possibility that what was originally a form of words will turn out to describe the factual situation.)

While the U.K. Government relatively quickly agreed to our plan, the French Government only a few days ago informed us that it "continues to believe that it would be very difficult for the three Powers not to make public the decision on the Czech claims at the same time as the other decisions. Although French-Czechoslovak relations are no longer carried on at the level of the traditional confidence and friendship between the two countries, the French Government considers that it would be advisable to avoid, in the technical matter of the distribution of monetary gold, taking any position that might appear discriminatory with respect to Czechoslovakia."

Consequently,

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Authority AM 968106  
By JMN NARA Date 5/9/93

RG 59  
TGC  
Lot 620115  
Box 2

~~CONFIDENTIAL~~

In the second month paragraph of the despatch of 5th/11/1954 you  
consequently, the French went up to consider some other formula which  
would avoid what they consider a ~~selfevident~~<sup>selfevident</sup> what use could be made  
of their share as a bargaining weapon. Inasmuch as this is a complicated  
matter and recent developments have made it more so, there is attached a  
separate memorandum on the subject prepared for your information. The  
Department believes that the circumstances are favorable now to use in  
an appropriate manner this weapon which should prove effective since the  
amount involved is not much less than 20 million dollars. It can be  
assumed that the Czech Government by now knows that it is in our power  
some day to withhold from them their share in the gold pool.

OTD :MS :OEW :stcherry  
December 7, 1954

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Authority AND 968106  
By LMI NARA Date 5/19/93

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Box 2

..... your

In the penultimate paragraph of the despatch of the reference you refer to the Czech share of the gold pool and the fact that you have not sufficient information to reach a judgment what use could be made of this share as a bargaining weapon. Inasmuch as this is a complicated matter and recent developments have made it more so, there is attached a separate memorandum on the subject prepared for your information. The Department believes that the circumstances are favorable now to use in an appropriate manner this weapon which should prove effective since the amount involved is not much less than 20 million dollars. It can be assumed that the Czech Government by now knows that it is in our power some way to withhold from them their share in the gold pool.

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Authority MD 968106  
By LMB NARA Date 5/19/93

RG 59  
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Box 2

In the penultimate paragraph of your despatch you refer to the Czech share of the gold pool and the fact that you have not sufficient information to reach a judgment as to what use could be made of this share as a bargaining weapon. Inasmuch as this is a delicate and complicated matter, there is attached a separate memorandum on the subject prepared for your information. In essence our present procedure is to have the Tripartite Gold Commission reply to the recent Czech note and state that a decision has not been reached because of the complexities of the case. (See Department's CA 3335, November 16 to Brussels repeat to Prague.) Then the three Allied Ambassadors in Prague will transmit short individual replies to the Czech Foreign Office merely referring to the Tripartite Gold Commission note on the matter. Shortly, thereafter, without any mention of the gold problem, the United States Ambassador should submit the note requesting discussions on our outstanding financial claims. It can be assumed that the Czech Government will know without more that there is a connection between the satisfaction of American claims and the receipt by the Czechs of their gold. The reason no overt statement on the subject should be made is that the situation is a delicate one from a legal standpoint and we may be exposed to legal action if the lack of a decision on the Czech claims is based on another ground than the complicated nature of their claims.

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Authority AND 968106  
By LML NARA Date 5/9/93

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TGC  
Lot 62D 115  
Box 2

On the  
basis upon which the Gold Pool  
is operating, in view of the majority of British and French  
gold held by the Bank of England in my gold position, the next step we could take  
would be to have the Bank of England make a contribution of American dollars  
to the pool, so as to increase the amount of the gold claim, in order  
to obtain a better position to its best to expedite a decision.  
Mr. U.S.A. and French Government  
should be invited to the Tripartite Gold Conference for the benefit of  
Germany, etc. Many countries would be glad to do this when the  
time comes, but I am not sure if they  
would be willing to have our claim in a subsidiary position  
as they would claim more from the pool than you would. They  
would be willing to give up a gold pro rata by including Germany and  
France in their claim, such as that major part of  
the claim would be come out from their share in the pool.  
I would like to think that we could do our best to help  
them to do this at the earliest possible time.  
In fact two additional points of this Conference, to be considered  
by the three governments which make up the Committee. Among them  
most important and most considerable would be the one regarding the French  
monetary system.  
It should be noted at this point that it has already been agreed  
upon by the Committee, a quota of over 60 percent of the total  
approved can be expended by the countries. The contributions would amount  
to about 27 million dollars. On the condition of a proportional distribution

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Authority AND 968106  
By LMI NARA Date 5/19/73

RG 59

TGC  
Lot 620115  
Box 2DEPARTMENT OF STATE  
DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

TC NO. 13316  
T-52/R-XV  
French

SOS

D-1  
B-3  
A-5EMBASSY OF FRANCE  
IN THE UNITED STATES

Washington, December 7, 1954

Dear Mr. Fletcher:

I should like to inform you, concerning the question of Czechoslovak gold, of some of the opinions of our services in the Ministry of Foreign Affairs in Paris.

My Government thinks that the thesis upheld by the American Government, which sets forth the objections raised by France to the draft decision prepared by the Tripartite Commission, is not a relevant argument. Indeed, the comments we have made apply not only to the text relating to Czechoslovakia but also to the draft decisions concerning Yugoslavia and to a lesser extent, of course, Belgium and Italy. The argument of the Department of State should, therefore, quite logically lead to the conclusion that the claims of these four countries, and not only the Czech claim, cannot be settled at the same time as those submitted by the other governments, and that a decision on them cannot be made until the problems they still present have been resolved. Now, the French Government still thinks that all the decisions of the Commission should be rendered at the same time.

2.

Mr. Otto Fletcher

Department of State,

Washington, D.C.

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By LMD NARA Date 5/9/72

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Box 2

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2. I believe that the British Government considered, in the talks between its Embassy in Paris and the Ministry of Foreign Affairs, the possibility of suggesting that all decisions be signed as soon as they are reached by the Tripartite Commission and approved by the three governments, the American Government being able to prevent payment of the gold allocated to Czechoslovakia by not permitting its Commissioner to authorize delivery. I seem to remember, further, that this procedure would be likely to receive the approval of the Department of State: you said so, I believe, to my colleague Mr. Ruffin early last June.

Now, I am afraid that such a procedure cannot win the approval of the French Government. It fears that in that event, Czechoslovakia, which would be the only country not receiving the gold to which it is entitled, would file with the International Court of Justice an appeal from an arbitrary measure taken concerning it. In such an event the Hague Court could only condemn the three powers, maintaining that they have no legal right to hold the amounts of gold which they have been instructed by the Paris Agreement to recover and distribute among the various countries concerned.

I submit these statements for your consideration with the request that you tell me your views on the matter whenever you so desire.

Sincerely yours,

/s/ la Grandville

J. de la Grandville

Counselor of Embassy

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DECLASSIFIED  
Authority AD 968106  
By [initials] NARA Date 5/9/93

RG 59  
TGC  
Lot 62D 115  
Box 2

*Confidential*

Ambassade de France  
aux Etats-Unis

Washington, le

7 Décembre 1954

Cher Monsieur Fletcher,

Je voudrais vous faire part, au sujet de la question de l'or tchécoslovaque, de quelques réflexions de nos services du Ministère des Affaires Etrangères à Paris.

Mon gouvernement estime que la thèse soutenue par le gouvernement américain, qui invoque les objections soulevées par la France à l'encontre du projet de décision préparé par la Commission tripartite, n'est pas un argument pertinent. En effet, les observations que nous avons formulées portent non seulement sur le texte relatif à la Tchécoslovaquie, mais aussi sur les projets de décisions concernant la Yougoslavie et, bien entendu à un degré moindre, la Belgique et l'Italie. La thèse du Département d'Etat devrait donc, en toute logique, conduire à considérer que les réclamations de ces quatre pays, et non pas uniquement la demande tchèque, ne peuvent être réglées en même temps que celles présentées par les autres gouvernements, et qu'une décision ne pourra intervenir à leur égard qu'une fois résolus les problèmes qu'elles posent encore. Or, le gouvernement français continue d'estimer que toutes les décisions de la Commission devraient être rendues au même moment.

2. Je crois savoir que le gouvernement britannique a envisagé, au cours de conversations qui ont eu lieu entre son Ambassade à Paris et le Ministère des Affaires Etrangères, l'éventualité de suggérer que toutes les décisions soient signées dès qu'elles seront mises au point par la Commission tripartite et approuvées par les trois gouvernements, le gouvernement américain ayant la possibilité d'empêcher le versement de l'or attribué à la Tchécoslovaquie en ne permettant pas à son Commissaire d'en autoriser la livraison. Je crois me rappeler, d'autre part, que cette formule serait susceptible de recueillir l'accord du Département d'Etat : vous l'aviez, je crois, indiqué à mon collègue Ruffin au début de Juin dernier.

Or, je crains qu'une telle manière de procéder ne puisse recevoir l'agrément du gouvernement français. Celui-ci craint, en

.../...

Mr. Otto FLETCHER  
Department of State  
Washington, D.C.



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Authority MD 968106  
By WRII NARA Date 5/9/93

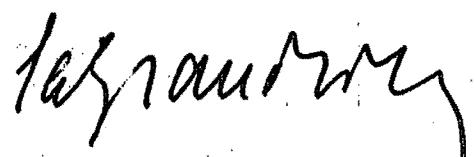
RG 59

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Lot 620115  
Box 2

effet, que dans cette éventualité, la Tchécoslovaquie, qui serait le seul pays à ne pas recevoir l'or auquel il a droit, n'introduise un recours devant la Cour Internationale de Justice à l'encontre d'une mesure arbitraire prise à son égard. La Cour de La Haye ne pourrait, dans ce cas, que condamner les trois puissances en soutenant qu'elles n'ont juridiquement aucun titre pour retenir les quantités d'or qu'elles ont été chargées par l'accord de Paris de récupérer et de répartir entre les différents pays intéressés.

Je livre ces indications à vos réflexions, en vous demandant de me dire, quand vous le désirerez, quelles sont vos observations à ce sujet.

Veuillez agréer, cher Monsieur Fletcher, l'assurance de mes sentiments les meilleurs.



J. de la Grandville  
Conseiller d'Ambassade

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Authority AND 968106  
By LBN NARA Date 5/9/92

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subj: Czech share in gold pool																																																
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<p>There is attached a revised draft of my contribution to EE's mission to Prague, &amp; mentioned to you this morning. Our conversations with EE are continuing.</p> <p><i>A. M. Frost</i></p>																																																

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Authority AWD 968106  
By LMRH HARA Date 5/9/72

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Lot G2D 115  
Box 2

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In the penultimate paragraph of your despatch you refer to the Czech share of the gold pool and the fact that you have not sufficient information to reach a judgment as to what use could be made of this share as a bargaining weapon. Inasmuch as this is a delicate and complicated matter, there is attached a separate memorandum on the subject prepared for your information. In essence our present procedure is to have the Tripartite Gold Commission reply to the recent Czech note and state that a decision has not been reached because of the complexities of the case. (See Department's CA 3335, November 16 to Brussels repeat to Prague.) Then the three Allied Ambassadors in Prague will transmit short individual replies to the Czech Foreign Office merely referring to the Tripartite Gold Commission note on the matter. Shortly, thereafter, without any mention of the gold problem, the United States Ambassador should submit the note requesting discussions on our outstanding financial claims. It can be assumed that the Czech Government will know without more that there is a connection between the satisfaction of American claims and the receipt by the Czechs of their gold. The reason no overt statement on the subject should be made is that the situation is a delicate one from a legal standpoint and we may be exposed to legal action if the lack of a decision on the Czech claims is based on another ground than the complicated nature of their claims.

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Authority AND 968106  
By LBNR NARA Date 5/9/93

RG 59

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Lot 62D 115  
Box 2*continue*

Further, in view of the necessity of British and French  
~~concession~~ in any gold decision, the most that we could assure  
the Greeks, if and when the satisfaction of American claims appears  
to be dependent upon satisfaction of the gold claim, is that the  
United States would do its best to expedite a decision.

If and when the Greeks come across with a declaration that they  
would be prepared to settle our claims in a satisfactory manner  
as soon as they receive their share from the pool, then you could  
take into consideration such a quid pro quo by including appropriate  
provision in the U-French settlement, such as that major part of  
the payment to the US has to come out from their share in the pool.  
That will convince the Greeks that we would do our best to help  
them to get their share at the earliest possible moment.

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Authority AND 968106  
By WMI NARA Date 5/19/93

RG 59  
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Lot G2D115  
Box 2

~~CONFIDENTIAL~~

MEMORANDUM

on the

Czech Share in the Gold Pool in the Soviet Bank,  
in Connection with the

Liquidation of the Tripartite Gold Commission

In implementation of Part III of the Paris Reparation Act, which provided for pooling recovered monetary gold for distribution on a proportional basis among countries from which it was looted during the war, the U.S., U.K., and French Governments established in 1946 a commission in Brussels known as the Tripartite Gold Commission for the Restitution of Monetary Gold. Eleven countries submitted claims totaling about 560 million dollars, among them Czechoslovakia, may partly appeal each year. The Czech claim, like most of the claims of other countries, is complicated by several points which, in total, will for the restitution to Czechoslovakia of 45,000 kilograms of gold the equivalent of about fifty million dollars. After protracted study of all the claims submitted and after obtaining additional information, partly through questionnaires and partly through civil hearings with representatives of the claimant governments, the Commission is about to conclude its deliberations and in fact has submitted drafts of its decisions for review and approval by the three governments which make up the Commission. Among the most controversial and most complicated claims were the ones concerning the Czech claim. The major issue over which there is the Czech share in the gold. It should be noted at this point that in the awards are made on proposed at present by the Commission, a quota of even 60 percent of the claims approved can be expected by the claimants. The Czech share would amount to about 25 million dollars. On the occasion of a preliminary distribution stronger legal and policy position on Czech award were agreed upon.

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Authority MD 968106  
By LMI NARA Date 5/9/93

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In January, 1948, Czechoslovakia, at that time not in the Soviet Bloc, received an advance of about 4000 kilograms of gold (valued at about \$7 million.) Consequently, the amount which would be due her under the proposed decision at the impending final distribution is about 20 million dollars worth of gold. However, the French Government, in reviewing the final texts has, through its representative on the Commission, suggested important changes in the Czech share, changes which would involve certain other cases before the Commission. These changes, expressed in dollars, concern about 10 million dollars' worth of gold. Since the suggested changes involve both credits and debits, they partly cancel each other out; consequently, the net result, if all French changes were accepted by the U.S. and UK members of the Commission, would be a reduction in the Czech share by about \$2 million. The suggested changes are being studied both at the Commission and the government level but have not been agreed upon.

For the past three years or so, it has been understood among the most interested officers of the Department that any major Czech asset we could fully directly or indirectly control should be used as a lever to obtain settlement of our claims against Czechoslovakia. The only sizeable Czech asset left in the U.S. is the proceeds of the steel rolling mill blocked by Treasury's special order and thus available to be used for the aforementioned purpose. The other even bigger asset is the Czech share in the dual-gold pool. With respect to the Czech share in the gold pool the Departmental policy was set out in the Department's memorandum of March 19, 1954, a copy of which was sent to the Embassy. As was stated in that memorandum, the Department considered that the "United States would be in a stronger legal and policy position if no Czech award were agreed to with."

Consequently,

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213947

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Authority NWD 968106  
By LMR NARA Date 5/9/92

RG 59  
TGC  
Lot 62015  
Box 2

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issued, and the United States alone was restraining delivery." The United States policy was therefore to delay agreeing on and signing the Czech award and the Department was desirous, when the remaining awards were ready to be published, that it be stated in appropriate language that the Czech award had not yet been agreed upon because of its complicated nature.

Therefore, several months ago, when after the sale of the steel mill the time appeared to be appropriate to renew our endeavors for continuation of financial negotiations with the Czechs, the Department invited representatives of the British and French Embassies in Washington to discuss with them our views with respect to the Czech share in the pool as stated above. (April 22, 1954) We told them that we would prefer a procedure whereby all awards with the exception of Czechoslovakia would be issued simultaneously when they were finally ready and a statement would be issued at the same time by the Commission saying that the Czech award had not been agreed upon due to the complexities of the Czech claim. (In view of the French request for changes mentioned above, there is a possibility that what was originally a form of words will turn out to describe the factual situation.)

While the U.K. Government relatively quickly agreed to our plan, the French Government only a few days ago informed us that it "continues to believe that it would be very difficult for the three Powers not to make public the decision on the Czech claims at the same time as the other decisions. Although French-Czechoslovak relations are no longer carried on at the level of the traditional confidence and friendship between the two countries, the French Government considers that it would be advisable to avoid, in the technical matter of the distribution of monetary gold, taking any position that might appear discriminatory with respect to Czechoslovakia."

Consequently,

CONFIDENTIAL

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Authority NWD 968106  
By LMI NARA Date 5/9/92

RG 59

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Lot 62D115

Box 2

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Consequently, the French want us to consider some other formula which would avoid what they consider a disadvantage.

In implementation of Part III of the Hague Convention Act, which provides for pooling recovered monetary gold for distribution on a proportional basis among countries from which it was looted during the war, the U.S., U.K., and French governments established in 1946 a committee of experts known as the Committee of Finance for the Distribution of Monetary Gold. Upon creation this committee totalled about \$60 million dollars, mostly from Switzerland.

The Swiss made up most of the claim of their country. It consisted of several countries which had been, and for the most part were, responsible of 45,000 kilograms of gold (the equivalent of about fifty million dollars). After presented orally at all the claims submitted and after obtaining additional information, partly through negotiations and partly through consultation with representatives of the relevant governments, the Committee is about to conclude its deliberations and in fact has submitted drafts of the guidelines for review and approval by the three governments which make up the Committee. They have suggested that all such unclaimed money will be used according the distribution.

It should be noted at this point that if the Swiss are held responsible as agreed by the Committee, a sum of over 40 percent of the claim OFB 107 Fletcher May

December 7, 1954, stated by the claimant, the Swiss who would amount to about 27 million dollars.

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18 January

~~CONFIDENTIAL~~

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By LMB/II NARA Date 5/9/93

RG 59  
TGC  
Lot 62D 115  
Box 2

512

Ambassade de France  
aux Etats-Unis

Washington, le

November 18, 1954

D  
B-1  
A-3  
P-4

Dear Mr. Fletcher,

Following our conversation of today, I am forwarding to you hereafter the remarks that this Embassy has received from the French Government as to monetary gold for Czechoslovakia. For greater accuracy, I shall word them in French, as you know this language very well.

1. Le Gouvernement français n'a jamais, en ce qui concerne les suggestions américaines relatives à l'or attribué à la Tchécoslovaquie, envisagé de faire connaître ses vues par l'intermédiaire de son représentant à la Commission tripartite. Les informations en ce sens parvenues à Washington paraissent donc provenir d'un malentendu. Le Gouvernement français considère, comme le Département d'Etat, que cette question échappe entièrement à la compétence de la commission tripartite et qu'elle ne peut être traitée que sur le plan gouvernemental.

2. Sur le fond de l'affaire, le gouvernement français continue de penser qu'il serait très difficile pour les trois puissances de ne pas rendre publique la décision relative à la demande

Mr. Otto Fletcher  
Department of State  
Room 717 - SA7

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tchèque en même temps que les autres décisions. Bien que les relations franco-tchécoslovaques aient cessé de se développer sur le plan de la confiance et de l'amitié traditionnelles entre les deux pays, le Gouvernement français estime qu'il y aurait intérêt à éviter, dans le domaine technique qui est celui de la répartition de l'or monétaire, toute prise de position pouvant apparaître comme discriminatoire à l'égard de la Tchécoslovaquie.

Or, il y aurait discrimination si la Tchécoslovaquie était le seul pays pour lequel la décision ne serait pas prise et qui en conséquence ne bénéficierait pas d'une attribution d'or, les raisons techniques que pourraient invoquer les trois Gouvernements ne paraissant pas suffisantes pour motiver l'absence de tout versement. En effet la réclamation adressée à la Commission par chacun des pays intéressés se divise en plusieurs demandes distinctes ; si l'on peut concevoir qu'une ou plusieurs des demandes présentées par la Tchécoslovaquie soulève des difficultés particulières, il ne paraît pas possible de prétendre que les quatre demandes tchèques, et elles seules, ont posé à la Commission des problèmes que sept ans d'étude n'ont pas permis de résoudre.

Il reste entendu que le Gouvernement français examinerait avec faveur toute nouvelle formule qui pourrait être suggérée par ses partenaires et qui ne présenterait pas les inconvénients, exposés ci-dessus, de la proposition initiale.

3. En ce qui concerne la procédure à mettre en oeuvre pour la notification des décisions, le Gouvernement français verrait avec avantage que cette question soit discutée à Washington. Du reste

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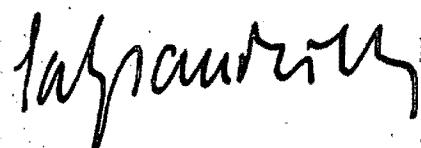
peu de problèmes sont encore en suspens. Deux des principaux documents sont à peu près au point : la notification et la lettre d'envoi. Les deux autres textes sont, je crois, en cours de préparation (Waiver document et Exposé sur les négociations avec les pays neutres).

4. Le Gouvernement français souhaite obtenir, avant que des décisions soient rendues publiques, la reconnaissance officielle par les Gouvernements américain et britannique de la responsabilité internationale conjointe des trois gouvernements chargés par l'accord de Paris des opérations de restitution de l'or monétaire.

L'Ambassade a été chargée d'en informer le Département d'Etat en indiquant que le désir du Gouvernement français est d'obtenir cette reconnaissance avant même la signature des décisions.

If you find it advisable that this Embassy raise any of the above mentioned points in a more official manner, please let me know. It might be the case for Point IV.

Yours sincerely,



J. de la Grandville  
Counsellor of Embassy

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Authority AND 968106  
By LMM NARA Date 5/9/93RG 59  
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With reference to my memorandum of conversation dated 11/19/54.

FROM MN - O. F. Fletcher OFF

DEPARTMENT OF STATE  
IN OF LANGUAGE SERVICES

(TRANSLATION)

TC NO: 12785  
T-52/R-IV  
FrenchS. J.  
D  
B-33  
P

5 Washington, November 18, 1954

conversation of today, I am forwarding  
e remarks that this Embassy has re-  
nch Government as to monetary gold

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you know this language very well.  
ect to the American suggestions re-  
allotted to Czechoslovakia, the  
as never considered making its views  
representative on the Tripartite  
ports reaching Washington to the  
sidered doing so appear, therefore,  
rom a misunderstanding. The French  
he Department of State, deems that

this question is entirely outside the competence of the  
Tripartite Commission, and that it can be discussed  
only on the governmental level.

"2. As regards the substance of the matter, the  
French Government continues to believe that it would be  
very difficult for the three Powers not to make public  
the decision on the Czech claim at the same time as the  
other

Mr. Otto Fletcher,  
Department of State,  
Room 717, SA-7

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Authority AND 968106  
By WBN HARA Date 5/9/52

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TGC  
Lat G2D 115

Box 2

DEPARTMENT OF STATE  
DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

TC NO. 12785  
T-52/R-IV  
French

EMBASSY OF FRANCE

IN THE UNITED STATES

Washington, November 18, 1954

Dear Mr. Fletcher:

Following our conversation of today, I am forwarding to you hereafter the remarks that this Embassy has received from the French Government as to monetary gold for Czechoslovakia. For greater accuracy, I shall word them in French, as you know this language very well.

"1. With respect to the American suggestions relating to the gold allotted to Czechoslovakia, the French Government has never considered making its views known through its representative on the Tripartite Commission. The reports reaching Washington to the effect that it considered doing so appear, therefore, to have resulted from a misunderstanding. The French Government, like the Department of State, deems that this question is entirely outside the competence of the Tripartite Commission, and that it can be discussed only on the governmental level.

"2. As regards the substance of the matter, the French Government continues to believe that it would be very difficult for the three Powers not to make public the decision on the Czech claim at the same time as the other

Mr. Otto Fletcher,

Department of State,

Room 717, SA-7

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- 2 -

decisions. Although French-Czechoslovak relations are no longer carried on at the level of the traditional confidence and friendship between the two countries, the French Government considers that it would be advisable to avoid, in the technical matter of the distribution of monetary gold, taking any position that might appear discriminatory with respect to Czechoslovakia.

"Now, it would be discriminatory if Czechoslovakia were the only country for which the decision was not taken and which, consequently, would not receive an allocation of gold, for the technical reasons which the three Governments could invoke do not appear to be sufficient to justify the absence of any payment. The fact is that the claim presented to the Commission by each of the countries concerned is divided into several separate claims; although it is understandable that one or more of the claims presented by Czechoslovakia could give rise to difficulties, it does not appear possible to claim that the four Czech claims, and they alone, presented the Commission with problems which it has not been possible to solve after seven years of study.

"It is still understood that the French Government would give favorable consideration to any new formula that might be suggested by the other member Governments and which did not present the above-mentioned disadvantages of the initial proposal.

"3. As regards the procedure to be put into operation with respect to the notification of decisions, the French Government considers that it would be desirable if that question were discussed in Washington. Moreover, there are few problems still pending. Two of the principal

documents

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documents are almost in final form: the notification and the letter of transmittal. The other two texts are, I believe, now being prepared (Waiver document and Report of negotiations with neutral countries).

"4. The French Government wishes to obtain, before the decisions are made public, an official acknowledgment by the American and British Governments of the joint international responsibility of the three Governments charged by the Paris Agreement with the operations for the restitution of monetary gold.

"The Embassy is instructed to inform the Department of State to this effect, and to point out that the French Government wishes to obtain that acknowledgment before the decisions are signed."

If you find it advisable that this Embassy raise any of the above-mentioned points in a more official manner, please let me know. It might be the case for Point IV.

Your sincerely,

Signed / La Grandville

J. de la Grandville

Counselor of Embassy

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213956

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Authority MD 968106  
By L/MN NARA Date 10/19/93

AIR POUCH  
PRIORITY

(Security Classification)

FOREIGN SERVICE DESPATCH

FROM : U.S. Commissioner, TGC  
AmEmbassy BRUSSELS

TQ. : THE DEPARTMENT OF STATE, WASHINGTON.

REF : Embassy despatch 377, October 28, 1954

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DESP. NO.

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Lot 62D115

Box 2

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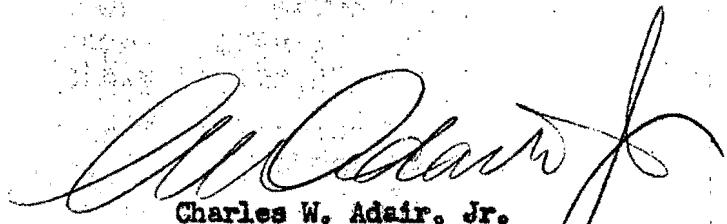
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November 5, 1954

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SUBJECT: Additional Material Relative to French Suggestions for Amending Certain Adjudications

As a result of discussion, at the 134th Meeting of the Gold Commission, of suggestions made by the French Commissioner relative to adjudications on the Czech and Yugoslav claims, the Secretary General made a study of certain points raised. The results of this study are contained in the Secretary General's letter (INT-2803) of October 15, 1954, and will doubtless be of interest to the Department in its consideration of the French proposed revisions. Two typewritten copies of the Secretary General's letter are enclosed herewith.



Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

Enclosure:

1. Typewritten copies (2) of Gold Commission letter (INT-2803) October 15, 1954.

CWAdair/sb  
REPORTER

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Retain in accordance with

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Brussels  
11/5/54

C O C. T. R. C. M.

Page No. 2.

P

## COMMISSION TRIPARTITE

Y POUR LA RESTITUTION DE L'OR MONETAIRE which, as the has been done by the TRIPARTITE COMMISSION adjudication FOR THE RESTITUTION OF MONETARY GOLD been deducted from the Czech claim, \$0, Avenue des Arts Brussels these amounts be disregarded as has been done in respect of the Yugoslav INT 2803, as it now stands?

CC/GEN

The argument against taking these amounts into account is CONFIIDENTIAL and railway traffic dues are normally settled in gold. From: The Secretary General under the International conventions governing such traffic and that it may be held that the amounts would have accrued to the two countries in any case. It may be that there are no grounds which would induce the Commission to take this type of recovery into account. It is unfortunately impossible to tell whether these two countries of the United Kingdom of Great Britain and Northern Ireland

The arguments in favour of taking these amounts into account, assuming, as appears to be the case, that the Commissioner of the Government Paragraph G of Part III of the French Republic Resolution No. 2 of the Paris Conference and the Allied Declarations is the exclusive concern of the three Governments and not of the Commission, could very well be directed, at the 136th Meeting, to study, in the light of the Commission's adjudications, taken as a whole, certain points which were discussed, following upon suggestions of made by the French Commissioner, in connection with the amount of mission's adjudications on the Czech and Yugoslav claims, and mission to furnish a report whereon powers, holds that these two amounts must be set off against the shares of the respective countries.

The position in regard to these various points was described fully in my INT-2800, dated 2 October 1954, and the annexes thereto, and no useful purpose would be served by describing it again. Should the recovery by Czechoslovakia of 1,398.7757 kgs delivered by the Reichsbank to the account of the National Bank of Slovakia points for examination are the following: for a similar amount of gold extracted from Czech soil which the National Bank of Question No. 1, as yet to be dealt with?

Should the 200.5682 kgs of gold, in respect of postal traffic dues and the 398.42290 kgs of gold, in respect of railway traffic dues, recovered by Czechoslovakia and Yugoslavia respectively, after the liberation, be taken into account, as been given the benefit of the whole of this recovery.

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C.T.R.O.M.

Page No. 2

has been done in the case of the 200.5682 kgs, which, as the gold adjudication on the Czech claim now stands, have been deducted from the Czech claim or should these two amounts be disregarded as has been done in respect of the 358.42290 kgs which have not been taken into account in the adjudication on the Yugoslav claim, as it now stands? Gold were set aside for reasons which will be given later, when the main recovery is dealt with) against Yugoslavia. The argument against taking these amounts into account is that postal and railway traffic dues are normally settled in gold under the International Conventions governing such traffic, and that it may be held that these two amounts would have accrued to the two countries in any event. A further argument might be that there are no grounds which would enable the Commission to take this type of recovery into account. It is unfortunately impossible to tell whether these two amounts were normal in relation to pre-war standards in the Commission's adjudications relating to gold extracted from the national soil, considered as potentially, or constituting part of the country concerned.

The arguments in favour of taking these amounts into account, assuming, as appears to be the case, that action pursuant to Paragraph C of Part III of the Paris Agreement, Resolution No. 2 of the Paris Conference and the Allied Declarations is the exclusive concern of the three Governments and not of the Commission, could only be based on the grounds that the two countries, at the same time as they suffered losses of gold through German action, benefited by German action through the puppet States of Slovakia and Croatia, and their Central Banks, to the extent of 200.5682 kgs and 358.42290 kgs respectively, and that the Commission, in virtue of its general powers, holds that these two amounts must be set off against the shares of the respective countries in the 2,310.88175 kgs of gold delivered to the above-mentioned account by Question No. 2.

How should the recovery by Czechoslovakia of 1,398.7752 kgs delivered by the Reichsbank to the account of the National Bank of Slovakia at the Swiss National Bank, in exchange for a similar amount of gold extracted from Czech soil which the National Bank of Slovakia had turned over to it be dealt with?

Assuming that action pursuant to Paragraph C of Part III of the The Commission appears to be in agreement that Czechoslovakia should be given the benefit, partial or total, of this recovery, the Government and not of the Commission, this could be done by the

In the adjudication, as it now stands, Czechoslovakia has been given the benefit of the whole of this recovery.

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Page No. 3.  
Page No. 4.

The French Commissioner feels, however, that the decision would be more consistent with the decision on the Bor Mines gold and with the solution envisaged in respect of the rest (deals with below) of the Czech recovery if there were doubt that the Czech economy benefited to some extent by the measures taken.

A. The 1,398.7757 Kgs of gold were set off for reasons which will be given later, when the main recovery is dealt with against Czechoslovakia's share, and something, the only certain fixed or immovable assets, in exchange for the gold which Germany looted.

In fact, Czechoslovakia's claim for rather the validated portion of it were increased (on grounds similar to those which have been used in the Commission's adjudication in the case of the Bor and Mine gold) by a similar amount, a sum which was unable to make any computation in respect of this category of benefits. But

This would, in fact, place Czechoslovakia on the same footing as Yugoslavia in the Commission's adjudications regarding gold extracted from the National Soil, considered as potentially or constructively monetary gold of the country concerned. study, after the war, from the Swiss National Bank, which considered the reconstituted National Bank of Czechoslovakia as the successor of the National Bank of Slovakia. The benefit, in this case, is computable.

How should the main portion of the recovery by Czechoslovakia be dealt with? or constructively monetary gold of Czechoslovakia, as the Commission understands the terms. If it was gold, the major

portion of which was, broadly speaking, of 2,397.78421 Rgs of gold which were delivered by the Reichsbank (the German origin of which is incontestable) to the account of the National Bank of Greatia (a German creation, controlled by Germany); at the Swiss National Bank in consideration of Slovak exports to Germany; and 2,310.88175 Kgs of gold delivered to the above-mentioned account by Switzerland in consideration of Slovak exports to Switzerland.

Thus, through reason of the above, the French Commissioner suggests that these two amounts should be set off against the share of Czechoslovakia rather than against the claim of that country, as has been done in the adjudication as it now stands. Which, for obvious reasons of equity and justice, must be set off against Czechoslovakia's share.

Assuming that action pursuant to Paragraph G of Part III of the Paris Agreement, Resolution No. 2 of the Paris Conference and the Allied Declarations is the exclusive concern of the three Governments and not of the Commission, this could be done on the question which now arises is: Should the recovery of 930.45443 Kgs of gold by Yugoslavia be treated in a similar manner to the Czech recovery?

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C.T.R.O.M.

Page No. 4.

following ground the Czechoslovakia claims to have lost and her monetary gold and the Commission has accepted most, if not all, of Czechoslovakia's claims. There is little doubt that the Czech post-war economy benefited to some extent by the measures taken by the Germans during their occupation and their financing of the Banks of Bohemia and Moravia and of Slovakia; in other words, that Czechoslovakia received something, if only certain fixed or immovable assets, in exchange for the gold which Germany looted. In fact, the Czech Representative admitted this before the Commission and the fact is on record in the Commission's adjudication. It will be recalled that this question was the subject of long and detailed examination by the Commission which was unable to make any computation in respect of this category of benefits. But Czechoslovakia, however, has quite properly, declaimed, in answer to the Commission's letter of 13 March 1947 and Questionnaire, which required the disclosure of gold movements, that she had recovered the two amounts of gold subject of the present study, after the war, from the Swiss National Bank, which considered the reconstituted National Bank of Czechoslovakia as the successor of the National Bank of Slovakia. The benefit, in this case, is computable. The gold was not pre-war monetary gold of Czechoslovakia nor was it potentially reconstructive monetary gold of Czechoslovakia, as the Commission understands the term. It was gold, the major portion of which was delivered by the Reichsbank directly to the account, at the Swiss National Bank, of the German controlled Central Bank of the puppet State of Slovakia in consideration of Slovak exports to Germany and the remainder of which was delivered to the same account by Switzerland in consideration of Slovak exports to Switzerland. The puppet State of Slovakia and its Bank were not only controlled by Germany but they were financed by Germany, since the Bank started operating with no gold at all. Through German action, direct or indirect, Czechoslovakia, then who being practically the whole of whose claim it constitutes of gold lost through German action the Commission has accepted, received 5,708.66596 kgs which, for obvious reasons of equity and justice, must be set off against Czechoslovakia's share. In my DDU-2803 of 1 October 1948 and no useful purpose would be served by repeating them here.

Question No. 4.

I would suggest that, if the rejection is maintained, the question which now arises is: Should the recovery of 980.45443 kgs of gold by Yugoslavia be treated in a similar manner to the Czech recovery?

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By [redacted] NARA Date 5/19/92

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By LMI NARA Date 5/9/93

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Page No. 6

November 5, 1954

C.T.R.O.M.  
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for rejection and that certain passages, such as the one which describes the gold as having been held under licence from the Central Bank, should be omitted.

If, however, the Commission considers that the claim should be accepted, it could be held, on the basis of pre-war laws and having regard to the circumstances of the case, that this gold was a decentralised portion of Czechoslovakia's monetary treasure or, constructively, monetary gold of Czechoslovakia. The argumentation would be on somewhat similar lines to that which has been used as a basis for the acceptance of two Greek claims in respect of small quantities of gold (vide page 3 of my letter INT-2800 of 2 October 1954). The Secretary General made a study of certain points raised. The results of this study are contained in the Secretary General's letter Question No. 6.1954, and will doubtless be of interest to the Department in its consideration of the French proposed revisions. Two typewritten copies of the Secretary General's letter are enclosed herewith.

Should the rejection of the claim in regard to the 109.34773 kgs of gold which were taken by the Ustachas from the State Bank of Croatia be reversed?

It would appear that, in view of what is said above regarding the 980.45443 kgs of gold which passed through the State Bank of Croatia to that Bank's account in Switzerland and of the fact that there is no satisfactory proof that the 109.34773 kgs were looted by the Germans or wrongfully removed into German territory, the present decision to reject this claim should be left as it is. There was a considerable difference between the action, referred to in the French Commissioner's note, of the officials of Mussolini's so-called Social Republic in surrendering the Italian gold to the Germans and the action of the Ustachas in removing gold of the State Bank of Croatia when they fled. In the first case, the Commission has positive proof that the gold was wrongfully removed to Germany; in the second case, it has not.

Gold Commission letter (INT-2803)  
October 15, 1954.

J.A. WATSON,  
Secretary General.

ORIGINATOR

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Authority MD 968106

By LMH NARA Date 5/19/92

(Security Classification)

RG 59

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Lot G2D115

Box 2

IN THIS SPACE

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PRIORITY

## FOREIGN SERVICE DESPATCH

U.S. Commissioner, TGC  
Amembassy Brussels

FROM : THE DEPARTMENT OF STATE, WASHINGTON.

TO : REF : Embassy despatch 292, October 6, 1954

DESP. NO.

10-2854

October 28, 1954

87 BX Dept. Use Only S/	ACTION	DEPT.	001R-2 ENR 9 L-2 R-75
	E-4	I N F O	
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SUBJECT: Minutes of the 134th Meeting of Tripartite Commission for the Restitution of Monetary Gold

There are enclosed herewith two copies of the draft Minutes of the 134th Meeting of the Tripartite Commission for the Restitution of Monetary Gold, held on October 11, 1954.

This meeting was called for the purpose of hearing comments of the French Commissioner relative to a number of claims previously adjudicated by the Commission. The adjudications involved were those of Czechoslovakia, Belgium, Italy and Yugoslavia as noted in Embassy despatch 292, October 6, 1954.

The rather extensive remarks of the Chairman, Sir Ronald WINGATE, with respect to each adjudication and proposed change are quoted in Part I of the enclosed minutes. It will be noted, relative to the Czech case, that the British Commissioner sees no need to change previous Commission decisions in the case of the following:

200 kgs recovered from Switzerland on account of postal traffic dues.

1400 kgs recovered from Switzerland on account of gold extracted from Czechoslovakia's soil.

On the other hand, he agreed with the French Commissioner that the 3400 kgs, representing gold sent to Switzerland by the Reichsbank, could reasonably be considered an advance payment against Czechoslovakia's claim. As for the 2300 kgs representing payments for Slovak exports to Switzerland, the British Chairman made no commitment, indicating that this was a complicated case which would have to be decided in equity.

With reference to the Skodaworks case, the Chairman feels there is no reason to alter the previous decision although he indicated he is prepared to agree to change this decision if both the French and American Commissioners so desire.

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the case and that he wished to be associated with the Chairman's remarks.

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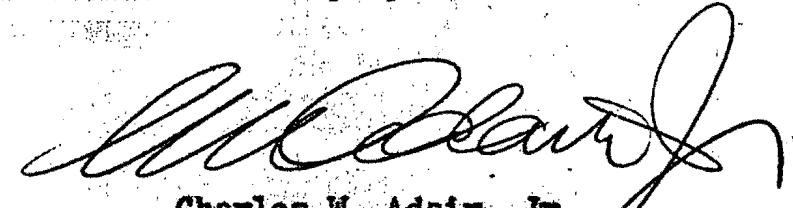
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Finally, the Chairman, agreeing that there was an advantage in reinforcing the arguments in the Belgian case, asked the French Commissioner to prepare a draft of such arguments for circulation.

Further comment of the French Commissioner relative to points raised by the Chairman is contained in the second part of the enclosed Minutes.

No decisions were taken at this meeting as the American Commissioner desired time for consultation.

The Department's views regarding the alterations proposed by the French Commissioner are herewith solicited. A further meeting of the Gold Commission will await preparation of an American response.



Charles W. Adair, Jr.  
 United States Commissioner  
 Tripartite Commission for the  
 Restitution of Monetary Gold

## Enclosure:

Draft Minutes of the 134th  
 Meeting of TGC (in duplicate),  
 October 11, 1954.

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DRAFT MINUTESTRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD.134th Meeting

held on 11 October 1954, at 3.30 p.m.

(Part One)Present:

H.E. Sir Ronald WINGATE - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.

Mr. Charles W. ADAIR, Jr., - Commissioner of the Government of the United States of America.

Monsieur Jacques LANSON - Deputy Commissioner of the Government of the French Republic.

Secretariat

Colonel J.A. WATSON - Secretary General.

The Chairman, opening the Meeting, said that this was the first Meeting to be attended by Mr. Charles W. Adair, Jr., Economic Counselor of the Embassy of the United States in Brussels, on behalf of the Government of the United States of America and that he wished to welcome his new colleague and to say how glad he was to have him present with the Commission. He felt sure that these sentiments were shared by the French Commissioner.

The French Commissioner said that this was, indeed, the case and that he wished to be associated with the Chairman's remarks.

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The American Commissioner thanked his two colleagues for their remarks and said that he was very pleased to cooperate in the Commission's work.

The Chairman then said that he felt that he should give a few words of explanation regarding the circumstances in which this Meeting had been convened. The Commission had reached a final decision on all the claims which were before it (except on two minor points regarding which the American and French Commissioners were awaiting certain information from their respective Governments) and it (the Commission) had informed the three Governments constituting it of this fact and stated that it was ready to sign all the adjudications, as drafted. It had always been understood, however, that, so long as the adjudications had not been signed, each Commissioner would be entitled to suggest amendments which would be examined by the Commission, which was under no obligation, however, to accept such amendments. He (the Chairman) had made no suggestions for alterations and he understood that his American colleague had none to put forward. The French Commissioner, however, had made certain suggestions which were contained in a note, dated 30 September 1954, which the Secretary General circulated, with certain comments, under cover of his INT-2800, dated 2 October 1954, and the Meeting had been convened in order that views might be exchanged regarding these suggestions. It was the Chairman's opinion that the latter went further than had been intended by the Commission when it agreed that individual Commissioners might, so long as the adjudications had not been signed, raise certain points for consideration by the Commission.

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He (the Chairman) thought that the reasons for this were twofold. In the first place, the French Commissioners had accepted, from the outset, that most of the Commission's business should be conducted in the English language and it was only comparatively recently that the French translations of the Commission's definitive adjudications had become available for perusal by the French Commissioner. His (the Chairman's) colleagues were aware that certain questions of interpretation almost invariably arose when French and English texts, considered as equally authentic, were read, side by side, and the French Commissioner's examination of the French texts of the adjudications may have brought to his mind certain points which had escaped his notice when he only had the English texts before him. In the second place, the French Commissioner had had recourse to a quite proper procedure, such as was adopted, on occasions, by a Judge in Chambers. He had taken advice from a jurisconsult. The Chairman thought that this was an excellent precaution and he had been glad to take cognizance of the opinions expressed. The jurisconsult, however, had had no knowledge of the Commission's work or of the circumstances in which the Commission's decisions had been taken. Furthermore, he had not seen the data (extremely voluminous and complicated) upon which the latter were based. This deprived the jurisconsult's opinion of much of its value.

The French Commissioner stated that one of the points which he had in mind when consulting the jurisconsult was to see what the reactions of a qualified third party (say, a jurist of one of the claimant countries) might be, on perusal of the Commission's

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adjudications alone, without any data or knowledge of the Commission's methods or work. He reminded his two colleagues that he was in a somewhat difficult position since his Government was, indirectly, through Belgium, an important participant in the pool of monetary gold. The arguments for or against acceptance of some of the claims before the Commission were, as the Chairman himself pointed out, practically of equal value and there were even stronger reasons in his case than in that of his colleagues for ensuring that the argumentation governing his vote as Representative of his Government on the Commission should be unassailable.

The Secretary General referred to the Chairman's explanations regarding the policy which had been adopted within the Commission concerning eventual amendments and to his (the Chairman's) remark that the French Commissioner's adviser had not had cognizance of any of the Commission's work. He (the Secretary General) thought that an example of how certain events or facts might affect the Commission's work until the last moment preceding the signature of the Commission's adjudications might be of interest. He had the following points, which appeared to be relevant, in mind: A statement attached to the Protocol admitting Austria to participate in the pool had placed the Commission under an obligation to examine the position of the "Salzburg gold" in relation to Austria's claim. After considering this problem from every angle, the Commission had decided that, in all the circumstances of the case as it then stood, the best solution would be to deduct the amount of the "Salzburg gold" from the total of Austria's claims (not from Austria's share in the pool). This decision was taken in the course of Meetings between

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September 1948 and January 1949. Between July 1950 and April 1952, the Commission, after examining the position at great length, decided that the major portion of the recovery made by Czechoslovakia should be deducted from Czechoslovakia's claim (not from Czechoslovakia's share) and the adjudication on the Czech claims, as it now stands, was drawn up. The action thus taken was in line with that taken in respect of the "Salzburg gold". But, in July 1953, the Commission was advised that the three Governments had decided that the "Salzburg gold" should be considered as gold which should have been put into the gold pool; in other words as gold delivered on account of Austria's share in the pool and the Commission amended its adjudication on the Austrian claim accordingly. In October 1954, the French Commissioner draws attention to what had appeared to his adviser to be a lack of consistency between the action finally taken in regard to the "Salzburg gold" and the action taken in regard to the Czech recovery. This apparent inconsistency arose out of circumstances outside the Commission's control and it is not out of the question that similar situations may arise up to the very moment of the signature of the adjudications. Indeed, it is known that, although the Commission is prepared to sign its adjudications on the claims of Albania and Italy as they now stand, these adjudications may have to be amended or completed, at the last moment, in the light of developments outside the Commission's control, which may take place in regard to the two cases known as the case of the Bank of Albania and the case of the Istcambi gold.

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1. Exchanges of views regarding the suggestions contained in the French Commissioner's note of 30 September 1954, circulated with certain comments by the Secretary General under cover of the Secretariat's INT-2600, dated 2 October 1954.

Referring to the French Commissioner's note, the Chairman made a statement which is quoted textually hereunder:

"The points with regard to the Commission's adjudication raised by the French Commissioner fall into three categories.

"1. The question of the recovery by certain countries, notably Czechoslovakia, of monetary gold from Switzerland (and the question of the similar Yugoslav recovery from Switzerland also arises) and how such recoveries are to be treated by the Commission in the assessing of shares to be delivered by distribution to the various countries.

"2. Two cases where the French Commissioner considers that the Commission's decisions, which were those of rejection, should be changed to those of acceptance. These are known as the Skodaworks case for about one ton of gold and that known as the Ustachis case for about 100 kgs of gold.

"3. The reinforcement of the Commission's arguments in the Belgian case. The Commission stated that it would consider as monetary gold of Belgium certain gold purchased by Belgium, while Belgium was a neutral country and before Belgium entered into the war, from Germany, which gold had been looted from Austria and Czechoslovakia.

"There is a further suggestion with regard to the Italian demand which I do not propose to discuss now as it is of comparatively little importance.

"With regard to the first issue, which is the most important one, we must remember the following points:

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"(a) The assembling of the gold pool is a responsibility of "the three Governments under Part III of the Act of Paris and under "the Resolution attached to this. In accordance with these provi- "sions, the three Governments have assembled gold from Germany and "from certain neutral countries and from a third country, namely "Rumania. They have also assembled it from the Bank for International "Settlements.

" Section G of the Act of Paris says:

"Any monetary gold which may be recovered from a third "country to which it was transferred from Germany shall "be distributed in accordance with this arrangement for "the restitution of monetary gold".

" and Section G is also referred to in Section A.

"(b) The interpretation of this Section is, of course, in the "light of the preceding Sections and any "monetary gold" refers to "any monetary gold which can be established in one way or another, "by the three Governments, as destined for the gold pool under sec- "tions A and G of Part III.

" The Commission's decisions are, therefore, in no way con- "cerned with the question of the recovery in specie of monetary gold "from Germany, a neutral country or any country.

" There have, however, been two occasions which may have "confused my French colleague in connection with recoveries of gold "in the two cases which he has brought up. These are the recovery "of what is known as the Salzburg gold and of 16 bars of gold delivered "to Yugoslavia. In each of these cases, however, the gold was "recovered by the three Powers in Germany and handed over by them "to Austria and Yugoslavia respectively without being put into the "pool. This the three Governments recognized as not being in "accordance with Part III of the Act of Paris and they, therefore, "directed the Commission to regard such deliveries as an advance "delivery of the shares of these countries from the gold pool.

"This entailed an accounting process by which these amounts of gold "were added to the pool in the accounts and became available for

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"distribution in accordance with the Act of Paris.

"When we come to the suggestion of the French Commissioner "with regard to the gold recovered directly by Czechoslovakia and "Yugoslavia from Switzerland, an entirely different state of circum- "stances must be taken into consideration. In the first place, the "Safehaven Agreement with Switzerland had fixed for ever the amount "of monetary gold looted by Germany, which can be recovered by the "three Powers from Switzerland for placing into the pool of monetary "gold under Part III of the Act of Paris. There does not, therefore, "appear to be any question of the matter of recoveries by Czechoslovakia "and Yugoslavia from Switzerland being the subject of any instructions "or negotiations by the three Powers.

"We must now consider the circumstances in which the gold "in question was recovered and why the Commission has had to examine "this point. The latter arises out of the Commission's Letter and "Questionnaire of 13 March 1947. In this letter, we ask for infor- "mation as to gold movements as between the countries claiming before "us and the rest of the world. This request was obvious and neces- "sary for it was the duty of the Commission to establish whether there "had been any movements of gold back to the claimant country which "could be regarded as set off against their claims. (see above)

"This information with regard to gold movements which was "supplied in detail by all claimant countries was very valuable. It "showed, for example, that Poland and Greece had recovered all their "pre-war monetary gold because they had been able to get it out of "their country into safe custody before the German conquest. It "also brought forth certain other information with regard to other "countries which the Commission found was in no way connected with "the looting of monetary gold by Germany. With regard to Czechos- "lovakia and Yugoslavia, however, it appeared that Yugoslavia had "recovered some 900 kgs of gold from Switzerland and Czechoslovakia "had recovered some 7000 kgs of gold, also from Switzerland. The "first of these recoveries, i.e. the 900 odd kgs of Yugoslavia, was

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"a recovery of a portion of the pre-war monetary reserve of the  
"Yugoslav National Bank and identified by the gold bars as such,  
"and Yugoslavia in her claims before the Commission did not include  
this as amongst her claims. Yugoslavia only claimed three specific  
"sets of gold as looted by Germany and did not claim that all her  
"monetary gold had been looted by Germany. It was, therefore, for  
"the Commission to decide what was the status of the 900 odd kgs of  
"gold recovered from Switzerland.

"I would venture again here to emphasize that the Commis-  
"sion under its Terms of Reference decides only on the claims sub-  
"mitted to it, and takes into consideration the information sub-  
"mitted by claimant Governments on gold movements and other rele-  
"vant matters in their connection with the specific claims submitted.

"The Commission is not concerned with gold movements or indeed other  
"matters as showing that certain action might or ought to have been  
"taken in connection with the gold pool by claimant Governments or  
"even by the three Powers. It is solely concerned with the relation  
"of an established gold movement back to a claimant country in  
"respect of its specific claims. In other words does such a gold  
"movement necessitate, in the view of the Commission, by way of a  
"set off a recalculation in the amount which the claimant country  
"is to receive from the gold pool in respect of its claims which the  
"Commission validates, or does it not?

"The details of the decisions have been set out in the  
"Commissions's adjudications. The first point, we must not forget,  
"is that with regard to the recoveries of Czechoslovakia and Yugo-  
"slavia from Switzerland, these recoveries were not in the nature  
"of restitution made by Switzerland to Yugoslavia and Czechoslovakia  
"because of the wrongs done by Germany. They were pure banking trans-  
"actions of the Swiss National Bank where the gold was deposited by  
"the Croatian Bank, in the case of Yugoslavia, and by the Bank of  
"Slovakia, in the case of Czechoslovakia, which recognized the  
"reconstituted National Bank of Yugoslavia and the reconstituted

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"National Bank of Czechoslovakia as the legitimate successors of  
"the Banks of Croatia and Slovakia and such returns of gold, by the  
"Swiss National Bank to the reconstituted National Bank of Czechos-  
"lovakia and Yugoslavia were made before the signing of the Safehaven  
"accord with Switzerland and before the issue of the Commission's  
"letter of the 13 March 1947. To put it into layman's language,  
"therefore, in the case of Yugoslavia, the 900 odd kgs of gold, ad-  
"mittedly part of the pre-war monetary reserve of Yugoslavia and  
"identifiable in specie as such, never changed its status. It may  
"have gone through various Banks but it does not matter if they were  
"German Banks, or French or English. As a result of it all, it  
"found itself again in the vaults of the National Bank of Yugoslavia.  
"The Commission, therefore, did not take this into account for there  
"was no reason or possibility for taking it into account, as Yugo-  
"slavia had not claimed that it had been lost.

" The position of Czechoslovakia is, however, somewhat dif-  
"ferent. The whole of the monetary reserve of Czechoslovakia was  
"looted or wrongfully removed to Germany in a series of extremely  
"involved transactions which the Commission had gone into at great  
"length. It has taken the Commission almost six years to disentangle  
"these transactions. The net result has been that the Reichsbank  
"took, in one way or another, the whole of the monetary reserve of  
"Czechoslovakia and, to some extent, financed the Protectorate of  
"Bohemia and Moravia and the state of Slovakia, through their pup-  
"pet Banks, the Bank of Bohemia and Moravia and the Bank of Slovakia  
"and this included, of course, the provision of foreign exchange  
"i.e. gold or gold devises. We now find, as has been correctly dis-  
"closed by Czechoslovakia, that, though Czechoslovakia has claimed  
"for the whole of her monetary gold, yet at the moment that she sub-  
"mitted this claim, she nevertheless had some 7000 kgs in the vaults  
"of the National Bank. Therefore, it was incumbent upon the Com-  
"mission to consider whether these 7000 kgs could be regarded in  
"any way and to any extent as a set off against her claim to the

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"restitution of the whole of the pre-war stock of monetary gold.

"Here, we again enter into the jurisprudence of the Commission.

"The most essential principle of the jurisprudence of the Commission,

"which has been approved by the legal experts of the three countries

"constituting the Commission, is that claims for the restoration of

"privately held gold acquired by the Germans during their occupa-

"tion, even if it went through the accounts of a Bank, do not con-

"stitute claims against the pool of monetary gold. In other words,

the loss of monetary gold has been restricted to the loss of the pre-

"war reserve of monetary gold. To this, there have been two excep-

"tions, where the pre-war regulations of a country have been so

"rigid as to make certain gold collected by the Germans inevitably

"potential monetary gold of the country concerned. This was the

"case of Yugoslavia over the Bor Mines and the case of Greece. But,

"be it noted, in the case of Austria, Belgium or Poland or the

"Netherlands, it has been held by the Commission that the pre-war

"laws and regulations of the country concerned could not possibly

"be considered as making certain gold which the Germans collected

"after the occupation potentially monetary gold.

" We have now to analyze the 7000 odd kgs which Czechoslovakia

"recovered through a normal banking transaction from Switzerland.

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"This indeed has been done at great length by the Commission but I will recapitulate it very shortly in the light of the French

"Commissioner's criticisms:

- "(a) 3400 kgs transferred to the National Bank of Slovakia in Switzerland by the Reichsbank;
- "(b) 200 kgs on account of postal traffic dues;
- "(c) 1400 kgs on account of gold extracted from Czechoslovakia's soil;
- "(d) 2300 kgs in payment of Slovak exports to Switzerland.

"With regard to (b) (and a similar case occurs with regard to "Yugoslavia), it was purely fortuitous that this amount was in gold. It was an accounting and banking transaction under an International agreement which the Germans allowed to exist during the war. I personally think we should bring the Commission's decision in this respect into line with a similar case in Yugoslavia where we did not take this into account.

"With regard to (c), this was unquestionably gold which was potentially monetary gold of Czechoslovakia. It has not been claimed by Czechoslovakia and we have allowed a claim by Yugoslavia on the same principles. I would prefer not to go back on the Commission's decision in this respect which was that it was not necessary to take the recovery of this gold into consideration, but the French Commissioner's proposal that it would be more consistent to regard this as part of the pool and to increase Czechoslovakia's claim by this amount does not seem to be unreasonable.

"With regard to (a), the position is, however, very different. As has been stated above, it was the Reichsbank which financed the two German controlled States and they seized the whole of the monetary

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"reserve of Czechoslovakia for their own purposes which included this purpose. I think that it is quite logical as the French Commissioner had suggested that the circumstances were such for the Commission to hold that the 3400 kgs should be regarded by them as a recovery of a portion of the share to be allocated by the Commission to Czechoslovakia in respect of the claims which the Commission validates.

" With regard to (d), the matter is somewhat complicated. Here we have to decide in equity. As I have said above, these 2300 kgs were certainly an accretion of monetary gold acquired through trade after the occupation. On the other hand this was in effect financed by the Reichsbank which had included in its foreign exchange reserve the monetary reserve of the former National Bank of Czechoslovakia. It is, therefore, a delicate question whether the Commission should not on broad principles, similar to (a), regard this gold as monetary gold received by Czechoslovakia which should in fact be regarded as a recovery of the share to be allocated by the Commission to Czechoslovakia in respect of the claims which the Commission validates.

" This deals with the first main question, and I would again like to make clear my point of view which is that these recoveries of gold by Czechoslovakia from Switzerland are matters within the jurisdiction of the Commission, and of the Commission only, in connection with the Commission's decisions on the claims put forward by Czechoslovakia. If the Commission should decide that claims which I have designated (a) and (d) totalling 5,700 kgs should be regarded as a recovery of a portion of the share allocated to Czechoslovakia out of the gold pool, this comes to the same thing as putting the money into gold pool for it automatically makes it available for distribution amongst all claimant countries. But the wording is within the power

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"of the Commission, and no action appears to be necessary by the three Powers as was the case for the Salzburg gold which the three Powers themselves discovered in Germany.

" With regard to the second, the Skodaworks case for 1000 odd kgs "and the Ustachis for about 100 kgs, as my colleagues will appreciate, "these two cases were always balanced on a razor's edge. In fact, the "Commission changed its mind several times and it was only after a pro- "found study that it came to its conclusions. I, myself, see no reason "to alter these but if my two colleagues on examining these two cases "between themselves form the opinion that these two claims or either "of them should be admitted I am prepared to rally to the majority. "With regard to the third case, that is the reinforcement of the argu- "ments in the Belgian affair, I see great advantage in the suggestion "of the French Commissioner being accepted and I should be grateful if "the latter would let the Secretary General have a draft of suggested "additional arguments, for circulation."

The French Commissioner agreed to prepare a draft, as suggested.

The American Commissioner sought clarification on a number of points and this was furnished by the Chairman and the Secretary General. The American Commissioner then stated that he wished to have time to study the Chairman's views and those which the French Commissioner had already expressed and which he was about to elaborate before he, himself, made any statement since he was at a disadvantage in relation to his colleagues, who were familiar with the subjects under discussion.

It was agreed that no decisions would be taken on these matters until some later date when a further Meeting would be convened by common agreement.

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upon a previous decision of one of the three Governments. This was not the case in the matter under consideration and it seemed that Paragraph G of Part III of the Paris Agreement would, in a general way, allow the Commission to take decisions on the lines of the United Kingdom Commissioner's suggestions. The French Commissioner was, therefore, quite willing to adopt his colleague's point of view, but he wondered if this would not have the result of placing heavy responsibilities on the Commission's shoulders.

## 2. Agreements with Switzerland.

The French Commissioner was of the opinion that none of the agreements concluded with Switzerland contained any dispositions which would prevent the Commission or the three Governments from taking decisions in the matter under discussion. The Agreement of 1946, entered into subsequently to the recoveries, only concerned gold acquired by Switzerland from Germany. The gold subject of the recoveries under examination was only "deposited" in Switzerland by institutions which should be considered as having acted as agents of Germany.

Furthermore, it appeared that assets susceptible of being restituted were, unless the approval of the three Governments were obtained, excluded from the agreements of 1952 between Switzerland and Germany and Switzerland and the allies.

The French Commissioner was of the opinion that neither the three Governments nor the Commission were bound by the decisions of the Swiss Government. The latter may have recognized the National Banks of Czechoslovakia and of Yugoslavia as the legal successors of the Banks of Slovakia and Croatia but the fact remained that the Czech and Yugoslav Governments, were, insofar as recoveries of gold were concerned, bound by the Terms of the

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Paris Agreement.

3. Nature of the recoveries.

These recoveries did not take place as a result of normal banking transactions, as suggested by the United Kingdom Commissioner. They were effected as a result of agreements between the Governments concerned. The Czech Government had given precise information to the Commission regarding this question in its letter No. 18/52, of 28 January 1952 (INT-2167 of 31 January 1952). No information on this subject had been requested from the Government of Yugoslavia but there was a presumption that the Swiss National Bank would not, alone, have taken the responsibility for such action and that it would not, on its own initiative, have sent, as early as 13 July 1945 (document No. 38 INT-117 of 21 October 1947) a statement of account in the name of the National Bank of Yugoslavia in respect of the 980 kgs.

The French Commissioner did not feel that he could agree that the status of the 980 kgs had not changed, nor did he think that the fact that they had passed into Switzerland through the intermediary of Germany or of an agent of Germany could be ignored or regarded as of no consequence. The Delegate of Yugoslavia had declared, formally, at the 78th Meeting of the Commission (INT-1102 of 15 March 1949) that "in 1941, the gold had been removed from the vaults of the National Bank of Yugoslavia and handed over to the Fascist and Quisling Government of the so-called Independent State of Croatia; that is to say, to the Ustachi Ministry of Finance. The act of looting consisted in this fact."

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The Yugoslav Delegate was, at the time, defending his thesis regarding the 109 kgs, but the 960 kgs suffered exactly the same fate in 1941. The fact that the Yugoslav Government had not claimed them was not a determining factor. This was due only to the fact that it had recovered, wrongfully, this amount before having to reply to the Commission's Questionnaire.

#### 4. Competence of the Commission.

It was for the latter to re-establish, with or without the intervention of the three Governments, a normal situation. This also applied to the 358 kgs and to the whole of the Czech recoveries. It could be held without difficulty, a posteriori, that all these recoveries had been made by the Governments of Czechoslovakia and of Yugoslavia, pursuant to Paragraph G of Part III, which contained no stipulation whatsoever as to who could or should make the recoveries but ruled, on the other hand, that they should be put into the pool of monetary gold.

Furthermore, the Commission alone was competent to adjudicate on claims. It had decided that some claims could not be considered. It was quite free to decide that certain Governments had not claimed all that they were entitled to claim for, having regard to the rules of procedure which it (the Commission) had adopted, and which, up to then, the Commission, alone, was aware of.

#### 5. Consistency of the decisions.

The validity of the Commission's rules of procedure would certainly be contested. The only arguments one could use in defending these rules were that they were in conformity with the

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texts to which the Commission could refer and that the said rules had been strictly adhered to. It was therefore essential, above all, to ensure that there was absolute consistency throughout the Commission's decisions.

As had been pointed out by the Secretary General, the decision of the three Governments to put the Salzburg gold into the pool threw a different light on the question of recoveries in general. It was appropriate that such revision as was necessary should be effected.

The French Commissioner, for his part, did not think that one could establish any distinction between the recoveries under examination other than that which would consist in enlarging, in respect of some of them, the claims which were already before the Commission.

The French Commissioner suggested that, in order that the Commission might make its decisions with a complete picture of the situation before it, the Secretary General should be directed to furnish a report on the whole question showing how the distinction made by the United Kingdom Commissioner between the various recoveries effected could best be founded, in law.

#### Decision

The Secretary General was directed accordingly.

#### 6. Other Points.

The French Commissioner thanked his colleague of the United Kingdom for his conciliatory attitude in regard to the other points which he (the French Commissioner) had raised, but he

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stressed the fact that the decision on the 109 kgs, as it then stood, could only be revised if the 980 kgs were considered as a recovery, subject to deduction from Yugoslavia's share.

Insofar as the question raised regarding Italy was concerned, he (the French Commissioner) proposed to raise this personally with the Italians so as not to place the Commission in a somewhat delicate situation.

Such were the views expressed by the French Commissioner.

Both the Chairman and the American Commissioner thanked their French colleague for his summing up of the situation as he saw it and said that they would examine the various questions raised.

There was no further business before the Commission and the Meeting adjourned at 18.00 hours.

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Le Commissaire français remercia vivement son Collègue britannique de l'étude approfondie qu'il avait faite de ses suggestions et le Secrétaire général des précisions qu'il avait apportées, qui situaient dans son cadre réel la principale de ses demandes de révision.

Le Commissaire du Royaume-Uni avait soulevé certains points qu'il désirait examiner.

#### 1.- Le rassemblement de la masse.

Sinon voulait s'en tenir à la procédure appliquée jusqu'à présent à cet effet, la marche à suivre consistait à informer les trois Gouvernements des récupérations effectuées en Suisse par la Tchécoslovaquie et la Yougoslavie, récupérations dont seule la Commission pouvait avoir connaissance par l'étude des dossiers qu'elle détenait. Les trois Gouvernements décideraient alors du sort à réservé aux sommes en cause et signifieraient leur décision à la Commission. C'est ainsi qu'avait été réglée la question de l'or de Salzbourg.

Le Commissaire français avait déjà saisi de la question son Gouvernement qui était tout prêt à approcher dans ce sens ceux de ses Collègues. Mais il reconnaissait volontiers que cette procédure n'était pas intangible.

Le versement à la masse de l'or de Salzbourg remettait en cause une décision antérieure d'un des trois Gouvernements. Il n'en était pas ainsi dans le cas présent, et le paragraphe G de la Partie III de l'Accord de Paris semblait dans sa généralité, permettre à la Commission de prendre les décisions préconisées par le Commissaire du Royaume-Uni. Le Commissaire français était donc tout prêt, pour sa part, à adopter la thèse envisagée, mais il se demandait si une telle procédure ne ferait pas peser sur la Commission une lourde responsabilité.

#### 2.- Accords avec la Suisse.

Le Commissaire français ne voyait, dans aucun des accords conclus avec la Suisse aucune disposition qui put gêner la Commission ou les trois Gouvernements dans une décision à ce sujet. L'Accord de 1946, déjà postérieur aux récupérations, ne visait que l'or "acquis par la Suisse de l'Allemagne" ce qui n'était pas le cas, l'or en cause n'ayant été que "déposé" en Suisse par des organismes qui devaient être considérés comme des Agents de l'Allemagne.

Par ailleurs, les accords de 1952 entre la Suisse et l'Allemagne et entre la Suisse et les Alliés semblaient prévoir que, sauf approbation des trois Gouvernements, les biens susceptibles de restitution en étaient exclus.

Le Commissaire français estimait que, ni les trois Gouvernements, ni la Commission ne pouvaient être liés par des décisions du Gouvernement suisse. Celui-ci avait pu reconnaître les

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Banques nationales de Tchécoslovaquie et de Yougoslavie comme successeurs légaux des Banques de Slovaquie et de Croatie, il n'en demeurait pas moins que les Gouvernements tchèque et yougoslave étaient, en ce qui concernait les récupérations d'or, liés par l'Accord de Paris.

### 3.- Nature des récupérations.

Ces récupérations n'avaient pas, comme l'indiquait le Commissaire du Royaume-Uni, eu lieu à la suite de simples transactions bancaires, mais résultait d'accords entre les Gouvernements intéressés. Le Gouvernement tchèque l'avait précisé à la Commission dans sa lettre No. 18/52 du 28 janvier 1952 (Int 2167 du 31 janvier 1952). Aucune indication à ce sujet n'avait été demandée au Gouvernement yougoslave, mais il était à supposer que la Banque Nationale Suisse n'aurait pas pris seule une telle responsabilité, ni adressé de sa propre autorité, dès le 13 juillet 1945 (document No. 38- Int 117 du 21 octobre 1947) une relevé relatif aux 980 kg portant le nom de la Banque Nationale de Yougoslavie.

Le Commissaire français ne pensait pas non plus pouvoir admettre que ces 980 kg n'avaient jamais changé de statut et que le fait qu'ils soient passés en Suisse par l'entremise de l'Allemagne ou d'un agent de l'Allemagne puisse être ignoré et dépourvu de conséquences. Le Délégué yougoslave avait formellement déclaré, lors de la 78ème réunion de la Commission (Int 1102 du 15 mars 1949) "qu'en 1941, l'or avait été enlevé du trésor de la Banque Nationale yougoslave et transmis au Gouvernement fasciste et quisling du soi disant Etat indépendant de Croatie, c'est-à-dire au Ministère du Trésor oustachi. L'acte de spoliation a été commis de ce fait".

Le Délégué yougoslave défendait alors sa thèse pour les 109 kg, mais les 980 kg avaient, en 1941, subi exactement le même sort. Le fait que le Gouvernement yougoslave ne les ait pas réclamés n'était pas déterminant, il résultait seulement de ce qu'ils les avait, à tort, récupérés avant d'avoir à répondre au questionnaire de la Commission.

### 4.- Compétence de la Commission

C'était à celle-ci de rétablir, avec ou sans le concours des trois Gouvernements l'état normal des choses. Il en était de même pour les 358 kg et pour l'ensemble des récupérations tchèques. On pouvait, sans aucune difficulté, admettre, a posteriori, que toutes ces récupérations avaient été faites par les Gouvernements tchèque et yougoslave, en application du paragraphe G de la Partie III, qui ne précisait absolument pas quel pouvait ou devait en être l'auteur, mais exigeait par contre que leur montant en fut versé à la masse.

Par ailleurs, la Commission était souveraine en ce qui concernait les demandes. Elle avait estimé que certaines étaient irrecevable elle était parfaitement libre de décider que certains Gouvernements n'avaient pas réclamé tout ce à quoi ils avaient droit, compte tenu des règles qu'elle avait adoptées, et que, jusqu'à présent, elle était en principe seule à connaître.

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5.- Cohérence des décisions

Le bien fondé de ces règles serait certainement contesté. Les seules armes dont on pouvait disposer pour les défendre était leur conformité aux textes de référence et surtout leur absolue rigidité. Il importait donc, plus que tout, de maintenir la rigoureuse cohérence de toutes les décisions.

Comme l'avait indiqué le Secrétaire général, la décision des trois Gouvernements de verser à la masse l'or de Salzbourg éclairait d'un jour nouveau l'ensemble du problème des récupérations. Il convenait de procéder aux révisions indispensables.

Pour sa part, le Commissaire français ne concevait pas que l'or put opérer entre les récupérations incriminées d'autres distinctions que l'introduction de nouvelles demandes correspondant au montant de certaines d'entre elles.

Pour permettre à la Commission de décider en connaissance de cause, il souhaitait que le Secrétaire général fut chargé de rédiger un rapport sur l'ensemble de la question montrant si les distinctions opérées par le Commissaire du Royaume-Uni entre les diverses récupérations en cause pouvaient se justifier juridiquement.

6.- Autres points

Le Commissaire français remerciait vivement son Collègue britannique pour la compréhension dont il faisait preuve au sujet des modifications qu'il avait proposées concernant les autres points soulevés, mais insistait sur le fait que l'actuelle décision sur 109 kg de la Banque de Croatie ne pourrait être révisée que dans le cas où les 980 kg seraient considérés comme ayant été récupérés.

Pour la question relative à l'Italie, il se proposait de poser personnellement la question aux Italiens, afin de ne pas mettre la Commission elle-même dans une situation un peu délicate.

With reference to the question of the 109 kg recovered from the Banque de Croatie, he indicated that there was no reason to alter the position already taken although both the French and American Commissaires had desired

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Box 2

bitcher's files

- I.** Gold Pool - Gold Pool (dated 1948) and present fund  
**B** Gold Pool Adjudication drafts  
**C** TGC Remitting Transfers - 1946 - Czech Share  
**D** TGC Gold Pool Adjudication (including background material)  
**E** TGC Czechoslovakia as Czech Steel Mill  
**F** Gold Pool - Gold Pool  
**G** Gold Pool Adjudication drafts  
**H** Gold Pool Adjudication drafts  
**I** Gold Pool Adjudication (including background material)  
**J** Gold Pool Adjudication awards Drafts  
**K** Gold Pool Adjudication drafts  
**L** Box 12 Gold Pool among Gold including Fortezza gold  
 L-1-1 German Gold-Monetary Gold  
**M** Gold Pool - Gold Pool Gold bars - Four (9) gold items  
**N** Hungarian Gold - Gold Items  
**O** German Gold Pool Adjudication (includes) filed in grey book  
**P** Gold Pool Adjudication drafts  
**R** Gold Pool accounts with Fed. Res., N.Y., the Bank of France and the  
 Bank of England  
**S** Gold Fund (possible accruals to Gold Pool) - Argentina  
**T** Gold Pool Adjudication Meetings  
**U** Portuguese Negotiations (11 folders)

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No. 2, which contains the current draft awards for all of the above countries.

T Gold Pool - Polish, Italian & Austrian participation in pool

U German gold holdings

### II. INTERNATIONAL GOLD POOL AND U.S. GOLD POLICY

W German gold holdings - Reichsbank files - Resmelting Belgian gold

X German Gold Holdings - Reichsbank files - miscellaneous

Y German gold pool Adjudication Prices - Supreme Court Reports - Discrepancy  
 between regular Subjects Folders - gold policy (Adherence gold  
 Federation)

Z Gold Pool Adjudication

I-PA Gold records re gold smeltings - Prussian

I-B German Gold Holdings - Reichsbank files - Berlin Report on

German Gold Holdings (Volumes I & II)

I-C German Gold Holdings - Reichsbank files (II) - Berlin Report on

German Gold Holdings (Volume I)

I-D German Gold Holdings - Reichsbank files

I-E German Reichsbank gold in the pool

I-F South African Proposal re Premium Gold Prices

I-G Gold Pool Adjudication

I-H U.S. Gold Policy

I-IP U.S. Gold (6 folders) Transactions

I-K Austria, Gold Office

I-AG(1) Adjudication drafts

I-2 Salzburg gold - H. R. C.

III. SOVIET GOLD Gold Collateral Deposits with Bank of England

III-A Gold Collateral Deposits with Bank of England

III-B Gold Collateral Deposits with Bank of England

III-C Gold Collateral Deposits with Bank of England

(2) \*Background - Resmelting Belgium gold (& one large canvas  
 there is some Top Secret material on this top folder)  
 front office safe.

\* In bottom drawer of file cabinet No. 2.

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**I-AI Czechoslovakia, Gold Claim (including Background material)**

I-AI(1) Adjudication drafts

IV. I-AI(2) Gold Claim &amp; Czech Share

(1) Financial Negotiations (including background material)  
(2) Other negotiations such as Czech Steel Mill)

AI Czech Gold Claim (including background material)

C Miscellaneous claims re private banks Indo-China &amp; Siam

D Gold Clause Adjudication drafts

AM India Gold Claim (including background material)

Y India Gold Claim (including background material 1945-48)

G Gold Clause Adjudication drafts marked in Japan

H Indian Miscellaneous gold including Fortenza gold

I Treaty of Paris Gold in relating to gold dealings between

AL Luxembourg Gold Claim (including background) Bank Ltd.

I-AL(1) Adjudication drafts

AM Netherlands, Claim (including background)

L AM(1) Adjudication drafts 1955

V. I-AM(1) Adjudication drafts

(2) Danzig claim

AO Yugoslavia, Claim

I-AO(1) Adjudication drafts

There is a black binder, in the third drawer of file cabinet No. 2, which contains the current draft awards for all of the above countries.

**II. INTERNATIONAL GOLD MOVEMENTS & U.S. GOLD POLICY**

II-A Canadian Gold Proposal

B Foreign Exchange Regulations—Foreign Countries (misc.) including gold regulations

C Free Gold Market

D Gold Clause

E Gold Rates

F Illegal Gold Transactions

G International Gold Movements (I &amp; II)

H Legation Gold

I Licensing Sale of Gold to Foreign Countries

J Minting

K South African Proposal re Premium Gold Prices

L Southeast Asia Gold Movements

M U.S. Gold Policy

N U.S. Gold Sales or Transactions

O World Gold Production

**III. SOVIET GOLD**

III-A Soviet Gold, 1950 through 1955

B Soviet Gold of Spanish Origin

There is some Top Secret material on this topic in the front office safe.

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- 3 -

(11 folders dating from 1946) - present funds in trust on gold

**IV. FAR EAST GOLD POSITION**

1946-58

- IV-A Philippines Gold Reserves
- B Chinese Gold Reserve
- C Gold held by Central Bank of China
- D Japan—Gold Reserves—French Indo-China & Siam
- E Japan—Government Gold
- F Japanese Gold in Banking
- G Gold held by Chinese Central Bank, 1945-48
- H Chinese Mainland gold watermark in Japan
- I Gold Law, 1941
- J Siam Gold Reserves through 1945 Referring to gold dealings between Chinese Banks and Yokohama Specie Bank Ltd. Four (4) gold items
- M Hungarian Monetary Gold
- N German External Assets (on country basis; filed in grey book)

**V. OFF-DAILY PRACTICE 1945 THROUGH 1955**

See account with Fed. Res., N.Y., the Bank of France and the Bank of England

- Q Gold Finds (Possible accruals to Gold Pool) - Argentina
- R TGC Minutes of Meetings
- S Portuguese Negotiations (11 folders)

(Background to Paris Act and thus to TGC jurisprudence)

- T Gold Pot—Polish, Italian & Austrian participation in pool
- U German gold holdings
- V German non-monetary gold
- W German gold holdings—Reichsbank files—Recycling Belgian gold
- X German gold holdings—Reichsbank files—miscellaneous
- Y German gold holdings—Reichsbank files—French report—NIS material
- Z Safehaven Special Subjects Folders—gold policy (Abercrombie gold declaration)
- I-AA Mint Records re gold melttings—Prussian
- AB German gold holdings—Reichsbank files—Berlin Report on Netherlands gold (Volumes I & II)
- AC German gold holdings—Reichsbank files (II)—Berlin Report on Netherlands gold (Volume I)
- AD German gold holdings—cables (2 folders)
- AE German Reichsbank gold in the pool

(TGC Country Claims)

- I-AP Albania (6 folders)
- AG Austria, Gold Claim
- I-AG(1) Adjudication drafts
  - (2) Salzburg gold
  - (3) Gold Collateral Deposits with Bank of England
  - (4) Miscellaneous
- AR Belgium, Gold Claim
- I-AM(1) Adjudication drafts
  - (2) Background—Recycling Belgium gold (# one large canvas folder)

\* In bottom drawer of file cabinet No. 2.

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Department of State FORM DS-4 1-3-55	CLASSIFICATION <b>LIMITED OFFICIAL USE</b>	
TRANSMITTAL SLIP		
TO <u>Anembassy Brussels U.S. Commissioner TGC</u>		
FROM		
Department of State TO THE FOREIGN SERVICE		TO THE DEPARTMENT
<input type="checkbox"/> For Transmittal to Addressee at the Discretion of Post <input checked="" type="checkbox"/> Post Information Only <input type="checkbox"/> Transmit to Foreign Office <input type="checkbox"/> Submit Report <input type="checkbox"/> Reply to the Individual		
<input type="checkbox"/> Dept. Information Only <input type="checkbox"/> CERP Publications <input type="checkbox"/> Enclosure to Previous Despatch <input type="checkbox"/> Reply to Dept. Request		
<input type="checkbox"/> Transmit to: <u>(U.S. Agency)</u> <input type="checkbox"/> Inform:		
REFERENCE		
<u>Instruction CA-5559, February 24, 1955, from Department.</u> <u>Despatch 52, July 8, 1955 from Anembassy Paris.</u>		
ITEMS/REMARKS		
<p>Transmitted herewith are copies of the following documents regarding Resolution 8 of the Final Act of the Paris Conference on Reparation:</p> <ul style="list-style-type: none"> <li>- Instruction A-125, August 22, 1955, from Department to Anembassy Rome (addressed erroneously and later forwarded to Paris).</li> <li>- Despatch 1052, December 1, 1955, from Anembassy Paris, with enclosure.</li> <li>- English translation of aide-memoire received by Anembassy Paris from French Ministry of Foreign Affairs (see enclosure to Paris despatch 1052).</li> </ul>		
IN REPLY REFER TO FILE NUMBER AND DRAFTING OFFICE		
FILE NO.	SIGNATURE	
CLASSIFICATION <b>LIMITED OFFICIAL USE</b>	OFFICE	Chester M. Carre E:QFD:FN

return to

Enclosure: French Text of the Ministry's Aide-Memoire

This copy has been designated the RECORD COPY. It must be returned to RM/R for filing.

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S T R V

THE DEPARTMENT OF STATE, WASHINGTON

Report No. 1-125, August 22, 1955 to HOME

111	ACTION	DEPT	R.M./PARIS E-10-9 E-4
For Only	R.M.D.	O OTHER	Brussels 5/24/60

SUBJECT:

RESOLUTION 8 TO THE PARIS REPARATION AGREEMENT

CA - 55-57 2-34-1  
 Carbon in accordance with the practice of the French Government  
 to FILE 2-4-1/2-1955  
 The Embassy has received an Aide Memoire from the Ministry of Foreign  
 Affairs incorporating the Ministry's comments on certain points regarding Resolution  
 8 of the Paris Reparation Agreement brought to the attention of the French Govern-  
 ment by the Embassy in accordance with the Department's Instruction 1-125 of August 19,  
 1955 (hereinafter sent to Home).

2. With respect to the question raised in numbered paragraph 1 of the Department's Instruction under reference the Ministry's Aide Memoire states that the French Government has initiated no correspondence with the Contracting Parties regarding these differences to Resolution 8 of the Paris Reparation Agreement. The Ministry further states, however, that the I.A.R.I. was notified of such differences by the French Government and that I.A.R.I. documents 147 of November 6, 1948 and 721 of January 3, 1949 notified all member governments of these differences.

3. After examining the points raised in numbered paragraph 2 of the Department's Instruction under the reference and while admitting that from the purely legal position of view only the agreement itself can be considered as binding upon I.A.R.I. notwithstanding the Ministry's Aide Memoire concludes that "the French Government persists in maintaining that Resolution 8 should be considered as being in force as much as any other Resolution which received the unanimous approval of the Delegates to the Conference and hopes that the Government of the United States will reach a similar conclusion."

w/ The French Text of the Ministry's Aide-Memoire  
 is enclosed with this despatch.

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 the RECORD COPY. It must be  
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*Robert S. Watson*  
 Robert S. Watson  
 Assistant Treasury Representative

Enclosure: French Text of the Ministry's Aide-Memoire

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DES  
AFFAIRES ETRANGÈRES**COPY**LIBERTÉ-EQUALITÉ-FRATERNITÉ  
REPUBLIQUE FRANÇAISEDIRECTION DES AFFAIRES ÉCONOMIQUES  
ET FINANCIERES

Paris, le

## - AIDE - MÉMOIRE -

-8-

Le 28 Octobre 1955 l'Ambassade des Etats-Unis d'Amérique a bien voulu prier le Ministère des Affaires Etrangères de communiquer au Gouvernement des Etats-Unis la teneur de la correspondance échangée entre le Gouvernement français et les Etats tiers signataires de l'accord de Paris sur les points de procédure relatives à la résolution N°8 annexée à l'Acte Final de la Conférence de Paris sur les Réparations.

Le Ministère des Affaires Etrangères a l'honneur de porter à la connaissance de l'Ambassade que les notes par lesquelles les Ambassades du Canada, d'Egypte, des Etats-Unis, de la Grèce et du Royaume-Uni (pour le compte de son Gouvernement et de ceux de l'Inde, de la Nouvelle-Zélande et de l'Union Sud-Africaine), ont fait connaître au Gouvernement Français, dépositaire de l'Accord de Paris sur les Réparations, l'adhésion de leur Gouvernement à la résolution N°8 n'ont été suivies d'aucune correspondance soit avec ces Gouvernements, soit avec les neuf Gouvernements dont les délégués avaient, avec celui de la France, participé à l'élaboration de cette résolution.

Le représentant de la France à l'I.A.R.A. a, en revanche, notifié en son temps l'adhésion des 8 Etats précités au Secrétaire Général de cet organisme qui, par documents I.A.R.A. 347 et I.A.R.A. 721 des 6 décembre 1948 et 8 janvier 1949 respectivement, en a avisé tous les Gouvernements membres de l'Agence.

L'Ambassade a, par ailleurs, exprimé le désir de savoir si l'opinion du Gouvernement Français, selon laquelle la résolution N°8 devait être considérée comme étant entrée en vigueur dès l'instant où tous les signataires de l'Accord de Paris y avaient souscrit, avait été formulée compte-tenu de certaines considérations de forme et de procédure qui, de l'avis du Gouvernement américain, sembleraient de nature à infirmer cette conclusion.

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Desp. No. \_\_\_\_\_  
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Desp. No. \_\_\_\_\_  
From \_\_\_\_\_**COPY**

(Classification)

L'Ambassade a relevé en premier lieu le fait que la résolution N°8 se présente sous la forme d'une "recommandation" élaborée par les délégués de certains gouvernements et souffrant aux Gouvernements signataires de l'Accord de Paris sur les réparations de s'engager à recourir à la Cour Internationale de Justice.

Par ailleurs, l'Ambassade estime que la question se pose de savoir si les pouvoirs des délégués des gouvernements ayant participé à l'élaboration de la résolution leur permettaient d'engager valablement leur Gouvernement.

Tirant argument du fait que la seule signature de l'Acte Final, le 21 décembre 1945, par les délégués des Gouvernements représentés à la Conférence de Paris n'a pas entraîné, ipso-facto, l'entrée en vigueur de l'Accord de Paris, qui n'est intervenue que lorsque les conditions requises par l'art. Ier de la Partie IV ont été remplies, l'Ambassade semble estimer que, de même que l'approbation expresse de ces Gouvernements était requise pour que l'Accord de Paris entre en vigueur, cette approbation était a fortiori nécessaire en ce qui concerne la résolution N°8, même de la part des Gouvernements dont les délégués avaient participé à son élaboration.

Selon le Gouvernement américain, les considérations exposées dans les notes britanniques des 14 janvier et 8 mars 1946 et canadienne du 25 février 1946 viendraient à l'appui de la thèse d'après laquelle la résolution N°8 n'aurait pu entrer en vigueur, et donc lier les Gouvernements membres de l'I.A.R.A. qu'après signature d'un protocole séparé, dès l'instant où, faute pour lesdits Gouvernements d'avoir donné leur adhésion à cette résolution avant l'entrée en vigueur dudit accord, elle n'avait pu être incluse dans le corps de l'Accord.

Les diverses considérations évoquées ci-dessus n'avaient pas échappé au Ministère des Affaires Etrangères lorsque, le 7 juillet dernier, il avait fait connaître à l'Ambassade la position du Gouvernement français au regard de la résolution N°8.

Le Gouvernement Français reconnaît en effet que:

- a) la résolution en cause se présente sous la forme d'une recommandation;
- b) les Gouvernements dont relevaient les délégués ayant participé à son élaboration n'ont pas accepté formellement cette recommandation;
- c) seuls les Gouvernements dont les délégués n'avaient pas scoscrit à la résolution N°8 ont fait connaître officiellement leur adhésion à ladite résolution;
- d) seul l'Accord de Paris a été signé par les Plénipotentiaires des Etats parties.

Le Gouvernement Français ne conteste pas en conséquence qu'en droit pur, seul l'Accord lui-même puisse être regardé comme étant de nature à lier les Etats membres de l'I.A.R.A., à l'exclusion des résolutions qui n'ont pas fait jusqu'à

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présent l'objet d'une acceptation en forme de la part de tous ces Etats, et notamment de la résolution N°8.

Toutefois le Gouvernement français estime qu'en ne formulant aucune réserve sur la résolution N°8, les Gouvernements dont relevaient les délégués, qui l'avaient proposée, l'ont eux-mêmes tacitement admise. Si celle n'avait pas été leur intention, ils n'auraient pas manqué d'en faire part aux autres gouvernements signataires de l'Accord de Paris, soit au moment de la signature dudit accord, soit lorsque'ils furent avisés par les soins du Secrétariat de l'I.A.R.A. des adhésions à ladite résolution des Gouvernements qui n'y avaient pas souscrit lors de son élaboration.

Le consensus général s'étant donc incontestablement réalisé en ce qui concerne le recours à la Cour Internationale de Justice, le Gouvernement français estime que l'un des Etats partie et plus spécialement l'un des Etats ayant fait connaître officiellement son adhésion pourrait difficilement refuser l'application de la résolution N°8, pour satisfaire aux exigences d'un formalisme rigoureux, alors qu'aucun des Gouvernements des autres Etats parties à l'Accord de Paris ne paraît disposé à s'y soustraire.

De plus, de l'avis du Gouvernement français, la thèse selon laquelle la résolution N°8 ne pourrait être considérée comme étant entrée en vigueur conduirait à contester l'applicabilité des 3 résolutions unanimes qui figurent dans le corps même de l'Acte Final de la Conférence mais non dans le corps de l'Accord de Paris. Aucune de ces résolutions n'est en effet contenue dans les instruments de ratification figurant dans les dossiers déposés aux Archives du Ministère des Affaires Etrangères, à l'exception de celui de la Belgique. Ces résolutions n'ayant, pas plus que les résolutions non-unanimes, fait l'objet d'une ratification en forme, se trouvent donc dans la même situation juridique que ces dernières.

Cependant l'applicabilité de ces résolutions n'a jamais été contestée. En fait plusieurs d'entre elles ont reçu une application pratique, notamment celles relatives aux avoirs allemands dans les pays neutres et à l'or transféré dans l'ins-dits pays, qui ont déterminé, dans une large mesure, la politique des Etats-Unis, du Royaume-Uni et de la France dans l'exécution du mandat qu'elles ont reçu de l'I.A.R.A.

Compte tenu des diverses considérations exposées ci-dessus le Gouvernement Français persiste pour sa part à penser que la résolution N°8 doit être considérée comme étant en vigueur au même titre que les résolutions qui avaient rallié l'unanimité des délégués lors de la Conférence et espère que le Gouvernement des Etats-Unis aboutira à des conclusions identiques./.

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DEPARTMENT OF STATE  
DIVISION OF LANGUAGE SERVICES

(TRANSLATION)

TC NO. 241184  
T-47/B-IV  
French

[Enclosure to Despatch No. 1052 of December 1, 1955 from Ambassy, Paris]

MINISTRY

of

FOREIGN AFFAIRS

OFFICE OF ECONOMIC

AND FINANCIAL AFFAIRS

LIBERTY-EQUALITY-FRATERNITY

FRENCH REPUBLIC

Paris, [date omitted]

AIDE-MÉMOIRE

On October 28, 1955 the Embassy of the United States of America was good enough to request the Ministry of Foreign Affairs to communicate to the Government of the United States the tenor of the correspondence exchanged between the French Government and the third States signatory to the Paris Agreement, on points of procedure relating to Resolution 8 annexed to the Final Act of the Paris Conference on Reparation.

The Ministry of Foreign Affairs has the honor to inform the Embassy that the notes by which the Embassies of Canada, Egypt, the United States, Greece, and the United Kingdom (on behalf of its Government and the Governments of India, New Zealand, and the Union of South Africa), notified the French Government, depositary of the Paris Reparation Agreement, of the adherence of their Government to Resolution 8, were not followed by any correspondence either with these Governments or with the nine Governments whose delegates had, together with that of France, participated in the drafting of that resolution.

For his part, the Representative of France with the I.A.R.A. in due course notified the Secretary General of that agency of the adherence of the eight aforementioned States; and the Secretary General, in I.A.R.A.

documents

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documents 347 and 721, of December 6, 1948 and January 8, 1949, respectively, then notified all member Governments of the Agency of these adherences.

The Embassy, moreover, expressed its desire to know whether the opinion of the French Government to the effect that Resolution 8 should be considered as having entered into force from the moment when all the signatories of the Paris Agreement had subscribed to it, had been formulated on the basis of certain considerations pertaining to form and procedure which, in the opinion of the American Government, would appear to be of such a nature as to weaken that conclusion.

The Embassy pointed out, in the first place, the fact that Resolution 8 appears in the form of a "recommendation" prepared by the delegates of certain governments and suggesting to the Governments signatory to the Paris Reparation Agreement that they agree to resort to the International Court of Justice.

Moreover, the Embassy feels that the question arises of ascertaining whether the powers of the delegates of the governments that participated in the preparation of the Resolution permitted them to make valid commitments for their governments.

Basing its argument on the fact that, by itself, the signing of the Final Act on December 21, 1945, by the delegates of the Governments represented at the Paris Conference did not bring about ipso facto the entry into force of the Paris Agreement, which took place only when the conditions required by Article 1, Part IV, had been fulfilled, the Embassy seems to feel that, just as the express approval of these Governments was required for the Paris Agreement to enter into force, that approval was a fortiori necessary with regard to Resolution 8, even on the part of the Governments whose delegates had participated in its preparation.

According to the American Government, the considerations set forth in the British notes of January 14 and March 8, 1946 and the Canadian note of February 25, 1946, support the thesis that Resolution 8 could have

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-3-

have entered into force, and therefore been binding upon the member Governments of I.A.R.A., only after the signing of a separate protocol, since, the said Governments having failed to adhere to that Resolution prior to the entry into force of the said Agreement, it had not been possible to include it in the text of the Agreement.

The various considerations set forth above had not escaped the attention of the Ministry of Foreign Affairs when, on July 7 last, it informed the Embassy of the position of the French Government with respect to Resolution 8.

In fact, the French Government recognises that:

- (a) The Resolution in question presents itself in the form of a recommendation;
- (b) The Governments whose delegates participated in its preparation did not formally accept that recommendation;
- (c) Only the Governments whose delegates had not signed Resolution 8 gave official notification of their adherence to the said Resolution;
- (d) Only the Paris Agreement was signed by the Plenipotentiaries of the member States.

The French Government therefore does not dispute the fact that from the purely legal point of view only the Agreement itself can be considered binding on the member States of I.A.R.A., to the exclusion of those resolutions which thus far have not been the subject of a formal acceptance on the part of all these States, and especially of Resolution 8.

However, the French Government considers that by not formulating any reservation with regard to Resolution 8, the Governments represented by the delegates, who had proposed it, themselves tacitly approved it. If such had not been their intention, they would not have failed to notify to that effect other Governments signatory to the Paris

Agreement,

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Agreement, either at the time of the signing of the said Agreement or when they were notified by the I.A.R.A. Secretariat of the adherences to the said Resolution by the Governments that had not subscribed to it at the time when it was drawn up.

General agreement having therefore been reached in the matter of recourse to the International Court of Justice, the French Government considers that any State that is a party, and particularly any State that has officially given notice of its adherence, could hardly refuse to recognize the application of Resolution 8 in order to satisfy the requirements of a strict formalism, when none of the Governments of the other States party to the Paris Agreement appears disposed to denounce that resolution.

Furthermore, in the opinion of the French Government, the thesis that Resolution 8 could not be considered as being in force would have the result of challenging the applicability of the three unanimous resolutions which are incorporated in the text of the Final Act of the Conference, but not in the text of the Paris Agreement. Actually, none of these resolutions are contained in the instruments of ratification which are in the files deposited in the Archives of the Ministry of Foreign Affairs, with the exception of Belgium's. As these resolutions have not, any more than the nonunanimous resolutions, been the subject of a formal ratification, they therefore have the same legal status as the resolutions in the latter group.

Nevertheless, the applicability of those resolutions has never been challenged. As a matter of fact, several of them have been put into practical application, especially those relating to German assets in neutral countries and to gold transferred into the said countries, which have to a large extent determined the policy of the United States, the United Kingdom, and France in the execution of the mandate they received from the I.A.R.A.

In view

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In view of the various considerations set forth above, the French Government, for its part, persists in believing that Resolution 8 should be considered as being in force on the same basis as the resolutions which received the unanimous approval of the delegates at the time of the Conference, and it hopes that the Government of the United States will reach the same conclusion.

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The American Embassy, Paris

**COPY**

Reference is made to Embassy's Message 52 of July 8, 1955 concerning Resolution 8 of the Paris Reparation Agreement of January 12, 1954.

The Department appreciates the kindness of the French Government in supplying the United States with photostatic copies of communications from the UNRRA government to the French Government regarding adherence or accession to Resolution 8 of the Paris Reparation Agreement. The Department has the following comments:

1. It is noted that no copies of any replies by the French Government to the communications have been included. The Department would suggest that the French Government should at least to certain of the communications furnish information which raised points as to further procedure. It would be appreciated if the French Government would supply copies of replies made to any countries.

2. The United States questions the conclusion stated in the French note that "all of the signatories of the Paris Agreement have now accepted Resolution 8 and this Resolution must be considered as having entered into effect". The Department appreciates what this was the position taken by the French representatives in 1951 in Brussels in the Inter-Alied Reparation Agency. The Department does not wish to engage in controversy with the French representatives on the matter at the present time, but feels that it would be useful, in the light of possible use of resolution 8 by the Inter-Alied Reparation Agency members in connection with German assets in Italy or in other connections, to learn more of the French reasoning behind their conclusion and to ascertain whether the French have given consideration to the following points:

a. Resolution 8 is merely in the form of a "recommendation" by Delegates of certain governments that the "Signatory Governments" of the Paris Reparation Agreement agree to recourse to the International Court.

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EIV/Leamer

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ME - M. Resoro

RA - M. Reichardt

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AT 10:00 AM ON JUNE 11, 1968  
IN THE OFFICE OF THE SECRETARY  
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BY THE TELETYPE SECTION

On January 1, 1946, the United Nations Commission on Human Rights was established by the General Assembly of Janury 1, 1946, to study problems of human rights and to make recommendations to the General Assembly. The Commission has been composed of 18 members from different countries. It has been charged with the task of examining the situation of human rights throughout the world and making recommendations to the General Assembly for the improvement of the human rights situation. The Commission has been active in its work and has made many important contributions to the improvement of human rights throughout the world. It has also been instrumental in the development of the Universal Declaration of Human Rights, which was adopted by the General Assembly in December 1948. The Commission has been instrumental in the development of the Universal Declaration of Human Rights, which was adopted by the General Assembly in December 1948. The Commission has been instrumental in the development of the Universal Declaration of Human Rights, which was adopted by the General Assembly in December 1948.

...and the other day I was in Paris, and I saw some very originally built houses, and I thought they were winking at me.

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THE JOURNAL

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AMERICAN EMBASSY  
PARIS  
AMERICAN SERVICE ATTACHEPARIS, FRANCE  
THE DEPARTMENT OF STATE, WASHINGTON

JULY 8, 1955

Reported in OA-5552, February 26, 1955

ACTION	DEPT.	Rm/R-2 EDR-5
INFO	OTHER	✓

COPY

SUBJECT: Resolution 8 of the Paris Reparation Agreement  
of January 12, 1946.

The Embassy encloses the French text of a note from the Ministry of Foreign Affairs dated July 8, 1955, replying to the Embassy's Aide Memoire of March 11, 1955, requesting the Government of France, as depository Government, to supply to the Government of the United States photostatic copies of all communications between Latin American Governments and the French Government regarding adherence or accession to Resolution 8 of the Paris Reparation Agreement, and also requesting photostatic copies of any additional documents that the Government of France considers relevant to the question of the binding effect of Resolution 8 of the Paris Reparation Agreement. The substantive paragraphs of the French note of July 8, 1955, read as follows, in translation:

"The Ministry of Foreign Affairs encloses for the information of the Embassy of the United States photostatic copies of the notes by which the Embassies of Canada, Egypt, the United States, Greece, and the United Kingdom, on behalf of its Government and on behalf of India, New Zealand, and the Union of South Africa, made known the adherence of their Governments to Resolution 8.

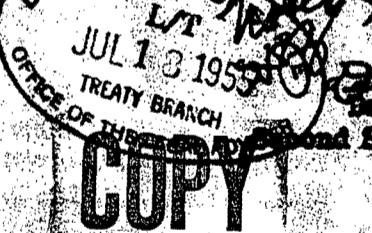
"Having been approved in the body of the Paris Agreement by the delegations of Albania, Australia, Belgium, Denmark, France, Luxembourg, Norway, Holland, Czechoslovakia, and Yugoslavia, all of the signatories of the Paris Agreement have now accepted Resolution 8 and this Resolution must be considered as having entered into effect."

The Embassy also encloses single copies of the photostats mentioned in the French note of July 8, 1955.

French: Brussels

Enclosures:

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JUL 15 1955

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MINISTÈRE DES AFFAIRES ETRANGÈRES  
DU GOUVERNEMENT DE LA FÉDÉRATION DE RUSSIE

COPY

PARIS - 1951 - DOCUMENT  
Ministère des Affaires Etrangères  
Paris, le 8 mai 1951

Le Ministère des Affaires Etrangères présente ses compliments à l'ambassade des Etats-Unis d'Amérique à Paris et à l'honneur de se reporter à la demande formelle par cette Ambassade, relative à la communication de photocopies des documents relatifs aux additifs à la Résolution N° 8 de l'accord sur les Répartitions du 14 janvier 1946.

Le Ministère des Affaires Etrangères prie l'ambassade des Etats-Unis d'Amérique de trouver ci-joint les photocopies des notes par lesquelles les Ambassades du Canada, d'Egypte, des Etats-Unis, de la Grèce et du Royaume-Uni pour le compte de son Gouvernement et de celles des Indes, de la Nouvelle Zélande et de l'Union Sud-Africaine, ont fait connaître l'adhésion de leur Gouvernement à cette Résolution N° 8.

Cette Résolution N° 8 ayant été approuvée, dans le corps de l'accord de Paris, par les Plénipotentiaires de l'Albanie, de l'Australie, de la Belgique, du Danemark, de la France, du Luxembourg, de la Norvège, des Pays-Bas, de la Tchécoslovaquie et de la Yougoslavie, tous les signatures de l'accord de Paris l'ont maintenant acceptées et cette résolution doit être considérée comme étant entrée en vigueur.

Le Ministère des Affaires Etrangères sait cette occasion pour renouveler à l'ambassade des Etats-Unis d'Amérique, les assurances de sa haute considération.

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MEMORANDUM DU MINISTÈRE DES AFFAIRES ÉTRANGÈRES  
RELATIF À LA RÉSOLUTION N° 8 DE L'ACCORD SUR LES RÉPARATIONS (DÉCEMBRE 1945)

NO. 18



**COPY**

The Canadian Embassy presents its

compliments to the Ministry of Foreign Affairs

and, with regard to the Ministry's Note dated

February 2nd, has the honour to state that the

Canadian Government is willing to be associated

with the resolution whereby Governments signatory

to the Reparations Agreement agree to recourse to

the International Court for the solution of con-

flicts of law or competence arising out of the

Agreement. It is noted that if all Signatory

Governments agree this resolution will be incor-

porated in a protocol to the Reparations Agreement

to be signed later.

Paris, the twenty-fifth February  
Nineteen hundred and forty-six.

< M.

The Ministry of Foreign Affairs,

Quai d'Orsay,

P. A. D. T. S.

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Box 2ANNEXE DU PROTOCOLE DES ACCORDS DE PARIS  
signés à la Résolution n° 8 de l'accord sur les réparations (Décembre 1945)AMBASSADE  
DE  
S. M. LE ROI D'ÉGYPTE  
PARIS

200 - I76/I8 (II)

ACCEPTE

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MINISTÈRE DES AFFAIRES ETRANGÈRES

PARIS 1946

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DE

Par une note en date du 2 Février 1946 au sujet de l'accord de Paris sur les Réparations, le ministère des Affaires Etrangères avait bien voulu demander à cette Ambassade si le Gouvernement égyptien avait décidé de s'associer à la Résolution qui figure dans l'annexe de l'acte final de la Conference sous le n° 8, par laquelle les Délégués de l'Albanie, de l'Australie, de la Belgique, du Danemark, de la France, du Luxembourg, de la Norvège, des Pays-Bas, de la Tchécoslovaquie et de la Yougoslavie recommandent que les Gouvernements signataires s'engagent à recourir à la Cour de Justice Internationale en cas de conflit qui n'aurait pas été, par accord des Parties au Conflit, soumis à une procédure amiable ou arbitrale.

L'Ambassade Royale d'Egypte a l'honneur de porter à la connaissance du ministère des Affaires Etrangères (Direction économique) que le Gouvernement égyptien vient de décider de s'associer à cette résolution.

L'Ambassade Royale s'efforce saisi cette occasion pour renouveler au ministère des Affaires Etrangères les assurances de ses plus plates considérations.

Paris, le 2 Février 1946.

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~~REF ID: A6512~~  
The Embassy of the United States of America  
presents its compliments to the Ministry of Foreign  
Affairs and has the honor to refer to the Ministry's  
note of February 2, 1946, in which the Ministry re-  
quested to be informed whether the Government of the  
United States was willing to subscribe to Resolution  
No. 8 of the Annex to the Final Act of the Paris  
Reparation Conference concerning recourse to the  
International Court of Justice.

The American Embassy, upon instructions from the  
Government, has the honor to inform the Ministry of  
Foreign Affairs that the Government of the United States  
has decided to subscribe to Resolution No. 8 of the  
Annex to the Paris Reparation Conference.

Paris, June 6, 1946.

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The Ministry of Foreign Affairs,  
Paris.

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ANNEXE A LA RESOLUTION N° 8 DU 15 MARS 1946 SUR LES REPARATIONS

AMBASSADE ROYALE DE GRECE  
EN FRANCE

N°.738

AFFAIRES ETRANGÈRES  
- 2 MARS 1946  
S. G. RÉTARIA

COPY

Par sa note en date du 2 Février dernier le Ministère des Affaires Etrangères avait bien voulu s'adresser à cette Ambassade pour lui demander si le Gouvernement Hellénique est disposé à se joindre aux autres Gouvernements signataires de l'Accord des Réparations qui se sont engagés à recourir à la Cour de Justice Internationale au cas de conflit qui n'aurait pas été, par accord des parties au conflit, soumis à une procédure amiable ou arbitrale.

L'Ambassade de Grèce, en remerciant vivement le Ministère des Affaires Etrangères de cette communication, a l'honneur de porter à sa connaissance que le Gouvernement Hellénique vient de lui faire savoir qu'il s'associe également à la Résolution sous le N° 8 de l'Acte Final de la Conférence des Réparations concernant le recours devant la Cour de Justice Internationale dans tous les cas prévus par cette Résolution.

Elle saisit cette occasion pour lui réitérer les assurances de sa haute considération.

Paris, le 1 Mars 1946

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MINISTÈRE DES AFFAIRES ETRANGÈRES  
Direction Economique

PARIS

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By LMBII NARA Date 5/9/97

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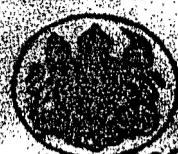
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(December 1945)

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RECORDED: 6 la Résolution n° 3 de l'accord sur les



26/12/45

ARRIVÉE

17 JAN 1946

SECRETARIAT DU MINISTÈRE  
DES AFFAIRES ÉTRANGÈRES

No. 43

13 JAN 1946

104-115

*W. Upper class  
Royalist*

British Embassy,

Paris.

14th January, 1946.

DE

The Embassy now present their compliments to the Ministry for Foreign Affairs and have the honour to inform them that His Majesty's Government in the United Kingdom now consider it necessary to make a change of Resolution No. 3 on procedure before the International Court of Justice in the case of the United Kingdom v. the Paris Conference on Population. To facilitate this it is suggested that this provision should be shown to the Agreement before signature.

2. It is suggested that should the French Government agree to this proposal, they should, in consultation with the Government, approach the other members of the Committee and enquire whether they would accept such a modified arrangement. As the French Government have had no diplomatic contact with the Government since the late King's Majesty's Government in the United Kingdom will do so in that event be prepared to take the necessary steps to consult the latter's views.

Ministry for Foreign Affairs,  
(Direction des Affaires Économiques).



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ARCHIVE

Resolution No. 8 on Recourse to the International Court of Justice.



26/3/46

J. S.

No. 232

BRITISH EMBASSY

PARIS

8th March, 1946.

His Majesty's Embassy present their compliments to the Ministry for Foreign Affairs, and with reference to the Ministry's Notes (Intervention Economic) of the 2nd February have the honour to state that the Government of India have agreed to subscribe to Resolution No. 8 on recourse to the International Court of Justice, which was annexed to the Final Act of the Paris Conference on Reparation.

2. The decisions of the Governments of New Zealand and South Africa are still awaited.

3. His Majesty's Embassy will be glad to learn whether the French Government will accept, as empowering His Majesty's Ambassador to sign each separate Protocol which will become necessary as this and others of the non-unanimous Resolutions are unanimously agreed, the Full Power issued to Mr. Duff Cooper in respect of the signature of the Agreement itself.

Ministry for Foreign Affairs.



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PARIS.

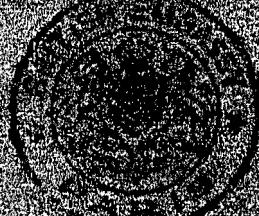
26 April, 1946.

No. 331.

26/110/46.

DE

His Majesty's Embassy present their  
 compliments to the Ministry for Foreign Affairs and with  
 reference to their Note No. 232 of March 5th, have the  
 honour to state that His Majesty's Government in New  
 Zealand have now agreed to subscribe to Resolution No. 6  
 on recourse to the International Court of Justice, which  
 was annexed to the final act of the World Conference on  
 Reparation.



Ministry for Foreign Affairs.  
 (Direction des Affaires Économiques et Financières).

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Resolution

AVP 1343

British Embassy,

Paris.

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25th April, 1946.

No. 439

His Majesty's Embassy present their compliments to the Ministry for Foreign Affairs, and with reference to their Note No. 252 of the 8th March have the honour to state that His Majesty's Government in the Union of South Africa have now agreed to subscribe to Resolution No. 8, on recourse to the International Court of Justice, which was annexed to the Final Act of the Paris Conference on Reparations.

Ministry for Foreign Affairs,  
Direction des Affaires  
Economiques et Financières.

AVP 1343

COPY

214013

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Authority NID 968106  
By LMN NARA Date 5/9/93

RG 59

TGC  
Lot 620115  
Box 2

Annexe à la Resolution n°8 de l'Assemblée des Nations Unies sur les Réparations

## ANNEXE A LA RESOLUTION

Annexe à la Resolution des Nations Unies sur les Réparations.

PP

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20 MAY 1947

## LA LISTE DES AUTELLES TRANSMISE

A

a) Accord de Paris  
sur les Répara-  
tions.MONSIEUR LE MINISTRE DE LA GUERRE  
à L'ARMÉE FRANÇAISE, SUR LES RÉPARA-

J'ai l'honneur de vous faire connaître ci-après  
 la liste des Gouvernements qui ont donné leur adhésion à la Ré-  
 solution n° 8 insérée dans l'Accord de Paris sur les Réparations  
 et relative au recours à la Cour Internationale de Justice.

Le Gouvernement du Royaume Uni, par note de  
 l'Ambassade de Grande-Bretagne à Paris, en date du 14 Janvier  
 1946.

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Authority AM 968106  
By LMB NARA Date 5/19/93

RG 59

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L6+G2D 115  
Box 2

ARCHIVES DU MINISTÈRE DES AFFAIRES ÉTRANGÈRES  
Annexe à la Déclaration N°3 de l'ambassadeur sur les Réquisitions. (Document 1945)

COPY

Le Gouvernement du Canada, par note au Ministère  
des Affaires étrangères, en date du 25 Février 1945.

Le Gouvernement du Canada, par note au Ministère  
des Affaires étrangères, en date du 1er Mars 1945.

Le Gouvernement de l'Inde, par note au Ministère  
des Affaires étrangères, en date du 8 Mars 1945.

Le Gouvernement de la Malaisie-Britannique, par note  
au Ministère des Affaires étrangères, en date du 5 Avril 1945.

Le Gouvernement de l'Union Sud-Africaine, par  
note au Ministère des Affaires étrangères, en date du 25 Avril  
1945.

Le Gouvernement des Etats-Unis, par note au Minis-  
tère des Affaires étrangères, en date du 6 Juin 1945. /-

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By LMB/II NARA Date 5/19/97RG 59  
TGC  
Lot 62D115  
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(Security Classification)

2354 FOR DC USE ONLY

NO. DA-5559 February 24, 1955

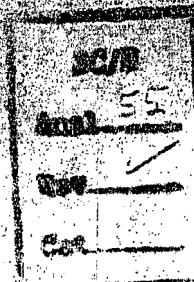
SUBJECT: Resolution 8 of the Paris Reparation Agreement of January 12, 1946

TO: The American Embassy, PARIS  
RPT IMPOR, BRUSSELS

The question of the binding effect of Resolution 8 (See Dentel 7865 of March 18, 1951 to Paris, repeated Brussels 1460 and earlier communications) has come up again, now in connection with the power of the United States, United Kingdom and France to turn over German assets in Italy to the Italians.

Please request French authorities as depository government to supply Department as soon as possible with photostats of all communications between IARU Governments and French Government regarding adherence or accession to Resolution 8 so that Department may be in position to make a study of matter. The Department would also appreciate photostats of any additional documents the French authorities consider relevant.

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262.0041/2-1155

LIMITED OFFICIAL USE  
(Security Classification)

FEB 24 1975 BY

DRAFTED BY:

Lily E. Maurer m.j. 2/18/55

APPROVED BY:

Lily Maurer sm

CLEARANCES:

EUR/RA - Mr. Gilchrist

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Authority MD 968106  
By [initials] NARA Date 5/9/92

RG 5\*

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Lot 62D 115

Box 2



THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

OFFICIAL—INFORMAL  
CONFIDENTIAL

American Embassy, Brussels

November 3, 1955

Adjudication  
565

P  
B-1  
B-3

Dear Mr. Fletcher:

I hope you are not having too much difficulty keeping all these papers straight. I have a feeling I have sent you a great many of them during the past year—and here come some more.

I am enclosing two copies of the Secretary General's redraft of the adjudication on the Czech recoveries. You will recall that only a short time ago I sent you redrafts of this adjudication to show how the decision would look if the proposed French amendment to validate the Skoda works gold had been approved by the Commission. Inasmuch as the French Commissioner withdrew the proposed Skoda works amendment, the draft which I sent you in my letter of October 6 is no longer pertinent. The enclosed redraft reasserts the rejection of Skoda works gold but introduces further argumentation in favor of the rejection.

I have not yet received the final minutes of the 139th Meeting which the Commission held on October 13 but as soon as I do I shall forward them to you.

Sincerely yours,

Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

Enclosure:

Redraft of adjudication  
on Czech recoveries (2)

CC: Mr. Sam L. Yates, Swiss-Benelux

Mr. Otto F. Fletcher, Special Assistant,  
International Finance Division,  
Department of State,  
Washington, D.C.

CONFIDENTIAL

214017

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Authority AMD 968106  
By LMP NARA Date 7/19/22

RG 59  
TGC  
Lot 62D 115  
Box 2

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-53

stage has now been reached where the Commission has validated all the slides submitted by the Government of Czechoslovakia (with the exception of those in respect of L. S. U. 133 o. fine gold which were "administered" by the ~~Government~~). But there remains one important point to be considered - the Government of Czechoslovakia's reply to the Commission's Questionnaire and the accompanying documentation have shown that, as a result of a number of operations effected during the period from the Munich Agreement to the liberation, 7,207,120.7 kilograms of fine gold were sent out of the Czech National Bank for account of the National Bank of Slovakia, a bank which was created at the instigation of the Communists, in circumstances which have been described earlier in this affidavit. A further sum of 5,000,000 kilograms of fine gold was sent, during this same period, for the account of the latter bank as its base for international settlements in Holland and elsewhere. All this gold was received by the reconstructed National Bank of Czechoslovakia after the liberation. Mr. Matousek, the representative of the government of Czechoslovakia, submits to a hearing before the Commission, on 2 November 1951, that the reason why the Government of Czechoslovakia agreed to this transfer is that the National Bank of Czechoslovakia, when reconstructed, was considered the legal successor of the National Bank of Slovakia and of the National Bank of Moravia and the Commission is satisfied, from the evidence furnished, that this was so.

214018

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Authority AND 968106

By LMRJH NARA Date 5/9/99

RG 59  
TGC  
(at 62D) 115  
Box 2

Government and Central Bank of India loans and goes into account, India and the Central Bank of India have been asked to make the Government of India a loan of Rs. 100,000,000/- for the payment of the debts of the State of Bihar. The Government of India has been requested to make the Central Bank of India a loan of Rs. 100,000,000/- for the payment of the debts of the State of Bihar.

The Government of Maharashtra has furnished a considerable amount of information and explanation on this point but any attempt to describe the exact nature of the proposed scheme will be futile as it is not yet finalised and no details have been given.

It will be maintained, for the duration of this administration, to divide the 1,600,000 bales of rice produced from the three National Parks into three categories: (1) surplus rice, (2) rice for consumption, and (3) self-sufficient rice. Surplus rice will be sold at a price of 100 pesos per 100 kilos, self-sufficient rice at 120 pesos per 100 kilos, and rice for consumption at 150 pesos per 100 kilos. The total amount of rice available for consumption will be limited to 100,000 bales.

and the other two were in the same condition as the first. The last was a large specimen, which had been partially dried, and was therefore more brittle than the others. It was broken into several pieces, and the fragments were examined. The outer layer of the shell was thin and brittle, and easily detached from the inner layer. The inner layer was thicker and more solid, and was composed of a series of concentric layers, which were slightly irregular in thickness and shape. The surface of the shell was covered with a fine network of wrinkles and creases, which were more prominent in some parts than in others. The color of the shell was a pale yellow or cream-colored, with a slight tinge of brown or tan. The texture of the shell was smooth and even, with no visible pores or openings.

On the 20th January 1917, the National Bank of Australia, as the Agent of the Commonwealth Bank of Australia, at the Bidirectional rate of 1,357.75/- per oz of fine gold, was informed from (1) by the Agent of the National Bank of Australia's account at the Central Bank of India, London, that the Gold Corporation, entered 19 in the account for 1,357.75/- per oz of fine gold.

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- (1) The books of the former National Bank of Slovakia show that this transfer was effected in two parts : 1,676.405 kg of gold on 8 June 1941 and 1,712.778 kg of fine gold on 8 July 1940.

214019

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Authority ND 968106

By L/M/JN HARA Date 5/9/77

RG 59

TGC

Lot 62D 115

Box 2

Statement : It is well known that since 1938 there has been  
 a large amount of gold held by the National Bank of Czechoslovakia which was  
 purchased by the National Bank of Slovakia with Swiss francs.  
 This gold was used by the National Bank of Slovakia to purchase  
 gold from the National Bank of Czechoslovakia at the rate of 1000  
 Swiss francs per gramme of fine gold. The amount of gold purchased  
 was 3,710,000 kgm of fine gold. The amount of gold purchased  
 was 3,710,000 kgm of fine gold, adjusting dealings to previous certain, issued pursuant to  
 agreement dated 26 May 1936 (No. 121 in the Collection of Laws and Decrees)  
 according to which the National Bank of Slovakia had agreed to supply the National Bank of  
 Czechoslovakia with the amount of gold which it had received from the  
 National Bank of Czechoslovakia.

(1) The provisions of these regulations apply analogously to the  
 recovery of gold purchased by the National Bank of Czechoslovakia.

The following details the arrangements pertaining to the gold held in this  
 country, show that the National Bank of Slovakia were purchased (1) by the  
 National Bank for the amount of the National Bank of Slovakia with Swiss  
 francs and (2) the amount of gold into which the National Bank has divided  
 the recovery from the National Bank, for the purpose of its adjustment, and  
 the arrangements concerning and showing that these Swiss francs  
 originated as follows:

Delivery 1 : Gold purchased with funds of the type

These arrangements do not cover the amount of gold supplied by the National Bank  
 of Czechoslovakia to the National Bank of Slovakia, which do not appear to have placed any  
 restrictions upon the National Bank, which they had been held accounted  
 separately up to the date of delivery either.

of the above two headings ..... 1,396,770 kgm of fine gold  
 a transfer, on 8 April 1941, of 3,001,700 kgm from the National  
 Bank of Slovakia's "Turhauzertiv", which carried all credits in respect of  
 Slovak exports of current goods to Switzerland. 1,377,447 kgm of fine gold  
 a transfer of 1,400,000 Swiss francs effected by the National Bank, on 6 September  
 1941, in exchange for the equivalent amount of gold held in the National Bank's  
 "Turhauzertiv" and the amount of the delivery contained in the letter of  
 13 March 1947, a copy of which is attached to the Czech currency, in terms of trade or  
 of today's gold market price, the amount of gold, from  
 1,400,000 Swiss francs and which was delivered to the National Bank  
 of Slovakia under the name of Czechoslovakia to that extent the allegation  
 of the Czechoslovakian Government that the amount of the gold amounting to  
 1,396,770 kgm of fine gold (1,400,000 - 4,230 kgm) was purchased by the  
 National Bank and the National Bank of Slovakia in exchange for  
 1,400,000 Swiss francs in respect of 1,377,447 kgm of fine gold, which  
 is based on the above facts, does not appear to be plausible.  
 The Czechoslovakian Government also states that the amount of fine gold,  
 which were sold by the National Bank of Slovakia and Switzerland (which was the same  
 given by Germany to the National Bank of Czechoslovakia), to the National Bank.

(2) The National Bank of Czechoslovakia first raise the question as to whether  
 the amount of gold purchased by the National Bank of  
 Czechoslovakia from the National Bank of Slovakia, Switzerland  
 may not have been paid in full value, for which would justify the accusation

(3) 395,375 kgm were delivered on 7 June 1941 and 422,375 kgm were delivered on  
 17 August 1941; a small difference in weight of 1.11 kg being settled in  
 Swiss francs.

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Authority NID 968106

By LBN HARA Date 5/9/72

RG 59  
TGC  
Lot 62D 115  
Box 2

With the exception of Category 1 gold which is held at the Central Bank of Czechoslovakia, all other gold held by the Government of Czechoslovakia is held in gold bars and coins. These gold bars and coins are held in two categories, namely (1) gold held by the Central Bank of Czechoslovakia and (2) gold held by the Ministry of Finance.

Under the direction of M. J. William Gandy, the Minister of the National Bank of Czechoslovakia, instructions have been issued by the Government of Czechoslovakia to the Central Bank of Czechoslovakia to hold all gold held by the Central Bank of Czechoslovakia in gold bars and coins. The Central Bank of Czechoslovakia has agreed to hold all gold held by the Central Bank of Czechoslovakia in gold bars and coins with the gold of the Central Bank of Czechoslovakia.

(1) The total of Czechoslovakian monetary gold held by the Central Bank of Czechoslovakia will consist of gold bullion and gold coins to the following:

- (a) The proportion of these totals will apply analogously to the Central Bank of Czechoslovakia and the Central Bank of the Czechoslovakian Government to those held by the Central Bank of the Czechoslovakian Government.
- (b) The Central Bank of Czechoslovakia will be responsible for the delivery of the gold to the Central Bank of Czechoslovakia and the Central Bank of the Czechoslovakian Government.

To sum up, the three categories of gold held which the Central Bank of Czechoslovakia has received from the Central Bank of the Czechoslovakian Government, and the Central Bank of the Czechoslovakian Government, will be as follows:

**Category 1 - Gold received from State of Vienna**

origin ..... 3,710.018 kg of fine gold

**Category 2 - Gold received from State of Berlin**

origin ..... 1,936.011 kg of fine gold

**Category 3 - Gold received from State of Prague**

origin ..... 1,300.000 kg of fine gold

**Total** ..... 7,046.030 kg of fine gold

On 29 May 1945 the Czechoslovakian Government took the decision to return to Austria, in the light of the instructions contained in the letter of 13 June 1947, submitted by a firm to the Czechoslovakian Government, of financial assistance during the period of German occupation, had to be paid, from all past proceeds, the losses and gains of monetary gold have been precisely determined and the Government must now consider to what extent the allocation it is about to make to the Government of Czechoslovakia is affected by the above mentioned procedure.

As far as gold referred to the gold in Category 1, it will be possible that the Government, in its analysis, may in this connection, as the case of the Government of Czechoslovakia in respect of 3,710.018 kg of fine gold, which it has derived from them from the National Bank of Czechoslovakia, in accordance with the existing law in Germany, has made the following statement. It regards to 1,936.000 kg of fine gold, retained in the form of gold coins, which were sold by the National Bank of Bohemia and Moravia (which was the bank given by Germany to the National Bank of Czechoslovakia) to the National Bank of Czechoslovakia.

The Government has promised with great care the conversion of the value of the sale of these 1,936.000 kg of fine gold by the National Bank of Bohemia and Moravia to the National Bank of Czechoslovakia, so that it may not have obtained some real compensation which would justify the compensation.

(1) 995.500 kg were delivered on 17 June 1944 and 994.500 kg were delivered on 17 August 1944; a small difference in weight of 1kg/kg being omitted as rounding errors.

214021

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Authority No. 968106

By Wm NARA Date 5/9/97

RG 54

TGC  
Lot 62D 115

Box 2

Box 2

"In making a deduction from the claim on this account  
Czechoslovakia has stated, quite properly and frankly, in the opinion of the  
Commission, that it is possible that the economy of that portion of the  
country which was a protectorate of Germany may have benefited and as  
possibly, considerably, on the liberation, may have been forced to some  
changes, but that it is necessary however to take into account what had been  
done by the Germans in the way of economic exploitation and  
exploitation of the Czechoslovakian people, and that the  
economy of that portion of the country may have been  
exploited and forced to some changes for the benefit of Germany. In such circumstances  
this may have given some benefit to the economy of Czechoslovakia of which  
the former German protectorate may have been a part or rather a  
portion of the same.

There are indications to answer to the question as to whether the Central Government has been compelled to accept the gold coinage offered from the public. The first indication is the fact that the value of the gold, the bullion given by the public, is far less than the amount of the gold coin issued in the name of the Central Government. The second indication is the fact that the Central Government has issued a large amount of gold coins, which are not supported by any bullion given by the public. The third indication is the fact that the Central Government has received no guarantee for free redemption (which is derived from the Redesbank), in respect of any number of gold coins to持有人 (the one who holds the coin) to prove that the Central Banker will give back gold coin amount.

If the utilization was 100% the amount of transnational would receive a share of the pool of monetary gold per min. to the totality (some 1,000,000 kg of fine gold) of the 2000 which 17,000 kg has suffered through German auction, whilst remaining 1,000,000 kg of fine gold, which is less recovered and which came into being, usually speaking, at the hands of German auction. The National Bank of Slovakia was created at the insistence of Germans and it is controlled by the Germans. The Central Statistical Bureau of Slovakia, which is controlled by the Germans, gives the following figures for the period 1940-1944. The total amount of gold which was sent to Germany during this period was 100 million US dollars or 100 million US dollars. In this small period of gold was given to the Germans about 100 million US dollars at the damage of the National Bank of Slovakia in exchange for their interests. The bank also gave away some of its assets to Germany. The gold was taken before 1940.

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Authority MD 968106  
By LMM NARA Date 5/19/93

RG 59

TGC  
Lot G2D 115  
Box 2

- 12 -

The gold in category 3 was gold which, under the law in effect at the time of the German invasion, had been classed as "gold intended for the welfare of the German people". It was in the form of bars in the form of new inventories of the State, but the Czech Authorities never received confirmation of this. In addition, it had to be 14 carat, and the Commission finds that, in view of the circumstances of the case, this gold can be treated in the same manner as the gold in category 2.

The only remaining question for consideration is that which concerns the recovery by the National Bank of Czechoslovakia, after the liquidation, of the 200,000 kg of fine gold which were held by the Bank for International Settlements. For the account of the National Bank of Czechoslovakia which shall

be accepted in this respect, the Commission has received a statement of the amount of gold reparation payment in respect of postal services rendered to various countries by the Slovak Ministry of Communications. The Commission understands that it was common practice for international postal services to be settled in terms of gold and this is confirmed by the fact that deliveries of gold by Hungary, Poland and Russia, in addition to Germany, entered into the composition of the above-mentioned amount, as follows :

Germany	102,76000 kg of fine gold
Hungary	13,05000 "
Soviet Union	1,73000 "
Russia	0,00000 " (not included in the Government of the Slovak Republic)
<b>Total</b>	<b>200,50000 kg of fine gold.</b>

The Commission is of the opinion that this is gold which would have accrued to Czechoslovakia whether it had been occupied by Germany or not, and that it must, consequently, be treated in the same manner as the gold in categories 2 and 3, that is to say that it should not be taken into account in the Commission's allocation to the Government of Czechoslovakia.

The Commission, therefore, pursuant to the powers entrusted to it and the powers conferred upon it by virtue of the Agreement and its Annex of Reference, finds as follows :

The Government of Czechoslovakia has established before the Commission, under Part III of the Agreement on Reparation from Germany, on the establishment of an Inter-Allied Reparation Agency and on the Restitution of Monetary Gold, signed in Paris on 14 January 1946, its claim in respect of 4,3,939,353.00 (Four thousand three thousand, nine hundred and ninety nine, 353) kilograms of fine gold. The Commission also finds that Czechoslovakia has recovered monetary gold from the Swiss National Bank, 3,710,010.00 (three thousand, seven hundred and one, 010) fine kilograms of which must be set off against Czechoslovakia's share in the pool of monetary gold. A share of the pool of monetary gold established pursuant to the above-mentioned Agreement and administered by the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and of France, is, therefore, allocated to the Government of Czechoslovakia, pro rata to the above-mentioned established loss of 4,3,939,353.00 (four thousand three thousand, nine hundred and ninety nine, 353) kilograms of fine gold, but there must be deducted from this share an amount of 3,710,010.00 (three thousand, seven hundred and one, 010) kilograms of fine gold which was recovered by Czechoslovakia in the circumstances which have been detailed above.

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Authority AD 968106  
By LMBH NARA Date 5/19/93

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Lot G2D115

Box 2

UNITED STATES OF AMERICA

The Government of Czechoslovakia has not established before the  
 Commission, under Part III of the above-mentioned Agreement, the balance  
 amounting to 3,000,000 (one thousand and eighty) kilograms of gold  
 gold of the State. No share in the pool of monetary gold can therefore  
 be allocated to the Government of Czechoslovakia in respect of the  
 balance.

In the English and French languages, the two texts, one set of which shall  
 be deposited in the archives of the Government of the French Republic, being  
 equally authentic.

Draft of the draft of the Convention. I send you a recraft of this  
 recall that only a short time ago I sent you a recraft of the proposed  
 application to show how the decision would look if the proposed  
 French amendment to validate the Skoda Works gold had been  
 approved by the Commission. I enclose a copy of the French Commissioner  
 which shows the proposed Skoda Works amendment. It is no longer pertinent.  
 I send you a copy of the draft of the Convention of Skoda Works gold  
 for your information. The reason for the rejection  
 The final argument in favor of the rejection.

**Convention of the  
 Government of the  
 United States of  
 America**

**Convention of the  
 Government of the  
 United Kingdom  
 Kingdom of Great Britain  
 and Northern Ireland**

**Convention of the  
 Government of the  
 French Republic**

Disclosure:

Redraft of application  
on Commodity categories

U.S. Embassy, Prague, Czechoslovakia

No. 1000, 1st Floor, 2nd District

Prague 1, Czechoslovakia

Department of State

214024