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THE WALL STREET JOURNAL Begins the Business Day

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Monday, October 16, 1939

No. 98

B. I. S. Board Meetings Suspended

From THE WALL STREET JOURNAL Paris Bureau

PARIS—The anomalous position of the Bank for International Settlements at Basle became glaringly apparent by the official announcement that the monthly meetings of the board of directors have been suspended until further notice. It is not seen how they can be resumed, since the English and French directors refuse to meet the Germans.

The statutes, however, provide that the board meet at least ten times annually. The role for which the bank was founded has become impossible since, owing to the war, the bank has not the slightest chance to "promote cooperation between central banks and to provide additional facilities for international financial cooperation."

The bank's physical ability to continue its activities is seriously threatened by the rapid shrinkage in short-term and sight deposits of central banks. Two years ago these were almost 250,000,000 Swiss gold francs, or double the paid-up capital. On September 30 these amounted to only 10,000,000 Swiss gold francs, compared with 115,000,000 July 31.

If the bank has become an anomaly, liquidation would be difficult for several reasons. In the first place, the capital, reserves and surplus of the international bank for the most part are invested in the Reich. In the second place, a three-fourths majority vote by shareholders would be necessary for liquidation. Transfer of the investments of the bank in Germany is dependent upon the consent of the Reich and the Reich controls not only its original holdings of shares but also the shares held by Austria, Czechoslovakia and Poland, and thus claims 31,772 shares out of a total of 200,000 shares issued. With the assistance of Italy, the Reich can block liquidation of the bank. It is presumed that the institution will be allowed to sink into a state of suspended animation until conclusion of the war.

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Appendix

RAM - Sunday evening Nov. 9, 1940

RAM reported over the meeting of the Führer and Mussolini, who yielded nothing, in Florence as well as over his meeting with Ciano during the last days "pheasant hunt" in the Suedeten (land) region. Ciano tried to add why Italy must be held to the line, France brought completely exhausted, so that it in the Mediterranean Theater must ^{with not} only be behind Italy but also behind Spain. He, Ram, was in no way able to follow this meeting.

Ram held fast (understood) the concept France must be made (exhausted) in order for England to declare war. He knew that military personalities thought differently. Decisions lay with the Führer who, like one ^(we) knows thinks strongly militarily (in a military fashion).

Next he took care of important meetings with Naval, whose meetings already should have taken place, and postponed in 14 days. In the beginning of the coming week he is receiving Malotoff; Quones and Sumner follow and finally he hopes to achieve a Tripartite agreement with ~~the~~ politicians; he hopes to plead these politicians of ~~the~~ nations to achieve a Tripartite agreement.

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One assumes ^{would be} that the first airplane mission ~~happened~~ in Marseille of one third for RAM of the further air missions Gold missions 50% of the time until the sum RAM needs. Since RAM needs the Gold immediately Staatssekretar Neuman declared himself ready to advance from other Gold stocks or hand the necessary amount. ~~In the RAM eye the Reichsbank would transfer "Gold bonds" into gold for into the depot~~

The Reichsbank would transfer gold "Gold bonds" ~~in~~ in the depot for the RAM to put in Belgium Banks. Belgium should then pay its occupation costs in gold and also then extract the Gold bonds as the balance on the inventory.

For the meantime the Reichsmarschall has conference in Paris on November 9, with Laval. ~~also also~~ Ambassador Hety is also attending. Sunday evening it appears Hety is expecting RAM at the Correspondence in Berlin.

Wiesbaden the 15 November 1940

Finally he wanted to welcome review naval for the purpose of negotiating the new facts that occurred in the meantime.

What happens to the gold, that we found in Belgium. Hemmen wants the gold in Berlin absolutely. The suggestion was to bring the gold to the Reichs bank and deposit it there into a Belgian account. Berlin could withstand a gold pot for Belgium. No one needs to wonder if one remembers, that before the war London and New York for many nations, also for Belgium, held stashes (hoards) held.

RAM asked if it was possible to provide for a portion of the gold to be used for the purpose of urgent foreign posts. Hemmen ~~was~~ suggested the Reichs bank with the Four Year plan should handle it.

RAM had ~~hesitations~~ ~~on account of the acco~~ concerning the ~~accomplish~~ ability to accomplish everything the Reichsmarschall wanted. Hemmen objected that the 25 m for RAM would be easy to come by because through the negotiations of the foreign post he would bring about 680m in gold in for the Reich.

In the next days negotiations Hemmen achieved ^{Marschall} ~~the~~ in carrying through his suggestions. Government Secretary Neumann agreed but did not drop the suggestion that the first deliveries should go for RAM.

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Unterredung Hemmen/RAM, Sonnabend 9. Nov. 1940.

RAM berichtet über Begegnung Führer/Mussolini in Florenz, die nichts ergeben habe, und über seine Begegnung mit Ciano in den letzten Tagen zur „Fasanenjagd“ im Sudetengebiet. Ciano habe versucht, ihm im einzelnen auseinanderzusetzen, warum Italien an der Linie festhalten müsse, Frankreich völlig zur Erschöpfung zu bringen, sodass es im Mittelmeerraum nicht nur hinter Italien, sondern auch hinter Spanien rangieren müsse. Er, RAM, habe dieser Begründung keinesfalls folgen können.

RAM festhält an Auffassung, Frankreich müsse dahin gebracht werden, England den Krieg zu erklären. Er wisse, dass Militärs anders dächten. Entscheidung liege beim Führer, der - wie man wisse - ja sehr stark militärisch denke.

Zunächst habe er die in Aussicht genommene und notwendige Begegnung mit Laval, die schon in diesen Tagen stattfinden sollte, auf 14 Tage verschoben. Anfangs der kommenden Woche empfangen er zunächst Molotow; ihm würden Ambrescu und Sunner folgen, und abschliessend hoffe er, den Beitritt der durch diese Politiker vertretenen Staaten zum Dreierpakt zu erreichen.

Anschliessend wolle er dann Laval empfangen, um auf Grund der inzwischen geschaffenen neuen Tatsachen zu verhandeln.

Was das Gold, das wir von Belgien erhalten, angehe, so machte Hemmen dem RAM - der das Gold unbedingt nach Berlin haben wollte - den Vorschlag, das Gold in die Reichsbank zu bringen und dort auf einem Konto für die Bank von Belgien zu deponieren. So würde in Berlin eben ein Golddepot für Belgien bestehen. Das brauche niemanden zu verwundern wenn man daran erinnere, dass ja vor dem Kriege London und

New York

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New York für viele Staaten, darunter auch für Belgien, Golddepots unterhalten haben.

RAM fragte, wie es möglich sei, einen Teil des Goldes für notwendige Zwecke dem Auswärtigen Amt zur Verfügung zu stellen. Hemmen machte den Vorschlag, darüber mit dem Vierjahresplan bzw. der Reichsbank zu verhandeln. RAM hatte Bedenken wegen der Durchführbarkeit, da der Reichsmarschall alles haben wolle. Hemmen wandte ein, dass es ihm sicher gelingen würde, 25 Millionen für RAM freizubekommen, da er ja durch die Vermittlung des Auswärtigen Amtes dem Reichsmarschall rund 680 Millionen Gold bringe.

In Verhandlungen der nächsten Tage erreichte Hemmen die Durchsetzung seines diesbezüglichen Vorschlages. Staatssekretär Neumann stimmte zu, ging aber nicht auf den Vorschlag ein, dass die erste Sendung für RAM sein sollte. Man einigte sich darauf, dass die erste inzwischen in Marseille eingetroffene Flugzeugsendung zu einem Drittel für RAM und von den weiteren Goldsendungen 50% bis zu der Summe, die RAM brauche, sein sollten. Da RAM das Gold sofort braucht, erklärte sich Staatssekretär Neumann bereit, den von ihm benötigten Betrag aus anderen Goldbeständen vorzuschießen. Die Reichsbank wird für das RAM überwiesene Gold „Goldbonds“ ins Depot für die Bank von Belgien legen. Belgien soll dann seine Besatzungskosten in Gold zahlen und dazu zunächst die Goldbonds, also zur Verrechnung im Innenverhältnis, heranziehen.

Inzwischen hatte der Reichsmarschall am 9. November bei Paris eine Unterredung mit Laval, der auch Botschafter Abetz beiwohnte. Sonnabend Abend erschien Abetz vom RAM erwartet zur Berichterstattung in Berlin.

Wiesbaden, den 15. Nov. 1940

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PROCEEDINGS AND DOCUMENTS OF THE
United Nations
Monetary and Financial
Conference

BRETTON WOODS, NEW HAMPSHIRE

JULY 1-22, 1944

Vol. I



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UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON : 1948

to the Washington missions, inviting them to attend the United Nations Monetary and Financial Conference, follows:

The Secretary of State presents his compliments to Their Excellencies and Messieurs, the chiefs of mission or principal representatives of the governments and authorities of the United Nations and the nations associated with them in this war, and refers to the Joint Statement of Technical Experts recommending the establishment of an international monetary fund and outlining the principles for such a fund.

The Government of the United States feels that the joint statement marks an important step toward international economic cooperation in the post-war world and is confident that others have been equally gratified by this evidence of the desire of the United Nations and the Nations associated with them in this war to cooperate in meeting post-war economic problems.

As a further step toward the realization of this objective, the President of the United States now proposes to call a United Nations conference for the purpose of formulating proposals of a definite character for an international monetary fund and possibly a bank for reconstruction and development. Of course, it would be understood that the delegates would not be required to possess plenipotentiary powers and that the proposals formulated at the meeting would be submitted to the several governments and authorities for acceptance or rejection.

Accordingly, telegraphic instructions have been issued to the chiefs of the appropriate diplomatic missions of the United States to extend on behalf of the President a cordial invitation for the respective governments and authorities to send (p. 3) one or more delegates to the United Nations Monetary and Financial Conference to convene in the United States on July 1, 1944. The governments and authorities are being informed that the United States Delegation to the Conference will be under the chairmanship of the Secretary of the Treasury and that the names of the other United States delegates, as well as information concerning the site of the Conference and arrangements for the meeting, will be forwarded at a later date.

The Government of the United States, believing that the early formulation of precise proposals for an international monetary fund and a bank for reconstruction and development is of vital concern to all of the United Nations group, hopes that favorable replies to the invitations extended on behalf of the President will be received at the earliest possible moment, together with the names of all of the members of the respective delegations.

Mr. Hull will be glad to communicate from time to time to Their Excellencies and Messieurs, the chiefs of mission or principal representatives, detailed information concerning the arrangements for the forthcoming Conference.

DEPARTMENT OF STATE,

Washington, May 26, 1944.

GOVERNMENTS AND AUTHORITIES PARTICIPATING IN THE CONFERENCE

Australia	French Committee of National Liberation	Norway
Belgium	Greece	Panama
Bolivia	Guatemala	Paraguay
Brazil	Haiti	Peru
Canada	Honduras	Philippine Commonwealth
Chile	Iceland	Poland
China	India	Union of South Africa
Colombia	Iran	Union of Soviet Socialist Republics
Costa Rica	Iraq	United Kingdom
Cuba	Liberia	United States of America
Czechoslovakia	Luxembourg	Uruguay
Dominican Republic	Mexico	Venezuela
Ecuador	Netherlands	Yugoslavia
Egypt	New Zealand	
El Salvador	Nicaragua	
Ethiopia		

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CREDENTIALS OF DELEGATIONS

It will be appreciated if the chairmen of the respective delegations will cause to be delivered to the Office of the Secretary General, room 138, before noon on Sunday, July 2, the necessary credentials in the form chosen by the respective governments or authorities. It is anticipated that, as is customary, the credentials will be in the form of a certificate, a communication from an appropriate official of the accrediting government or authority, or a certification by the chief of mission at Washington.

Document 7

UNITED NATIONS MONETARY AND FINANCIAL CONFERENCE

Agenda

I. International Monetary Fund

A. Purposes, Policies and Quotas of the Fund

(Purposes and policies of the Fund, obligations of member

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Document 480 (468) (426)

Commission II: Amendments to Document 468 proposed by U.S.S.R. Delegation

(References in the text refer to Document 426)

Article I.

Delete the Section 4, p. 2 of Doc. 468

Article II.

SECTION 5, p. 4 of Doc. 468

b. The remaining eighty percent shall be callable by the Bank only when required to implement obligations of the Bank created under IV (b) and (c) below, but not more than 20 percent of the subscription may be called in any one year.

SECTION 7, p. 4 of Doc. 468

a / Payment due in gold and local currency

1. of the amounts payable under II 4(a) ten percent shall be payable in gold. The remainder may be paid in the local currency of the member, subject to the provisions of Article IV, Section 2(a).

2. Members may make payments under II, 4 (b) in gold and their local currencies in the same proportion as at the initial payment under (a) above.

Article IV.

SECTION 4, p. 13 of Doc. 468

In the case of loans made under Section I(b) during the first ten years of the Bank's operations, this rate shall be not less than 1/2 percent per annum and not greater than one percent per annum.

(p. 2)

Article IV.

SECTION 5—*Guarantees*. p. 16 of Doc. 468

During the first ten years of the Bank's operations, this rate shall be not less than 1/2 percent per annum and not greater than one percent per annum.

Article V.

SECTION 11 (b). p. 27 of Doc. 468

The Bank may hold other assets, including gold, in designated depositories in the five members having the largest quota and in such other depositories as the Bank may select. Initially at least one-half of the holdings of the Bank shall be held in the designat-

ated depository in the member in which the Bank has its principal office and at least forty per cent of the holdings shall be held in the other four depositories of the members having the largest subscriptions, but each such member shall hold not less than the amount of its gold contribution.

However, all transfers of gold by the Bank shall be made with due regard to the costs of transport and expected requirements of the Bank. In an emergency the Executive Directors must transfer all or any part of the Bank's holdings of gold to any place where it can be adequately protected.

SECTION 14—*Distribution of Income*. p. 28 of Doc. 468

The net income shall be distributed annually by the decision of the Board of Governors.

Not less than 75 percent of the net income shall be distributed among members in proportion to their subscription to the Bank.

The remaining part of the net income shall be placed to the reserve capital of the Bank.

Document 481 (470)

CIII/2/RP2

Report Submitted to Commission III by Committee 2 on Enemy Assets, Looted Property, and Related Matters

(To be presented at the meeting of Commission III July 20, 1944)

Bretton Woods, July 20, 1944

MR. CHAIRMAN:

At the second meeting of Commission III held at 5:00 p.m. on July 10, 1944, Committee 2 was appointed to consider proposals for action which had been assigned to it in accordance with the recommendations of the Agenda Committee and to make recommendations to the full Commission concerning action to be taken at this Conference with respect thereto.

Committee 2 wishes to report as follows concerning its decisions and recommendations.

The first item to which Committee 2 gave its attention was the proposal recommending the liquidation of the Bank for International Settlements submitted by the Norwegian Delegation and designated as No. 4 in the Report of the Agenda Committee (Document No. 235).

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After considering the proposal in various forms it was the unanimous decision of Committee 2 to place the following recommendation, submitted jointly by the Norwegian and Netherlands Delegations, before Commission III and to recommend its adoption by the Conference:

"The United Nations Monetary and Financial Conference recommends the liquidation of the Bank for International Settlements at the earliest possible moment."

Committee 2 then turned its attention to the two proposals on enemy assets and looted property submitted by the Polish and French Delegations and designated as numbers 2 and 3 respectively in the Report of the Agenda Committee. The United States Delegation submitted an alternative draft resolution relating to this subject and embodying the features of the two earlier proposals. Thereupon, both the French Delegation and the Polish Delegation withdrew their proposals in favor of that submitted by the United States Delegation.

The Committee unanimously recommends to Commission III that the following resolution be adopted in principle. The Committee further recommends that the present draft be referred by the Commission to a drafting committee which shall be authorized to place it in form for consideration by the Plenary Session. The text of the recommended resolution is as follows:

(p. 2)

WHEREAS:

1. In anticipation of their impending defeat, enemy leaders, enemy nationals and their associates and collaborators are transferring assets through clandestine channels to and through neutral countries to be concealed and held at their future disposal. Success on the part of such persons in secreting and preserving under their control substantial amounts of assets in and through neutral countries will perpetuate their influence, power, and ability to plan anew future aggrandisement and world domination. The efforts of the United Nations to establish and permanently maintain peaceful international relations after the conclusion of the present war would thereby be jeopardized.

2. Throughout the past four years enemy countries and their nationals have taken the property of occupied countries and their nationals. Enemy methods have ranged from open loot and plunder of currency, gold, securities, and other movable property, to subtle and complex devices, including the establishment of puppet governments in occupied territories, designed to give the cloak of

legality to their robbery and to secure for themselves ownership and control of important financial and economic enterprises in the postwar period despite the impending defeat of their armed forces. To ensure their success and to frustrate the efforts of postliberation governments to undo their work, they have, through sales and other methods of transfer, run the chain of their ownership and control through foreign countries, both occupied and neutral, thus making the problem of disclosure and disentanglement one of international character.

3. Throughout the past four years as the enemy has occupied additional countries, the residents, under duress, have been forced to turn over to him their assets. The United Nations have declared their intention to do their utmost to defeat the methods of dispossession practiced by the enemy and have reserved their rights to declare invalid any transfers of property belonging to persons within occupied territory. They have adopted special controls and other measures not only to protect and safeguard property, within their respective jurisdiction, owned by occupied countries and their nationals, but also to prevent looted property from being disposed of in United Nations markets or acquired by persons subject to their jurisdiction.

THEREFORE:

It is resolved that, in recognition of these considerations, the United Nations Monetary and Financial Conference:

(p. 3)

I. Notes with satisfaction the establishment by the United Nations of machinery designed to assist the nations of the world in

(a) uncovering, segregating, controlling, and making appropriate disposition of enemy assets;

(b) locating and tracing ownership and control of looted property and taking appropriate measures to make restoration to its lawful owners.

II. Recommends that all Governments represented at this Conference, and particularly those already participating in the operation of this machinery, call upon the Governments of neutral countries:

(a) to take immediate measures to prevent any disposition or transfer within territories subject to their jurisdiction of any

(1) assets belonging to the Government or any individuals of institutions within those United Nations occupied by the enemy; and

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(a) looted gold, currency, art objects, securities, other evidences of ownership in financial or business enterprises, and of other assets looted by the enemy;

as well as to uncover, segregate and hold at the disposition of the post-liberation authorities in the appropriate country any such assets within territory subject to their jurisdiction.

(b) to take immediate measures to prevent the concealment by fraudulent means or otherwise within countries subject to their jurisdiction of any

(1) assets belonging to, or alleged to belong to, the Government of and individuals or institutions within enemy countries.

(2) assets belonging to, or alleged to belong to, enemy leaders, their associates and collaborators, and

to facilitate their ultimate delivery to the post-armistice authorities.

Respectfully yours,

Chairman: (Signed) ANDRE ISTEEL, French Delegation

Reporter: (Signed) WILHELM KEILHAU, Norway

To the Honorable Eduardo Suarez
Chairman of Commission III

7/19/44

Document 482

C/S/RP2

Report of the Steering Committee

July 20, 1944

The Steering Committee met at 9 p.m. on July 19. The Secretary called attention to the provision of Article 10 (e) of the Regulations which provide for the constitution by the Steering Committee of a Coordinating Committee of the Conference. The Committee authorized the Chairman to constitute the Coordinating Committee.

The Steering Committee approved for submission to the Conference the following resolutions:

1. The United Nations Monetary and Financial Conference

RESOLVES:

That the Government of the United States of America be authorized to publish the Final Act of this Conference; the Reports of the Commissions; the Minutes of the Public Plenary

Sessions; and to make available for publication such additional documents in connection with the work of this Conference as in its judgment may be considered in the public interest.

2. The United Nations Monetary and Financial Conference

RESOLVES:

That the Secretariat be authorized to prepare the Final Act in accordance with the suggestions proposed by the Secretary General in *Journal No. 19*, July 19, 1944;

That the Final Act contain the definitive texts of the conclusions approved by the Conference in plenary session, and that no changes be made therein at the Closing Plenary Session;

That the Coordinating Committee review the text of the Final Act, and if approved, submit it to the Final Plenary Session.

F. COE

Secretary.

Document 484

CII/DC/RP7

Supplemental Report of Drafting Committee of Commission II

July 20, 1944

The Drafting Committee of Commission II at its meeting on July 20 approved the following new texts for submission to the Commission:

Article II

Redraft of SECTION 8(a): *Time of payment of subscriptions*

(a) The two percent payable in gold and United States dollars under Section 7 (i) of this Article, shall be paid within 60 days of the date on which the Bank begins operations, provided that any original member of the Bank whose metropolitan territory has suffered from enemy occupation or hostilities during the present war shall be granted the right to postpone payment of one-half percent until five years after that date.

Article III

SECTION 1. *Use of resources*

(a) The resources and facilities of the Bank shall be used exclusively for the benefit of members with equitable consideration to projects for development and projects for reconstruction alike.

(b) For the purpose of facilitating the reconstruction of the

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cooperation or organization which are required. The agreement reached on these large and complex matters is without precedent in the history of international economic relations.

I. *The International Monetary Fund*

Since foreign trade affects the standard of life of every people, all countries have a vital interest in the system of exchange of national currencies and the regulations and conditions which govern its working. Because these monetary transactions are international exchanges, the nations must agree on the basic rules which govern the exchanges if the system is to work smoothly. When they do not agree, and when single nations and small groups of nations attempt by special and different regulations of the foreign exchanges to gain trade advantages, the result is instability, a reduced volume of foreign trade, and damage to national economies. This course of action is likely to lead to economic warfare and to endanger the world's peace.

The Conference has therefore agreed that broad international action is necessary to maintain an international monetary system which will promote foreign trade. The nations should consult and agree on international monetary changes which affect each other. They should outlaw practices which are agreed to be harmful to world prosperity, and they should assist each other to overcome short-term exchange difficulties.

The Conference has agreed that the nations here represented should establish for these purposes a permanent international body, *The International Monetary Fund*, with powers and resources adequate to perform the tasks assigned to it. Agreement has been reached concerning these powers and resources and the additional obligations which the member countries should undertake. Draft Articles of Agreement on these points have been prepared.

(p. 2)

II. *The Bank for Reconstruction and Development*

It is in the interest of all nations that post-war reconstruction should be rapid. Likewise, the development of the resources of particular regions is in the general economic interest. Programs of reconstruction and development will speed economic progress everywhere, will aid political stability and foster peace.

The Conference has agreed that expanded international investment is essential to provide a portion of the capital necessary for reconstruction and development.

The Conference has further agreed that the nations should co-

operate to increase the volume of foreign investment for these purposes, made through normal business channels. It is especially important that the nations should cooperate to share the risks of such foreign investment, since the benefits are general.

The Conference has agreed that the nations should establish a permanent international body to perform these functions, to be called *The Bank for Reconstruction and Development*. It has been agreed that the Bank should assist in providing capital through normal channels at reasonable rates of interest and for long periods for projects which will raise the productivity of the borrowing country. There is agreement that the Bank should guarantee loans made by others and that through their subscriptions of capital all countries should share with the borrowing country in guaranteeing such loans. The Conference has agreed on the powers and resources which the Bank must have and on the obligations which the member countries must assume, and has prepared draft Articles of Agreement accordingly.

The Conference has recommended that in carrying out the policies of the institutions here proposed special consideration should be given to the needs of countries which have suffered from enemy occupation and hostilities.

The proposals formulated at the Conference for the establishment of the Fund and the Bank are now submitted, in accordance with the terms of the invitation, for consideration of the governments and people of the countries represented.

FRANK COE
Secretary

Document 510

Resolution, Recommendations And Statement Submitted To The Conference By Commission III

I

RESOLUTION ON INTERNATIONAL ECONOMIC PROBLEMS

WHEREAS

In Article I of the Articles of Agreement of the International Monetary Fund it is stated that one of the principal purposes of the Fund is to facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and

maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy;

WHEREAS

It is recognized that the complete attainment of this and other purposes and objectives stated in the Agreement cannot be achieved through the instrumentality of the Fund alone; therefore

The United Nations Monetary and Financial Conference

RECOMMENDS

To the participating Governments that, in addition to implementing the specific monetary and financial measures which were the subject of this Conference, they seek, with a view to creating in the field of international economic relations conditions necessary for the attainment of the purposes of the Fund and of the broader primary objectives of economic policy, to reach agreement as soon as possible on ways and means whereby they may best:

- (1) reduce obstacles to international trade and in other ways promote mutually advantageous international commercial relations;
- (2) bring about the orderly marketing of staple commodities at prices fair to the producer and consumer alike;
- (3) deal with the special problems of international concern which will arise from the cessation of production for war purposes; and
- (4) facilitate by cooperative effort the harmonization of national policies of Member states designed to promote and maintain high levels of employment and progressively rising standards of living.

(p. 2)

II

RECOMMENDATION REGARDING ENEMY ASSETS
AND LOOTED PROPERTY

WHEREAS

In anticipation of their impending defeat, enemy leaders, enemy nationals and their collaborators are transferring assets to and through neutral countries in order to conceal them and to perpetuate their influence, power, and ability to plan future aggrandizement and world domination, thus jeopardizing the efforts of the United Nations to establish and permanently maintain peaceful international relations;

WHEREAS

Enemy countries and their nationals have taken the property of occupied countries and their nationals by open looting and plunder, by forcing transfers under duress, as well as by subtle and complex devices, often operated through the agency of their puppet governments, to give the cloak of legality to their robbery and to secure ownership and control of enterprises in the post-war period;

WHEREAS

They have also through sales and other methods of transfer, run the chain of their ownership and control through occupied and neutral countries, thus making the problem of disclosure and disentanglement one of international character;

WHEREAS

The United Nations have declared their intentions to do their utmost to defeat the methods of dispossession practiced by the enemy, have reserved their right to declare invalid any transfers of property belonging to persons within occupied territory, and have taken measures to protect and safeguard property, within their respective jurisdictions, owned by occupied countries and their nationals, as well as to prevent the disposal of looted property in United Nations markets; therefore

The United Nations Monetary and Financial Conference

I. TAKES NOTE OF AND FULLY SUPPORTS

Steps taken by the United Nations for the purpose of:

- (a) uncovering, segregating, controlling, and making appropriate disposition of enemy assets;
- (b) preventing the liquidation of property looted by the enemy, locating and tracing ownership and control of such looted property, and taking appropriate measures with a view to restoration to its lawful owners;

(p. 3)

II. RECOMMENDS

That all Governments represented at this Conference take action appropriate to their position in the war to call upon the Governments of neutral countries

- (a) to take immediate measures to prevent any disposition or transfer within territories subject to their jurisdiction of any
 - (1) assets belonging to the Government or any individuals or institutions within those United Nations occupied by the enemy; and

(a) looted gold, currency, art objects, securities, other evidences of ownership in financial or business enterprises, and of other assets looted by the enemy;
as well as to uncover, segregate and hold at the disposition of the post-liberation authorities in the appropriate country any such assets within territory subject to their jurisdiction;

(b) to take immediate measures to prevent the concealment by fraudulent means or otherwise within countries subject to their jurisdiction of any

(1) assets belonging to, or alleged to belong to, the Government of and individuals or institutions within enemy countries;

(2) assets belonging to, or alleged to belong to, enemy leaders, their associates and collaborators; and
to facilitate their ultimate delivery to the post-armistice authorities.

III

RECOMMENDATION REGARDING THE LIQUIDATION OF THE BANK FOR INTERNATIONAL SETTLEMENTS

The United Nations Monetary and Financial Conference

RECOMMENDS

The liquidation of the Bank for International Settlements at the earliest possible moment.

IV

STATEMENT REGARDING SILVER

The problems confronting some nations as a result of the wide fluctuation in the value of silver were the subject of serious discussion in Commission III. Due to the shortage of time, the magnitude of the other problems on the agenda, and other limiting considerations, it was impossible to give sufficient attention to this problem at this time in order to make definite recommendations. However, it was the sense of Commission III that the subject should merit further study by the interested nations.

Document 511

Commission II: Report of Subscriptions Committee

The Subscriptions Committee of Commission II has agreed to recommend to the Commission the following subscriptions for the Bank:

Subscriptions

(millions of dollars)		(millions of dollars)	
Australia	200	Iran	24
Belgium	225	Iraq	6
Bolivia	7	Liberia	.5
Brazil	105	Luxembourg	10
Canada	325	Mexico	65
Chile	35	Netherlands	275
China	600	New Zealand	50
Colombia	35	Nicaragua	.8
Costa Rica	2	Norway	50
Cuba	35	Panama	.2
Czechoslovakia	125	Paraguay	.8
*Denmark		Peru	17.5
Dominican Republic	2	Philippine Common-wealth	15
Ecuador	3.2	Poland	125
Egypt	40	Union of South Africa	100
El Salvador	1	Union of Soviet Socialist Republics	900
Ethiopia	3	United Kingdom	1300
French Committee of National Liberation	450	United States	3175
Greece	25	Uruguay	10.5
Guatemala	2	Venezuela	10.5
Haiti	2	Yugoslavia	40
Honduras	1		
Iceland	1		
India	400	Total	8800

*The quota of Denmark shall be determined by the Bank after Denmark accepts membership in accordance with the Articles of Agreement.

The Committee was composed as follows: Belgium, Brazil, Canada, China, Cuba, Czechoslovakia, Egypt, French Delegation, India, Mexico, New Zealand, Norway, United Kingdom, Union of Soviet Socialist Republics, United States, Chairman.

FRED M. VINSON, *Chairman*

Document 519 (473)

CI/M/10

Corrected Minutes of Meeting of Commission I

INTERNATIONAL MONETARY FUND

(July 19, 1944, 9:15 p.m.)

The Chairman of the Drafting Committee presented the report of

226479

be submitted regarding other means of international financial co-operation.

The work of Commission III, unlike that of Commissions I and II, did not represent the culmination of an organized body of preparatory work during a long period before this Conference was convened. Nevertheless the proposals examined by Commission III represent the views of people who had given long and careful thought to the subject matter of their recommendations.

Furthermore, there was no limit to the number and variety of proposals which could conceivably have been submitted within the Commission's terms of reference; it is therefore a fine tribute to the wisdom and sense of proportion of every Delegation, that it was found possible to group the proposals under three main headings, to which I shall refer presently.

The Commission has held three sessions under the most excellent Chairmanship of The Hon. Eduardo Suárez, Minister of Finance of Mexico, Chairman of the Mexican Delegation. Though entire unanimity on all points was naturally not to be expected, it was largely due to his leadership and impartiality that the work of Commission III was brought so harmoniously to its successful conclusion. In saying this I am confident that I am expressing the feeling of every member of the Commission.

In order to provide a basis for the Commission's work an Agenda Committee was appointed at the first meeting of the Commission on July 3rd to consider the suggestions received and make recommendations as to the problems which should be dealt with by the Commission. During the ensuing week fifteen proposals were received by the Agenda Committee. On examination it was found that these proposals related to three general fields of interest:—

Firstly—"The use of silver for International Monetary Purposes."

(p. 2)

Secondly—"Enemy Assets, Looted Property and related matters."

Thirdly—"Recommendations on Economic and Financial Policy. The Exchange of Information, and Other Means of Financial Co-operation."

Accordingly three Ad Hoc Committees were appointed to consider the proposals and make recommendations to the Commission.

At its final meeting the findings of the Commission in respect of the reports of the three Committees which I have already named were as follows:—

(i) The Commission adopted the report of Committee 1 on

"The use of silver for International Monetary Purposes" and recommended that the following statement be included in the Final Act:—

"The problems confronting some nations as a result of the wide fluctuation in the value of silver were the subject of serious discussion in Commission III. Due to the shortage of time, the magnitude of the other problems on the agenda, and other limiting considerations, it was impossible to give sufficient attention to this problem at this time in order to make definite recommendations. However, it was the sense of Commission III that the subject should merit further study by the interested nations."

(ii) The Commission adopted two measures placed before it by Committee 2 under the heading of "Enemy Assets, Looted Property and Related Matters".

The one is a Recommendation reading as follows:

"The United Nations Monetary and Financial Conference recommends the liquidation of the Bank for International Settlements at the earliest possible moment."

The other is a resolution relating to Enemy Assets and Looted Property, and this was adopted in principle and a drafting committee was appointed to make certain language changes and empowered to prepare a resolution for presentation to the Plenary Session of the Conference. The Resolution as submitted by the drafting committee reads as follows:

(p. 3)

WHEREAS

In anticipation of their impending defeat, enemy leaders, enemy nationals and their collaborators are transferring assets to and through neutral countries in order to conceal them and to perpetuate their influence, power, and ability to plan future aggrandizement and world domination thus jeopardising the efforts of the United Nations to establish and permanently maintain peaceful international relations;

WHEREAS

Enemy countries and their nationals have taken the property of occupied countries and their nationals by open looting and plunder, by forcing transfers under duress, as well as by subtle and complex devices, often operated through the agency of their puppet governments, to give the cloak of legality to their robbery and to secure ownership and control of important enterprises in the postwar period;

WHEREAS

Enemy countries and their nationals have also through sales and other methods of transfer, run the chain of their ownership and control through occupied and neutral countries, thus making the problem of disclosure and disentanglement one of international character;

WHEREAS

The United Nations have declared their intention to do their utmost to defeat the methods of dispossession practiced by the enemy, have reserved their right to declare invalid any transfers of property belonging to persons within occupied territory, and have taken measures to protect and safeguard property, within their respective jurisdictions, owned by occupied countries and their nationals, as well as to prevent the disposal of looted property in United Nations markets;

THEREFORE

It is resolved that, in recognition of these considerations, the United Nations Monetary and Financial Conference

I. Takes note of and fully supports steps taken by the United Nations for the purpose of

- (a) uncovering, segregating, controlling, and making appropriate disposition of enemy assets;
- (b) preventing the liquidation of property looted by the enemy, locating and tracing ownership and control of such looted property, and taking appropriate measures with a view to its restoration to its lawful owners.

(p. 4)

II. Recommends that all Governments of countries represented at this Conference take action consistent with their relations with the countries at war to call upon the Governments of neutral countries

- (a) to take immediate measures to prevent any disposition or transfer within territories subject to their jurisdiction of any
 - (1) assets belonging to the Government or any individuals or institutions within those United Nations occupied by the enemy; and
 - (2) looted gold, currency, art objects, securities, other evidences of ownership in financial or business enterprises, and of other assets looted by the enemy; as well as to uncover, segregate and hold at the disposition of the post-liberation authorities in the appropriate

country any such assets within territory subject to their jurisdiction.

- (b) to take immediate measures to prevent the concealment by fraudulent means or otherwise within countries subject to their jurisdiction of any
 - (1) assets belonging to, or alleged to belong to, the Government or any individuals or institutions within enemy countries;
 - (2) assets belonging to, or alleged to belong to, enemy leaders, their associates and collaborators, and to facilitate their ultimate delivery to the post-armistice authorities.
- (iii) The Commission adopted the report of Committee 3 on "Economic and Financial Policies, Exchange of Information, and Other Means of Financial Co-operation."

Of the matters considered by Committee 3 two were subject to specific discussion and vote by the Commission.

The first was a resolution combining the proposals submitted by Bolivia, Brazil, Chile, Cuba, and Peru. The text of the Resolution, which was adopted by the Commission, is as follows:

WHEREAS

In Article I of the Articles of Agreement of the International Monetary Fund it is stated that one of the principal purposes of the Fund is to facilitate the expansion and balanced growth of inter-

(p. 5)

national trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy;

WHEREAS

It is recognised that the complete attainment of this and other purposes and objectives stated in the Agreement cannot be achieved through the instrumentality of the Fund alone;

THEREFORE

The United Nations Monetary and Financial Conference recommends to the participating Governments that, in addition to implementing the specific monetary and financial measures which were the subject of this Conference, they seek, with a view to creating in the field of international economic relations conditions necessary for the attainment of the purposes of the Fund and of the broader primary objectives of economic policy, to reach agreement as soon as possible on ways and means whereby they may best:

- (1) reduce obstacles to international trade and in other ways promote mutually advantageous international commercial relations;
- (2) bring about the orderly marketing of staple commodities at prices fair to the producer and consumer alike;
- (3) deal with the special problems of international concern which will arise from the cessation of production for war purposes; and
- (4) facilitate by cooperative effort the harmonization of national policies of Member states designed to promote and maintain high levels of employment and progressively rising standards of living.

The second matter voted on was a resolution introduced by the Australian Delegation recommending that the Governments invited to accept the International Monetary Agreement be invited to enter, at the same time, into an undertaking to maintain high levels of employment in their respective countries. A motion for adoption of the Australian Resolution was defeated.

I cannot end this report without placing on record the value of the ready help so willingly given to the Commission and its Committees by the Secretariat. I should like also to pay a tribute to the consistently high standard of performance of the officers and personnel of the Committees notably Mr. Orvis A. Schmidt, who was Secretary not only of the Committees, but also of Commission III: (p. 6)

To conclude this report, and in order to place the deliberations of Commission III in perspective, I should like to say that they are supplementary to the reports of Commissions I and II, but in common with the work of those Commissions they deal with financial measures which do not by any means exhaust the efforts and endeavors which must be made in bringing to fruition a grand scheme of world prosperity.

Document 525

CII/M/7

Minutes of Meetings of Commission II
BANK FOR RECONSTRUCTION AND DEVELOPMENT
(July 21, 1944, 11 a.m. and 6 p.m.)

At the morning meeting of the Commission, the Final Report of All Committees to Commission II, Document 495, was considered.

Various points were referred to the Special Committee and the Drafting Committee. The delegate from Bolivia expressed dissatisfaction with the words "except in special circumstances" in article III, section 4(7), but did not enter a formal reservation.

At the afternoon meeting, the Report of Commission II, Document 505 (the amended version of Document 495), was submitted by the Special Committee and the Drafting Committee jointly. It was approved by the Commission subject to the following amendment:

Article IV, section 6, was amended and now reads as follows:

"Section 6. Special Reserve. The amount of commissions received by the Bank under Sections 4 and 5 of this Article shall be set aside as a special reserve, which shall be kept available for meeting liabilities of the Bank in accordance with Section 7 of this Article. The special reserve shall be held in such liquid form, permitted under this agreement, as the Executive Directors may decide."

A motion to amend article VIII, section (b), so as to require unanimous consent to a reduction of the voting power of any member was lost.

The report of the Subscriptions Committee, Document 511, was presented by the Chairman and adopted after changing the words "French Committee of National Liberation" to "France". It was agreed by the Commission to include this report as Schedule A of Document 505.

After the close of the meeting the following communication from the U.S.S.R. Delegation was received by the Reporting Delegate:

"The U.S.S.R. Delegation has its remarks and amendments on a number of the provisions of the Agreement of the International Bank for Reconstruction and Development and particularly the following reservations:

(p. 2)

1. *Article I, Section 4*

To delete this section.

2. *Article III, Section 1 (b)*

After the words 'and expediting the completion of such restoration and reconstruction' to add the following words: 'and shall establish favorable interest and commission rates for such loans'.

3. *Article V, Section 11 (b)*

To delete the word 'initially' in the second case.

"The Delegation of the USSR requests you to include into your

(Book 857, pp. 5-18)

Present:

Mr. White
Mr. Glasser
Mr. Coe
Mrs. Klotz

date

Mr. White: Let me get through with this before you start the Chinese matter.

This is a letter to Kilgore which is a response to the invitation which you received over a month ago, but was taken up orally.

Now, the clerk of the committee called up and said that apparently you were not going to appear, and they wanted somebody to appear to tell them whatever facts we have with respect to frozen assets, cartels, tips, and so forth. So, this is the letter that we drafted. (Referring to Attachment D.)

H.M. Jr: I think I will use this as an excuse to call up Kilgore because I told Kilgore the President wanted the whole hearings postponed, and I read in the paper he is going ahead. He said he was going to telephone the President, and that was two days ago, and was going to let me know. So, I will use this as an excuse.

Mr. White: I presumed something that wasn't so, because he called me and said they wanted this technical information and would the Secretary want to come up and confine himself to that? I said, "I don't think so." He said, "The other matter, you know, is out." So, I had assumed that you knew about it. I said, "Well, if the other matter is out, you want just technical information."

H.M. Jr: I told him it was out, but I also told him Truman didn't want any hearings. He said, "I am going to talk to Truman tomorrow and I will ask him that," and I said, "After you have spoken to him, will you speak to me?"

Mr. White: You should call him up.

H.M. Jr: I will do it now.

Mr. White: If they are still on, I think that the men are preparing material.

H.M. Jr: Whatever happened to Hoffman and the Chase National Bank and that stuff? Is that kicking around—the Chase Bank—Paris?

Mr. Coe: We sent that in to you, Harry.

Mr. White: Yes, and I asked to have the thing investigated, whether it had gone to the Secretary or not, and they said it had.

Mr. Coe: It is completed. It should have been here.

H.M. Jr: The Hoffman thing?

Mr. White: I have had it at least several weeks. You have had the original, I think, at least—

H.M. Jr: Kilgore is out of the city until Monday. See if I have Hoffman's report on the Chase Bank in Paris. I think I have it. (To Mrs. Klotz.)

226483

¹ Portions of this chapter are omitted as they deal with subjects not related or essential to the study on Germany.

(Discussion off the record.)

Mr. White: Here is the BIS matter if you want to read the memo. It is one page long. It will tell you about it, but we are sending a letter to all the Ministers of Finance who were up at Bretton Woods. (Referring to Attachment E.)

H.M. Jr: A memo about the BIS?

Mr. White: We received a letter from the BIS as well as a communication from the State Department enclosing something which the British had received from the BIS, in which the BIS has indicated it is staking out its claim against certain German assets. (Referring to Attachments F, G, H, and I.)

We all feel that it is a move to increase the prestige and enhance the importance of the BIS and to show they are in the picture and that they cannot be cut off. So, we had a meeting here and we are interested in it, but only in this Department. We all agreed finally that the thing to do is send a letter similar to the one that you are sending to Anderson except that it differs with several of the countries because some of the countries are members of the BIS, and others are not, but the gist is the same. You can read the answer probably, and then read the memo.

(Mr. White hands the Secretary Attachments J, K, and L.)

H.M. Jr: I would say, "I would not contemplate answering the letter addressed to me until I have had a chance to consult with you."

Mr. White: The letter doesn't really need any answer. It is just for—well, that might be a way of handling it.

H.M. Jr: Or else leave the sentence out entirely, "I would appreciate your advising me how you expect me to treat those communications." It's just as good. Look, it's just as good, see?

Mr. White: I'll tell you what we wanted to do. We wanted to notify the other countries that you are not going to answer the letter so they won't answer it.

H.M. Jr: I would put it, "Pending hearing from you I do not intend to—"

Mr. White: I don't know whether this would have the same effect.

H.M. Jr: We will think about it.

Mr. White: What we want to do is—the other country may answer that letter.

H.M. Jr: Think it over, and if you want me to do it your way, I will. I have got to stop.

Mr. White: One other thing. We are not asking the State Department on this, and we are not asking them deliberately because we think we will have trouble with the State Department, but it is so clearly a Treasury and Bretton Woods matter and there is one other thing about China. Adler is going back to China but he is going to get a ten-day vacation first, and Frank tells me there is something—

Mr. Coe: Could you set up a meeting later?

H.M. Jr: You know. I have told you what I have in mind.

Mr. White: You want me to tell them part of it—that part which relates to—bears directly on it or not?

H.M. Jr: I'll talk about it.

(Book 857, pp. 22-43)

ATTACHMENT D

(Copy)

Hon. H. M. KILGORE,
Chairman, Subcommittee on War Mobilization,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR KILGORE: With reference to your letter of 9 May 1945 concerning hearings of the Subcommittee on War Mobilization "The Economic Base for German Aggression and National Security," I understand that you desire the Treasury Department to present testimony relating to information in its possession concerning German methods of economic penetration and current activities of this Department designed to eliminate the German economic basis for further aggression.

In view of the nature of the information which you desire, I have asked Mr. Michael L. Hoffman, Acting Director of Foreign Funds Control, to testify for the Treasury Department.

Sincerely yours,

ATTACHMENT E

To: Secretary Morgenthau.

From: H. D. White.

An important issue has arisen concerning the Bank for International Settlements.

You recently received two letters from McKittrick of the BIS. One transmitted a copy of a letter to the Chancellor of the Exchequer setting forth the BIS position under the treaties establishing the bank and asserting, in effect, its immunity from politics—i.e. the war. The second letter is a statement of the need for resuming service on the German International 5½% Loan of 1930 guaranteed by various German state revenues, and is addressed to the governments on whose behalf this loan was issued under the Young Plan, and to governments of countries in which substantial parts of the loan are held. We are in the latter group.

The McKittrick letters are "for the record" and do not require a reply. We propose, however, to write letters to other Bretton Woods signatories. Attached are three model letters for your signature. These letters are based on the following position:

1. Bretton Woods Resolution No. 5 calls for the liquidation of the BIS at the earliest possible moment. We do not want to appear to be retracting in the slightest from this resolution. On the other hand, we do not want to precipitate a direct battle with BIS until the Bretton Woods legislation is enacted and other countries have adhered to it.

2. McKittrick's letters are part of an obvious effort to stake out a claim for the BIS in the post-war world. As such, they are, in effect, a challenge to Bretton Woods. This is particularly true of the letter to the Chancellor of the Exchequer which was probably cleared with the British Treasury before it was sent.

226484

3. The other signatories to the Bretton Woods Act should be advised of the BIS action, should be reminded of Bretton Woods Resolution No. 5, and should be advised that we are not answering the letters. It will thus be obvious to them that we do not intend to negotiate with the BIS. Such letters from us may stiffen the backs of countries which would like to liquidate BIS but hesitate to take any initiative.

4. The Chancellor of the Exchequer should be advised of our action, reminded of Bretton Woods Resolution No. 5, and asked what he is doing about the letters addressed to him.

If you approve these letters, those for the other Bretton Woods signatories will be prepared immediately. You will note that the letters differ slightly because of the fact that some of the Bretton Woods countries also got letters from BIS and some did not.

MLHoffman mbw 20 June 1945

LCAarons

ATTACHMENT F

(Copy)

BANK FOR INTERNATIONAL SETTLEMENTS

Basle, 2nd May 1945.

By Air Mail

THE SECRETARY OF THE TREASURY,
Washington, D.C.

SIR: As Trustee of the German Government International 5½% Loan 1930, it is our duty to draw your attention to the rights of the Bondholders of this Loan.

The question of the rights of these Bondholders will, in particular, arise at the time when a settlement is to be reached of matters left in suspense by the interruption of payments provided for by the Hague Agreements of 1930.

A similar question will arise with respect to the Bondholders of the German External Loan 1924. The Trustees of this Loan submitted this matter, in December 1944, respectively to the Governments of the United States and of the United Kingdom.

We have, in consequence, the honour to submit to you the following:

1. The problem of reparation for the material damage caused in the war of 1914-18 was raised, without being solved, by the Treaty of Versailles. By this Treaty the Reparation Commission was charged with the task of fixing the total of payments and other reparation to be made by Germany.

The fixing of Germany's obligations and their execution having given rise to many difficulties, the Creditor Governments were led to settle the reparation problem by means of two new agreements.

The first agreement, the so-called Dawes Plan of 1924—a provisional solution—was followed by the issue of a first loan to mobilise reparation payments in an amount equivalent to 800 million gold marks. This loan is the German External Loan 1924.

The second agreement, the New Plan of 1930, was to bring about a final and complete settlement of the reparation problem.

The elaboration of this New Plan was entrusted to a Committee of Financial Experts, and this Committee, under the Chairmanship of

Mr. Owen D. Young, submitted its report on 7th June 1929. The report was approved, in principle, in the Hague Protocol of 31st August 1929 and, finally, in the "Agreement with Germany" signed at The Hague on 20th January 1930.

2. Upon signing the New Plan, the Governments of the United Kingdom, France, Italy, Japan, Portugal and Yugoslavia demanded the issue of a new loan for the mobilisation of reparations and for this purpose signed with the German Government an agreement entitled: "Arrangements as to the financial mobilisation of the German annuities", which forms part of the various instruments drawn up at The Hague at the same time as the Agreement with Germany.

The German Government International 5½% Loan 1920 was issued in June 1930 on the markets of Belgium, France, Germany, Great Britain, Holland, Italy, Sweden, Switzerland and the United States. Subscriptions produced net proceeds of more than 300 million Dollars, which were distributed according to an agreement reached in Paris on 10th June 1930 as follows:

	Million
France -----	\$132.7
Germany -----	100.4
British Empire -----	50.3
Italy -----	13.2
Japan -----	2.1
Yugoslavia -----	1.9
Portugal -----	0.7

As regards the conditions of the Loan, we would refer to the bearer bonds issued and the general bond which was signed on 10th June 1930 by the German Government. For the purpose in view it suffices to mention the following special points:

- a) The Loan constitutes "a direct and unconditional obligation of the German Government to the Bondholder, for which the full faith and credit of Germany are pledged".
 - b) The service is secured:
 - 1) as to one-third by the general revenue of the German Government;
 - 2) as to two-thirds by a charge on the unconditional annuity of RM 612 million which the German Government has undertaken, in the New Plan, to pay to the Bank for International Settlements in "currencies other than the Reichsmark."
 - c) The service of the Loan benefits, up to two-third, by the guarantees provided by the New Plan for the payment of Reparations, namely by the charge placed upon the special tax payable to the German Government by the German Railway Company and by the undertaking given by the German Government subject to the charge securing the German External Loan 1924 to reserve free from any charge the proceeds of the Customs, the Tobacco Taxes, the Beer Tax, the Tax on Spirits (Administration of the Monopoly) and such additional revenues as may be required by the Bank for International Settlements pursuant to the conditions contained in the Hague Agreement.
3. The service of the Loan was effected with regularity by the German Government until the beginning of 1933.

It was not affected by the Hoover Moratorium and the suspension of reparation payments, the London Protocol of the 11th August 1931 (Article 1) and the Treaty of Lausanne of 9th July 1932 (Article 7) having expressly exempted the Loan from the facilities granted to Germany.

Difficulties began to appear in May 1933. The German Government commenced no longer to place at the disposal of the B.I.S. the sums necessary to ensure on a gold basis, as provided in the general bond, the interest and amortization of the bonds issued in countries which had depreciated their currency. A few weeks later, the German Government completely suspended the transfer of foreign exchange required for the service of amortization. Finally, the German Government refused as from 1st July 1934, to continue to make through the B.I.S. the necessary transfers for the interest service. Later certain payments were effected outside the conditions of the bond in various countries, as the result of individual arrangements concluded by the German Government.

As Trustee the B.I.S., on each occasion, immediately protested in the most energetic manner against the unilateral and wrongful breach of the undertakings given and expressly reserved the rights of the Trustee and of the Bondholders of the Loan.

4. This summary shows:

- a) that the Loan was issued at the request and as to two-thirds for the benefit of the Governments of the United Kingdom, France, Italy, Japan, Portugal and Yugoslavia;
- b) that, as counterpart, these Governments gave as guarantee to the Bondholders of the Loan part of their rights with respect to German reparation payments and the guarantees attaching to these payments;
- c) that in spite of the actual interruption of reparation payments and in spite of the wrongful and unilateral breach of the loan contract by the German Government, the Bondholders and the Trustee have preserved all their rights.

In consequence, we trust that the Governments on whose behalf the Loan was issued and who have ceded to the Bondholders in guarantee part of their rights, will take all possible steps as soon as circumstances permit to ensure that the engagements solemnly entered into be respected, that the arrears be paid, and that the service of the Loan be resumed in accordance with the conditions of the international agreements and the contracts which govern it. In our capacity as Trustee of the Loan, we have the honour, by the present communication, to make the formal request that appropriate measures to this end be taken.

This communication is addressed in the first instance to the Finance Ministers of the Governments of the United Kingdom, France, Italy, Portugal and Yugoslavia respectively, which Governments as promoters and beneficiaries of the Loan are particularly called upon to watch over the interests of the Bondholders.

The present letter is also being sent to the Finance Ministers of the Governments of Belgium, Greece, Holland, Poland, Romania, Sweden, Switzerland, and the United States, these countries being directly concerned either through the issue of an important tranche of the Loan

on their markets, or as Creditor Governments under the Hague Agreement of January 20, 1930, or in certain instances as both.

I have the honour to be, Sir,
Yours most respectfully,

(Signed) T. H. McKittrick,
President.

ATTACHMENT G

(Copy)

Secret

DEPARTMENT OF STATE,
Washington.

In reply refer to
FN 462.00R 296 B.I.S./5-545

The Acting Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and encloses a letter dated May 2, 1945 addressed to the latter by Mr. Thomas H. McKittrick, President of the Bank for International Settlements, with the enclosure thereto, relative to the rights and obligations of the Bank in connection with the functions assigned to it under the Hague Agreement of January 20, 1930.

The letter and its enclosure were forwarded to the Department by the Embassy at Bern, Switzerland, at the request of Mr. McKittrick.

Enclosure: As above-described:

ATTACHMENT H

(Copy)

BANK FOR INTERNATIONAL SETTLEMENTS

BASEL, 2nd May 1945.

The PRESIDENT

By air mail

The SECRETARY OF THE TREASURY,
Washington, D.C.,
U.S. America.

SIR, I have the honour to inform you that the Bank for International Settlements in fulfilling the functions assigned to it under the Hague Agreement of January 20, 1930, acquired during the years 1930 and 1931 substantial investments in Germany and that the Bank today holds a large part of the portfolio which thus came into its possession. The rights and obligations of the Bank in this connection have been set forth in a letter which is being addressed to the Ministers of Finance of the countries who signed the Agreement mentioned above. For your information and records a copy of this letter, as put before the Chancellor of the Exchequer in London, is enclosed.

I have the honour to be, Sir,
Yours most respectfully,

(Sgd.) T. McKittrick,
President.

ATTACHMENT I

(Copy)

By Air Mail

The CHANCELLOR OF THE EXCHEQUER,
H.M. Treasury,
Whitehall,
London, S.W.1.

SIR, I have the honour to submit to you herewith a summary of the rights and obligations of the Bank for International Settlements arising out of the Hague Agreements of 1930.

These Agreements have established a legal connection between the British Government and the B.I.S. with reciprocal rights and obligations. In view of the decisions which the Governments concerned may have to take when the appropriate time comes in connection with the application or the possible amendment, of the said Agreements, I am submitting to you, for such steps as you may consider desirable to take, the following observations.

This summary is also being communicated to the other Creditor Governments under the Hague Agreements.

In January 1930, at The Hague, the German reparation problem formed the subject of a number of Agreements, the principal of which were the agreement with Germany and the Convention with Switzerland.

The agreement with Germany comprised two annexes which are important for our purposes, namely the Debt Certificate of the German Government (Annex III) and the form of Trust Agreement (Annex VIII). The Convention with Switzerland contains the Constituent Charter and the Statutes of the B.I.S. Further, the agreement with Germany lays down that the Experts' Report of 7th June 1929 forms an integral part of the documents approved at The Hague.

The Hague agreements of 1930 form a legal whole, each individual document being linked with the others by definite references, and serve as the basis of the rights and obligations of the parties.

In virtue of these Agreements, the B.I.S.: (i) was founded by the central banks designated for this purpose; (ii) was required to carry out various functions in connection with Reparations, and (iii) concluded with the Creditor Governments the Trust Agreement provided for in Annex VIII to the Agreement with Germany.

II. THE RIGHTS AND OBLIGATIONS OF THE B.I.S. ARISING OUT OF THE HAGUE AGREEMENTS MAY BE SUMMARIZED AS FOLLOWS:

1. *The general functions of the Bank*

In addition to the general objects fixed by Art. 3 of its Statutes, the B.I.S. was given special tasks concerning the application of the Plan, which are summarized in Art. 4 of the Statutes.

2. *The B.I.S. Trustee of the Creditor Governments*

On 17th May 1930 the Bank concluded with the Governments referred to as "the Creditor Governments" a Trust Agreement, which is

in conformity with Annex VIII of the Hague Agreements and expressly refers to the Plan.

The obligations of the Bank, as Trustee for the Creditor Governments, include the receipt and entry to the credit of an "Annuity Trust Account" in the name of the said Governments of a) all sums received from the Agent General for Reparations on winding up his accounts, b) the funds to be received each month from the German Government in conformity with the Plan (Art. II of the Trust Agreement).

The Credit Governments may freely withdraw the sums credited to their account except a) the "minimum deposits" without interest which these Governments are required to leave in the Annuity Trust Account for the duration of the Plan and which are fixed at a total equivalent to 125 million Reichsmarks; b) the amounts in Reichsmarks necessary for the settlement of Deliveries in Kind. (Art. IV and V of the trust agreement.)

In the Trust Agreement the B.I.S. expressly takes note of the following obligations entered into by the German Government in the Debt Certificate:

The German Government undertakes to maintain at the Bank, during a period up to 31st March 1966, a non-interest-bearing deposit equivalent to 50% of the deposits of the Creditor Governments, that is to say, a minimum of RM 62.5 million. (Art. IX of the Trust Agreement.)

The German Government is required to deliver to the Bank and the Bank has the right and the duty to demand in payment of the monthly installments under the Plan "currencies other than Reichsmarks" subject to the proviso that the Bank may accept RM for an amount equal to the fraction of the annuity payable in the form of Deliveries in Kind under the Plan.

All sums, even those payable in currencies other than the RM, are calculated in RM, but the German Government has given the undertaking "that the RM shall have and shall retain its convertibility in gold or foreign exchange as provided in Section 31 of the Law of the 30th August 1924, and that, in all circumstances, for the general purposes of the Plan, the RM shall have and shall retain a mint parity of 1/2790 kilogramme of fine gold, as defined in the German Coinage Law of August 30, 1924." (Art. III of the Trust Agreement and Art. 91, Part 8, of the Experts' Report.)

3. *Intervention of the Bank provided for in the Plan*

Apart from the rights and obligations defined in the Trust Agreement, the B.I.S. has received under the Plan other rights and obligations of great importance, which constitute the essence of the new financial mechanism substituted by the Young Plan for that of the Dawes Plan.

The Bank must in fact, by the terms of the Plan, set up "machinery which will provide an elastic element between the payments to be made by Germany and their realization." "In consequence, the Creditors will have further assurance that the effects of economic changes on the flow of payments will be minimised, and Germany, for her part, will have the possibility of assistance during temporarily unfavorable conditions." (Art. 54, Part 6, of the Experts' Report.)

The Bank must intervene in order to forestall "circumstances which might of themselves lead to a transfer postponement." (Art. 69, Part 6, of the Experts' Report.)

The measures to be taken by the Bank are defined in the Plan. They are in particular:

a) Direct assistance to the Reichsbank in the form of short-term credits in foreign exchange which will provide "temporary assistance in transferring the annuities";

b) Indirect assistance in the form of investments in Reichsmarks on the German market, in the agreement with the Reichsbank, of part of the annuity receipts, which will have the effect of "returning to the German economy" part of the annuity, the Bank's credit mechanism making it possible "to provide the foreign exchange with which to pay the current allotments to the Creditors on account of the annuity". (Art. 69, Part 6 of the Experts' Report.)

Not only is it the function of the Bank to intervene in order to prevent the risk of an interruption in transfers, but is also laid down that the second measure, that of investing within Germany some portion of the annuity receipts, should also find its uses in normal times. (Art. 70, Part 6, of the Experts' report.)

The limits of the intervention required of the Bank are also fixed: "Both measures are necessarily limited by the funds which the Bank will have at its disposal and by the requirement that it maintains its liquidity at all times." (Art. 70, Part 6, of the Experts' Report.)

4. Guarantees provided for the B.I.S.

Important guarantees have been given to the Bank.

a) By the terms of Art. X of the Agreement with Germany "The Bank, its property and assets and also the deposits of other funds entrusted to it, on the territory of, or dependent on the Administration of, the Parties shall be immune from any disabilities and from any restrictive measures such as censorship, requisition, seizure or confiscation, in time of peace or war, reprisals, prohibition or restriction of export of gold or currency and other similar interferences, restrictions or prohibitions." This article applies, *inter alia*, to investments made by the Bank on the German market.

b) In addition—and this for the Bank is an essential guarantee—the Bank, which had the responsibility under the Plan of fixing the time and extent of its interventions on the German market, had also not only the right but the practical means of reducing or of removing its investments on that market at any time which it might consider opportune and in any case before the end of the period of application of the Plan.

The Bank had, in effect, the right and the obligation of demanding each month from the German Government in "currencies other than Reichsmarks" and at the rate laid down by Art. 91, Part 8, of the Experts' Report, the sums fixed by the Plan. The Bank also had the choice (but not the obligation) of accepting in Reichsmarks the sums necessary for the payment of deliveries in Kind. (Art. 79 of Annex I of the Experts' Report and Art. III of the Trust Agreement.)

In reducing its investments in Germany when it considered desirable, the Bank had merely to utilize for the payment of deliveries in Kind (of which the minimum amounts were fixed by Art. 134, Part 8,

of the Experts' Report) the Reichsmarks previously acquired and to demand from the German Government at the time of the monthly payment a higher proportion in "currencies other than Reichsmarks". In other words, after having, at the time of its interventions, purchased more Reichsmarks than was necessary for the payment of Deliveries in Kind, the Bank possessed in the mechanism of the Plan itself the means of converting these Reichsmarks into "currencies other than Reichsmarks" at the rate laid down by the Plan as soon as it considered desirable and in any case before the end of the period of application of the Plan.

It is recalled that by the terms of Art. 149 of Annex IV of the Experts' Report "the liability of the German Government with regard to the annuities contemplated in this Plan is not fulfilled until all sums, the sums, [sic] the transfer or payment of which may be from time to time postponed, have actually been transferred in full to the Bank for International Settlements in approved foreign currencies, or utilized for Deliveries in Kind."

III. THE BANK HAS FULLY CARRIED OUT ITS OBLIGATIONS

The Bank has fulfilled all the obligations laid upon it by the Hague Agreements.

As expressly required, and in particular by Art. 69 and 70, Part 6, of the Experts' Report, the Bank has done all in its power to prevent an interruption of transfers. With this end in view the Bank progressively increased, as from July 1930, its investments on the German market.

As the situation became critical in May-June 1931, it increased its intervention to the maximum in the two ways expressly stated in the articles quoted above;

a) It participated to the extent of one-quarter with the Federal Reserve Bank of New York, the Bank of England and the Bank of France in the short-term credit of \$100 million opened in favor of the Reichsbank.

b) It increased its investments on the German market to the maximum compatible with its means and with due regard to its liquidity.

In July 1931, the Bank had thus invested in Germany, in addition to the sums necessary for the current payments for Deliveries in Kind, an amount equivalent to;

(i) The total of the resources at long term at its disposal under the Plan (minimum deposits of the Creditor Governments and the deposit of the German Government);

(ii) an important fraction of its own funds.

The Bank had thus fulfilled all the obligations incumbent upon it within the limit of its means, due regard being taken to its liquidity.

IV. HOOVER MORATORIUM AND DE FACTO SUSPENSION OF THE APPLICATION OF THE PLAN

On the 20th June 1931, the President of the United States proposed the suspension for one year as from 1st July 1931 of all payments in connection with inter-governmental debts, and the governments concerned agreed to such provisional suspension.

On the 23rd of July 1931, the late Rt. Hon. J. Ramsay MacDonald, Chairman of the conference which had met in London fully com-

municated to the Bank a joint declaration of the representatives of the Governments of the United States, Belgium, France, Germany, Italy, Japan and the United Kingdom. This declaration recommended:

- 1) that the credit recently granted to the Reichsbank by the central banks and the B.I.S. should be renewed at maturity;
- 2) that concerted measures should be taken by the financial institutions of the various countries in order to maintain the volume of credits they had so far granted to Germany.

The B.I.S. was also invited to constitute without delay a Committee to consider the further credit needs of Germany.

On 19th November 1931, the German Government requested in conformity with Art. 119, Part 8, of the Experts' Report, the convocation of the Special Advisory Committee provided for in the event of the suspension of the transfer of the postponable part of the Annuities.

As a result of the report presented by this letter Committee, a conference of the interested Governments met in Lausanne in June 1932.

Pending a final settlement, provisional measures were taken (declaration of 16th June 1932) to suspend all payments other than the service of the loans.

On 9th July 1932, an agreement was signed which included a final settlement replacing the annuities under the Hague Agreements. This settlement provided for the deposit by the German Government with the BIS of 5% redeemable bonds for a total of 3 milliard Reichsmarks of the present weight and fineness. The Treaty of Lausanne was, however, not ratified later by any of the signatory Powers.

As the result, the provisional measures have alone remained applicable and since 1932 there has been a defacto suspension of the annuity payments fixed by the Hague Agreements without these agreements having been repealed or replaced by any new valid text.

V. THE PRESENT POSITION OF THE B.I.S. WITH RESPECT TO THE HAGUE AGREEMENTS

1. On 31st March 1945, the B.I.S. possessed investments on the German market to a total of about RM 237 million.

These investments represent the remainder of its interventions on the German market under the Plan. In fact the Bank, considering that it had fulfilled its obligations to the maximum, has since then confined itself to facilitating the reimbursement of the short-term credit in Dollars to the Reichsbank (which was completed in April 1933) and to ensuring the payment of Deliveries in Kind by means of funds set aside for this purpose. In addition, the Bank has been able during the course of recent financial years slightly to diminish the total of its investments.

The Bank, on the other hand, is debtor:

- a) towards the Creditor Governments in respect of the non-interest-bearing balance of the Annuity Trust Account for a total equivalent to RM 125 million (Art. IV (e) of the Trust Agreement);
- b) towards the German Government in respect of its long-term deposit of RM 62.5 million (Art. IX of the Trust Agreement).

2. The rights and obligations of the B.I.S. as creditor and debtor under these various headings have not been altered by the suspension of annuity payments, which, as already stated, was not accompanied by any instrument which could validly modify the previous legal position.

If, owing to the suspension of the payments provided for in the Plan, the Bank has suffered material damage (loss of the commission provided for in Art. XVIII of the Trust Agreement) and if it has been deprived, during the period of payments suspension, of the means of ensuring, as it would have been able to do when monthly payments were made, the reimbursement of its investments on the German market, the Bank has nevertheless regularly received the interest on its holdings at the rate of exchange laid down in Art. 91, Part 8, of the Experts' Report.

So long as the application of the Plan is merely suspended in this manner, the essential rights of the Bank have suffered no final harm and the Bank, placed in these circumstances, can only reserve the right of asserting them at the time of a final settlement.

Under its Statutes, the Bank is in any event required to hold itself entirely aloof from political questions which are the exclusive sphere of the interested Governments.

The Bank, therefore, had not to interfere in the relations between these Governments and it must maintain this attitude in future, except naturally in cases where it becomes a question of exercising the incontestable right of satisfying itself that the guarantees concerning the service and the future reimbursement of investments in Germany made by the Bank under the Plan are either simply maintained and respected or replaced by advantages and guarantees of equal value.

Having thus summarized the rights and obligations resulting for the Bank from the texts in force, I venture to draw attention to the following points to which events may shortly give practical interest:

1. In view of the obligations it has contracted towards the British Government in conformity with the stipulations of the Trust Agreement, the B.I.S. requests not only that the said Government abstain from any action which may affect its rights but also that the said Government do all in its power, as soon as circumstances permit, to place the Bank in a position to exercise the rights which it possesses under the Hague Agreements.

2. If any treaties, agreements or other instruments to which the British Government becomes a party, modify finally or annual totally or partially, explicitly or implicitly, the Hague Agreements and the texts annexed to these Agreements, the B.I.S. will request that this modification or this total or partial, explicit or implicit annulment shall not deprive it of the essential rights granted to it by previous instruments to which the British Government has been a party, unless the Bank be given compensation which it accepts as the equivalent.

I have the honour to be, Sir,
Your obedient servant,

(Signed) T. H. McKittrick,
President.

ATTACHMENT J

(Copy)

His Excellency RENE PLEVEN,
The Minister of Finance,
Paris, France.

EXCELLENCY: I recently received two letters from Mr. McKittrick of the Bank for International Settlements, each dated May 2, 1945. I

note from one of these letters that you received a similar communication.

I do not contemplate answering the letters addressed to me. Since you likewise participated in the United Nations Monetary and Financial Conference, which unanimously recommended the liquidation of the Bank for International Settlements at the earliest possible moment, I would appreciate your advising me how you expect to treat this communication.

Very sincerely yours,

Secretary of the Treasury.

ATTACHMENT K

(Copy)

The Right Honorable Sir JOHN ANDERSON,
Chancellor of the Exchequer,
H.M. Treasury,
Great George Street,
London S. W. 1, England.

MY DEAR SIR JOHN: I recently received from Mr. McKittrick of the Bank for International Settlements a copy of a letter dated May 2, 1945, which he sent to you. Mr. McKittrick also sent me a letter of the same date from which it appears that you have received a similar communication.

I do not contemplate answering the letter addressed to me. Since you likewise participated in the United Nations Monetary and Financial Conference, which unanimously recommended the liquidation of the Bank for International Settlements at the earliest possible moment, I would appreciate your advising me how you expect to treat these communications.

Very sincerely yours,

Secretary of the Treasury.

ATTACHMENT L

(Copy)

His Excellency,
Mr. ARTHUR DE SOUZA COSTA,
The Minister of Finance,
The United States of Brasil,
Rio de Janeiro, Brasil.

EXCELLENCY: I recently received from Mr. McKittrick of the Bank for International Settlements, a letter, dated May 2, 1945, and a copy of a letter of the same date which Mr. McKittrick sent to the British Chancellor of the Exchequer.

I do not contemplate answering the letter addressed to me. Since you likewise participated in the United Nations Monetary and Financial Conferences, which unanimously recommended the liquidation of the Bank for International Settlements at the earliest possible moment, I am sending herewith copies of these letters to you for your information.

Very sincerely yours,

Secretary of the Treasury.

226490

The John Foster Dulles Oral History Project
Princeton University Library

A Transcript of a Recorded Interview
with

THOMAS McKITTRICK

Richard D. Challener, Interviewer

Blairstown, New Jersey

30 July 1964

226491

late. But we'll let you know when it's going to fly."
And I was wonderfully lucky. I was in London about two weeks and, as nearly as I can find out, that was the only period of two weeks when there wasn't a single bomb dropped on the city of London.

Dean Challenger: It was good timing. Very good timing.

Mr. McKittrick: I don't know how it happened. But another thing about that trip was that when we arrived in Lisbon and went up to the hotel, the first thing that I knew somebody grabbed me from behind and said, "Is that you Tom McKittrick?" I said, "Yes," without seeing who it was. He said, "Well, my gosh, I've got to see you. You're the first man I wanted to see in Switzerland." And it was Allen Dulles, on his way over.

Dean Challenger: You weren't supposed to be there.

Mr. McKittrick: No. So, Allen and I talked until I had to go for that five o'clock departure, and then he had left during the next day. We just spent that night together talking about things in Switzerland, where he was going. But we ^{went} / back to London. I stayed in London for two weeks. I saw the people at the Bank of England. Talked with them a great deal about the bank, because you

know the governor of the Bank of England was one of the members of the Board, and I saw what was one of the most important documents in regard to the war experience of the BIS. On October the 13th, the Chancellor of the Exchequer, because the BIS had been criticized in the House of Commons, as well as being criticized in this country, and I was personally criticized for sitting down at the same table with Germans, things like that. But if you're going to be an international civil servant, you can't let nationalities interfere with your work.

But then the Pan American people flew us down to Bristol, and we were down there for four days. I ran down and spent the night with great friends of mine, Sir Arthur Hobhouse and his wife, in Somerset. He was at that time, I think (I'm not sure about the dates), but the fact is that he was Chairman of the Somerset County Council. One of those Englishmen who works on local politics, just as hard as a human being can work, and never gets a cent for it.

Dean Challener: That's right. A great tradition, they've got for that.

Mr. McKittrick: And then, we were flown over to Shannon Airport, and we stayed there one or two nights. Then, to get to the place where these flying boats took off--

Mr. McKittrick: And I was the only American on the staff over there.

Dean Challener: It would make you doubly suspect, or triply suspect.

Mr. McKittrick: Yes. And then, Harry Dexter White, who died while being tried as a traitor, hated me, because I was doing things that he couldn't get done, because I could get in all sorts of places in Europe that he couldn't get his people in -- and in addition (and this came out in the New York Herald) when Lou Douglas was being proposed as the Head of the World Bank, Henry Morgenthau, Secretary of the Treasury, wrote a letter against him, very virulent, and said the reason they opposed Lou Douglas was that when he took office in the Cabinet with Franklin Roosevelt, his main purpose was to make Washington the financial center of the world, and they couldn't have the financial center there as long as the BIS was something that you could dress up as a financial center in Europe. So, he was just against us.

Dean Challener: I see how all this came about. Yes.

Mr. McKittrick: Oh, yes. But I had, during this period after I came back, a very considerable number of meetings with Leland Harrison, our Minister, and Allen and I -- the three of us together -- and we talked more freely, I think, in those meetings than at any other time. But I'm perfectly sure that neither of those fellows told me all they knew about what was going on in the real policy of the United States.

Dean Challenger: What do you think they were trying to find out from you?

Mr. McKittrick: Anything that I happened to know. And I did know, for instance, the way the Germans were obtaining the money with which they maintained their organization for sabotage, subversion, as well as political and military intelligence, especially in South America. The Allies were very anxious to stop this, but no way was found to do so without risking a loss of good will among the neutral nations which would be too serious to provoke.

The chief parties to the arrangement which grew up were the German Reichsbank, the Swiss National Bank, and the Bank of Portugal in Lisbon. The purpose of this arrangement for the Germans was to obtain Portugese escudos on deposit to their credit in some Portugese bank or banks where this money would be at their disposal. Escudos were, of course, a neutral currency acceptable in Allied, Axis, and neutral territory, particularly in South America.

The Bank of Portugal was ready to buy gold bullion with their highly prized escudo currency, and agreed to accept the gold as soon as it had been delivered to the National Bank of Switzerland in Zurich for safe keeping as property of the Bank of Portugal, which would then pay the counter value in escudos, to whatever banks or other parties in Portugal to whom they had been instructed to pay it by whoever had delivered the gold to the Swiss National Bank in Zurich.

This is the essence of what went on, but it became more complicated chiefly because certain steps were turned over to the three big Swiss banks. This worked well for strong commercial banks can do many things which lie outside the fields of activity which usually fall to national banks of issue.

And that went on for a long time. We were in it because the Germans were shipping gold to us, also. You see, we had a lot of German investments which were made in '31 in accordance with the statutes of the Bank. We had to help Germany with loans to pay reparations payments in the first years, and we got for them notes of the German railway system, notes of the German Post Office; but they had to pay us about a million Swiss francs a month, and that was what we lived on. And in order to give us that money they would ship gold to us. Now, we had no vaults. We had no place to handle gold. We had none of the necessary devices to assay gold or to weigh gold. They have a scale as big as that

chimney breast there, and you can weigh the weight of your signature on a piece of paper. So that we had the Bank of Switzerland do all our gold handling and gold storing for us in Switzerland, and the fact that we held gold for the Reichsbank and helped ourselves to the interest on our German investments -- it occurred that sometimes the Germans wanted to take some of our gold and give it to some of the Swiss banks. We knew that they'd replace it, so we were more or less concerned with the thing as it was going on.

But in that connection, I ought to say this, and I may take it out when I see it written. The Treasury kept sending sleuthhounds over to Switzerland, and they weren't interested in what the Germans were doing. The only thing they were interested in was where was Hitler putting his money, and where was Goering putting his money, and Himmler, and all the rest of the big boys in Germany. But I, myself, am convinced that those fellows were not piling up money for the future. They were playing all out. They were evil. They were bad. They were savage. But they weren't pikers. They were really playing all or nothing with the continent of Europe. If they could get the continent of Europe why they could have anything they wanted.

Dean Challenger: They didn't need to worry about getting a little bit of private treasure somewhere.

Mr. McKittrick: They didn't need to worry about it. No. But

Agreement concluded at Munich, September 29, 1938, between Germany,
Great Britain, France and Italy

GERMANY, the United Kingdom, France and Italy, taking into consideration the agreement, which has been already reached in principle for the cession to Germany of the Sudeten German territory, have agreed on the following terms and conditions governing the said cession and the measures consequent thereon, and by this agreement they each hold themselves responsible for the steps necessary to secure its fulfilment:

(1) The evacuation will begin on 1st October.

(2) The United Kingdom, France and Italy agree that the evacuation of the territory shall be completed by the 10th October, without any existing installations having been destroyed, and that the Czechoslovak Government will be held responsible for carrying out the evacuation without damage to the said installations.

(3) The conditions governing the evacuation will be laid down in detail by an international commission composed of representatives of Germany, the United Kingdom, France, Italy and Czechoslovakia.

(4) The occupation by stages of the predominantly German territory by German troops will begin on 1st October. The four territories marked on the attached map will be occupied by German troops in the following order:

The territory marked No. I on the 1st and 2nd of October; the territory marked No. II on the 2nd and 3rd of October; the territory marked No. III on the 3rd, 4th and 5th of October; the territory marked No. IV on the 6th and 7th of October. The remaining territory of preponderantly German character will be ascertained by

An act of ceding, every territory to another country by treaty, or other treaty.

the aforesaid international commission forthwith and be occupied by German troops by the 10th of October.

(5) The international commission referred to in **paragraph 3** will determine the territories in which a plebiscite is to be held. These territories will be occupied by international bodies until the plebiscite has been completed. The same commission will fix the conditions in which the plebiscite is to be held, taking as a basis the conditions of the Saar plebiscite. The commission will also fix a date, not later than the end of November, on which the plebiscite will be held.

(6) The final determination of the frontiers will be carried out by the international commission. The commission will also be entitled to recommend to the four Powers, Germany, the United Kingdom, France and Italy, in certain exceptional cases, minor modifications in the strictly ethnographical determination of the zones which are to be transferred without plebiscite.

(7) There will be a right of option into and out of the transferred territories, the option to be exercised within six months from the date of this agreement. A German-Czechoslovak commission shall determine the details of the option, consider ways of facilitating the transfer of population and settle questions of principle arising out of the said transfer.

(8) The Czechoslovak Government will within a period of four weeks from the date of this agreement release from their military and police forces any Sudeten Germans who may wish to be released, and the Czechoslovak Government will within the same period release Sudeten German prisoners who are serving terms of imprisonment for political offences.

Munich, September 29, 1938.
ADOLF HITLER,

NEVILLE CHAMBERLAIN,
EDOUARD DALADIER,
BENITO MUSSOLINI.

226 199



Foreign &
Commonwealth Office
General Services Command

HISTORY NOTES

Nazi Gold: Information from the British Archives

Historians, LRD

No. 11

September 1996

226500

Gold found in Germany

Of all the gold discovered by the Occupying forces in Germany, the hidden store of gold and foreign exchange discovered in a salt mine at Merkers was the most spectacular and substantial.²² However, MEW estimated that it probably represented only about 20% of all gold held in Germany, and the American forces in particular went on to discover a number of gold hoards in their Zone. They, and the British forces, were helped in their search by the Reichsbank records also recovered at Merkers, and by information derived from the interrogation of Prisoners of War. The records of the Banking and Finance Divisions of the Control Commission for Germany contain many reports of such interrogations, and of expeditions to discover Nazi gold held both in banks throughout Germany, and in hidden hoards. One such informant led to the discovery of a gold hoard amassed by von Ribbentrop, and guarded by German Foreign Office officials.²³

The Occupying forces and their investigatory teams followed up all leads, but were well aware that they were unlikely to uncover all gold hidden in Nazi Germany. What they found, however, was gathered together, mostly at Frankfurt, and unless clearly identifiable was later used for the gold pool to be distributed by the Tripartite Gold Commission established in 1946.

Nazi gold held outside Germany

Gold held in other countries was dealt with as part of Germany's external assets. In July 1945 neutral governments were informed that 'the four Allied Powers claim title to or control over Axis-owned or controlled companies', but this declaration was not well-received. As MEW and the Treasury were well aware, the Allies' legal position in seeking to gain control of German assets outside Germany was 'exceedingly weak'.²⁴ Both the Swedish and Swiss Governments were quick to reply that such a demand conflicted both with their own legislation and with their status as neutrals. An approach suggested by the US Representative on Safehaven negotiations, Mr. Rubin, seemed more promising: he proposed to invite the neutral countries to cooperate on moral grounds in the discovery of German assets and hand them over to the Allies, on the grounds that the neutral governments had profited from the sacrifices made by the United Nations during the war, and because 'as one of the necessary prerequisites to neutral participation in the reconstituted family of nations in the post-war period, some affirmative action should be taken by

²² Details of the find are given in MEW's weekly report of 19 April 1945, FO 1046/33, and in a letter from the Bank of England to Mr. Playfair, 26 April, giving the grand total of gold found as £54m (T 236/931).

²³ Information on von Ribbentrop's hoard of gold and other treasures can be found in FO 1046/27, 33, 267 and 537.

²⁴ *DBPO*, Series I, Vol. I, No. 124, Vol. V, No. 33.ii.

- T 236/932 Claims against Germany for return of looted Gold
German holding of Gold (Merkers Treasure)
- T 236/933 Claims against Germany for return of looted Gold
German holding of Gold (Merkers Treasure)
- T 236/934 Claims against Germany for return of looted Gold
German holding of Gold (Merkers Treasure)

1946

- FO 371/60479 Switzerland
- FO 837/1265-9 SAFEHAVEN
- FO 837/1275 Reparations. Restitution of Monetary Gold
- FO 192/197 Joint Commission Minutes
- FO 192/198 Disposal of German Assets (Allied-Swiss Negotiations)
- FO 192/199 Implementation of Washington Agreement (part II)
- FO 1036/381 Release and Delivery of Foreign Securities in Germany.
General Policy
- FO 1046/168 Finance Directorate Sub-Committee. General Principles
of Relief for Victims of Nazism. Papers and General
Correspondence
- FO 1046/181 Victims of Nazi Persecution
- T 236/986 Definition of Monetary Gold to Implement Part III of
the Paris Act
Gold Questionnaire issued by Tripartite Commission on
monetary Gold
- T 236/987 Definition of Monetary Gold to Implement Part III of
the Paris Act
Gold Questionnaire issued by Tripartite Commission on
monetary Gold
- T 236/988 Definition of Monetary Gold to Implement Part III of
the Paris Act

FO 371/36371 Allied Administrative Affairs

FO 371/36372 Allied Administrative Affairs

1944

FO 115/4149 Trading with the Enemy: Intercepted Messages

FO 115/4150 Trading with the Enemy: Intercepted Messages

FO 115/4151 Sofindus Intercepts

FO 115/4153 Eastern Province Administration

FO 371/40579 Allied Declaration on Looted Gold

T 236/121 Looted Gold Acquisition by neutrals

T 236/931 Claims against Germany for return of looted Gold
German holding of Gold (Merkers Treasure)

T 236/1602 Switzerland looted Gold: Acquisition by neutrals

1945

FO 1046/33 Gold and Valuables found in Germany

FO 1046/74 German External Assets

FO 1046/118 D.O Correspondence

FO 1046/136 Organisation set up to deal with property confiscated
from the Jews

FO 1046/147 Restitution Policy and Minutes of Allied Property
Council

FO 1046/267 German Gold Hoards in General.

FO 1046/275 External Assets

FO 1046/763 External Loot

FO 1046/764 Loot. Internal Loot.



Foreign & Commonwealth Office
General Services Command

HISTORY NOTES

Nazi Gold: Information from the British Archives: Part II

Monetary gold, non-monetary gold
and the Tripartite Gold Commission

Historians, LRD

No. 12

May 1997

226504

I Allied responsibility for Nazi gold

Allied efforts to control the wartime traffic in Nazi gold² foreshadowed a responsibility on their part to take positive action in regard to gold when the war ended. The Final Act of the United Nations Monetary and Financial Conference held at Bretton Woods from 1-22 July 1944³ enjoined participating countries to uncover, segregate, control and hand over enemy assets to the post-liberation authorities, and to call upon neutral countries to do the same. The task of uncovering, segregating, controlling and handing over enemy assets in Germany fell to the Occupation forces and the military government and control authorities they set up.

As Allied forces advanced through Germany, they looked for hidden German assets, especially gold. They found it in caches where it had been hidden either by individual Nazis or—as in the case of the Kaiserode salt mine at Merkers in Thuringia, where US forces found 90% of Nazi gold holdings—where the gold had been sent by the Reichsbank in an attempt to hide it from the Allies. They found it, in sombre circumstances, at or near concentration camps when they opened them up: gold and other valuables of this type were taken into custody under Military Government Law 52, which provided for such property to be set aside with a view to restitution to its owners or their heirs. In addition, the operation of Military Government Law 53, which was posted up progressively in each area of Germany as it was occupied by the Western armies, required the delivery to Allied custody in the nearest branch of the Reichsbank of all disposable foreign exchange assets, which included not only foreign currency but all precious metals in coin or bullion form. This meant that the Occupying forces also took charge of a third class of gold, which in practice included not only bullion and coin but gold in other forms, such as gold for industrial use (sheets, wires etc), gold from jewellers' stocks, and privately owned gold objects.

Allied authority over all German property was embodied in the Declaration regarding the defeat of Germany and the assumption of Supreme Authority with respect to Germany by the Governments of the UK, USA, USSR and the Provisional Government of the French Republic, signed in Berlin on 5 June 1945.⁵ By the time of the Berlin Conference held in Potsdam from 17 July to 2 August 1945⁶ the British, French and US Occupation forces had already found the major part of Nazi gold they were

² *Nazi Gold I*, pp. 4-6.

³ Cmd. 6546 of 1944.

⁴ Allied negotiations with the neutrals were discussed in *Nazi Gold I*.

⁵ Cmd. 6648 of 1945, also printed in *British and Foreign State Papers*, vol. 145, pp. 796-802.

⁶ The proceedings of the Conference and related documents are printed in *Documents on British Policy Overseas* (hereafter *DBPO*), Series I, Vol. 1: *The Conference at Potsdam July-August 1945* (HMSO, 1984).

ever to find (most of it—over \$260m worth—in the US Zone),⁷ and were continuing to collect gold under Law 53. The gold hoard discovered at the Merkers Mine at Kaiserode in April 1945, later removed to the Foreign Exchange Depository (FED) in the Reichsbank building in Frankfurt under US custody, included a large quantity of material which had evidently been in the possession of the SS, including ornaments, watches and 'thousands of gold and silver dental crowns, bridges and plates'.⁸ Property taken from concentration camp victims, such as the 313 containers of currency, jewellery and other valuables found in a cave outside Buchenwald, also included gold of this type.⁹

What was to be done with all this gold? Should it be counted as war booty on a 'finder's keepers' principle? Should it form part of the overall reparations plan? Should it be given back if identifiable? Was there an agreed meaning of the terms 'booty', 'loot', 'restitution' and 'reparation'? Could Law 53 gold be released for legitimate industrial use? Discussion of these questions, on which opinion was divided both between the Allies and within their political and military authorities, was carried on at a number of levels, official, military and intergovernmental.¹⁰ The Occupation authorities looked to their governments for guidance, but discussion and decisions at the intergovernmental level were confined to questions of principle rather than practice.

The American, British and French Governments agreed in principle that they should not keep the gold they found in Germany in recompense for their wartime expenditure, but that it should be used for the benefit of all Allied governments in their task of postwar reconstruction. At the end of the war the British Government considered it 'of primary importance that the European Allies should be entitled to restitution of identifiable and recoverable monetary gold, valuables and securities which were their property before occupation and were looted by the enemy . . . The inclusion of identifiable monetary gold in any Restitution policy agreed at Terminal [i.e. the Potsdam Conference] would materially lessen the bitterness with which other European Allies, especially the French, would look upon a policy settled by the three Great Powers without consultation with them.'¹¹ The US Government, however, favoured the idea of a 'gold pot' on the grounds that

⁷ Memo. by Commanding General, US Forces European Theatre (USFET), 19 August 1945, enclosed in memo. of 22 August from US Group Control Council to US War Department, Bank of England documents.

⁸ Memo. by Combined Civil Affairs Committee, Washington, CCAC 184, 28 April 1945, also CCAC 184/1, 12 May 1945, CAB 88/70.

⁹ SHAEF telegram VOG 526 from Air Chief Marshal Tedder to War Office, 21 June 1945, Bank of England documents.

¹⁰ See, for example, the memorandum of 16 July 1945 by Mr. E. Playfair of HM Treasury, giving an account of negotiations in Moscow on reparations, printed in *DBPO*, Series I, Vol. I, No. 165.

¹¹ Foreign Office telegram No. 133 to Mr. A. Eden, Secretary of State for Foreign Affairs, in Berlin, 21 July 1945, printed *ibid.*, No. 352.

'German disposition of some looted gold, and the impossibility of identifying the origin of other gold, require for the sake of equity a modification of the simple principle of restitution'.¹² The French Government inclined towards the US view and the British Government decided, in order to avoid 'endless deadlock', to accept the principle that all captured German gold should be used for restitution.¹³ In other words, all gold found in Germany would be pooled and given back to those countries who had lost their gold reserves in proportion to their losses.

Discussions in Moscow in the summer of 1945 between members of the Allied Reparation Commission touched upon the relative definitions of booty, loot, restitution, etc., but the classification of types of gold was not attempted. Nor was there any detailed discussion of gold at the Potsdam Conference, although it fell within the scope of the final Protocol in Part III, *Reparations from Germany*, which also stated that the Soviet Government made no claim to gold captured by the Allied troops in Germany.¹⁴ Between Potsdam and the Paris Conference on Reparation responsibility for gold lay *de facto* with the UK, US and French Governments through their Military Commanders in charge of their zones of occupied Germany.

The Paris Conference on Reparation, 9 November-21 December 1945

The Paris Conference was the first intergovernmental forum at which the future of Nazi gold was seriously discussed, and its Final Act, embodying an agreement between the eighteen participating powers¹⁵ on Reparation from Germany, the Establishment of an Inter-Allied Reparation Agency and the Restitution of Monetary Gold,¹⁶ contained specific provisions for the disposal of both monetary and non-monetary gold. The definition of these categories, however, was not addressed. The records of the Conference and other related discussions at this time indicate that delegates made a general assumption that monetary gold meant gold bars and coins, looted from banks and, by implication, from governments, since in many countries private citizens had not been permitted to hold gold. Non-monetary gold was considered to mean 'private' gold in the form of dental gold, wedding rings etc. taken from concentration camp inmates.¹⁷ This crude, and in some

¹² See *Foreign Relations of the United States (hereafter FRUS), 1945*, vol. iii, pp. 1257-60.

¹³ *DBPO*, Series I, Vol. V: *Germany and Western Europe 11 August-31 December 1945* (HMSO, 1990), No. 321.

¹⁴ The Potsdam Protocol or *Communiqué* of 2 August 1945 is printed in *DBPO*, Series I, Vol. I, No. 603.

¹⁵ These were the governments of Albania, the USA, Australia, Belgium, Canada, Denmark, Egypt, France, the UK, Greece, India, Luxembourg, Norway, New Zealand, the Netherlands, Czechoslovakia, South Africa and Yugoslavia.

¹⁶ Cmd. 6721 of 1946. The Final Act came into operation on 24 January 1946.

¹⁷ See, for example, record of a meeting in the Foreign Office on 14 November 1945 which considered the explanation by Sir D. Waley (Treasury, British Delegate to Reparation Commission) that non-monetary gold meant 'gold articles removed from their victims by the Germans either before or after execution' (T 236/1478).

226506

REPRODUCED AT THE NATIONAL ARCHIVES

T 236/931 (1) Claims against Germany for return of looted gold (2) German holding of gold (Merkers Treasure)

T 236/1602 Looted gold: acquisition by neutrals

T 236/3253 Regulation No. 7, control of axis and satellite territory under allied occupation

1945

FO 115/4181 Bank for International Settlements

FO 371/46796-97 Punishment of Germans and Austrians for atrocities other than war crimes; reports on German concentration camps

FO 1014/854 Special Assistance to Nazi Victims

FO 1046/33 Gold and Valuables Found in Germany

FO 1046/74 German External Assets

FO 1046/118 Papers of the Chief of the Finance Division, CCG

FO 1046/134 Property Control

FO 1046/136 Jewish Confiscated Property

FO 1046/147 Restitution Policy

FO 1046/163 Property Control

FO 1046/205 Bullion in the British Zone

FO 1046/216-217 Industrial Gold and Silver

FO 1046/245 German Bankers Advisory Board

FO 1046/246 CCG (BE) Currency Section

FO 1046/267 German Gold Hoards

FO 1046/275 German External Assets

FO 1046/747 Property Control Reports

FO 1046/763 External Loot

FO 1046/764 Internal Loot

T 236/127 Currency disposal problems: (a) Currency found in Germany (b) Currency captured from Wehrmacht in liberated territory (c) Currency impounded in Germany

T 236/932 (1) Claims against Germany for return of looted gold (2) German holding of gold (Merkers Treasure)

T 236/956-957 Principles to be followed in view of (a) reparations and (b) economic security, regarding removals of property belonging to United Nations or neutral nationals.

T 236/1478 Stateless persons reparations and restitution

T 236/1987 Disposal of German property in the United Kingdom and UK claims against Germany

1946

FO 371/55813 Former German concentration camps: reports of atrocities

FO 371/60479 Allied claims to German assets in Switzerland

FO 192/197 Joint Commission Minutes

FO 192/198 Disposal of German Assets (Allied-Swiss Negotiations)

FO 192/199 Implementation of Washington Agreement (Part II)

FO 837/1265-1269 Safehaven

FO 837/1275 Reparations. Restitution of Monetary Gold

FO 1036/381 Release and Delivery of Foreign Securities

FO 1046/181 Victims of Nazi Persecution

FO 1046/747 Periodical Reports

FO 1049/367 Treatment of Jewish Displaced Persons

FO 1049/522 Compensation for Nazi Victims

FO 1049/625-626 Situation of Jews in Germany

FO 1049/777 Relief Payments for British Subjects in Germany

T 236/934 (1) Claims against Germany for return of looted gold (2) German holding of gold (Merkers Treasure)

T 236/958 Principles to be followed in view of (a) reparations and (b) economic security, regarding removals of property belonging to United Nations or neutral nationals.

T 236/979-981 Constitution and operation of tripartite commission on monetary gold

T 236/986-987 (1) Definition of monetary gold to implement Part III of the Paris Act (2) Gold questionnaire issued by tripartite commission on monetary gold

T 236/989 Claims of inter-allied reparation agency powers to share in the restitution of monetary gold

T 236/1479 Stateless persons reparations and restitution

T 236/2353 Swiss Safehaven Agreement

T 236/4312 Trading with the enemy: release of assets belonging to refugees

1947

FO 371/65163-67 Restitution of gold to various countries

FO 192/200-201 Implementation of Washington Accord

FO 192/202 Minutes of Joint Commission Meetings (Part II)

FO 192/203 Safehaven in Switzerland

FO 192/204 Swiss-Allied Accord of 25 May 1946. Progress Reports

FO 192/205 Swiss Compensation Office

FO 837/1279-80 Reparations and Restitution of Monetary Gold

FO 837/1281 Working Papers from monetary gold conference

DECLASSIFIED

RG 131

Authority AND 468103

Entry FOREIGN FUNDS CONTROL

By AT NARA Date 1-18-07

File PEHLE, JOHN W. (MR)

Box 335 (C.F.)

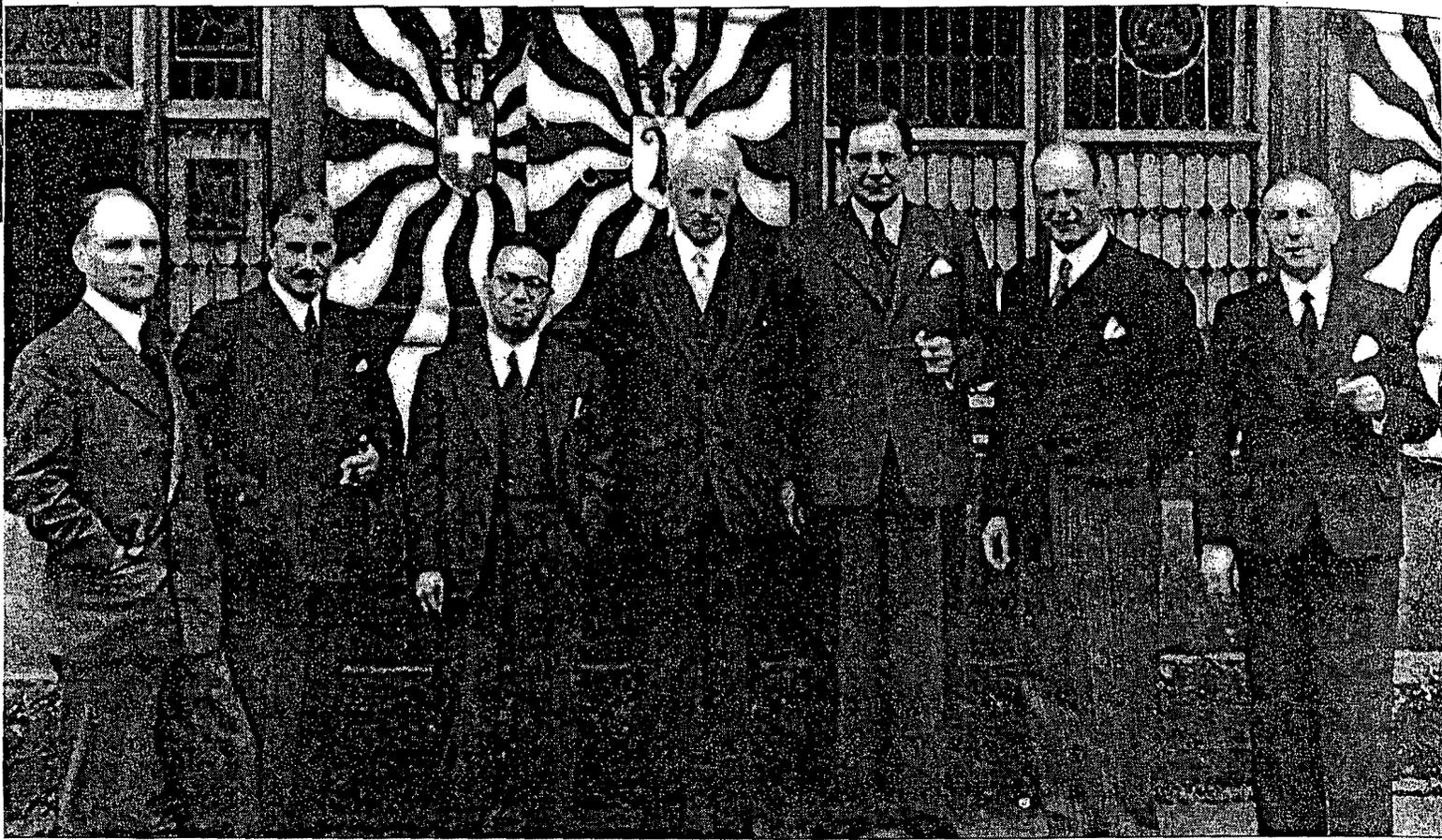
col J *Part given*

Total Balance of German Reichsbank's Acquisitions and Dispositions of Gold During War
(in millions of dollars)

<u>ACQUISITIONS</u>			<u>DISPOSITIONS</u>	
<u>Estimated reserve of non-loot at the outbreak of the war:</u>		143	<u>Shipped to or through Switzerland:</u>	
<u>Known loot traced in ledgers of the Reichsbank:</u>			Admitted purchases of BNS since 4 Mar. 1940	275.3
Czechoslovakia	39.154		Recorded shipments to BNS since 1 Mar. 1940 minus above purchases - believed credited or transhipped to Portugal, Spain, and others (French customs records show shipments of 83 to Portugal and 14 to Spain between 1 July 1943 and 30 May 1944)	102.8
Belgium	223.271			
Luxembourg	4.858			
Italy:		333		
(Banca d'Italia)				
(61.422)				
(Alleged Yugoslav)				
(10.509)				
	<u>71.931</u>			
<u>Estimated loot believed to have been made available to the Reichsbank:</u>			Estimated shipments to and purchases by BNS between 1 Sept. 1939 and 1 Mar. 1940 (estimated at 3/7 of difference between two figures for admitted purchases)	3.3
Austria	46		Recorded shipments to Swiss private banks after 1 Mar. 1940	20.3
Czechoslovakia	17	254		402
Danzig	4		<u>Shipped directly to other countries:</u>	
Poland	12		Rumania (recorded shipment of Belgian gold only)	33.8
Holland	168		Sweden (estimated) (Publ's global estimate was nearer 30)	18.5
Albania	3			52
Miscellaneous	5		Recovered	252.5
		730	Not recovered (Russ. Zone)	3.5
<u>ESTIMATED TOTAL GOLD AT REICHSBANK DISPOSAL DURING WAR</u>			Miscellaneous	20
			<u>ESTIMATED TOTAL</u>	<u>730</u>

9/25/46
The - France MON GUY
263,000,000
Loot - from

MC



American banker Thomas McKittrick (center) poses in front of the Basel headquarters of the Bank for International Settlements with his closest BIS colleagues, among them Japan's Y. Yamamoto (third from left) and Nazi Germany's Paul Hechler (second from left), the Reichsbank man in Switzerland and McKittrick's deputy.

226510

D/C

DECLASSIFIED
 Authority AWD 978031
 By [Signature] NARA Date 3/2/00

RG 56
 Entry ACC 66A -
 File Switzerland: March 43 - Jan
Letters 46
 Box 68 21

DECLASSIFIED
 Authority AWD 978031
 By [Signature] NARA Date 3/2/00

RG 56
 Entry ACC 66A -
 File Switzerland:
Letters
 Box 68



AIR MAIL
 American Legation

UNITED STATES OF AMERICA
 TREASURY DEPARTMENT



Bern, December 21, 1945.

No. 90

Pouch: 26. Dez. 1945

PERSONAL AND CONFIDENTIAL

Dear Mr. White:

I have been furnished certain information by Mr. Russell A. Nixon which, if not already known to Treasury, will be of interest.

Mr. Nixon plans to leave for the U.S. as soon as his successor on the External Assets Commission has been named. At present there are two candidates, Mr. Channing Morse, who is head of the Research and Analysis Branch of the OSS and Mr. Harold Starr of the OSS, who formerly was an Assistant General Counsel of the BEW.

As the Treasury is aware, DICEA has now been broken up with the external assets investigations reverting to the Finance Division and the cartels investigations being placed in the Economic Division. According to Nixon, James Martin is returning from Washington to head up the cartels investigations.

Nixon has placed great stress on the work which ~~Dunkel~~ and ~~Curtis~~ are doing. As the Treasury knows, they have done and are doing a splendid job on the investigations of German gold and its disposition and also are investigating the Bank for International Settlements. Nixon thought that Treasury interest in the problems on which they are working was sufficient that Treasury might want to take appropriate measures to keep them under its jurisdiction and prevent their being transferred to the Finance Division. One possibility which he suggested is to have them return to Washington and hold themselves in readiness to come to Switzerland when and if we obtain permission to investigate the gold holdings and records concerning gold transactions of the Swiss National Bank and the Bank for International Settlements. (See my letter No. 89 of even date.)

Very truly yours,

[Signature]

Hon. Harry D. White,
 Assistant Secretary

James H. Mann,
 U.S. Treasury Representative.

226511

(21)

OIC
BIS

✓
MMA



UNITED STATES OF AMERICA
TREASURY DEPARTMENT



AIR MAIL
American Legation

Bern, December 21, 1945.

No. 90

Pouch: 26. Dez 1945

PERSONAL AND CONFIDENTIAL

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Very truly yours,

James H. Mann
James H. Mann,
Treasury Representative.

Hon. Harry D. White,
Assistant Secretary,
Treasury Department,
Washington 25, D. C.

RECEIVED
JAN 4 1946
U.S. DEPT. OF THE TREASURY
COMMUNICATIONS SECTION

226512

3 MANING
VANS
to SPAIN

1943 - 1945

BIS (21)

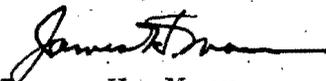
myself of this opportunity to praise the Chairman of the Board, a Swiss national, and mention the close ties between the BIS and the Swiss National Bank.)

It was suggested that we should telegraph Washington asking why the request was to be forwarded by the Swiss but at my suggestion it was pigeonholed on the grounds that such might be clarified if and when the British and French received their instructions. To date no instructions have been received by either the British or the French agreeing or disagreeing with the proposed investigation.

In connection with the German gold, sometime ago I picked up the rumor that between the Spring of 1943 and February of 1945 considerable quantities of gold were sent to the Iberian Peninsula from Switzerland in moving vans. Thus far I have not been able to ascertain the number of vans, whose vans were used, or the persons involved. The OSS has now advised me that they have been approached by one of their contacts who states that he can put them in contact with a Swiss who can give all of the information concerning the amounts of gold moved, the vans employed, dates of departure, etc., Swiss persons involved and persons in the Iberian peninsula who were concerned with these transactions. The contact has stated that before the person will give the information he must be guaranteed protection (which probably means that the OSS would have to get him out of the country, get him a job, etc.) and that he is talking in terms of thousands of francs as the price for giving up this information. I have told the OSS the extreme importance which I attach to their being able to obtain this specific information and they are now negotiating through the contact in question to see what kind of a deal can be made. I shall, of course, report further on the status of such negotiations when additional information is available to me.

Please restrict the circulation of this letter and keep the information contained herein secret.

Very truly yours,



James H. Mann,
U.S. Treasury Representative.

RECEIVED
JAN 4 1946
IN THE DIVISION
OF FOREIGN RESEARCH

1/4/46

226513

DECLASSIFIED
Authority NM87790
By WJH NARA Date 4/6/84

RG 226
Entry 190
File 226 London
Box 260

*MacLeod
file*

26 February 1945

TO: Commander Katz
FROM: Mr. Casey

Lufborrew is coming from Berne to go with strategic bombing survey into Russian occupied Germany.

Harold Starr of R&A is handling arrangements. MacLeod should have opportunity to brief Lufborrew in our interests there. Lufborrew to report to you and Starr.

WILLIAM J. CASEY
Chief, SI Branch
ETO

cc: Dr. MacLeod

226514

MacLeod

Mac

Don't forget this! Date line up w/ notification of RB gold movement to Constance, rumor re: barracks (don't know origin date of rumor - gold not found) but

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Authority MM750114
By LWB/NARA Date 1/14/00

RG 331
Entry 18A
File 322-26
Box 161

322-26 39471

SECRET

Report No. B-2399

Report from Switzerland

OSS PARIS

Distribution

G-2 STAFF PW, 12TH AG
G-2 STAFF (T) OWI
G-3 STAFF ICAD
G-2 6TH AG G-5 STAFF
G-2 12TH AG IRA
PWD X-2

Information Date : As noted
Report Date : 29 March 1945
Dissemination Date: 27 April 1945
Value : Documentary
Source : OSS Unlabeled
Cezanne - RB

FIN *Counter - Bill French OSS*

GERMANY : ECONOMIC

Evacuation of the Reich Finance Ministry

1.00
1.01

AEC:ah

SECRET

*OSS
UNISON
CEZANNE*

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Authority: MM750114
By: LMB/NARA Date: 1/14/00

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Entry 18A
File 322-26
Box 161

CONFIDENTIAL Original No. B-2300 Page 1

GERMANY : ECONOMIC

Evacuation of the Reich Finance Ministry

The following are excerpts from a confidential circular of the Reich Ministry of Finance dated 26 February 1945, and addressed to the regional Finance Offices.

1. Penalties for Deserting Posts without Orders.

No customs office shall be evacuated without the consent of the Chief Finance President or without an order for evacuation from the Reich defense commissioner or his deputy.

Any section chief who takes it upon himself to transfer his office, and, generally, any employee who leaves his station without orders will be regarded as a deserter and will receive suitable punishment.

The Generalbevollmaechtigte for the Reich Finance Administration sent the following message to certain Reich Defense Commissioners on 23 January 1945 :

Administrative officers, particularly Landraete, Mayors, and Regierungspraesidenten, will continue their activity in areas which are threatened by the enemy until the last moment, and then they will join the fighting troops. Men who have shown conspicuous bravery will be reported to me. Men who fail must be dealt with severely at once. They are to be removed from their jobs.

The Reichsfuehrer SS has ordered in a decree dated 29 January 1945 :

The chiefs of all military and civilian authorities must be left with no doubt that the death penalty will be invoked if they leave their station without orders.

2. Responsibility for Destruction before Evacuation.

All persons charged with safeguarding or preparing demolitions must act in such a manner as to not cause anxiety among the employees of the office or the population, etc.

CONFIDENTIAL

226516

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Authority	MM 750114
By	LMB/NARA Date 1/14/60

RG	331
Entry	18A
File	322-26
Box	161

CONFIDENTIAL

Original No. B-2399 Page 2

3. Particulars for the offices of the Wehrkreise II, III, and VIII.

In accordance with an order of the Reichsfuehrer SS just issued, the transfer of bureaus from the defense districts II and III must be made only under orders from the Commander in Chief of the Weichsel army group, and offices in defense district VIII may be moved only under orders of the Commander of the Southern army group. The leaving of the station, without special orders from army group Weichsel or South will be punished by death immediately.

4. Regulations for Evacuated Offices.

Many bureaus in the East had to be evacuated. Many offices have for the time being disappeared following the stormy events. Report immediately for work or at the nearest customs office, etc.

5. Central office of the Reich Finance Administration.

The tax division, the customs division, part of the administrative division and part of the state secretary office of the Reich Ministry for Finances have been located in Ilmenau, Thuringia, since the fall of 1943. The personnel division has been located in Bodenbach since the fall of 1943. The Ministry offices which are in charge of the branch offices are therefore located in three different places, namely: Berlin, Ilmenau and the Bodenbach / Sudeten area.

Transportation difficulties have caused considerable disruption in communications among Ministry offices. In addition the remaining buildings of the Reich Finance Ministry at the Wilhelmplatz have been hard hit again during the terror raid on the capital on 3 February 1945. On the other hand, it is today more than ever necessary that the branch offices of our finance administration shall be able to get in touch at any time with their respective office in the Ministry.

Therefore a central office is at present being created in Ilmenau, with which the branches of the Reich Finance Administration may get in touch at any time. This central office includes the personnel division, the tax division, the customs division and the bureau of the state secretary of the Reich Finance Ministry. All letters which are directed to any of these offices will simply be addressed to the

Reich Finance School, Ilmenau.

The respective division must be mentioned in the letter or it must be addressed to me. The telephone numbers of the offices which have been located there since 1943, remain unchanged.

If a telephone call becomes necessary for a matter of administration or personnel, the number Ilmenau 3301 must be called. Ministerialdirigent von Diets, or Regierungsdirektor Dr. Wunschel may be called on.

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226517

DECLASSIFIED
 Authority: MM750114
 By: (V3) NARA Date: 1/4/00

RG 331
 Entry 18A
 File 322-24
 Box 161

CONFIDENTIAL Original No. B-2399 Page 3

organizational matters, and Ministerialdirigent Dr. Brahtz or Ministerialrat Dr. Schroeder for personnel matters at this number.

I can be reached at Ilmenau 3300.

The reprinting office of the Reich Finance Ministry is at present also being moved to Ilmenau. The next instructions will be sent from Ilmenau.

Reinhardt.

RF:fb

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226518

DECLASSIFIED
Authority NND943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~ "TOT"
PRIORITY

DECLASSIFIED PURSUANT
TO JCS 927/495-1
Date 17 Dec 1970

From: Supreme Headquarters, Allied Expeditionary Forces,
Main, Versailles, France

To: War Department

Nr. S 87301 VOG 429 7 May 1945

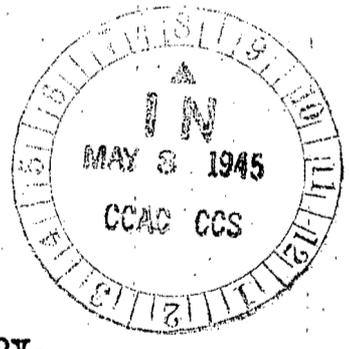
S 87301 to AGWAR for Combined Chiefs of Staff for
Combined Civil Affairs Committee repeat for information
to AMSSO for BCS signed Eisenhower from SHAEF Main ref
Para 3 GOV 305 this is VOG 429 cite SHGE.

Rapid uncovering of targets and files in areas
requires immediate presence of trained personnel in as
great number possible.

Please treat as urgent.

End

✓ 4-27-45 this file.



ACTION: CCAC

INFO: CC/S, ASF, OPD, G-2, Adm King, Mr. McCloy,

CM-IN- 6314

(7 May 45)

DTG: 071600B rwd

23

COPY No. 25

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226519

see WAR 79393 5-7-45 Akko file

CCAC 386 Germany (3-21-45)

5-7-45

24 5-8-45

DECLASSIFIED

RG 56

Authority ND 978095
By TJ HARA Date 9/24/99

Entry WILL STATE DIV.
File GERMANY
Gold, Currency, Loot
Box 80

69A 4707

SECRET

WAR DEPARTMENT CLASSIFIED MESSAGE CENTER

INCOMING CLASSIFIED MESSAGE

PRIORITY SECRET

PARAPHRASED

FROM: Commanding General, United States Forces, European Theater, Main, Frankfurt, Germany.

TO: War Department

No.: 05/14250

DATE: 5 August 1945

This message is for transmittal to the President, Secretaries of the State and Treasury Departments, and Mr. Crowley, Foreign Economic Administration, from Ambassador E. W. Pawley.

Today I wrote you as follows: We have, as you know, in our possession at Frankfurt, more than \$200,000,000 worth of gold captured in Germany by the United States Armed Forces. A large amount of this gold can be probably identified as having been taken from various liberated European countries. No disposition of this gold has been determined. However, the two following possibilities will soon become the subject of active discussion:

- (a) To restore any identifiable gold to the specific countries from which it was taken.
- (b) To view the gold (or at least the identifiable part) as a common pot, and equitably distribute it among the liberated countries which lost gold because of enemy action.

It is my understanding that it would be possible for the United States to regard this gold as War booty, from a strictly legal standpoint. I have not insisted on such treatment of the gold, but I do believe that if such gold, or any part of it, is returned to the liberated countries, either on a straight basis (restitution) or under the formula (common pot), arrangements should be so made that any claims of the United States against such countries will, in effect, become a first lien on the gold to be returned. This lien should be applicable to satisfy existing American claims and also to secure payment of obligations that the claimant countries will incur soon for the importation of food and other necessary supplies. This would mean that, although we admit the superior right

SECRET

226520

DECLASSIFIED

Authority AWD978025
By TJ HAPA Date 9/24/99RG 56Entry INTL STAFF DIV.File GERMANY
Gold, Currency, LoanBox 80

69A4707

SECRET

Page 2

of the liberated countries to the gold, our continued possession thereof would be for the single purpose of satisfying our claims against those countries, and that such possession should not be relinquished until our existing and immediately prospective claims are satisfied.

End

ACTION: White House

INFORMATION: G-2 (for State Dept. Treas Dept., and FEA)

CR-IS-5860 (6 Aug 45)

Note: This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U.S.C., XI and XII, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

SECRET

226521

DECLASSIFIED

RG

56

Authority AND 978025
By T HAPA Date 9/24/99Entry UNIT STATES DIV.
File GERMANY
Gold, Currency, Loot
Box 80

L9A4707

SECRET

USPOLAD

BERLIN

PERSONAL FOR PAULBY FROM THE SECRETARY

I have consulted the President, the Secretary of the Treasury and Mr. Crowley of FEA in regard to the recommendation contained in your telegram of August 5 (from Berlin via War) that the United States retain a lien on gold looted by Germany from occupied countries in Europe until past and prospective claims of the United States against such countries are settled. I have also noted that your telegram of August 13 (No. 3871 from Moscow) renounces this recommendation on looted gold and includes a recommendation for imposing similar conditions on the restitution of looted securities.

It is the view of the President, my view, and that of Judge Vinson and Mr. Crowley that this government cannot adopt your recommendations. The considerations on which this view is based are as follows:

- (a) The United States has no moral or legal basis for laying claim to or attaching this or any other gold belonging to foreign countries in settlement of past or prospective debts;
- (b) The United States is bound by its adherence, given without reservation, to the United Nations' declaration with respect to Axis acts of dispossession of January 6, 1943; the gold declaration of February 22, 1944; Bretton Woods resolution VI; and resolution six of the Conference on Problems of War and Peace held

226522

DECLASSIFIED	RG <u>56</u>
Authority <u>AND 978025</u>	Entry <u>UNIT STATES DIV</u>
By <u>D HARA</u> Date <u>9/24/99</u>	File <u>GERMANY</u>
	<u>Gold, Currency, Lost</u>
	Box <u>80</u>

CGA 4707

- 2 -

at London City. In these declarations, which were sponsored by the United States and to which the United States invited the signatures of other nations, the United States is solemnly pledged to support the restitution of looted property:

(c) An attempt by the United States to lay claim to gold belonging to countries with which it maintains friendly relations would seriously prejudice those relations. Particularly is this the case since the United States now owns the greater share of the world stock of monetary gold.

The position of the United States, which you should express in your dealings with your colleagues on the Allied Commission on Reparations, is that gold captured by US forces, as well as gold captured by other Allied forces, should in principle be returned to the countries from which it was looted without reservation, condition, or encumbrance. This Government recognizes, however, that German disposition of some looted gold, and the impossibility of identifying the origin of other gold, require for the sake of equity a modification of the simple principle of restitution of identifiable looted objects to the jurisdiction from which they were removed by Germany. The necessity for such modification and the content of paragraph 10 of the Reparations section of the Berlin Protocol have resulted in the advocacy by the United States of the policy of pooling all gold found in Germany and Austria by Allied troops (British, American, French and Soviet) into a common pot. This gold would then be divided among countries which can establish the fact of

226523

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Authority AND 978025

Entry

INTL STATS DIV.By T HAPA Date 9/24/99

File

GERMANY
Gold, Currency, Loot

Box

80

SECRET

- 3 -

German looting of gold from their jurisdiction, other than USSR, in proportion to their established losses.

This Government is similarly committed to a policy of restitution of securities looted by Germany from occupied countries of Europe, without reservation, condition or encumbrance. To the extent that the jurisdiction from which some securities have been removed cannot be established, an equitable principle of distribution must be devised among the UK, USSR, US and France to achieve rough justice in dividing these securities among the countries from which they were looted.

This Government is anxious that steps should be taken at the earliest possible date to restore gold and securities, as well as other types of property, to the countries from which they were removed by Germany. I would appreciate learning from you whether you consider it likely that negotiations with your colleagues on the Allied Commission on Reparations are likely to lead to early agreement on principles and procedure. If so, you are authorized to propose to your colleagues a formulation of the gold-pot policy and of the principle of restitution of securities described above. The Department is considering certain aspects of the gold-pot policy on which agreement would have to be reached: (1) the scope of the treasure to be included in the pot, e.g., whether SS accumulations of precious metals from concentration camps, monetary silver, etc. should be lumped with monetary gold; (2) the eligibility of Austria, Italy and the satellites as claimants on the gold pot, and whether their treatment should

226524

DECLASSIFIED

RG 56

Authority AND 978025
By D HARA Date 9/24/99

Entry INT'L STATS DIV.
File GERMANY
Gold, Currency, Loot
Box 80

~~SECRET~~

- 4 -

be identical with that of liberated countries; (3) how looted gold which Germany illegally sold during the course of the war should be recovered and whether recoveries of such gold should be added to the pot. If you consider that the Reparations Commission can usefully attempt to deal with this problem, the Department will communicate its views on these points to you.

If, however, you do not believe that the Reparations Commission will be able to dispose of the question of restitution of gold and securities please advise us directly so that the Department can undertake to have these matters settled either in AOC, in other negotiations with the occupying powers, or by unilateral settlement for the US zone of occupation.

Sent to USPOLAD, BERLIN as _____, repeated to London for Clayton as _____, repeated to Paris as _____.

OO: BERLIN: Please repeat to London for Clayton and to Paris.

PH:CK:Kindelberger:ST 8/15/45 NS GVD AS WE
RE 1-9 S

Cleared with Treasury _____

Cleared with FEA _____

226525

DECLASSIFIED	RG 56	226526
Authority <u>NND 978025</u>	Entry <u>69A4707</u>	
By <u>KEN</u> NARA Date <u>9/30/99</u>	File <u>GERMANY: LOOTED PROPERTY</u>	
	Box <u>82</u>	

*War booty**German Looting Property*SECRET

Paraphrase of a secret cable from the Department. Personal for Pauley from the Secretary. Dated August 18, 1945 (6974)

Sent to Berlin, repeated to London for Clayton as 6974 and to Paris as 3879.

I have consulted the President, the Secretary of the Treasury and others in regard to the recommendation contained in your telegram of August 5 (from Berlin via WAR) that the U.S. retain a lien on gold looted by Germany from occupied countries in Europe until past and prospective claims of the U.S. against such countries are settled. I have also noted that your telegram of August 13 (No. 2881 from Moscow) renews this recommendation on looted gold in somewhat different form and includes a recommendation for imposing similar conditions on the restitution of looted securities.

We have given the problem much thought and careful study in the light of the following factors:

(a) The U.S. has no moral or legal basis for laying claim to or attaching this of any other gold belonging to foreign countries in settlement of past or prospective debts:

(b) The U.S. is bound by its adherences, given without reservation, to the United Nations Declaration with respect to Axis acts of dispossession of January 5, 1943; the Gold Declaration of February 22, 1944; Bretton Woods Resolution VI; and resolution 6 of the Conference on Problems of War and Peace held at Mexico City. In these declarations, which were sponsored by the United States and to which the U.S. invited the signatures of other nations, the U.S. is solemnly pledged to support the restitution of looted property;

(c) An attempt by the U.S. to lay claim to gold belonging to countries which it maintains friendly relations would seriously prejudice those relations, particularly is this the case since the U.S. now owns the greater share of the world stock of monetary gold.

The position of the U.S., which you should express in your dealings with your colleagues on the Allied Commission on Reparations, is that gold captured by U.S. forces, as well as gold captured by other Allied forces, should in principle be restored to the countries from which it was looted without reservation, condition, or encumbrance. This government recognizes however, that German disposition of some looted gold, and the impossibility of identifying the origin of other gold require for the sake of equity a modification of the simple principle of identifiable looted objects to the jurisdiction from which they were removed by Germany. The necessity for such modification and the content of paragraph 10 of the Reparations Section of The Berlin Protocol have resulted in the advocacy by the U.S. of the policy of pooling all gold found in Germany and Austria by Allied Troops (British, American, French and Soviet) into a common pot. This gold would then be divided among countries which can establish a fact of German looting of gold from their jurisdiction, other than USSR, in proportion to their established losses.

This Government is similarly committed to a policy of restitution of securities looted by Germany from occupied countries of Europe, without reservation, condition or encumbrance. To the extent that the jurisdiction from which some securities have been removed cannot be established, an equitable principle of distribution must be devised among the UK, USSR, US and France to achieve rough justice in dividing these securities among the countries from which they were looted.

DECLASSIFIED
 Authority NND 978025
 By KN NARA Date 9/30/91

RG 56
 Entry 69A4707
 File GERMANY: LOOTED PROPERTY
 Box 82

- 2 -

This Government is anxious that steps should be taken at the earliest possible date to restore gold and securities, as well as other types of property, to the countries from which they were removed by Germany. I would appreciate learning from you whether you consider it likely that negotiations with your colleagues on the Allied Commission on Reparations are likely to lean to early agreement on principles and procedure. If so, you are authorized to propose to your colleagues a formulation of the gold-pot policy and of the principle of restitution of securities described above. The Department is considering certain aspects of the gold-pot policy in which agreement would have to be reached:

(1) The scope of the treasure to be included in the pot, e.g. whether SS accumulations of precious metals from concentration camps, monetary silver, et cetera should be lumped with monetary gold;

(2) The eligibility of Austria, Italy and the satellites as claimants on the gold pot, and whether their treatment should be identical with that of liberated countries;

(3) How looted which Germany illegally sold during the course of the war should be recovered and whether recoveries of such gold should be added to the pot. If you consider that the Reparations Commission can usefully attempt to deal with this problem, the Department will communicate its views on these points to you.

I am well aware of the difficulties confronting you, however, and if in view of the Soviet position reported in your No. 2881 you do not believe that the Reparations Commission will be able to dispose of the question of restitution of gold and securities, please let me know so that we may examine the possibility of settling these matters through other channels of negotiation with the occupying powers, or by unilateral settlement for the U.S. zone of occupation.

BYRNES -

DPT OF STAT
 DC

226527

RG

Josef

Spac(2)11 -

Kulturhaus #2

C105 - under #20

research -

Ebensee
Commsee

319/CIC - IRR CASE FILE

B15 | XE 219286 Search of known Cms - US FACS

B37 | XE 049888 Weirald activities

2/45 - 3/47 Vol I

The project I've been working

Handwritten signature

226528

The Washington Times

TUESDAY, JANUARY 18, 2000 / PAGE A1

Titanic divers tackling lake said to be trove of Nazi loot

By Michael Leidig
LONDON SUNDAY TELEGRAPH

BAD AUSSEE, Austria — The diving company that found the Titanic is about to start searching an Austrian lake where retreating Nazi SS units dumped chests full of documents in the last days of World War II.

The Toplitzsee, in central Austria, long has been the subject of rumors over Nazi gold said to have been hidden in the lake.

An underwater expedition using the latest technology is due to start this week with backing from the Simon Wiesenthal Center in Los Angeles and sponsorship from the CBS television network.

It is not wartime loot that team members are eager to find, but new information on the activities of the SS, Gestapo and other Nazi organizations. They hope the lake's high salt content will have helped preserve any dumped documents.

The project's coordinator, Yaron Sworay, has a strong personal mo-

tivation. He lost his entire family in concentration camps and hopes he might finally discover details of their fates.

Over the next few weeks, the team plans to scan the bottom of the frozen lake, more than 300 feet deep. They will use sonar probes and then guide an unmanned minisubmarine to locations of interest.

Bill Owens, head of the diving team, said, "We have about a 50-50 chance of finding what we're looking for. This lake was the garbage can of the Third Reich." Reports that a convoy of SS vehicles had taken large wooden chests to the lake in early May 1945 began to emerge soon after Germany surrendered.

In 1959, a diving team financed by the German magazine Stern salvaged several chests and discovered forged British bank notes with a face value of more than \$1.1 billion. These had been produced at a concentration camp at Sachsenhausen, near Berlin, and were part of a plan devised by Adolf Hitler — Operation Bernhard — to

sabotage the British economy.

Some of the forgers were transported to a concentration camp at Ebensee, near the lake, and were saved from execution only by the unexpectedly rapid advance of American troops.

Dumped along with the bank notes were papers relating to the activities of the camp at Sachsenhausen and — the team believes — records reporting the activities of the German security organization, the Reichssicherheitshauptamt, or SS.

The head of the service, Ernst Kaltenbrunner, was in hiding near the lake with his mistress, Countess Westhardt, as the end of the war approached. He is believed to have given the order for the documents and forged money to be destroyed.

The Simon Wiesenthal Center hopes that any documents found could shed more light on the Gestapo and on the fate of thousands of Jews who passed through the camps. The Nazi hunter for whom the center is named remarked in

LAKE SEARCH

Divers hope to find documents dumped by Nazi SS units in the Toplitzsee, a lake in central Austria.



The Washington Times

the early 1960s that the stories surrounding the lake were "enough to make several films."

During the war, the lake was used as a testing ground for explosive minisubmarines and underwater rockets.

The last dive at the site, in 1984, failed to find anything. But experts say technological advances will now allow a far more effective search.

Herbert Gasperl, head of the local mayor's office, said police officers would be present during the operation, "so that they can check

whether the material is of any importance. But what will happen to the material after that has still to be worked out."

The expedition has elicited mixed feelings in the small towns and villages around the lake.

Karin Poetch, a local student, said, "The old people never talk about what happened around the lake. They just want to be left in peace and forget that the war ever happened. The younger ones are interested in whether there is gold there, but most of them think that it's just a myth."

DECLASSIFIED
REPRODUCED AT THE NATIONAL ARCHIVES

Restitution

Gold

DECLASSIFIED	RG 260
Authority <u>NUD 765072</u>	Entry <u>NUD 765072</u>
By <u>SR</u> NARA Date <u>11-5-99</u>	File <u>Records of US Occupation</u>
	Box <u>121</u>

Restitution currency

CARRIER SHEET - MUST REMAIN WITH ATTACHED PAPERS - USE ENTIRE WIDTH OF SHEET - NUMBER ITEMS CONSECUTIVELY - DRAW LINE UNDER EACH ITEM

SECRET

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)

file Restitution currencies (Claims Sec)

FILE NO:
SUBJECT: Currencies Authorized for Release to PCIRO.

940.151

NO.	TO	FROM	DATE	(Has this been coordinated with all concerned?)
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1	FED	FD	21	
	FD	OMGUS	Nov	
	OMGUS	APO	1947	
	(Rear)	742		
	APO 757			

1. As indicated by the attached cable WX-90566 and by WX-86581, we are now authorized to turn over to PCIRO those currencies contained in concentration camp loot. Accordingly will you kindly prepare the inventory of such currencies which will form "Schedule B" attached to the receipt signed by PCIRO.

When this is completed kindly forward two copies thereof to this office and we shall forward the official authorization for release.

2. Since WX-86581 requested that we advise Washington of the final estimated value of these currencies, it will be necessary to include such calculation in the inventory schedule.

1 Incl: a/s

Mr. A.F. Bender, Jr. *for* THEODORE H. BAIL
 Telephone: 43684 Director
 Rm. 219, FD Bldg.

Theodore H. Bail

SECRET

(Page No.)

226529

DECLASSIFIED
 Authority NND 765 072
 By SR NARA Date 11-5-99

RG 260
 Entry NND 765 072
 File Records of US occupation
headquarters WWII
 Box 121

SECRET

C
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OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)

AG CABLES

INCOMING MESSAGE

TOO 182259Z

RECD 192005A Nov 47
 CN-58/19/cjw

R O U T I N E

FROM : DEPT OF THE ARMY FROM CSCAD
 TO : OMGUS
 INFO : EUCOM
 REF NO : WX-90566 CITE: ECON

Reurads Sept CC-1701 Oct CC-1796 Oct CC-2145
 ourad Sept WX-35682.

1. Re CC-1701.

(A) In defining monetary gold you should be guided by Angells report and by definition included in Tripartite Gold Commission questionnaire, which refers to monetary gold as "all gold which, at time of its looting or wrongful removal, was carried as part of the claimant country's monetary reserve, either in the accounts of the claimant govt itself or in the accounts of the claimant country's central bank or other monetary authority at home or abroad". Altho definition gold in questionnaire is for purpose providing basis for claims by nations rather than for distinction between mon gold and other gold in Germany, Criterion of "monetary reserve" considered important; thus question is not only whether gold in Germany is bullion or coin but also whether if German gold it was held by German govt or Reichsbank or German monetary auth as part of German monetary reserve, or if looted from some other country, it was held by respective govts central bank or monetary auth as part of that country's monetary reserve.

(B) Your par 5. This gold is not monetary, inasmuch as it does not appear to satisfy any of Criteria. Czecho also appears to regard this gold as other than monetary. If there is substantial evidence this gold is melted concentration camp loot, it should be considered non-monetary under WX-35682 and turned over to PCIRO. However, if substantial evidence that gold in question was not dervied from concentration camp loot and was obtained principally from Czech sources, request you suspend any action and transmit full info.

(C) If gold is in fact concentration camp loot, question of restitutability there of to Czech does not arise in opinion of this govt. ACC definition of restitution speaks of "identifiable

AGC IN 77274

SECRET

226530

DECLASSIFIED
 Authority NND 765 072
 By SR NARA Date 11-5-99

RG 260
 Entry NND 765 072
 File Records of US Occupation Headquarters WWII
 Box 121

SECRET

property" removed by force as subj to restitution. The view of this govt is that gold in question would not be identifiable within meaning ACC definition and therefore not subj to restitution. Similarly, Melmer deliveries or similar loot not subj restitution to countries where respective concentration camps were located, because not identifiable (urad CC-1796 CC-2145), therefore subj delivery PCIRO. Furthermore, property this type not considered to have determinable "national origin" within meaning our WX-85682, inasmuch as location of particular concentration camp where loot was assembled not regarded as bearing on "national" source.

(D) Your Par 8. Identifiable numismatic gold coins are subj to restitution in ordinary way. Agree your proposal par 8B redistribution gold which is not monetary or non-monetary.

2. Reurad Sept CC-1796.

(A) Agree your procedure and proposals re disposition envelopes. Desirable explore possibilities internal or external restitution before delivering pursuant WX-85682. Your procedure appears to offer adequate safeguards this respect.

(B) Info and comments your par 6 valuable and greatly appreciated.

CC-1701	23 Sept 47	FIN	CC-2145	31 Oct 47	FIN
CC-1796	30 Sept 47	FIN	WX-85682	Sept 47	AGC IN 41877

ACTION : FIN

INFORMATION : C/S POL AFF LEGAL FIN AD EUCOM
 ECON CA IA & C POL AD EUCOM

AGC IN 77274 20 Nov 47 AW/cjw REF NO WX-90566

SECRET

Col 11 7/21

DECLASSIFIED
Authority NUD 765072
By SR NARA Date 11599

RG 260
Entry NUD 765072
File Records of US Occupation Headquarters WWII
Box 50

Private
Col 11 7/21
[Hung. 1950.]

CARRIER SHEET - MUST REMAIN WITH ATTACHED PAPERS - USE ENTIRE WIDTH OF SHEET - NUMBER ITEMS CONTINUOUSLY - DRAW LINE UNDER EACH

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
APO 742

FILE NO:
SUBJECT: Entry into Sealed Compartment, Foreign Exchange Depository

NO.	TO	FROM	DATE	(Has this been coordinated with all concerned?)
1	Dir., Fin. Exchange Div. Dep. OMGUS	Fbr. Exchange Dep. OMGUS-Rear	22 July 46	1. Authority is requested to break the ribbon seal and open the door of Compartment No. 5 and 6 in the lower main vault of the Foreign Exchange Depository in order to obtain sufficient bags to package the gold bars to be released to Hungary. It is estimated this will require approximately 1300 bags which cannot be obtained in any other manner.

2. The above-mentioned compartment will be entered solely for the purpose of obtaining the required packaging material and will only remain open for a period of approximately 30 minutes, at the end of which period it will be locked and resealed.

William G. Brey
COL. WILLIAM G. BREY
Chief, Foreign Exchange Dep.
Finance Division

2	For. Exch. Dep. OMGUS-Rear	FD	24 July 46	1. Authority to break seals on and re-seal compartments 5 and 6 for the purpose requested in minute 1 above is granted. 2. The names of witnesses and all circumstances connected with the sealing and resealing will be made a matter of record.
---	-------------------------------------	----	------------------	--

JACK BENNETT
Director

Telephone: 43684

Gold

Gold

DECLASSIFIED
Authority NND 765072
By SR NARA Date 11-5-99

RG 260
Entry NND 765072
File Records of US occupation
Germany 1945-1949
Box 50

Finance
Gold & Silver
[Rumanian
Assets]

SMR/mb

CONFIDENTIAL

11 June 1946

SUBJECT: Proposed reply to G-5, USFET with respect to shipments of gold from Germany to Rumania

TO : Mr. Jack Bennett, Director

1. The attached file refers to shipments of gold from Germany to Rumania during the war. G-5, USFET, on behalf of the U. S. Political Adviser, requests that we endeavor to verify these shipments as reported by the Governor of the National Bank of Rumania.

2. Rumanian officials contend that all shipments of gold from Germany were made in order to reduce the German-Rumanian clearing balance which at all times after April 1940 was in Rumania's favor. Assuming this contention to be true the gold in question could not now be regarded as a German external asset unless the agreements are to be set aside. Actually, therefore, the matter seems to be outside the field of the External Assets Branch. Nevertheless we have examined carefully the reports prepared by the former Statistical Analysis Section of DICEA, the members of which have all returned to the United States, and have incorporated in our proposed reply such relevant information as is obtainable therefrom.

3. It is proposed that the following reply be made to G-5, USFET, for transmittal to the U. S. Political Adviser:

"1. As requested in Paragraph #1, Minute #2, we have attempted to verify the gold shipments from Germany to Rumania.

"2. The central Reichsbank is located in the Soviet Sector of Berlin and our investigators have not been granted access to the Reichsbank's records. Therefore it has been necessary to obtain information from such other sources as are available to us. From a report

External Assets Records
Emerson
W.C.C.

226533

DECLASSIFIED

Authority NND 765072By SR NARA Date 11-5-99RG 260Entry NND 765072File Records of US-occupation
leading up to WWIIBox 50*Romania
- gold + silver
(Hungarian
Restitution)*

prepared by the former Division of Investigation of Cartels and External Assets it has been determined that the largest transfer, consisting of 29,998.7 kilograms fine gold made under the agreement of 2 February 1943, represented gold acquired by the Reichsbank from the Banque Nationale de Belgique through the intermediary of the Banque de France. This transfer consisted of four shipments between 9 February 1943 and 10 March 1943 totalling 1510 bars Hochwertige type (Nos. 38470 - 39979 incl.) and 928 bars Standard type (Nos. 10,883 - 11,810 incl.), totalling in weight 29,998.7145 fine kilograms.

"3. It is probable that the 10,395.7 kilograms of gold transferred to Switzerland in February 1944 for the account of the National Bank of Rumania also consisted largely of looted Belgian gold. The same report reveals that in February 1944 the Reichsbank transferred to the Swiss National Bank, Berne, 686 bars Hochwertige type (Nos. 46207 - 46892 incl.) weighing 8,503.8 kilograms and 5,200,000 miscellaneous francs (bags Nos. 7121 - 7380) weighing 1,505.5 kilograms. Rumanian officials have promised to obtain identifying numbers from the Swiss repository. This additional information will make possible a determination of the Belgian gold included therein.

"4. Reports prepared with respect to the Luxembourg, the Italian, and the Bohemia and Moravia gold were also examined. It is not affirmatively shown that any of the gold shipped to Rumania originated from these sources. That possibility is not precluded, however, inasmuch as a considerable part of this looted gold could not be traced."

T. H. BALL
Chief, External Assets Branch

Tel: 43413
Rm. 113, Fin. Div. Bldg.

226534

DECLASSIFIED
 Authority NND 765072
 By SR NARA Date 11-5-99

RG 260
 Entry NND 765072
 File Records of the Occupation Administration WWII
 Box 50 Gold + Silver Standard

Gold

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U. S.)
 Finance Division
 APO 742

25 July 1946

SUBJECT: Hungarian Gold

TO : Col. William C. Brey
 Chief, Foreign Exchange Depository
 Finance Division, OMGUS Rear
 APO 757, U.S. Army

1. You are hereby authorized and directed to release to Mr. Nyardi, Under-secretary of Finance, Government of Hungary, against appropriate receipts:

- 2,669 gold bars
- 4 bags of gold bars
- 49 bags of gold coins
- 1 package of gold samplings

approximately of a net weight of 29,875.984 kilograms valued at approximately \$32,185,000. This gold comprises shipment 20A acquired from the National Bank of Hungary at Spital am Pyhrn, Austria, by units of the American Third Army.

2. In order to release the above-mentioned gold, you are further authorized and directed to open Compartment No. 7 in the lower main vault of the Foreign Exchange Depository in which this gold is stored.

3. Names of witnesses and circumstances will be made a matter of record.

JACK BENNETT
 Director

Telephone: 43684

226535

RG 260
 Entry FINANCE
 File FED
 Box 93

DECLASSIFIED
 Authority AWD 75058
 By IE NARA Date 11-99

Gold

FED

30 June 1948

SUBJECT: Lists of Packaged Gold

**TO : Tripartite Commission for the
 Restitution of Monetary Gold,
 Brussels, Belgium
 Attn: Mr Daspit**

1. Following telephone conversation of to-day we enclose herewith 2 copies of revised gold packing lists, as requested by you, namely:

- (a) Second Italian Set Aside
- (b) Remaining Packaged Coin (Inventoried by FED only)
- (c) Packaged Bars Second Operation, together with summary list thereof (Box No. 1734 on Miscellaneous bar list inventoried by FED only).

2. For your information we add below a summary of all packaged monetary gold on hand, including the aforementioned items.

	Total Weight fine ounces
(a) First Italian Set Aside (coin and bars)	122,343.712
(b) Austrian Set Aside (coin and bars)	689,295.906
(c) Second Italian Set Aside (bars)	163,758.731
(d) Coin Inventoried by FED	44,777.200
(e) Remaining bar gold	1,420,065.197
Total items a thru e:	2,440,240.746

Encl: a/s

WILLIAM G. BREY
 Colonel GSC
 Chief, Foreign Exchange Depository

226536

DECLASSIFIED

Authority NND 765072By SR NARA Date: 11-5-99RG 260Entry NND 765072File Records of US Occupation
Leads to the WestBox 50*P. 1416
Gold & Silver
[id. no. 1087]*

CONFIDENTIAL

25 July 1946

SUBJECT: Restitution of Hungarian Gold

TO : Colonel W. G. Brey
Chief, Foreign Exchange Depository
Finance Division, OMGUS Rear
APO 757, U. S. Army

1. It is the established United States policy and OMGUS policy to restore to the Hungarian Government that gold acquired by the United States Armed Forces from representatives of the National Bank of Hungary at Spital am Pyhrn, Austria, which gold is now held in the Foreign Exchange Depository.

2. It is the function of the RD&R Branch of the Economics Division to lay down the basic policies and procedures for the restitution of items now in Germany belonging to other countries. It is understood that the RD&R Branch is at present making arrangements for the delivery of the Hungarian gold to a representative of the Hungarian Government at Frankfurt, and that the RD&R Branch will request the surrender of the gold against appropriate receipt.

3. You are authorized and directed, when specifically requested in writing by the Economics Division, to surrender custody of the gold to such person as may be designated by the Economics Division as the accredited representative of the Hungarian Government qualified to receive such "restitution", provided that such person shall furnish you with a receipt in adequate form to constitute a complete and detailed accounting for the Hungarian gold which has been entrusted to the custody of the Foreign Exchange Depository.

4. The authorization of release of the gold to be given to you by the Economics Division should be in such form as will appropriately cover the specific items of gold which are to be restituted.

CONFIDENTIAL

226537

DECLASSIFIED

Authority NND 765 072By SR NARA Date 11-5-99RG 260Entry NND 765 072File Records of US Occupation Headquarters WWIIBox 50**CONFIDENTIAL**

Col. W. G. Brey
 Restitution of Hungarian Gold
 25 July 1946 - page 2

5. There should be an appropriate recording of witnesses to and circumstances surrounding the surrender of the gold, and the procedure shall be in such form as to make it abundantly clear that the responsibility of the Finance Division ceases utterly at the moment the gold is removed from Compartment No. 7 in the lower main vault of the Foreign Exchange Depository.

6. For the purpose of accomplishing this delivery you are authorized to open Compartment No. 7 in the lower main vault of the Foreign Exchange Depository, in which the Hungarian gold is now stored. The compartment will, of course, be immediately resealed upon the complete removal of the gold and during any interim period in which the process of removal is interrupted.

7. You are further authorized to make available for the purpose of facilitating the restitution approximately 1300 bags now in Compartments 5 and 6 in the lower main vault and you are authorized to enter these compartments for that specific purpose. Compartments 5 and 6 will, of course, be immediately resealed upon removal of the sacks, which operation it is understood will require approximately thirty minutes. Witnesses to and circumstances surrounding the entry of the compartments will, of course, be appropriately recorded.

JACK BENNETT
 Director, Finance Division

CONFIDENTIAL

226538

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Authority NND 765072By SR NARA Date 11-5-99RG 260Entry NND 765072File Records of U.S. Occupation
Germany 1945-1949Box 50

Gold

Finance
Gold & Silver
[Hum. Rest.]*Restitution*OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U. S.)
Office of the Director of Political Affairs

November 3, 1945.

TO: Brigadier General W. H. Draper, Jr.
Director, Economic Division

FROM: Office of Political Director

There is given below for your information the substance of a telegram received from Mr. Angell at Paris regarding the gold pot principle.

In my support of the gold pot principle the French joined me on the thirty-first of October. At first Waley urged the identification principle but our position was subsequently accepted by him. The French and British appeared convinced that the U. S. is in the possession of information which has not been given them regarding the identification of the gold by country of ownership. I told the British and French, as a result of a conversation I had with Clay and Murphy, that as far as I knew all data available to our Government has been given to their governments. I desire information as to whether any data available now has been withheld including that obtained by Bernstein.

An inquiry was made as to whether participation in the pot should be allowed to Poland and Danzig. It seemed that the concensus of the meeting was that the waiver to the gold which was made by Russia at Potsdam should be controlling. This should control irrespective of whether the gold is considered as reparation or restitution and therefore the gold pot should not be shared with Poland and Danzig.

In our discussions of Austria, Italy, Albania and Hungary Waley agreed that these countries should receive monetary gold restitution. Reluctance on the

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leading markets WWIIBox 50Gold
Gold + silver
(Hungarian
restitution)

- 2 -

part of the French to allow these countries to share in the pot was expressed.

With reference to the Hungarian and Italian gold, Waley suggested, and I concurred, that they should be allotted their respective shares in the pot and that the shares should be set aside to be disposed of in accordance with the peace settlements with those countries. I stated that Italy should participate in the gold pot if a definite understanding had been made by the Council of Foreign Ministers that restitution should be received by that country. These principles were agreed to by Waley. I request advise on any understanding on restitution for Italy which may have been made by the Council of Foreign Ministers.

The right of Austria to participate (garble) in the gold pot was stressed by me. In this connection, I pointed out that agreement on economic independence made at Potsdam and further that as far as I knew there is not contemplated an Austrian peace treaty settlement.

It was stated by Rueff that he is not in a position to agree that Austria, Hungary and Italy should come at all into the pot. He further stated that his Government would be requested for instructions.

Discussion took place concerning the procedure for the implementation of the gold pot if we come to an agreement on the countries entitled to shares of the gold. The concensus was that any agreement should be submitted to our Governments for confirmation by them. Each zone commander of the three occupying powers would then be notified by their Government to begin operation of the gold pot agreement. This would of course mean in practice that OMGUS would be directed by JCS to act in this premise.

Loyd V. Steere
Deputy Director

TT

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DECLASSIFIED
 Authority *775059*
 By *TJ NARA* Date *3/13/00*
 RG 260
 Entry *FINANCE*
 File *940.38 FCIRO GEN*
 Box *424 RJB*

Antititution

File No. *940.38*

*With pending OK's
 over security, etc.
 Farrell*

Assets set aside for delivery to IRO

10 Aug 1948

1 FED OFA 10 AUG
 OMGUS OMGUS 48
 APO APO
 757 742

1. A careful review of the remaining assets in the vaults of the FED discloses various lots concerning which identification is deemed impossible or impracticable and which in our opinion may properly constitute a second turnover to IRO.

2. The general content of these lots, and brief data as to origin and circumstances of acquisition to extent revealed by our files are listed below by shipments.

3. A representative of the IRO will visit this office in the near future to arrange for the examination and acceptance of subject assets which have been segregated together with pertinent inventory forms.

4. If approved the turnover will be made based on individual inventory forms from which our usual Annex A will subsequently be prepared and submitted for preparation of release letter.

<u>Shipment No</u>	<u>Remarks</u>
1	One lot of wedding rings originally part of Melmer loot not disposed of on first delivery to IRO because included in Howard Report and held in vault compartment at that time under seal.
16	A small amount of silver and metal coin previously overlooked when bulk of this shipment which originated from Buchenwald Concentration Camp was turned over to IRO.
18 E	Personal effects of PWs from Stalag Luft VIII-C which were unidentifiable as to owner or country of origin.
21 A	Jewelry and currency apparently loot found hidden in a factory, stated to have been accumulated by Dr. Ernst Kaltenbrunner, Obergruppenfuehrer, Lt. Gen. of Police in Berlin.
21 B	Two bags various coins stated to have been removed from a PW camp near Weilheim, Bavaria.
21 D	Eight bags various coins stated to have been found by US Forces in the NSDAP office in Salzburg, Austria.
27 E	Several pieces ordinary jewelry reportedly found near Austrian border buried in a ravine. Location disclosed by a Major in the S.S. Corps who disclaimed ownership.
31	A substantial quantity of miscellaneous watches, rings, cigarette cases etc. which together with gold coin, bullion, and currency are stated to have been removed from Reichsbank, Berlin, by order of Dr. Ernst Kaltenbrunner to be hidden in mountains of southern Germany (where found) for purpose of

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Authority 775059By TJ NARA Date 3/13/00

RG 260

Entry FINANCE

File 940 38 PC IRO GEN

Box 424 RJB

Assets set aside for
delivery to IRO.

(continued)

10 Aug 1948

Shipment NoRemarks

- financing an Alpine redoubt. Material received in pre-sorted condition and for practical purposes is devoid of identification markings. Coin and gold bullion already placed in gold Pot.
- 52 E Miscellaneous personal effects of small value from Dachau Concentration Camp which were impossible of identification.
- 75 A diamond brooch and diamond bracelet which were turned over to U.S. authorities by the Kreissparkasse, Garmisch-Partenkirchen in which bank the items had been deposited by two Wehrmacht officers as representatives of the Central Court of the Army.
- 80 A quantity of gold in form of irregular pieces, plates, rods and crowns and a large nondescript silver bar all of which are stated to have been dental supplies of the Waffen S.S.
- 84 Silver scrap in form of watch cases, broken table-ware and jewelry found by U.S. armed forces as part of contents of impounded dilapidated mail containers in German post offices.
- 88 Comprises a substantial lot of miscellaneous jewelry disclosed to U.S. authorities by an S.S. Helferin who acknowledged it was ownerless Jewish property acquired by S.S. from concentration camp victims.
- 93 Miscellaneous jewelry of insignificant value turned over by German authorities in Karlsruhe as former Jewish possessions no longer identifiable.

FRANK C. GABELL
Chief, Foreign Exchange Depository

226542

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Authority *NND* 775059By *TJ* NARA Date *3/13/00*

RG	<i>260</i>
Entry	<i>FINANCE</i>
File	<i>EMBAISON VISITS</i> <i>940.32</i>
Box	<i>424</i>

15 August 1947

SUBJECT: Report concerning Berlin Inquiries of the
Claims Section

The following report refers to the result of various investigations made in Berlin.

1. Friedrichshall Mine, Wolfen, discovery.

Degussa
Roges
also
with diamonds
found at
Friedrichshall

A conference with Mr. Brauer, Director of the "Degussa"-plant, Berlin, revealed no new viewpoints with respect to origin and ownership of those valuables which had been found in the Friedrichshall Mine. He explained that nearly all records of the "Degussa" had been destroyed by war events so that he only could confirm from memory the correctness of the known statement of Mr. Furler, Director of the Metal Dept. of "Degussa", Frankfurt-on-Main. A visit in connection with the same questions to the "Abwicklungsstelle der Reichsstelle fuer Edelmetalle", Berlin, Kurfuerstendamm 64, (Mr. Kloss and lawyer Mr. Stellbogen) was inasmuch successful as it was possible to get the address of the "Abwicklungsstelle der "Roges", Berlin, Tirpitz Ufer 20. In the course of a following discussion, Mr. Klameth, head of this office, handed over the annexed copy of an inventory of those valuables, held for account of the "Roges" at various places in Germany on 30 April 1945. Mr. Klameth could not give any information regarding precious metals found in the Friedrichshall Mine. However, he argued for the assumption that these metals probably originate from deposits specified in the inventory as being deposited at other places. The attached inventory therefore may give helpful indications in this respect.

2. Merkers Mine - Inquiry re exact amounts of currency being on hand at the moment of the occupation by American troops.

Currency

Three visits to the Berlin Stadtkontor and detailed discussions with the 2nd director Mr. Loebbe and the former head of Currency Dept., Mr. Reekow, resulted in getting the annexed additional lists and letters which refer to the transfer of currency from Merkers Mine to other places. However, Mr. Loebbe explained that these records still were incomplete and would not allow to prepare an exact statement of those amounts of currency discovered by the American troops at Merkers Mine.

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 by TJ NARA Date 3/13/00

RG 260
 Entry FINANCE
 File EMBAISON VISITS
940.32
 Box 424

Currency (Gerbaulet)

The conference in the Berlin Stadtkontor furnished also some information re "Asservat Gerbaulet". Up to-day the 1,550,000. Swiss Francs belonging to this Asservat were believed to be included in the amount of currency discovered at Merkers Mine. Records, now delivered from the Berlin Stadtkontor, reveal that the whole "Asservat Gerbaulet" had been brought back from Merkers Mine to Berlin in March 1945 and that 250,000. Swiss Francs therefrom were transferred to South Germany in April 1945. Mr. Loebbe pointed out that to his knowledge this amount was deposited at the Reichsbank Lindau. The whereabouts of the remaining 1,300,000. Swiss Francs could not be cleared up. Furthermore Mr. Loebbe mentioned that "Gerbaulet" was the real name of a German, who had close connections to the German Oberkommando Wehrmacht and acted as an agent for the purchase of wares. It is unknown whether this man is still living or where he may stay.

3. Devisen Schutzkommando - Inquiry re functions in the western territories.

In the west the German conquering troops were followed among others by a working committee for the calling up of all gold, silver and foreign exchange in accordance with the relative German laws. This institution - named Devisen-Schutzkommando - was established by the German Ministry of Economics and the key-positions were in hand of officials of this ministry.

All secured material of the "Devisen-Schutzkommando Belgium" is administered by the Finance Division - Reports and Statistics Branch - (Mr. Fischbein). This branch is highly interested in getting information of new details concerning the sphere of activity of German institutions of Finance, Economics and Commerce and begs for the transmission of appropriate material. Three annexed reports in German, prepared in the Reports and Statistics Branch, give an idea of the activity of the Devisen-Schutzkommando Belgien. Following addresses, learned from the Reports and Statistics Branch, may interest:

- a. "Abwicklungsstelle des Devisen-Schutzkommandos Frankreich" - Potsdam - Oberrechnungskammer - Mammon-Str. 5, room 217.
- b. "Abwicklungsstelle des Devisen-Schutzkommandos Niederlande" - probable in the British Zone (Reichsbank Cleve?)

War notes

Preliminary Report of the US Army
Discovery of Caches Containing Monetary Gold and Other Valuables.

In 1944, the Combined Intelligence Objectives Sub-Committee (CIOS) located at the London offices of the Supreme Headquarters of the Allied Expeditionary Forces (SHEAF) developed lists of military, industrial, administrative and cultural sites slated for capture by special Target teams, known as T-forces. The T-forces, sometimes with specialists attached to their units, accompanied an advancing military front, engaging in combat if necessary, to secure their targets. Listed among the top target priority groups were the Berlin Reichsbank and its major branches. By February 1944, the Allies acquired reliable intelligence that Nazi party headquarters, several primary government ministries and underground factories ^{were} located to Thuringia. Still unknown to the Allies, however, was the Reichsbank officials' decision to evacuate the Reich gold reserves and accounts to a safer locale. The increased Allied bombing of Berlin was cause for alarm among various Reich officials and they were afraid a bombing raid would destroy the assets on deposit at the Berlin Reichsbank. Between February and April 1945, these assets, which included the looted gold reserves of various occupied countries, were moved to the Winterschal AG Kaiseroda Salt Mine near Merkers, Thuringia, Germany.

Regarding these T-force sites as valuable depositories of materiel, administrative records and possibly personnel, seemed reason enough to capture these locations. However, additional intelligence acquired by the OSS in mid-March 1945, after the capture of the Rhineland, indicated that caches of gold and materiel were located throughout central and southern Germany for provisioning an armed resistance movement against the Allies. These hidden valuables were a threat to Allied security and their discovery was imperative. Intelligence was passed on to G-2 Army Intelligence about the existence of the resistance movement caches and the location of the Nazi party headquarters in Eisenach, Thuringia. This pieced together information has been referred to as General Sibert's "guess," and may be the basis for the decision to send the Third US Army's XII Corps 90th Infantry Division's 358th Infantry Regiment to the town of Merkers on April 4, 1945. By the evening of April 6, 1945, General Eddy, commander of the 90th Division, was able to report to General Patton, commander of the Third US Army, that the huge Kaiseroda Salt Mine near Merkers purportedly held hidden German gold reserves. The interrogations of Reichsbank officials apprehended at the mine, provided G-2 with further information about even more gold transferred out of Berlin and cached in Reichsbank branches around Thuringia, ^{as well as} and other caches farther south, east, and in Austria and Switzerland. The Third and Seventh US Armies proceeded to ~~more secure~~ ^{more secure} ~~than 30~~ ^{over} branches acquiring an estimated 98% of the Nazi holdings in Germany of gold bullion, gold coin, foreign coin and currency, securities, artworks, religious artifacts and relics, and critical metals.

The swift ^{Allies} advance of the Allies through Germany and into Austria during April and May 1945, was the result of the Nazi war machine's failing defenses and civilian surrenders. Any significant resistance the Allies had expected from armed groups did not materialize. As the front advanced, the Allies captured German military personnel,

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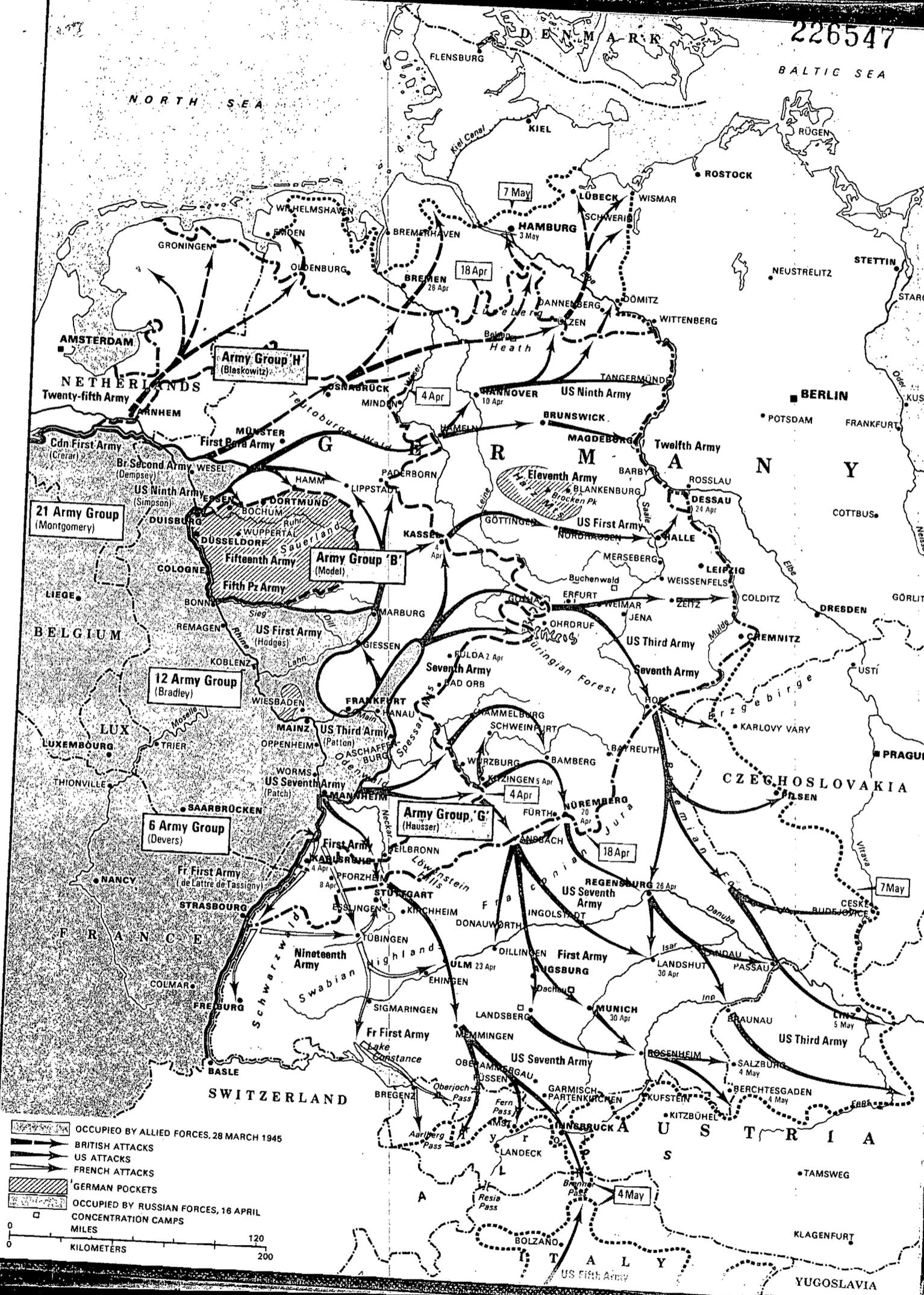
government civilian personnel, and prison camp internees. Information coming out of interrogations assisted the Allies in locating caches, and oftentimes providing the names of others whom knew of or had hidden caches. The caches discovered in specific locations in the countryside and towns of southern Germany and Austria are the result of these interrogations. While the US troops moved across the landscape, caches were discovered in churches, homes, barns, chicken woods, mountainsides, roadsides and rivers.

There is still debate about the actual monetary value of all the gold bullion and coin discovered. The Eizenstat Preliminary Study ~~has~~ correctly pointed out that many reports of uncovered caches seem to rely more on physical descriptions rather than an accurate itemization of the assets discovered. The final estimate of all these caches is approximately \$300,000,000.

The gold contained in the hidden caches represented the looted gold reserves of a number of occupied countries' central banks and well as bullion, ^{from} that was ~~resmelted~~ ^{of} victim gold. The Prussian Mint and the DEGUSSA refinery operations remelted and recasted central bank gold to disguise its origins and resmelted items such as jewelry, dental gold other victim gold assets into gold bars sold abroad for foreign currency. Such bars may have been used to mint coins. In the course of developing a policy to define monetary gold for restitution, "non-monetary" may have been designated for transfer into the Gold Pool. Non-monetary gold sold abroad during the Nazi regime may have freely circulated throughout the post war period and arrived at the Federal Reserve Bank as collateral for gold backed loans. In this instance, gold arriving in the US for foreign exchange or collateral is normally remelted and reassayed by the US Bureau of the Mint in bars acceptable by the Treasury.

for foreign currency

Any new research of World War II restitution must include a deeper more thorough investigation into the actual composition of the gold used for international transactions during the post war period.



- OCCUPIED BY ALLIED FORCES, 28 MARCH 1945
 - BRITISH ATTACKS
 - US ATTACKS
 - FRENCH ATTACKS
 - GERMAN POCKETS
 - OCCUPIED BY RUSSIAN FORCES, 16 APRIL
 - CONCENTRATION CAMPS
- 0 120 200
MILES
KILOMETERS

Merkers 15. 4. 45
Halle 25. 4. 45
Hof 27. 4. 45 XII Corps
Plauen 27. 4. 45
Nordhausen 29. 4. 45
Eschwege 30. 4. 45. / 11. 7. 45.
Coburg 2. 5. 45
Nuremberg 3. 5. 45
Magdeburg (assays, record books (Edelmetall)) . . . 9. 5. 45
Spital, ⁵ 3rd US Army Hung. Gold. (16. 8. 45).
Augsburg 7th US Army 19. 5. 45
Stuttgart 26. 5. 45
Holzminden 30. 5. 45
Regensburg
Haidhausen > 9. 6. 45

Eisenach i Erfurt (cum. 29. 4. 45)

Innsbruck 7th US Army 10. 6. 45

Dorenwald

Lindau.

Ruhpolding : St. Johann

Oberbicht

Obersiegsdorf

Wallgau.

Zwickau 15. 6. 45

Rau's MG Det FH3

Gotha 3. 7. 45 RB Gotha.

18. 6. 45

7. Jul. 45 Walchen ^{see}
80th Infantry Div.
MG Det. Munich

1. Muckin

Prologue

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NAZI G•O•L•D

The Merkers Mine Treasure

By Greg Bradsher

*L*ate on the evening of March 22, 1945, elements of Lt. Gen. George Patton's Third Army crossed the Rhine, and soon thereafter his whole army crossed the river and drove into the heart of Germany. Advancing northeast from Frankfurt, elements of the Third Army cut into the future Soviet Zone and advanced on Gotha. Just before noon on April 4, the village of Merkers fell to the Third Battalion of the 358th Infantry Regiment, Ninetieth Infantry Division, Third Army. During that day and the next, the Ninetieth Infantry Division, with its command post at Keiselsbach, consolidated its holdings in the Merkers area.¹

During April 4 and 5, displaced persons in the vicinity interrogated by the Counter Intelligence Corps (CIC) personnel of the Ninetieth Infantry Division mentioned a recent movement of German Reichsbank gold from Berlin



Overcast: On April 12, 1945, Gen. Dwight D. Eisenhower, with Gen. Omar N. Bradley and other officers, examined master artworks found deep in the salt cave at Merkers, Germany.
Back: American soldiers in the Merkers salt mine inspect forty-five cases of artworks from various Berlin museums. Approximately four hundred other valuable paintings were stored loosely in the cave's tunnels.

to the Wintershal AG's Kaiseroda potassium mine at Merkers. In all of these instances they quoted rumors, but none stated their own knowledge that gold was present in the mine. But just before noon on April 5, a member of Military Intelligence Team 404-G, attached to the 358th Infantry Regiment, who was in Bad Salzungen, about six miles from Merkers, interviewed French displaced persons who had worked in the mine at Merkers. They told him they had heard that gold had been stored in the mine. The information was passed on to the G-2 (intelligence section) of the Ninetieth Infantry Division, and orders were issued prohibiting all civilians from circulating in the area of the mine.²

Early the next morning, two military policemen guarding the road entering Keiselbach from Merkers saw two women approaching and promptly challenged and stopped them. Upon questioning, the women stated that they were French displaced persons. One of the women was pregnant and said she was being accompanied by the



U.S. soldiers display *Wintergarden*, by French Impressionist Edouard Manet, one of the approximately two thousand paintings that the Nazis transported to the Merkers mine.

other to see a midwife in Keiselbach. After being questioned at the XII Corps Provost Marshal Office, they were driven back into Merkers. Upon entering Merkers, their driver saw the Kaiseroda mine and asked the women what sort of a mine it was. They said it was the mine in which the German gold reserve and valuable artworks had been deposited several weeks before and added that local civilians and displaced persons had been used for labor in unloading and storing the treasure in the mine.⁵

By noon on April 6 the women's story had reached Lt. Col. William A. Russell, the Ninetieth Infantry Division's G-5 (civilian affairs) officer. He proceeded to the mine, where interviews with displaced persons in the area confirmed the women's story. They told him that works of art were also stored in the mine and that Dr. Paul Ortwin Rave, curator of the German State Museum in Berlin as well as an assistant director of the

National Galleries in Berlin, was present to care for the paintings. Russell then confronted mine officials with this information, and they stated they knew that gold and valuable art were stored in the mine and that other mines in the area were likewise used for storing valuables. Russell also questioned Werner Veick, the head cashier

bert L. Earnest, the Ninetieth Infantry Division's commanding general, called the 357th Infantry Regiment then at Leimbach and ordered that its First Battalion proceed to Merkers to relieve the Ninetieth Division's military police and reinforce the 712th Tank Battalion.⁶

Russell also that afternoon told a XII Corps G-5 officer what was going on at the mine site, and word was passed on to the Corps Commander Maj. Gen. Manton S. Eddy. He immediately called Patton and informed him of the capture of the German gold reserves at Merkers. Patton, who had been burned on so many rumors told him not to mention the capture of the gold until they definitely confirmed it.⁷

As the evening ended, with the anticipation of what they might find the next day, there must have been excitement. All involved knew that they had perhaps stumbled upon something important, something that political and military leaders expected to find somewhere in Germany—its gold reserves. The Allies, through their intelligence and diplomatic sources, knew that the Nazis had looted hundreds of millions of dollars worth of gold from many central banks of Europe, and despite sending much of it to neutral countries in payment for war goods, they still had a considerable quantity.⁸ If, indeed, they had captured the Reich's monetary reserve, the war might be ended sooner, as the Germans would be less able to procure essential war-making materials.

Throughout most of the war, the bulk of the German gold reserves was held at the Reichsbank in Berlin. In 1943, however, some gold bars were shipped to numerous branches of the Reichsbank. During late 1944 and early 1945, as American bombing of Berlin increased and the Allies pushed toward the city from the east and west, more of the gold reserve was dispersed to branch banks in central and southern Germany. Also, early in 1945, a large quantity of Reichsmarks were dispatched from Berlin to branch banks.⁹

The dispersal of Reichsbank assets went into full swing in February 1945. On February 3, 937 B-17 bombers of the Eighth Air Force dropped nearly twenty-three hundred tons of bombs on Berlin, causing the

near demolition of the Reichsbank, including its presses for printing currency. Following the bombing, Walter Funk, president of the Reichsbank and Reich minister of Economics, decided to send most of the gold reserves, worth some \$238 million, and a large quantity of the monetary reserves to a mine at Merkers, about two hundred miles southwest of Berlin, for safekeeping. Space in that mine, like all of the other salt and potassium mines in Germany, had been requisitioned by the government because firms found it necessary to store materials and continue armament production underground because of the bombings.¹⁰

On February 11 most of the gold reserves, including gold brought back from the branch banks to Berlin for shipment to Merkers, currency reserves totaling a billion Reichsmarks bundled in one thousand bags, and a considerable quantity of foreign currency, were transported by rail to Merkers. Once the train reached Merkers, the treasure was unloaded and placed in a special vault area in the mine designated Room No. 8.¹¹

In addition to the shipment to Merkers, it was decided to send a substantial quantity of currency and staff to the Reichsbank branch in Erfurt in early February. The currency and upwards of ten employees were sent packing to Erfurt. Among them were Veick and Otto Reimer, chief cashier in the Reichsmarks Department. Once there they began circulating money to other branch banks as well as sending some of it back to Berlin when the need arose. Currency was also taken out of the Merkers mine and redistributed to branch banks and to the Reichsbank in Berlin as needed.¹²

The *Schutzstaffeln*'s (SS) Office for Economy and Administration, which operated the concentration camps, also wanted their loot held by the Reichsbank to be sent to Merkers for safekeeping. From August 26, 1942, until January 27, 1945, the SS made seventy-six deliveries to the Reichsbank of property seized from concentration camp victims. This stolen property was received for a holding account in the name of "Melmer," named for SS Capt. Bruno Melmer, who made most of the deliveries. Gold jewelry was sold abroad; gold of some

fineness was sold either to the Prussian Mint or to Degussa, a large German industrial firm that engaged in the refinement of precious metals. Securities, foreign currency, and similar items were purchased by the Reichsbank. Much of the miscellaneous jewelry was sold through the Berlin Municipal Pawn Shop. Once the transactions took

Reichminister for Education decided in March to ship them to mines for safekeeping. The first shipment took place on March 16, 1945, when forty-five cases of art from the Kaiser-Frederichs Museum were shipped from Berlin to Ransbach, about nine miles from Merkers, for storage in a nearby mine. Rave, who had been sent with



A sergeant with an Albrecht Dürer engraving (ca. 1500). In late March 1945 the Nazis moved about one-fourth of the major holdings of fourteen principal Prussian state museums to the Merkers cave.

place, the proceeds were credited to the account of "Max Heiliger," codeword for Heinrich Himmler and his SS. By early 1945, much of the loot had been processed, but a significant amount still remained with the Reichsbank.¹³

The confiscated property on hand in March 1945 consisted of all kinds of gold and silver items ranging from dental work to cigarette cases, diamonds, gold and silver coins, foreign currencies, and gold and silver bars. The gold and silver bars were placed in 18 bags, and the remainder of the loot was placed in 189 suitcases, trunks, and boxes and, along with other items, were sent by rail to Merkers on March 18. The shipment was under the control of Albert Thoms, head of the Reichsbank's Precious Metals Department. Once the SS loot arrived, it was stored in Room No. 8 along with the gold and currency.¹⁴

To protect the nation's art treasures, the

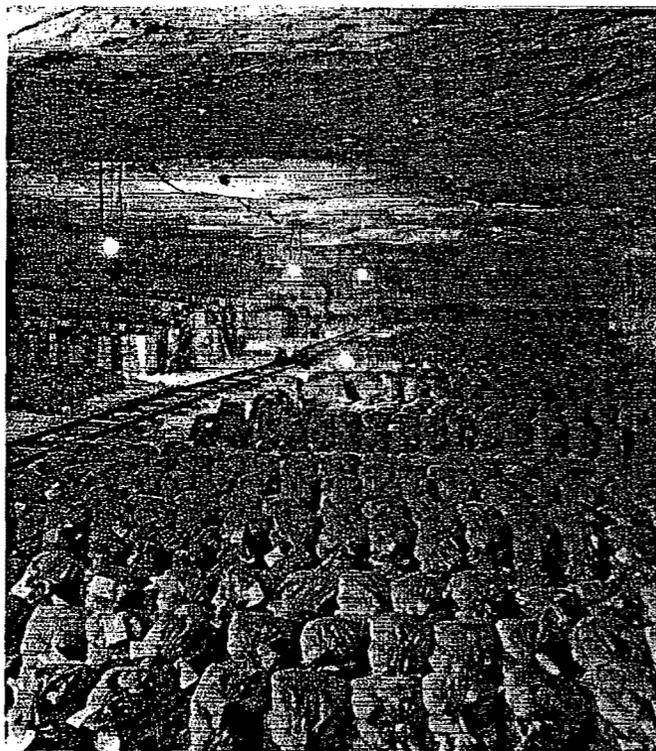
shipment, found that the mine was unsuitable for a deposit, and therefore it was decided that subsequent shipments would go to Merkers. Between March 20 and March 31 the Germans transported one-fourth of the major holdings of fourteen of the principal Prussian state museums to Merkers. Rave was ordered to stay at Merkers and watch over the collection.¹⁵

As the Third Army moved toward Merkers, the Reichsbank officials decided to remove the entire reserves, including the artworks, back to Berlin, but they were hampered by the speed of the American advance and the partial shutdown of the German railway system due to the Easter holidays. By April 1, bank officials had given up all hope of moving the gold and concentrated on the Reichsmarks, which were in short supply in some parts of Germany. On April 2, Reichsbank officials at Erfurt received orders to get the Reichsmarks at

Merkers and distribute them to other places in the Reich, and three bank officials, Thoms, Reimer, and Director Frommknicht, arrived at Erfurt to assist in the distribution. Late that day Thoms, Reimer, Veick, and a man named Kaese set out for Merkers. They were joined the next morning by Frommknicht and seven other Reichsbank employees. They loaded about 200 million Reichsmarks and some fifty packages of foreign currency into a two-and-one-half-ton truck. That afternoon Kaese drove off with the Reichsmarks destined for Magdeburg and Halle and the foreign currency for Berlin.¹¹

Then the Germans, with the help of some twenty Polish workers given to them by mine officials, began the process of taking the rest of the currency out of the mine. They took a considerable sum to Bad Salzungen and loaded it into one railway car. At 7 p.m., learning the Americans were fast approaching, they stopped their work. On their way back to their hotel they learned that a bridge over which the train was to pass had been blown up. The currency was brought back to Merkers, and they decided to put it back in the mine. They were unable to get workers to take the currency back into the mine that night, so they waited until the next morning.¹²

Early the next morning, April 4, the Germans and their Polish workers started taking the currency back down into the mine, knowing that the Americans would soon be arriving. Because Frommknicht had the key to the vault, and he and Thoms had left Merkers to make their escape, the others had to leave the currency near the shaft elevator. Meanwhile, some American soldiers appeared on the scene, but they did not appear too interested in the work, believing this was some routine mine operation. Veick and Reimer, with their Polish workers, continued taking the currency back down into the mine. Meanwhile, Frommknicht and Thoms, after burning some papers, headed for Erfurt. While they were walking along the road, American vehicles overtook them, and they ran for the forest. Frommknicht got away, but Thoms was captured by American soldiers. Within the week he would be brought back to Merkers for questioning.¹³



The Americans Enter the Mine

On the morning of April 7 military personnel interrogated civilians to obtain information on storage of Reich property in the mine. Also that morning, new entrances to this mine and to other nearby mines were found by the Americans at Leimbach, Ransbach, and Springen. Guards were immediately placed at these entrances. Later that morning, General Earnest directed that a company of the First Battalion of the 357th Infantry Regiment be posted to guard the main entrance of the Merkers mine. This company was reinforced with tanks from the 712th Tank Battalion, tank destroyers from the 773d Tank Destroyer Battalion, and Jeeps mounting machine guns for antiaircraft defense. Reinforced rifle companies were also ordered to guard entrances at Kaiserroda and Dietlas. Around 11 a.m. another entrance to the mine was found at Statinsfeld by the First Battalion. Accordingly, a tank destroyer company was dispatched to guard this entrance.¹⁴

When engineers blasted a hole in the brick wall adjacent to the vault door of Room No. 8 on April 8, 1945, they found a long cavern filled with bags of gold and loot stacked knee-high.

At 10 a.m. Russell, the assistant division commander, and two other Ninetieth Infantry Division officers, Signal Corps photographers, Rave, and German mining officials entered the mine. The elevator took them to the bottom of the main shaft twenty-one hundred feet beneath the surface. In the main haulage way, stacked against the walls, they found 550 bags of Reichsmarks. Moving down the tunnel the Americans found the main vault. It was blocked by a brick wall three feet thick, enclosing a portion of the mine at least one hundred feet wide. In the center of the wall was a large bank-type steel safe door, complete with combination lock and timing mechanism with a heavy steel door set in the middle of it. Attempts to open the steel vault door were unsuccessful. That afternoon Veick told Russell the gold was all in one room behind the vault door. Word soon reached General Eddy, and he called Patton

to inform him that the mine had been entered and that a significant amount of Reichsmarks found, but that the gold, if it existed, was behind a steel door. Patton ordered Eddy to blow the door. Eddy summoned army engineers to the mine, and arrangements were made for blasting an entrance in the vault the following morning.¹⁵

Meanwhile the Ninetieth Infantry Division was continuing on the offensive and needed all of its forces. So at 5 p.m. the 357th Infantry Regiment was ordered to move out and join up with the division's other units, with the exception of the First Battalion, which was to pass to division control and to continue guarding the mine, and Third Battalion guards were to be relieved by elements of the First Battalion. By that evening three companies of the First Battalion were guarding the entrances at Merkers, Kaiserroda, Leimbach, Springen, and Dietlas, with the assistance of one platoon of heavy machine guns and two sections of light tanks. The Merkers, Dietlas, and Kaiserroda factory areas were guarded by a perimeter defense, and special guards were placed on essential operating installations such as electric plants, transformers, and elevator mechanisms.¹⁶

Early on April 8 Earnest, Russell, a public affairs officer, photographers, reporters, and elements of the 282d Engineer Combat Battalion entered the mine. They would be joined several hours later by Eddy, his deputy chief of staff, and a G-5 officer. One of the engineers who inspected the brick wall surrounding the vault door thought it could be blasted through with little effort. Therefore the engineers, using a half-stick of dynamite, blasted an entrance through the masonry wall. The Americans entered the vault, so-called Room No. 8, which was approximately 75 feet wide by 150 feet long with a 12-foot-high ceiling, well lighted but not ventilated. Tram railway tracks ran down the center of the cavern. On either side of the tracks, stretching to the back of the cavern, were more than seven thousand bags, stacked knee-high, laid out in twenty rows with approximately two-and-a-half feet between rows. All of the bags and containers were marked and the gold bags were sealed. Baled currency was found stacked along one side of the vault along with gold

balances and other Reichsbank equipment. At the back of the cavern, occupying an area twenty by thirty feet, were 18 bags and 189 suitcases, trunks, and boxes. Each container bore a packing slip showing the contents and a tag bearing the name "Melmer." It was obvious that it was SS loot. Within days it would be confirmed that it was, and within ten days, the Americans would learn the extent of the loot and the identity of Melmer.¹⁷

In order to examine the contents, some of the seals on the bags were broken and a partial inventory was made. The inventory indicated that there were 8,198 bars of gold bullion; 55 boxes of crated gold bullion; hundreds of bags of gold items; over 1,300 bags of gold Reichsmarks, British gold pounds, and French gold francs; 711 bags of American twenty-dollar gold pieces; hundreds of bags of gold and silver coins; hundreds of bags of foreign currency; 9 bags of valuable coins; 2,380 bags and 1,300 boxes of Reichsmarks (2.76 billion Reichsmarks); 20 silver bars; 40 bags containing silver bars; 63 boxes and 55 bags of silver plate; 1 bag containing six platinum bars; and 110 bags of loot from various countries.¹⁸

General Eddy, after learning how extensive the mine was and the significance of its treasure, around noon called Lt. Col. John H. Mason, commanding officer of the 357th Infantry Regiment, and told him that the order of the previous day withdrawing his regiment from the Merkers area, minus the First Battalion, was countermanded. He ordered him to hold any movement and that his regiment, minus the Second Battalion, which had been assigned to be the Ninetieth Infantry Division's reserve, was to guard the mine area. At that time the Third Battalion guard had already been relieved by elements of the First Battalion, and the Third Battalion had started to move. The battalion returned to Merkers, and Mason moved his command post from Leimbach to Merkers. Mason then provided for the defense of the Merkers area and the various mine entrances with his First and Third Battalions, elements of the 712th Tank Battalion and the 773d Tank Destroyer Battalion and numerous antiaircraft guns.¹⁹

While the treasure was being reviewed on April 8, in other tunnels Americans found

an enormous number of artworks. Late that day, Capt. Robert Posey, a Museum, Fine Arts and Archives (MFAA) officer, and Major Perera, G-5, Third Army, arrived to inspect the artworks and the gold and currency. Perera interviewed Veick about the circumstances surrounding the transfer of the treasure to Merkers and obtained from the XII Corps personnel a copy of their inventory. Perera and Posey then set out for the Third Army headquarters at Frankfurt, arriving there at 10 p.m. Shortly thereafter they made their report to Lt. Col. Tupper Barrett, G-5, Twelfth Army Group.²⁰

On April 8 Patton learned that in addition to the paper money found the day before, his soldiers had found a significant quantity of gold, and he also learned that the press had found out about the Merkers mine and had published stories about the capture of the gold. Patton called Gen. Omar N. Bradley, commander of the U.S. Twelfth Army Group, and told him that owing to the amount of the seizure and the fact that it had been made public, he believed it was now a political question and requested that Supreme Headquarters, Allied Expeditionary Force (SHAEP), commanded by Gen. Dwight D. Eisenhower, be asked to send somebody to take it over.²¹

Colonel Bernstein Becomes Involved

The person who would take over the Merkers operation was Col. Bernard D. Bernstein, deputy chief, Financial Branch, G-5 Division of SHAEP. In October 1942, when he was commissioned a colonel, Bernstein was the assistant general counsel at the Department of the Treasury, handling foreign funds matters. Late on the morning of April 8, Bernstein, at SHAEP headquarters at Versailles, read a front-page story in the Paris edition of the *New York Herald Tribune* about the discovery of the gold and other treasures at Merkers. He immediately called Barrett to see if he had any information on the subject. He was advised that Barrett was forward at Third Army and would be telephoned immediately about the matter.²²

Barrett, who had arrived at Frankfurt at 10:30 a.m., learned that Perera and Posey had gone in search of information about

the report that the Americans had uncovered the gold reserve, large stocks of foreign currency, and art treasures. About 11 A.M. Barrett received a message that Bernstein was trying to reach him and wanted to know about the validity of press stories concerning the discovery of the treasure at Merkers. Barrett tried unsuccessfully to reach Bernstein, but he did reach Perera, who said the discovery had not yet been verified. And Bernstein, after not being able to reach Barrett, conveyed the information about the Merkers treasure to Brig. Gen. E.J. McSherry, deputy chief of staff, G-5, SHAEF, at the advance headquarters at Rheims, France, who thereupon told Bernstein to go to Merkers immediately to look into the matter. Not long afterward, McSherry called him and said that Eisenhower wanted him to take control of the matter.²⁷

Just before noon, Bernstein telephoned Barrett and told him about the newspaper stories concerning the Merkers treasure and that SHAEF had received a message from the War Department asking several questions about the treasure. Bernstein asked whether he should fly to Frankfurt, stating that McSherry wanted him to. Barrett told him that he would phone him back when he received another report from Perera and would then recommend whether he should come or not. Shortly thereafter, Barrett reached Perera by phone and was informed that Perera had just received confirmation that the mine contained more than one hundred tons of gold, much foreign currency, billions of German Reichsmarks, and valuable paintings. Perera said that XII Corps finance officer, at the direction of General Eddy, was placing a heavy guard around the treasure, making a preliminary inventory, and taking protective custody, pending instructions from higher authority. Perera said that only one Reichsbank official from Berlin (Veick) was present with the treasure and that he did not believe it was necessary for Barrett to visit the site until he could return to Frankfurt with a full verbal report that night. Perera also did not think it necessary for Bernstein to come immediately, since he could get pertinent information from the Reichsbank official and the treasure was under sufficient protection at present.²⁸

Barrett phoned Bernstein at 12:40 P.M. and reported on his conversation with Perera. An hour later Barrett talked to Col. R. L. Dalferes, G-5, Third Army, reporting his conversations with Bernstein and Perera, and stated that if McSherry wanted Bernstein to come and this matter was so important, he felt Bernstein should come. Dalferes agreed. Barrett reached Bernstein at 4:30 P.M. and said that Dalferes agreed that Bernstein should get to Frankfurt by air. Barrett then gave him a preliminary report of the contents of the mine, based on telephone information received from Perera that afternoon, and also informed him that guards had been placed and the preliminary inventory was being made by XII Corps finance officer.²⁹

Perera called Barrett at 6 P.M. and gave him "summary figures and said that he would return to Frankfurt that night with the preliminary inventory. Thirty minutes later Barrett was informed that Bernstein had left and would arrive at Frankfurt that evening, but at 9 P.M. Barrett learned that Bernstein's plane was stopping at Rheims for the night and he would come the next morning. At 10 P.M. Perera and Posey arrived at Frankfurt. Perera informed Barrett that the principal items in gold and currency at Merkers were 8,198 standard gold bars, 713 bags of twenty-dollar gold pieces, 1,763 bags of other gold coins, various bags of foreign currency, and 2.76 billion Reichsmarks. Perera gave Barrett the inventory, providing fuller details about the Merkers treasure. Perera said Veick told him how and why the treasure was at Merkers and what he was doing there. Posey reported that the art in the mine was very important and that it consisted of the most valuable pieces of various Berlin museums.³⁰

By the time Bernstein's transportation could be arranged, the pilot told him it was too late to go to Frankfurt, but he would fly him to Rheims. Bernstein agreed. In Rheims Bernstein met with McSherry, who told him that Eisenhower had discussed the matter with General Crawford, assistant chief of staff, G-4 (supply and maintenance), SHAEF, and Eisenhower wanted Bernstein to go to Merkers immediately and check the contents and arrange for the treasure to be

taken from the mine to a more secure location, thereby relieving combat units for tactical missions. The two then discussed the details and problems involved.³¹

On the morning of April 9, Bernstein and McSherry, at General Crawford's office, met with Crawford, Maj. Gen. Lucius Clay (who had just been named as Eisenhower's deputy in military government in Germany), and Lt. Col. Carl L. Morris, G-4, SHAEF. Crawford said that Eisenhower wanted Bernstein and Morris to go to Merkers and transfer the treasure to a location further to the rear for the purpose of releasing combat units and to facilitate an accurate examination. Bernstein was ordered to be responsible for taking over the treasure, and Morris was directed to coordinate the actual movement, including taking treasures from the mine, locating a suitable new location, arranging for trucks, providing for the security guards on the road and the permanent guards at the new location. Bernstein and Morris were ordered to report to the Third Army's chief of staff, Maj. Gen. Hobart Gay, to receive instructions. Crawford suggested the use of Fort Ehrenbreitstein at Coblenz for the storage of the treasure. They talked about the possibility of Frankfurt being used as the depot for the loot since it was to be the headquarters of Eisenhower's staff and the headquarters of the U.S. Group Control Council when they got to Germany. Finally, it was left to Bernstein and Morris to use their discretion as to where the treasure would be placed.³²

With those instructions, Bernstein and Morris flew to Frankfurt. After arriving, they lunched with Barrett and discussed the Frankfurt Reichsbank building as a storage facility for the Merkers treasure. Bernstein and Morris then met with Dalferes to formulate plans for taking over responsibility for the administration and movement of the treasure. From 1:30 until 2:30 P.M. Bernstein and Morris met with Gay and Patton to discuss the treasure and its movement. Then Morris quickly discussed the movement problem with Brig. Gen. Muller, G-4, Third Army, and the latter contacted Colonel Perry, his transportation officer, to assist in any way possible in this move.³³

Gay then prepared a letter to General Eddy stating that Eisenhower had desig-

nated Bernstein to take over the contents of the mine at Merkers and that Bernstein would be responsible for making a complete inventory of the entire contents of the mine; arranging with the Third Army for the movement of the treasure to other areas when and if deemed advisable; and making decisions as to who would be allowed in the mine. Eddy was instructed not to allow Allied units or separate individuals to be in the area surrounding the mine except upon his written permission.

Eddy was further informed that responsibility for guarding the mine and its contents remained with the Third Army, which in turn was delegated to XII Corps.³⁴

Bernstein, Morris, Barrett, Perera, and Lt. J. S. Feary, G-5, Twelfth Army Group, then made an inspection of the Reichsbank building to determine the suitability of its use for storing the treasure.

They then drove to Fort Ehrenbreitstein in Coblenz to determine if it was a possible storage area. They discovered the fort was already full of archives and art taken from area museums and public buildings and that no suitable areas remained to accommodate the volume of material found at Merkers. Bernstein was convinced that the Reichsbank building was the most suitable storage site.³⁵

Early on April 10, Bernstein and his party again inspected the Reichsbank building. They agreed that it had adequate storage and office space. At 9:45 A.M. Bernstein called McSherry and said that he favored the Reichsbank site and expressed his need for certain specialized personnel to augment the G-5 team for the purpose of taking over and accounting for the material. He gave McSherry a brief statement of the contents of the Merkers mine, outlined his tentative plan for the movement of the treasure, and told McSherry that he and Barrett

would soon leave for Merkers. McSherry approved the tentative plan and proceeded to requisition the Reichsbank building and obtain the services of Third Army engineers for rehabilitating the building to the extent necessary to provide adequate security and protection from the weather. It was agreed that Morris and Feary would be left behind at Frankfurt to arrange for the engineers to put the building in shape.³⁶

Bernstein, Barrett, and Perera visited Gay at 11:30 A.M., and Bernstein informed him



Lt. Col. Omer Claiborne, chief, Currency Section for France (right), provided technical expertise to Col. Bernard Bernstein (left) on the transfer of currency and storage at Frankfurt.

of his intention to transfer the treasure to the Reichsbank at Frankfurt and that they would soon be leaving for Merkers. Bernstein also said that Morris was working with General Muller on transportation and other details required for the movement. Then Bernstein instructed Feary to work with Morris to assist in arrangements for trucking, labor, security for the Reichsbank building, and other related matters. At 1:30 P.M. Bernstein and Barrett set out for Merkers, some eighty-five miles from Frankfurt.³⁷

Bernstein and Bartlett arrived at the 357th Infantry Regiment Command Post in Merkers at 5 P.M. on April 10. Accompanied by Mason, they went on a tour of the mine to see the vault containing the gold, currency, and art treasure. That evening Bernstein interviewed Veick and Reimer about the gold, currency, and other valuables, as well as any records relating to the gold.

Veick provided detailed information about the transportation of the Reichsbank treasure to Merkers and the currency transactions during March and the first days of April. He said he did not know that much about the gold, but Thoms did; "He knows all," Veick said. Reimer told Bernstein that "the records of the sale of the gold are with Thoms."³⁸

Bernstein, that evening, drove to Patton's headquarters. Patton told Bernstein that he was very glad Eisenhower was taking re-

sponsibility for the gold. Bernstein told him that he wanted to move the Merkers treasure to Frankfurt as quickly as possible and that under the Big Three arrangements at Yalta, the Merkers part of Germany would be taken over by the Russians after the war and that they certainly needed to get the treasure out of the area before the Russians got there. Astounded at what Bernstein told him, not knowing about the postwar arrangements, Patton said he would do everything possible to facilitate Bernstein's mission.³⁹

On April 11 Bernstein returned to Merkers and that morning, after arranging with Mason for setting up a command post at the mine building for the G-5 officers, he and Rave made an inspection of the art treasures. Later that day Lt. George Stout, USNR, MFAA Officer, G-5, Twelfth Army Group, and the SHAEF MFAA chief, British Lt. Col. Geoffrey Webb, reported for duty, with the expectation that they would handle the art matters. After Posey's earlier visit to Merkers, he had notified Webb of the treasure and recommended Stout, former chief of conservation at Harvard's Fogg Museum and considered America's greatest expert on the techniques of packing and transporting, be sent to the mine to provide technical guidance. Webb and Stout arrived at Merkers only to find that they needed Bernstein's permission to see the art. Bernstein showed them his letter from Gay

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authorizing him to decide who went into the mine and the need for Eddy's permission for Allied personnel to inspect the mine. Bernstein agreed to let Stout view the works of art, but he denied Webb access.⁴

Meanwhile, on the afternoon of April 10, Morris left Frankfurt and drove to XII Corps headquarters at Meningen. The next morning he discussed the move of the treasure with the XII Corps Chief of Staff, G-4, and G-5. He also discussed with Gay and Patton the security requirements for the move as well as for the Frankfurt area in the event of a major attack. He then set out for Merkers, arriving at 11 A.M. and proceeded to discuss the physical problems of the move with Mason. Then he joined Bernstein and Bartlett to inspect a nearby salt mine, where they found German air force clothing.⁵

That evening Bernstein learned that per-



ABOVE: Eisenhower and his officers recognized the urgency of removing the Merkers treasures for protection, restitution, and crippling of the German war effort.

LEFT: General Eisenhower was moved as he inspected Nazi loot, later writing that it was "obviously looted from private dwellings throughout Europe."

ment was functioning properly and that German civilians were available for questioning if needed. The next morning, April 12, Bernstein was at the mine very early to ensure everything was prepared for Patton's visit. But 9 A.M. came and went, and there was no Patton, for he was still at his headquarters at Hersfeld greeting Eisenhower and Bradley. They, with Patton and Eddy and members of their staffs, flew to Merkers. Arriving at the mine about 10:30 A.M., they were joined by Brig. Gen. Otto P. Weyland, commander of the XIX Tactical Air Command of the Ninth Air Force. Bernstein met them at the mine entrance and took the generals and several German officials into the mine, and they descended by elevator.⁶

The Generals Visit the Mine

Also that evening Bernstein received a message that Patton had called directing him to be at the main entrance of the mine the following morning at 9 A.M. Bernstein immediately ordered that arrangements be made to see that the mine and shaft equip-

sonnel he had requested were at Frankfurt. He decided that six of them would remain at Frankfurt. The others would report for duty at Merkers: Lt. Col. Omer Claiborne, G-5, SHAEF Mission to France and chief, Currency Section for France; Lt. Comdr. Joel H. Fisher, chief, Foreign Exchange and Property Control Section, Financial Branch, G-5 SHAEF; 1st Lt. William A. Dunn, Financial Branch, U.S. Group Control Council; Lt. Col. William S. Moore, commanding officer, European Civil Affairs Division's Currency Section for Germany (Twelfth Army Group),

and six of his men; and Mr. Maurice St. Germain, civilian officer of Guaranty Trust Co., New York, Paris Office, an expert gold trader.⁷

single cable, Patton said if the cable snapped "promotions in the United States Army would be considerably stimulated." General Eisenhower said "OK George, that's enough. No more cracks until we are above ground again."⁸



The SS loot at Merkers consisted in part of jewelry from concentration camp victims, much like this box of rings found in a cave near Buchenwald.

The generals entered Room No. 8 and looked around in awe at the captured gold. They then inspected the SS loot. Eisenhower was moved by the experience. "Crammed into suitcases and trunks and other containers was a great amount of gold and silver plate and ornament obviously looted from private dwellings throughout Europe" he wrote. "All the articles," he noted, "had been flattened by hammer blows, obviously to save storage space, and then merely thrown into the receptacle, apparently pending an opportunity to melt them down into gold or silver bars." Later Patton would write that he saw "a number of suitcases filled with jewelry, such as silver and gold cigarette cases, wrist-watch cases, spoons, forks, vases, gold-filled teeth, false teeth, etc." acquired by "bandit methods." Eisenhower was very interested in learning what was in the mine. Bernstein informed the generals that some of the treasure had come from victims in the concentration camps; how the treasure had come to be shipped there; and

estimates as to its value. He also told them he was planning to take an inventory of everything and to move the treasures to Frankfurt. Eisenhower and the other generals concurred with Bernstein's plans.⁹

Bernstein also showed the generals the art treasures, plates the Reichsbank used for the printing of the Reichsmark currency, and the currency itself. While they were looking at the latter, a German official said that they were the last reserves in Germany and were badly needed to pay the German army. "I doubt," Bradley interjected, "the German Army will be meeting payrolls much longer." Near the end of the inspection, Bradley said to Patton, "If these were the old free-booting days when a soldier kept his loot you'd be the richest man in the world." Patton just grinned. With that said, the one-hour inspection concluded, and the party, which had included newspapermen and Signal Corps photographers taking numerous photos of the inspection, returned to the surface.¹⁰

Later that evening Bradley, Eisenhower, and Patton dined together. Among the things they discussed was that when word first reached Patton about the gold discovery, he had ordered a censorship stop on the discovery. "But why keep it a secret, George," Bradley asked, "What would you do with all that money?" Patton said that his soldiers were of two minds. One view was that the gold be cut into medallions, "one for every sonuvabitch in Third Army." The other view was that the Third Army hide the loot until peacetime when military appropriations were tight and then dig it up to buy new weapons. Eisenhower, looking at Bradley and laughing, said "He's always got an answer." The evening did not end on a happy note. Just about midnight the three learned that President Roosevelt had died.¹¹

The tour completed, Bernstein interviewed Albert Thoms, who explained how and why the gold, currency, and other items got to the mine. He also gave some estimated values for the gold and said "the gold and silver was not stolen." "The silver and gold articles in cases," he said, came from the economic department of the SS." He said that there were no records at Merkers relating to the gold. Later that afternoon, and during the course of the next several

days, Bernstein and his men interviewed a dozen bank, mine, and other officials. During these interviews they learned about the German policy of storing files and treasures and goods of all kinds and descriptions in mines and tunnels. They also learned the names of various mines.¹²

Moving the Treasure

While the tour was being conducted, Morris was hard at work facilitating the coordination of the move. He arrived at the Third Army advanced headquarters during midmorning and met with the deputy chief of engineers to obtain the service of engineers for supervising German operators at critical points throughout the mine installation during the forthcoming operation. He also met with Colonel Perry, the transportation officer, to discuss the transportation requirements and with the Third Army provost marshal to discuss security measures.¹³

On the twelfth, MFAA Officer Stout talked to Rave at the Ransbach mine, who explained that the forty-five cases of art there could not be inspected as the mine elevator was not working. Stout returned to Merkers and made a spot-check of some of the boxes and crates of artwork. He found that in addition to the crated items, some four hundred paintings were lying loose. He had seen enough to know that he needed proper packing materials and that the art constituted great wealth. The next afternoon he returned to Ransbach to prepare the items there for the move. Upon his return to Merkers, Bernstein told him that the art convoy would leave on the sixteenth.¹⁴

At 1:30 P.M. on April 12, Fisher, Claiborne, St. Germain, Dunn, Moore with his staff arrived from Frankfurt at the mine. Bernstein assigned Moore the responsibility for marking the money containers in the mine, preparing inventories at the time of the removal of the money from the mine, and with technical advice from Claiborne, making arrangements for the transfer of the currency and gold. Fisher was assigned the responsibility for preparing inventories of all other mines in the immediate vicinity and to analyze all the testimony developed

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in interrogations to date with a view toward finding further gold and currency deposits as well as gathering financial and property control intelligence information.³¹

That afternoon St. Germain, with the assistance of Barrett, inspected the mine and made an estimate of the situation and after consulting with Mason, outlined a plan for operations. During the day, under the direction of Moore, four teams were organized to make an inventory of the contents of the mine based on the information shown on the tags. Two teams worked on the gold bullion and coins, and two worked on the other loot. While the contents of the mine were being inventoried and prepared for the move, army engineers began preparing the area for the move. Also that day thirty-two ten-ton trucks from the 3628th and 4263d Quartermaster Truck Companies were made available for the move. Morris visited Mainz and arranged with the Truck Company commanders to report at the mine property at Merkers early the following morning.³²

At 7:30 A.M. on April 14 the thirty-two trucks plus wreckers arrived at Merkers. Also arriving that day was Col. Walker, commanding officer of the 474th Infantry Regiment, who inspected the mine and the areas surrounding the mine for the purpose of organizing his security guard to take control of the convoy upon its exit from the mine property.³³

The move began at 9 A.M. Jeeps and quarter-ton trailers were lowered into the mine, as well as ten officers of the 357th Infantry Regiment, Bernstein's people, and scores of soldiers, medics, tank crew members, and other support personnel, to not only move the treasure from the vault to a shaft to the trucks but also to record in great detail at each step what was being moved and loaded on the trucks. The treasure was taken out of the vault and loaded onto the trailers by two crews of fifty men each in alternating shifts. The gold on trailers attached to the Jeeps were then driven to Shaft No. 2, where the trailer was detached and sent to the surface by the elevator. Shaft No. 1 was used for loading currency bags and miscellaneous objects. Here the material was unloaded from the trailers into mine carts and sent up the elevator.

The treasure, stored in over eleven thousand containers, was inventoried again upon reaching the surface. It included, among other things, 3,682 bags and cartons of Germany currency, 80 bags of foreign currency, 4,173 bags containing 8,307 gold bars, 55 boxes of gold bullion, 3,326 bags of gold coins, 63 bags of silver, 1 bag of platinum bars, 8 bags of gold rings, and 207 bags and containers of SS loot. Once the inventory was completed, the treasure was loaded onto the trucks. Working nonstop, the job was completed at 6 A.M. the next morning. During the evening of the fourteenth a continuous air patrol was begun over the area, and it would continue until the move was completed.³⁴

At some point on April 14 Bernstein met with Stout, Dunn, and Bartlett to discuss the arrangements for the movement of approximately four hundred tons of art stored in different parts of the Merkers mine. It was agreed that loading would begin at noon on April 16. But the loading would actually begin earlier, for at midnight on the fourteenth, Bernstein ordered Stout to prepare three truckloads of art, which were to be mixed in with the gold to make the loads lighter. Stout, between 2 and 4:30 A.M. complied with Bernstein's order, complete with an inventory.³⁵

Also on the fourteenth, Morris flew to Frankfurt to confer with transportation officers about procuring trucks to be used for the shipment of the art to Frankfurt. Morris made arrangements on April 15 with the Third Army provost marshal to obtain one hundred POWs to be used in loading the art treasure the next morning. The following morning, Morris flew back to Merkers to assist in the move.³⁶

On April 14 Bernstein found time to write Gay, proposing an operational plan to search for other Nazi gold and foreign exchange assets after the move of the treasure from Merkers. The Merkers treasure discovery, he observed, "confirms previous intelligence reports and censorship intercepts indicating that the Germans were planning to use these foreign exchange assets, including works of art, as a means of perpetuating the Nazism and Nazi influence both in Germany and abroad." "In order to prevent further transfer or movements of Ger-

many's foreign exchange assets and works of art to more secure places in southern Germany or in neutral countries such as Switzerland and Sweden," Bernstein wrote "it is essential to locate and protect these assets."³⁷

At 6 A.M. on April 15, just as the loading of the trucks had been almost completed, Colonel Walker and Lieutenant Colonel Whitney with elements of their 474th Infantry Regiment arrived at the mine to assume command of the convoy as it cleared the property area. The trucks were completely loaded—actually overloaded by approximately 10 percent—by 7:45 A.M. By 8 A.M. one truck had broken down in the mine's factory area and was placed under strong guard until it was repaired.³⁸

The convoy, code-named TASK FORCE WHITNEY, set off for Frankfurt at about 8:30 A.M., escorted by five platoons from the 474th Infantry Regiment, elements of the 785th and 503d Military Police Battalions, two machine-gun platoons, an anti-aircraft platoon with ten mobile anti-aircraft guns, four wreckers, one ambulance, and an air cover of observation planes and P-51 Mustang fighters. While Bernstein accompanied the convoy, Claiborne and St. Germain traveled to Frankfurt by car to make arrangements for receiving and storing the gold and currency within the Reichsbank. Morris flew to Frankfurt to arrange for additional personnel to assist in the unloading. The convoy arrived at Frankfurt around 2 P.M., and the unloading commenced at 3:45 P.M. Two infantry companies cordoned off the Reichsbank while each item was unloaded and moved into the vaults of the bank. The operation was completed at 1 P.M. the next day, April 16, and Bernstein returned to Merkers to supervise the movement of the artworks.³⁹

At 8 A.M. on April 15, a platoon of the First Battalion, 357th Infantry Regiment, under the direction of Stout, assisted by Dunn, started moving the four hundred unpacked pictures. Once the pictures were above-ground, they were placed in an adjacent mine-owned building and wrapped in long German army sheepskin coats Stout had found in a neighboring mine. They now awaited arrival of the trucks the next day.⁴⁰

On April 16 at 7 A.M. the convoy arrived.

The move commenced once again, under the watchful eye of Morris, who arrived back at Merkers around 9:30 A.M. The move was accomplished by 357th Infantry Regiment personnel, assisted by the one hundred POWs who arrived with an escort of guards later in the day. The move went quickly, in part because some of the art had been moved to the surface the previous day. Besides the Merkers treasures, a few art objects in forty-five cases were removed from the Ransbach mine and added to the convoy. The move was completed at about 8:30 P.M. With this phase of the operation completed, the 357th Infantry Regiment's Third Battalion took leave of Merkers and rejoined their Ninetieth Infantry Division comrades. The First Battalion would remain at Merkers, under Corps Control, until the treasure's disposition had taken place.⁴¹

On April 17, at 8:30 A.M. the art treasure convoy, named TASK FORCE HANSEN, moved out from Merkers, having approximately the same strength security guard as the gold convoy with the exception that fewer aircraft were used. The convoy consisted of twenty-six ten-ton trucks loaded with art, two loaded with POWs, and two empty for use in the event that a transfer of loads became necessary. The art convoy arrived at Frankfurt at 2:45 P.M., and an hour later the unloading and storing of the artwork began, supervised by Stout, assisted by the newly promoted Captain Dunn. The unloading was completed at 10:30 P.M., and at 11 P.M. Colonel Walker and the Ninety-ninth Battalion 457th Infantry Regiment departed and the POWs were sent on another assignment.⁴²

Disposition of the Treasure.

That afternoon, as the loading was taking place, McSherry visited the Reichsbank and directed that a tentative inventory be prepared of the gold, silver, and currency. This inventory was completed at 10 P.M. and handed to McSherry. The next day, April 18, Eisenhower cabled the War Department with a rough estimate of the Merkers find. Two days later, Eisenhower's chief of staff sent the Combined Chiefs of Staff a preliminary inventory of the Merkers treasure. It indicated that the value of the gold, silver,



The Reichsbank Building in Frankfurt was used to hold captured Nazi assets and housed the Foreign Exchange Depository, which investigated claims to those monetary and non-monetary assets.

and currency was over \$520 million. In his cover letter he pointed out that a large quantity of the loot appeared to have been taken by the SS from victims and suggested that proper agencies be contacted to send representatives to review the loot in terms of being evidence in war crimes proceedings.⁴³

Sometime after noon on April 17 or 18, Bernstein, now back at Frankfurt, learned that his colleagues had uncovered in the Merkers find a series of account books belonging to Thoms's Precious Metals Department, which Thoms had earlier informed Bernstein had been sent back to Berlin. In interrogating Thoms on April 18, Bernstein asked him to explain the books. Thoms indicated that the books were a running inventory of the gold bars and gold and silver coins held by the Reichsbank for its own account and the account of others. The books also provided specific information about each bar held at either Merkers or Berlin. Bernstein believed the books should be useful as a checklist against which the discovery of the Reichsbank gold could be controlled and might assist in the location of all of the Reichsbank gold.⁴⁴

On April 18, Bernstein sent McSherry a detailed report of the activities that had

taken place during the preceding two weeks. He concluded by observing that "the Germans hid their assets in mines and other secret places in Germany, presumably with the intent of maintaining a source of financing of pro-Nazi activity." "Many of these caches," he continued, "have not yet been uncovered and should be ferreted out as soon as operations permit." He observed that it was "necessary that some procedure be established for analyzing and utilizing the property and records found in the Merkers area and those uncovered in the future." "Intelligence reports," he wrote, "indicate that just as the Germans secreted assets and valuable property within Germany, they also made elaborate arrangements for secreting assets in neutral and other nations of the world." "Every step should be taken," he urged, "in Germany to obtain information of the assets secreted both inside and outside Germany so that these assets cannot be used to perpetuate Nazism or contribute to the rebuilding of Nazi influence."⁴⁵

Beginning on April 14, Bernstein attempted to get someone to support his plan for a full-scale reconnaissance of Germany for other caches of loot. He contacted senior officers at XII Corps and Third Army for assistance, but no real help was forthcoming. Despite the lack of assistance, Bernstein, with a small reconnaissance party in Jeeps, left Frankfurt on April 19 in search of more loot. During the next two weeks his teams covered nineteen hundred miles checking Reichsbanks all over American-occupied Germany and following up every lead regarding the whereabouts of gold. Of all the places visited by the reconnaissance parties, only three actually yielded recoveries of the so-called Reichsbank gold in the amount of \$3 million. During May and June American soldiers found Reichsbank gold valued at about \$11 million. Altogether the Americans had recovered 98.6 percent of the \$255.96 million worth of gold shown on the closing balances of the Precious Metals Department of the Berlin Reichsbank.⁴⁶

In mid-August experts from the United States Treasury Department and the Bank of England completed the job of weighing and appraising the gold, gold coin, and silver

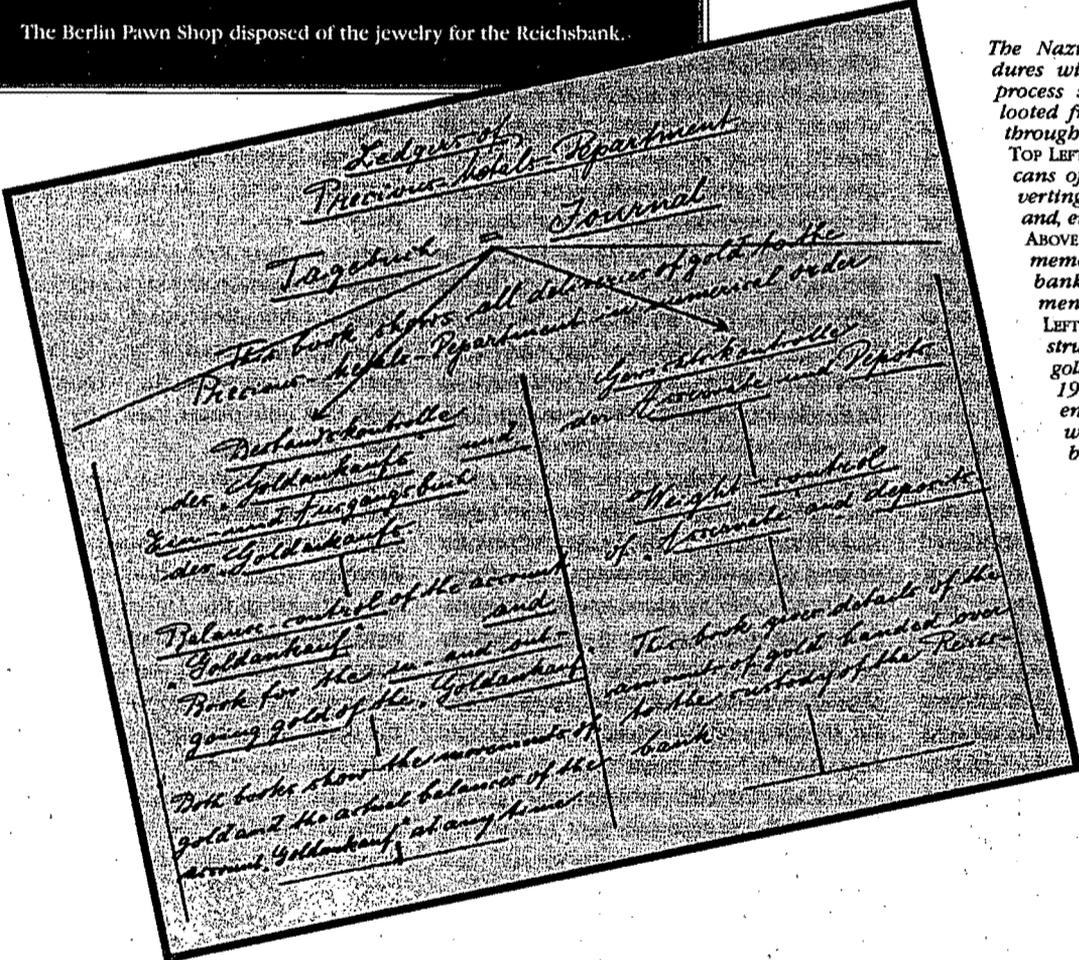
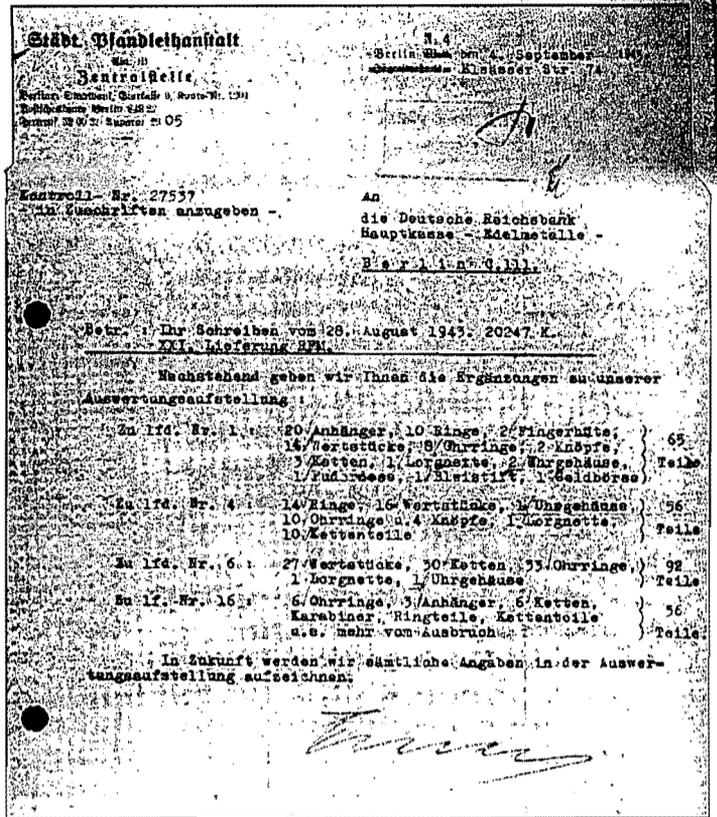
[Excerpts from statement of Albert Thoms 19 September 1945]

In the summer of 1942... Reichsbank Vice President Paul explained to me that the Reichsbank was going to act as custodian for the SS in the receipt and disposition of deposits. He said that the SS would deliver usual property with which the Reichsbank dealt, namely gold, silver, and foreign currency. He also explained, however, that the SS had intended to deliver numerous other kinds of property, such as jewelry, and we must find a way to dispose of it.

The procedure, upon receiving the goods, was to sort them and distribute the goods to the appropriate departments in the Reichsbank for handling and disposition. The stocks, securities, and bonds were transmitted to the Wertpapierabteilung. The coin and gold were retained by me in the Precious Metals Department, as well as the jewelry. In the early deliveries, Melmer always had a short statement of the contents of the delivery, on the original of which was placed a Reichsbank signature as a receipt. Then the goods were itemized in detail and a final receipt delivered to Melmer.

One of the first hints of the sources of these items occurred when it was noticed that a packet of bills was stamped with a rubber stamp "Lublin." This occurred some time early in 1943. Another hint came when some items bore the stamp "Auschwitz." We all knew that these places were the sites of concentration camps. It was the tenth delivery in November 1942 that dental gold appeared. The quantity of dental gold became unusually great.

The Berlin Pawn Shop disposed of the jewelry for the Reichsbank.



The Nazis developed secretive procedures with the Berlin Reichsbank to process stolen gold and other assets looted from nations and individuals throughout Europe. TOP LEFT: Albert Thoms told the Americans of the bank's methods for converting gold, silver, securities, bonds, and, eventually, SS ("Melmer") loot. ABOVE: A typical Berlin Pawn Shop memorandum of 1943 to the Reichsbank's Precious Metals Department enumerates looted jewelry. LEFT: The allies sought to reconstruct the Reichsbank's wartime gold transactions since January 1, 1938, from surviving ledgers to enable restitution to countries whose central-bank gold had been stolen by the Nazis.

bars that had been captured. The total value of the gold found in Germany was placed at \$262,213,000. Also weighed and appraised was \$270,469 worth of silver, as well as a ton of platinum. Eight bags of rare gold coins had not been appraised, nor had the SS loot.⁶⁷

During the summer of 1945, Allied currencies found at Merkers and elsewhere by the Americans were returned to various countries, and the process of restituting the artworks found at Merkers and elsewhere in the former German Reich began.⁶⁸ The gold found at Merkers was in early 1946 turned over to the Inter-Allied Reparation Agency and eventually turned over to the Tripartite Commission for the Restitution of Monetary Gold (TGC) for distribution to countries whose central-bank gold had been stolen by the Nazis. The TGC began the process of getting the gold returned to most countries as quickly as possible. However, cold war factors resulted in some of the gold not being restituted until 1996.

During the summer, efforts were made to ascertain the value of the SS loot found at Merkers, and discussions begun about its disposition. Within several years non-monetary gold, including that taken from victims of Nazi persecution, was given to the Preparatory Commission of the International Restitution Organization. Bernstein turned over the reports about the SS loot

that he and his colleagues had produced as well as information contained in the records of the Precious Metals Department to war crimes prosecutors for use in connection with their preparations for the trials at Nuremberg. One of the counts on which Walter Funk was found guilty related to his dealings with the property taken from concentration camp victims by the SS and deposited in the Reichsbank.⁶⁹

Conclusion

The accomplishments of recovering, moving, and managing the Merkers treasure by Colonels Bernstein, Barrett, Morris, Moore, Mason, and their colleagues may or may not have shortened the war. But they did block the Nazi leaders from further use of their looted gold and property of victims of their persecution. Their actions also ensured that the central banks of Europe would receive back at least some of the gold the Nazis had seized and that some funds would be available for restitution to individuals.⁷⁰

The story of the Merkers treasure still continues. During the summer of 1948, most of the records of the Reichsbank's Precious Metals Department were micro-filmed by the U.S. Army and, interestingly enough, all of the original records were turned over to Albert Thoms, who was

working for the successor bank to the Reichsbank. These records have subsequently disappeared in Germany, and there has been a search for them the past two years in the belief they would shed light on how much non-monetary gold (e.g., dental gold) was melted down and mixed with the monetary gold (i.e., central bank gold) and thus indicate how much restitution still should be made to victims of Nazi persecution and their heirs.⁷¹

At an international Nazi Gold conference held in London in December 1997, several countries agreed to relinquish their claims to their share of the remaining 5.5 metric tons (worth about sixty million dollars) still held by the Tripartite Gold Commission (TGC) and donate it to a Nazi Persecution Relief Fund to help survivors of the Holocaust. Almost all of the claimant nations similarly agreed to such a policy during the course of 1998. Early in September 1998, in a ceremony held in Paris, the TGC announced its task was completed and went out of business. Thus, the Merkers story ends on a noble, selfless, just, and moral note, as upwards of fifteen countries were willing to forego receiving gold stolen from their nations by the Nazis and allow it to be used as compensation for victims of Nazi persecution. ♦

Notes

¹ File 390-INFANTRY(358)-0.3 "A/A Report-358th Infantry Regiment Mar-May 45," World War II Operations Reports, Records of the Adjutant General's Office, 1917-, Record Group 407, National Archives at College Park, MD (hereinafter cited as RG ___, NACP).

² Col. B. Bernstein to Brig. Gen. F. J. McSherry, Report of developments in removal of Treasure from Kaiseroda at Merkers, Germany, Apr. 18, 1945 (hereinafter cited as "Bernstein Report"), file SHAEF/G-5/1/13, Financial-Germany-Discoveries of Gold and Other Valuables, Numeric File, August 1943-July 1945, Secretariat, G-5 Division, General Staff, SHAEF Records of Supreme Headquarters Allied Expeditionary Force (SHAEF), Records of Allied Operational and Occupation Headquarters, World War II, RG 331, NACP; "G-4 Functions in ETOUSA Operations—Merkers-Herringen-Frankfurt Areas in Germany 9 April to 22 April 1945" File 105, Special Report on Discovery and Disposition of German Gold, Numeric-Subject Operations File 1943-July 1945, Historical Section, Information Branch, General Staff, G-5 Division, SHAEF Records of Allied Operational and Occupation Headquarters, World War II, RG 331, NACP.

³ "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁴ "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP; Earl F. Ziemke, *The U.S. Army in the Occupation of Germany 1944-1946*, Army Historical Series (1975), p. 228; Ian Sayer and Douglas Botting, *Nazi Gold: The Story of the World's Greatest Rob-*

bery-and Its Aftermath (1984), pp. 11-12; John A. Busterud, "The Treasure in the Salt Mine," *Army* 47 (March 1997): 48.

⁵ File 390-0.3 "A/A Report—90th Infantry Division April 45," file 390-INFANTRY (357)-0.3 "A/A Rpt—357th Infantry Regiment Jan-May 45," and file 390-INFANTRY (357)-0.7 "Journal—357th Infantry Regiment Apr 45," World War II Operations Reports, RG 407; "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁶ Col. Bernard Bernstein, memorandum, Apr. 12, 1945, file 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, 1945-1950, Finance Advisor Records of Subordinate Agencies, Office of the Finance Division and Finance Advisor, Office of Military Government for Germany (U.S.), (OMGUS), RG 260, NACP; George S. Patton, Jr., *War As I Knew It*, annotated by Col. Paul D. Harkins, (1989), p. 271.

⁷ William Z. Slany, *U.S. and Allied Efforts To Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World War II: Preliminary Study*, Department of State Publication 10468, May 1997; Sidney Zabludoff, *Movements of Nazi Gold: Uncovering the Trail*, World Jewish Congress Policy Study No. 10, 1997; Foreign & Commonwealth Office, *Nazi Gold: Information from the British Archives*, History Notes No. 11, 2d ed., January 1997.

⁸ "Bernstein Report," RG 331; interrogation of Walter Funk by Maj. Hiram Gans, June 4, 1945, "Interrogation of Dr. Walter Funk & Other Nazi Big Wigs," Interrogations and Reports Pertaining to German

Financial Matters 1945-1946, Records of the External Assets Investigation Section, OMGUS, RG 260; "Statement of Dr. Werner Veick, Merkers, Germany, 10 April 1945," Appendix IV "G-4 Functions in ETOUSA Operations," RG 260; "Statement of Albert Thomas [sic], Merkers, Germany, 12 April 1945," File 940.401 "Shipment No. 1" Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP.

⁹ Roger A. Freeman with Alan Couchman and Vic Maslen, *The Mighty Eighth War Diary* (1993), pp. 432-433; "Funk Interrogation," RG 260, NACP; Sayer and Botting, *Nazi Gold*, p. 10; "Joint Statement of Ernst Funtmann, Walter Ponické, Dr. Woldemar Mayer, Hand [sic] Richter, George Peters, Dr. Beil, Rathke, Kurzel, Engert, Boerner and Dr. Rudolph; Merkers, Germany, 12 April 1945," appendix VI, "G-4 Functions in ETOUSA Operations," RG 260; "Bernstein Report," RG 331; "Thoms Statement April 12, 1945," RG 260, NACP.

¹⁰ Lt. Col. R.T.T. Barrett to Assistant Chief of Staff, G-5, "Temporary Duty of Lt. Col. Barrett to Third Army Area, 7 April 1945 to 18 April 1945," Apr. 19, 1945 (hereinafter cited as "Barrett, Temporary Duty"), file 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260; R.A. Nixon to Col. B. Bernstein, "Report on Recovery of Reichsbank Precious Metals," Sept. 6, 1945, file 940.92 "Overall Gold Report," *ibid.*; "Veick Statement," RG 260; "Thoms Statement, April 12, 1945," RG 260; file 390-3.3 G-3 Jnl File 90th Infantry Div 5-10 Apr 45, World War II Operations Reports, RG 407, NACP.

¹¹ "Statement of Otto Reimer, Merkers, Germany, 10 April 1945," appendix IV, "G-4 Functions in ETOUSA Operations"; "Veick Statement"; "Barrett, Temporary Duty," all in RG 260, NACP.

¹² "Signed Statement by Albert Thoms on Handling of SS Loot by Reichsbank, 29 May 1945," file 940.304 "SS Loot-Melmer Loot"; various reports contained in file 910.304 "Melmer Deliveries"; and D. W. Curtis to Maj. S. L. Klepper, "Memo on SS Loot," Sept. 10, 1945, File 940.401 "Shipment No. 1," Central Files of Foreign Exchange Depository Group, all in OMGUS, RG 260, NACP.

¹³ "Veick Statement"; "Thoms Statement, April 12, 1945"; "Barrett, Temporary Duty"; and various reports contained in file 910.304 "Melmer Deliveries," Central Files of Foreign Exchange Depository Group, OMGUS, RG 260. Brig. Gen. C. L. Adcock to Chief of Staff, "Gold coins from the Frankfurt Reichsbank" and "Estimated value of the SS collection of gold, precious stones, etc.," Aug. 13, 1945, file 123/2 "Captured Gold Bullion and Art Treasures," Classified General Correspondence, Records of the Secretary, General Staff, Records of European Theater of Operations, U.S. Army, Records of U.S. Army Commands, 1942-, RG 338, NACP (hereinafter cited as "Captured Gold Bullion and Art Treasures").

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¹⁵ Hugh Trevor-Roper, ed., and Richard Barry, trans., *The Goebbels Diaries: The Last Days* (1978), p. 321; "Reimer Statement," "Veick Statement," and "Thoms Statement, April 12, 1945," RG 260, NACP; Col. Bernstein to Chief of Staff, Third United States Army, "Discovery of German Hidden Assets," Apr. 14, 1945, "Bernstein Report," RG 331, NACP.

¹⁶ "Colonel Bernstein's Interrogation of Albert Thomas [sic], Apr. 18, 1945," file 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, OMGUS; "Veick Statement," RG 260, NACP.

¹⁷ "Colonel Bernstein's Interrogation of Albert Thomas," 18 April 1945, File 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, OMGUS; "Veick Statement;" and "Thoms Statement, April 12, 1945," all in RG 260, NACP.

¹⁸ File 390-INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45" World War II Operations Reports, RG 407; file 390-3.9 "Field Orders & Field Messages—90th Infantry Division Apr 45," RG 407; "Bernstein Report," RG 331; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

¹⁹ Capt. L. F. Murray to Commanding General, Third U.S. Army, "Report of Investigation of Alleged Discrepancies in Currency and Coin Found in Mine at Merkers, Germany," May 7, 1945, file 940.401

Shipment No. 1, Central Files of Foreign Exchange Depository Group, 1945-1950, OMGUS, RG 260, NACP; "G-4 Functions in ETOUSA Operations," RG 331, NACP; "Bernstein Report," RG 331, NACP; Busterud, "The Treasure in the Salt Mine" p. 48; Sayer and Botting, *Nazi Gold*, p. 12; Patton, *War As I Knew It*, pp. 271-272.

²⁰ "Bernstein Report," RG 331; "G-4 Functions in ETOUSA Operations," RG 331; Lt. Col. William E. DePuy, Infantry, Comd, First Bn 357th Infantry Regiment to Commanding General, 90th Infantry Division, Apr. 7, 1945, file 390-3.3 "G-3 Jnl-90th Infantry Div 5-10 Apr 45," World War II Operations Reports, RG 407, NACP.

²¹ Capt. L. F. Murray to Commanding General, Third U.S. Army, "Report of Investigation of Alleged Discrepancies in Currency and Coin Found in Mine at Merkers, Germany," May 7, 1945, file 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP; "Bernstein Report," RG 331, NACP; "G-4 Functions in ETOUSA Operations," RG 331, NACP; Dwight D. Eisenhower, *Crusade in Europe* (1979), pp. 407-408; to Col. B. Bernstein, Finance Division, US Group CC, "SS Loot and the Reichsbank," May 8, 1945, file 910.304 Melmer Deliveries, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP.

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²³ Memorandum, Capt. Max G. Kocour, 357th Infantry Regiment, Apr. 8, 1945, File 390-3.3 "G-3 Jnl File-90th Infantry Div 5-10 Apr 45"; file 390-3.9 "Field Order #61—90th Infantry Division—9 Apr 45"; file 390-INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45"; file 390-0.3 "A/A Report-90th Infantry Division April 45"; and file 390-INFANTRY (357)-0.7 "Journal—357th Infantry Regiment Apr 45," all in World War II Operations Reports, RG 407; Capt. L. F. Murray to Commanding General, Third U.S. Army, "Report of Investigation of Alleged Discrepancies in Currency and Coin Found in Mine at Merkers, Germany," May 7, 1945, File 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260; "Bernstein Report," RG 331; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

²⁴ Busterud, "The Treasure in the Salt Mine," p. 50; Sayer and Botting, *Nazi Gold*, p. 13; "Barrett, Temporary Duty," RG 260, NACP.

²⁵ Patton, *War As I Knew It*, pp. 272-273.

²⁶ "Bernstein Report," RG 331, NACP; "G-4 Functions in ETOUSA Operations," RG 331, NACP; oral history interview of Bernard Bernstein by Richard D. McKinzie, July 23, 1975, New York, NY, p. 113, Harry S. Truman Library, Independence, MO. In this interview Bernstein reported he had read about the story in the *Stars and Stripes*.

²⁷ "Barrett, Temporary Duty," RG 260, NACP; "Bernstein Report," RG 331, NACP; Bernstein, Oral History Interview, p. 113, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

²⁸ "Barrett, Temporary Duty," RG 260; "Bernstein Report," RG 331, NACP.

²⁹ "Barrett, Temporary Duty," RG 260; "Bernstein Report," RG 331, NACP.

³⁰ "Barrett, Temporary Duty," RG 260, NACP.

³¹ "Bernstein Report," RG 331, NACP; Bernstein, Oral History Interview, p. 113, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

³² "Bernstein Report," RG 331, NACP; Bernstein, Oral History Interview, p. 114, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

³³ "Barrett, Temporary Duty," RG 260; "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP.

³⁴ Maj. Gen. Hobart R. Gay to Commanding General, XII Corps, "Letter of Instruction," Apr. 9, 1945, file 940.401 Shipment No. 1, Central Files of Foreign Exchange Depository, OMGUS, RG 260, NACP.

³⁵ "Barrett, Temporary Duty," RG 260, NACP; "Bernstein Report," RG 331, NACP; Bernstein, Oral History Interview, pp. 114-115, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP.

³⁶ "Barrett, Temporary Duty," RG 260, NACP; "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP; Bernstein, Oral History Interview, pp. 114-115, Truman Library.

³⁷ "Barrett, Temporary Duty," RG 260, NACP.

³⁸ "Bernstein Report," RG 331, NACP; file 390-INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45" World War II Operations Reports, RG 407, NACP; Bernstein, Oral History Interview, pp. 115-117, Truman Library; "Veick Statement" and "Reimer Statement," RG 260, NACP.

During the restitution of \$83.5 million to France in 1946, German workmen roll bars of gold from the Foreign Exchange Depository in Frankfurt. Restitution efforts continued, in part, until 1996.



Prologue

³⁹ File 390.INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45" World War II Operations Reports, RG 407, NACP; Bernstein, Oral History Interview, pp. 115-117, Truman Library.

⁴⁰ "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP; Lynn H. Nicholas, *The Rape of Europa: The Fate of Europe's Treasures in the Third Reich and the Second World War* (1995), p. 333.

⁴¹ "G-4 Functions in ETOUSA Operations" and "Bernstein Report," RG 331, NACP; file 390.INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45" World War II Operations Reports, RG 407, NACP; Bernstein, Oral History Interview, p. 118, Truman Library.

⁴² "Bernstein Report," RG 331, NACP; St. Germain had worked with Colonels Barrett and Claiborne at Guaranty Trust Company before the war. Bernstein, Oral History Interview, pp. 121-122, Truman Library.

⁴³ "Bernstein Report," RG 331, NACP; file 390.INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45" and file 390.INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45," World War II Operations Reports, RG 407, NACP; Bernstein, Oral History Interview, p. 118, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP; Busterud, "The Treasure in the Salt Mine," p. 49; Patton, *War As I Knew It*, p. 276; Omar N. Bradley, *A Soldier's Story* (1951), p. 540.

⁴⁴ Bernstein, Oral History Interview, p. 119, Truman Library; Charles R. Codman, *Drive* (1957) p. 281.

⁴⁵ Bernstein, Oral History Interview, pp. 119-120, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP; Eisenhower, *Crusade in Europe*, p. 407; Patton, *War As I Knew It*, p. 276.

⁴⁶ Bernstein, Oral History Interview, pp. 119-121, Truman Library; "G-4 Functions in ETOUSA Operations," RG 331, NACP; Bradley, *A Soldier's Story*, p. 540.

⁴⁷ Bradley, *A Soldier's Story*, p. 541.

⁴⁸ "Thoms Statement, April 12, 1945," RG 260; "Bernstein Report," RG 331; Col. Bernard Bernstein, memorandum, Apr. 12, 1945, file 940.401 Shipments No. 1, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP.

⁴⁹ "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁵⁰ "Bernstein Report," RG 331, NACP; Nicholas, *The Rape of Europa*, pp. 334-335.

⁵¹ "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁵² File 390.INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45" and file 390.INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45," World War II Operations Reports, RG 407; "G-4 Functions in ETOUSA Operations" and "Bernstein Report," RG 331, NACP.

⁵³ "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁵⁴ File 390.INFANTRY (357)-0.3 "A/A Rpt-357th Infantry Regiment Jan-May 45," file 390.INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45," and memorandum, Lt. Col. John H. Mason to Col. Bernstein, Apr. 13, 1945, "Removal of Gold, Currency, and Art Treasures from Merkers Salt Mine Procedure," File 390.INFANTRY (357)-3.22 "Memorandum-357th Infantry Regiment," World War II Operations Reports, RG 407; "Bernstein Report" and "G-4 Functions in ETOUSA Operations," RG 331; "Exhibit 'A' Register of Shipments Received at Reichsbank Building Frankfurt A/M Germany," an attachment to Edwin P. Keller to Lt. Gabel, "Accounting Records," July 16, 1946, File 940.40 Shipments, General, Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP.

⁵⁵ "G-4 Functions in ETOUSA Operations," RG 331, NACP; Nicholas, *The Rape of Europa*, p. 335.

⁵⁶ "G-4 Functions in ETOUSA Operations," RG 331, NACP.

⁵⁷ Col. Bernstein to Chief of Staff, Third U.S. Army, "Discovery of German Hidden Assets," Apr. 14, 1945, "Bernstein Report," RG 331, NACP.

⁵⁸ "G-4 Functions in ETOUSA Operations," RG 331, NACP; file 390.INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45," World War II Operations Reports, RG 407, NACP.

⁵⁹ "Bernstein Report," RG 331, NACP; Ziemke, *The U.S. Army Occupation of Germany*, p. 230; "G-4 Functions in ETOUSA Operations," RG 331, NACP; unsigned memorandum, Apr. 16, 1945, File 940.401 "Cage Sheets," Central Files of Foreign Exchange Depository Group, OMGUS, RG 260, NACP; Bernstein, Oral History Interview, p. 124, Truman Library.

⁶⁰ File 390.INFANTRY (357)-0.3 "A/A Rpt 357th Infantry Regiment Jan-May 45" and file 390.INFANTRY (357)-0.7 "Journal-357th Infantry

Regiment Apr 45," World War II Operations Reports, RG 407; "Bernstein Report," RG 331, NACP; Nicholas, *The Rape of Europa*, p. 335.

⁶¹ File 390.INFANTRY (357)-0.3 "A/A Rpt 357th Infantry Regiment Jan-May 45"; file 390.INFANTRY (357)-0.7 "Journal-357th Infantry Regiment Apr 45"; memorandum, "Loading Plan for Art Objects," 1st Lt. W. A. Dunn to Col. Bernstein, Apr. 14, 1945, file 390.INFANTRY (357)-3.22 "Memorandum-357th Infantry Regiment"; and file 390-0.3 "A/A Report-90th Infantry Division April 45," World War II Operations Reports, RG 407. "G-4

Functions in ETOUSA Operations" and "Bernstein Report," RG 331, NACP.

⁶² File INRG-474-INF1-0.1 Command, Organization and Mission-Task Force Hansen, 474th Infantry Regiment, April 45, World War II Operations Reports, RG 407; "G-4 Functions in ETOUSA Operations" and "Bernstein Report," RG 331, NACP.

⁶³ "G-4 Functions in ETOUSA Operations," RG 331; cable, Eisenhower to Somervell, Apr. 18, 1945, "Captured Gold Bullion and Art Treasures," RG 338; Lt. Gen. W. B. Smith to the Secretaries, Combined Chiefs of Staff Committee, Apr. 20, 1945, "Gold bullion, currency, and other property discovered by the Third Army near Merkers," File CCC-Germany-123, "Disposition of Bullion and Other Property Discovered by Third Army," Geographic File 1942-1945, Records of the U.S. Joint Chiefs of Staff, RG 218, NACP.

⁶⁴ "Bernstein Report," RG 331, NACP.

⁶⁵ *Ibid.*

⁶⁶ Col. B. Bernstein to Brig. Gen. McSherry, "Report of Contents of Mines in Merkers Area," Apr. 18, 1945, File SHAEF/G-5/1/13, Financial-Germany-Discoveries of Gold and Other Valuables, Numeric File, August 1943-July 1945, Secretariat, G-5 Division, General Staff, SHAEF, Records of SHAEF, Records of Allied Operational and Occupation Headquarters, World War II, RG 331; "Bernstein Report," RG 331; R. A. Nixon to Col. B. Bernstein, "Report on Recovery of Reichsbank Precious Metals," Sept. 6, 1945, "Captured Gold Bullion and Art Treasures," RG 338, NACP.

⁶⁷ Col. B. Bernstein to Lt. Gen. Lucius D. Clay, "Value of Gold and Silver Bullion and Coin Held by Commanding General USFET at the Reichsbank Building in Frankfurt," Aug. 19, 1945, "Value of Gold and Silver Bullion and Coin Held by Commanding General USFET at the Reichsbank Building in Frankfurt, Volume 1-Report" Foreign-(Occupied) Area Reports 1945-1954, Records of the Operations Branch, Records of the Administrative Services Division, RG 407, NACP.

⁶⁸ Brig. Gen. R. B. Lovett to Commanding General, Western Military District, "Return of Looted Works of Art to Owner-Nations" Sept. 15, 1945, "Captured Gold Bullion and Art Treasures," RG 338, NACP; Lucius D. Clay, *Decision in Germany* (1950), pp. 308, 309.

⁶⁹ Brig. Gen. C. L. Adcock to Chief of Staff, "Gold coins from the Frankfurt Reichsbank" and "Estimated value of the SS collection of gold, precious stones, etc.," Aug. 13, 1945; Brig. Gen. C. L. Adcock to Chief of Staff, "Evaluation of captured looted materials held in Reichsbank by Finance Division, G-5 USFET," Aug. 24, 1945; and Brig. Gen. C. L. Adcock to Chief of Staff, "Proposed Use of Property of SS Troops," Sept. 7, 1945, "Captured Gold Bullion and Art Treasures," RG 338, NACP; Clay, *Decision in Germany*, p. 309; Bernstein, Oral History Interview, p. 132, Truman Library.

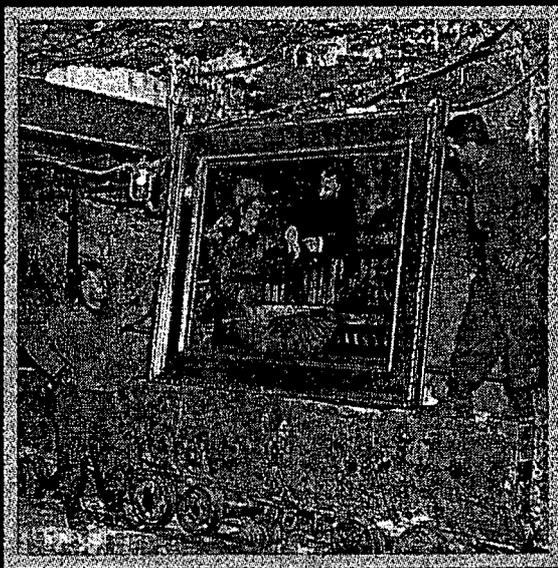
⁷⁰ When Bernstein left military service in 1945 he was awarded the Legion of Merit. His citation, in part, reads: "Colonel Bernstein's wise and energetic action in organizing control of vast sums of bullion and currency hidden by the Germans, and in instituting an examination of seized enemy financial records, was a material contribution to the success of the Supreme Commander's mission in Germany." Bernstein, Oral History Interview, p. 176, Truman Library.

⁷¹ The records that were microfilmed, contained on some seventy reels, are available at the National Archives at College Park, Maryland. For information about what was and was not microfilmed, when the unmicrofilmed records may have disappeared, and related information, please see *The Whereabouts of the Records of the Deutsche Reichsbank (in particular the Precious Metals Department, the Foreign Exchange Department, and the Securities Department) after the collapse of the Reich (1945) and after the conclusion of the liquidation of the Reichsbank (1976). A Research Report compiled by the Bundesarchiv with the assistance of the Deutsche Bundesbank.* August 1998. A copy of this report is located in the library at the National Archives at College Park, Maryland.

226559

226560

Nazi Gold



The War Office Fire of 1800

By Monday's and Yesterday's Mail.

War Office burnt!

BALTIMORE, NOV. 10.

By a gentleman direct from the city of Washington, arrived last evening, we have received the following information:—That on Saturday evening last, about 7 o'clock, p. m. a fire broke out in the building occupied by the War Office, supposed to have commenced in the chamber of the Secretary himself, and into which fire was scarcely ever admitted. A great portion of the books and papers were destroyed; those of the accom-

DECLASSIFIED
 Authority AMD 968103
 By SA NARA Date 3/29/60

RG 56
 Entry FEC-SUBJ.
 File LOOTED GOLD
 Box 388
 FILES

ENEMY BANCH (Foreign Office and Ministry Economic Warfare) E.O.D. 2042

DAD. PRESS READING UNIT E.D.

(HEDDON HOUSE)

FOREIGN PRESS AND
 TECHNICAL JOURNALS

Herewith
 Extract from BANK FOR INTERNATIONAL SETTLEMENTS.

No. 2. PRESS CUTTINGS.

Dated 5.6.45.

GOLD.

Fresh Gold Find. N.E.Z. 23/5, Rome. American forces have found in Bolzano 23 tons of gold representing a value of \$20 million. The gold was to be transported to Germany by German troops but has now been sent to Rome, where it will be kept in custody by the Allied Finance Commission. The Italian press is unanimous in declaring that the gold found is the property of the Banca d'Italia, while, according to another version, it represents the coil collection of the former King. Meanwhile it has been announced in Rome that upon the occupation of the city of Salò on the lake of Garda large sums of money were discovered: \$10,500, SF 45,000, Lit. 5 million in securities, Lit. 71,000 in cash, FF. 4,569,000, and RM 29,000. The entire find was delivered last Monday to the Banca d'Italia in Brescia.

SCHW. DEP. AC., 23/5, Chiasso. According to the Italian press, Italy, as the result of the discovery of numerous gold hoards hidden by the Germans authorities, has so far been able to recover 20 tons of gold.

Copies of Extract
 sent to:—

N.T.S. (FIN.INT) Mr. Bliss by request.
 EAB.7. (Mr. Beerenson). E.A.B. 7. (FIN.Other)
 EAB.7. (ITA) E.A.B. 7. (B.&A)

Requests for originals or cuttings to:—
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(26798) WL51503/546 15,000 2/44 A. & E.W.Ltd. Gp.685
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226561

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 File LOOTED GOLD
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GERMAN ECONOMIC BRANCH PNC 13.6.45

ENEMY BRANCH (Foreign Office and Ministry of Economic Warfare)

LIP

PRESS READING UNIT

(HEDDON HOUSE)

E.O.A.
2072FOREIGN PRESS AND
TECHNICAL JOURNALSHerewith
Extract from Bank for International SettlementsNo. 5 CuttingsDated 12.6.45GOLD

Italian Stocks SCHW.DEP.AG., 24/5, reports from Rome that the Banca d'Italia has recovered 25 tons of gold which had been hidden in the north of Italy by the German authorities. 75 tons transported to Germany are still missing. The Italian press, in this connection, expresses the hope that the Banca d'Italia will soon be able to reconstitute a gold reserve so as to enable it to pursue with success a deflationary policy and to base the currency on a stable rate.

NAT.ZTG, 23/5, Chiasso, understands that the gold treasure discovered by American troops in Bolzano (see yesterday's Press Review) was the collection of coins of the former King, valued at 2 million.

Italian Gold Stock N.Z., 25/5, reports from Rome that the amount of gold recovered by the Banco d'Italia so far is 23 tons. The amount of gold carried away by the German authorities, belonging to Italy and six other owners is given as 92 tons. In September 1943 the Italian gold stock amounted to 120 tons as compared with 561 tons in 1933. The Italian press no longer mentions the gold treasure discovered in a salt mine in Germany which had originally been claimed by Italy as Italian property. The present Italian note circulation of Lit. 300-350 milliard will have a gold cover of 23 tons only.

Copies of Extract

sent to:—

 N.T.3 (Fin Int)
 E.A.B.7 (Mr Beerensen)
 E.A.B.7 (Fin Other)

SAFEHAVEN

/ITALY

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By VR NARA Date 4/14

RG 260
Entry 113
File S 3,8002 Sa
Box 14

S 3,8002 Sa

Serial No: ~~S 3,8007 Sa~~

Name: ANTETMANN WILLEY MR
(Jewelry)

67

AFC 2	<input checked="" type="checkbox"/>	MG/AFC 5			
AFC/D 3		Nov.	Feb.	May	Aug.
AFC 4		Dec.	March	June	Sept.
Ltr. to Bank					
Ltr. to Admin.		Jan.	April	July	Oct.

Comments:

Letter written Sept 24 requesting
Compliance Sec 172 in sub 17
Follow up letter 29 Oct
Jan 10th

Released, see ltr 14 March 47 from Lakeburg, J.

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 By **VR** NARA Date **4/14**

RG 260
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 File S 3,8002 Sa
 Box 14

SEP 8 1945

MG/APC2

MILITARY GOVERNMENT - AUSTRIA

PROPERTY REGISTER

Owner - Name Mr. Willy Antetmann Nationality German

Address _____

Date control taken 2 June 1945 Serial No 3,8007
3,8002 Sa

Record here under appropriate numbered heading

- | | |
|--|--|
| 1. Description of property and address including details of bank accounts. | 6. Details of occupancy or use. |
| 2. Reason for control. | 7. Particulars of claimants to property other than registered owner. |
| 3. Condition of property. | 8. Insurance cover. |
| 4. Value and basis of valuation. | 9. Details of known liabilities. |
| 5. Particulars of managers custodians etc appointed and removed. | 10. Any other information. |

No.

1. a) Jewelry
 (See attached list as received from AC of s, G-5, XV Army Corps.)
 b) Placed in Safe Deposit Box, Bank für Oberdonau and Salzburg.
2. 3-Party and Party Leaders
3. Good and usable
4. Unknown
5. Direct control, PCO Land Salzburg
6. In deposit
7. Unknown
8. Unknown
9. Unknown
10. Confiscated from Willy Antetmann, an alleged German party-leader in Hungary, of Prien Bavaria, on 29 May 1945 by the 520 th CIC Detachment.

Homer K. Heller
 HOMER K. HELLER
 Lt. Col. Infantry
 Property Control Office
 Land Salzburg

*checked
 27 Sept
 Letter written
 #6-#10
 [Signature]*

226564

[Handwritten signature]

DECLASSIFIED
 Authority UNDT 85009
 By JD NARA Date 4/14

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MILITARY GOVERNMENT - AUSTRIA

SEP 8 1945

MILITARY GOVERNMENT - AUSTRIA

S 3.8007
 Sa

PROPERTY REGISTER

Owner - Name Willy Antetmann

Nationality

Italy C

Address

S 3.8002 Sa

Date control taken 2 June

1945 . Serial No. S 3.8007 Sa

Record here under appropriate numbered heading

- | | |
|--|--|
| 1. Description of property and address including details of bank accounts. | 6. Details of occupancy or use. |
| 2. Reason for control | 7. Particulars of claimants to property other than registered owner. |
| 3. Condition of property | 8. Insurance cover |
| 4. Value and basis of valuation | 9. Details of known liabilities |
| 5. Particulars of managers custodians etc appointed and removed. | 10. Any other information. |

No.

Received this date from AC of S, G - 5 , XV Army Corps , the following listed property confiscated from one Willy Antetmann of Prien on 29 May 1945 , by the 520th CIC Detachment .

INVENTORY OF JEWELS

- G21 Cross ,Gold and Pearl
- H22 Medallion on Chain
- I23 Brooch ,Porcelian
- J24 Pin ,Pearl
- K25 Pin , Pearl
- L26 Pin,Diamond
- M27 Earring , Diamond
- N28 Earring , Diamond
- O29 Ring,Diamond
- P31 Pin , Ruby (?)
- Q32 Pearl, Single
- R33 Ring ,Diamond and Emerald
- S34 Ring ,Child's
- T35 Ring, Diamond ,1/2 carat
- U36 Earring , Diamond , 2 1/2 carat
- V37 Earring , Diamond , 2 1/2 carat
- W38 Ring ,Diamond , 2 1/2 carat
- X39 Ring ,Diamond ,2 1/2 carat stones
- Y40 Ring ,Diamond, 1/4 carat
- Z41 Ring ,Diamond and Ruby

- ZZ42 Ring ,Sapphire
- 21A Ring ,Stone and Pearls
- 22B Ring ,Diamonds ,Dinner
- 22C Ring, (?)
- 23D Ring ,Diamond,Small
- 24D Ring ,Diamond ,3/4 carat
- 25D Ring ,Small, 2 Diamonds
- A12 Brooch ,Broken
- B13 Ring Diamond
- C14 Ring ,Diamond
- E16 Pin ,Diamond
- F17 Ring ,Diamond
- 28Z Miscellaneous,Diamonds
- D15 Initial Ring with Diamond

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Handbag Ladies ! , Silver	ea	1
Coins ,Mixed	box	1
Bracelets ,Gold	ea	4
Rings ,Assorted	ea	5
Rings W/Stones	ea	14
Rings ,Gold ,Band	ea	32
Watches ,Men ,Pocket	ea	11
Watches ,Woman ,Wrist	ea	12
Watches ,Man ,Wrist	ea	2
Watches ,(face & works only)	ea	2
Chains ,Watch	ea	8
Clips ,Tie	ea	3
Clips ,W/Stone	ea	3
Sets ,Pearl-like	ea	3
Cuff-links ,Misc.	ea	4
Earrings ,Pairs	pr	5
Pins ,Ladies	ea	3
Locket .Cheap	ea	1
Pin ,Safety	ea	1
Earrings ,Broken	ea	2
Brooches (misc parts of)	ea	2
Beads ,Strings	ea	2
Cross with Chain	ea	1
Stick pin ,man	ea	1

ROMER K. HELLER
 Lt. Col. Inf.

5 June 1945 - placed in the safe deposit box HKH
 Bank for Oberdonau and Salzburg .

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S 3.3002
 Sa

HEADQUARTERS
 XV CORPS UNITED STATES ARMY
 Counter Intelligence Corps Detachment No 215

APO 463, U.S. Army
 30 May 1945

SUMMARY OF INFORMATION

SUBJECT: Gold and Jewelry Found in Weissenbach.

A considerable amount of gold and jewelry, apparently belonging to one KURT BECHER, SS-Standartenführer of Budapest, was found by Subsection B, 215th CIC Detachment, at Weissenbach (V3428) on 24 May 1945. BECHER is reported to have been arrested along with several of his associates on 12 May 1945 by the 80th Division CIC Detachment under the provisions of the SHAEF directive for automatic arrests. Left behind were two associates (Kurt Helfer and Irene Wiesner) of Becher and a Nicholas Schweiger, who alleges that he was liberated from a concentration camp by Becher.

Becher is alleged to be connected in some way with an organization called "The Joint Committee" in Berne, Switzerland, whose purpose is to buy the freedom of Jews in the concentration camps by means of money, gold, diamonds, and jewelry contributed by Jews throughout the world. Further information on the committee is alleged to be in the possession of one Mr. Mac Clelland, supposed to be deputy in the American Consulate at Berne.

Included in the gold and jewelry, which were found hidden under a bed in the house occupied by Becher in Weissenbach, were the following items:

4 plates
 8 Bars
 Bar and plate gold reported to weigh approximately 8538 grams
 Platinum plates marked 960, 160 and 198
 Platinum plates of unknown weight - 2
 Platinum (?) wrist watch band - 1
 Platinum (?) diamond ring mountings - 2
 Platinum (?) diamond less ring - 1
 Platinum (?) band and chain - 1 each
 Platinum (?) assorted pieces in a case - 36

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over

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 Sa

- Gold Coin - English - 41 pieces and coin locket
- Gold Coin - Swiss 20 Franc pieces - 336
- Gold Coin - French 20 Franc pieces - 541 plus 2 .. 10 Franc pieces²
- Gold Coin - Belgian 20 Franc pieces - 298
- Gold Coin - Dutch guilders - 55
- Gold Coin - Italian 20 Lire pieces - 106
- Gold Coin - Czech 10 K pieces - 350
- Gold Coin - German Marks - 10 Mark - 3 ... 20 Mark - 1
- Gold Coin - 100 Lei - 1
- Gold Coin - Assorted - 4
- Paper Money - English - 5 notes - 60
- Gold fillings from teeth - 1 bag
- Assorted cigarette cases and compacts, gold - 51
- Golden chain with order - 1
- Necklaces, gold - 5 (twisted strands)
- Bands, wrist watch, gold - 6
- Bracelets, gold - 53 in wooden box
- Bracelets, gold - 31 in napkin
- Bracelets, gold - 5
- Watches, stem winding, pocket - 16
- Watch, wrist, gold - 2
- Brooches, gold - 5
- Band, wrist watch - 1
- Necklaces, gold - 2
- Necklace, white gold, set with diamonds - 1
- Diamonds, total weight marked 1.10 K - 4
- Diamonds, total weight marked 5.77 K - 7
- Diamond ring, man's marked 0.60 K - 1
- Diamond ring, woman's marked _____ - 1 yellow gold, 1 diamond
- " " " 1.10 - 1
- " " " _____ - 1 - yellow gold, 1 diamond
- " " " _____ - 1 - dinner ring
- " " " _____ - 1 - white gold, marked
- " " " 1.40 - 1 - 25/1000
- " " " _____ - 1 - dinner ring
- " " " _____ - 1 - dinner ring, diamonds
- " " " _____ - 1 - in one end
- " " " 1.50 - 1 -
- " " " 0.40 - 1
- " " " 1.30 - 1
- " " " 0.30 - 1
- " " " 0.50 - 1
- " " " 0.60 - 1 dinner ring, small stones
- " " " 2.45 - 1
- " " " 0.70 - 1
- " " " 0.70 - 1 blue center stone, sur-
- " " " rounded diamonds

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over

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Diamond ring, woman's marked	0.60	- 1	
" " "	0.40	- 1	
" " "	0.55	- 1	
" " "	1.50	- 1	- 2 diamonds about equal size
" " "	3.80	- 1	
" " "	0.50	- 1	
" " "	0.50	- 1	diamond set wedding ring
" " "	0.50	- 1	
" " "	1.10	- 1	dinner ring
" " "	1.00	- 1	dinner ring
" " "	0.70	- 1	
" " "	1.50	- 1	dinner ring
" " "	_____	- 1	green stone, diamond on each side
" " "	0.20	- 1	mounting, set with 6 small diamonds
" " "	_____	- 1	mounting set with 5 small diamonds

Ring for diamond - 1

Bracelet, gold - 1 - above-mentioned women's rings are on the bracelet

Watch, wrist, diamond set, marked 1.50 K - 1

Watch wrist, diamond set, marked 0.70 K - 1

Watch, wrist, diamond set, marked 1.00 K - 1

Necklace, diamond, marked 4.50 K - 1

Brooch, diamond set; marked 9.00 K - 1

" " " 3.00 K - 1

" " " 0.90 K - 1

" " " _____ - 1 yellow gold 2 diamonds, 3 pearls

" " " 0.15 K - 1

" " " _____ - 1 flowerlike arrangement

" " " 5.60 K - 1 green stone surrounded by diamonds

Bracelet, " " 1.60 K - 1 containing following items

Ear rings " " _____ - 1 yellow gold, pearl, small diamond

" " " 0.40 K - 1 broken

" " " 3.20 K - 1

" " " 1.60 K - 1

" " " 2.40 K - 1

" " " 2.00 K - 1

" " " 2.60 K - 1

" " " 2.00 K - 1

" " " _____ - 1 four diamonds suspended in line

over

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 Sa

- Ear rings, diamond set, marked 3.50 K - 1
- " " " - 1 marked 130/7000
- " " " 1.70 K - 1
- " " " - 1 marked 390/1200
- Ear ring pieces - 4
- Locket, gold - 9 3 stick pins
- Locket, gold, parts of - 7
- Bracelets, assorted, gold - 51
- Chains, watch - 110
- Bags, mesh - 5
- Watches, gold - 2
- Necklaces, gold, assorted - 53
- Rings, gold - 175
- Miscellaneous pieces of gold - 1 bag, green
- Assorted jewelry - 1 envelope
- nothing follows ---

The Office of the Assistant Chief of Staff, G-2 (CI) Headquarters, Seventh Army, stated that the two persons picked up at the same time as this material have no CI interest and should be disposed of through DP channels in the case of the man and DP channels in the case of the woman. The above listed material was to be turned over to either Financier the Property Control Officer of Military Government as abandoned property.

THEODORE H. FOSSIECK
 Major, M.I.
 CO, CIC Detachment 215

RECEIPT

This is to certify that I have received the above-listed items.

Date _____

certified a true copy
Homer K. Heller

HOMER K. HELLER
 LT. COL., M.F.
 PROPERTY CONTROL OFFICER
 MILITARY GOVERNMENT, LAKE SALZBURG

Bank _____
 Org. _____

226570

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INVENTORY OF PRECIOUS OBJECTS

deposited by Property Control Office, Military Government
 Land Salzburg, Austria, /Lt Niehaus and Lt Jansson/ in
 safe deposit, Box No.306, the keys of which are in open
 deposit of the bank in sealed envelope.

30	golden bracelets	/Armbänder/
21	compacts	/Puderdosen/
31	cigarette cases	/Zigaretten Dosen/
152	watch chains	/Uhrketten/
51	bracelets	/Armbänder/
59	bracelets	/Armbänder/
23	watches	/Uhren/
5	evening bags	/Abendtaschen/
11	diamonds	/Diamanten/
1	bag of assorted gold pieces	
8	gold bars	/Goldbarren/
4	gold plates	/Goldplatten/
3	silver plates	/Silberplatten/
206	rings	/Ringe/
2	assorted gold scrap	/versch. Goldstücke/
8	bags of gold coins	/8 Säckchen Goldmünzen/
60	5-pound English notes	
3	tie pins	/Kravattennadeln/
1	pendant	/Halskettananhänger/
1	Royal necklace	/Ordenskette/
15	watch chains	/Uhrketten/
9	necklaces	/Ketten/
6	bracelets	/Armbänder/
1	brooch	/Broche/
27	watches	/Uhren/
1	bag of assorted jewelry	/Säckchen mit versch. Juwelen/
1	golden cross	/goldenes Kreuz/
1	box of silver coins - denominations	/Schachtel Silbermünzen/
8	watch chains	/Uhrketten/
53	rings	/Ringe/
1	box containing 2 necklaces, set of earrings	/Schachtel mit 2 Ketten, Ohrringenteile/
4	bracelets	/Armbänder/
26	pieces of diamond jewelry in 1 iron box	
44	5 lb. notes	
1025	Portug. Peso	
3060	Span. Pes.	
1	package of Hungarian money	/Päckchen ung. Geld/
20	rolls of coins	/Rollen Münzen/
1	envelope containing 14 gold coins	/Umschlag mit 14 Goldmünzen/

226571

DECLASSIFIED

NND
Authority 775059

By T. J. NARA Date 3/13/00

RG 260

Entry FINANCE

File ASSESSMENT BY FRIS
AUTOMATIC 910-34

Box 424

BRITISH
940.36

- 11 -

- (b) Two boxes of silver - 48 items - trays, cups, candlestick holders and similar articles. These have French and Polish markings. They were deposited by soldiers at the Kreissparkasse in RECKLINGHAUSEN in WESTPHALIA shortly before occupation.
- (c) 27 ingots of tin each approximately $\frac{1}{2}$ cwt marked "Product of Banka Nederland India", in OSNABRÜCK.
- (d) Jewellery at HANNOVER, probably of NETHERLANDS origin; no inventory yet available.
- (e) 20 tons of Belgian Nickel Coins (probably mutilated) in HAMBURG.
- (f) Dock equipment at DIESTEL dock, HAMBURG, from the NETHERLANDS.
- (g) Property in HAMBURG which was originally acquired in 1916 by the Jewish Congregation and used by them as Welfare Offices. Now entered in the Grundbuch as Reich property, and until recently a Gestapo office. As the property is vacant and there is urgent need of a Jewish Welfare Centre, the Jewish congregation is being allowed to reoccupy the property, without any undertaking to restore the title.
- (h) Polish machinery in the Hermann GÖRING Werke and at the firm of LILPOP, RAU and LÖWENSTEIN, both near BRAUNSCHWEIG.

ABANDONED PROPERTY

- 64. (a) Gold coins of a probable value of some \$ 2,000,000 have been unearthed in SCHLESWIG-HOLSTEIN. Information on the subject received from SHAEF indicates that only a small part of the cache has been discovered.
- (b) Seven pictures, thought to be of some value, some tapestries and furniture were found in the same area and have been taken into control. The pictures are believed to have hung in the private office of RIBBENTROP at the Foreign Office in BERLIN.
- (c) Gold coin and Gold and Silver bullion of an estimated value of RM 1,500,000 are in a mine at GOSLAR in Land BRAUNSCHWEIG. Considerable work will be necessary to get this out owing to damage to the mine.

MISCELLANEOUS PROPERTY

- 65. "FAIRPLAY STIFTUNG." See Appendix G attached.
- 66. Westbank NV. The books, records and management of the above Bank are now in HAMBURG. Originally it had offices in BRUSSELS and ANTWERP, and is owned by the Bank der Deutschen Arbeit. SHAEF Mission to BELGIUM has been informed.
- 67. Files belonging to the German Military Government for BELGIUM and Northern FRANCE have been found at GÖTTINGEN in Province of HANNOVER.

CURRENT DEVELOPMENTS

- 68. Various instructions have been issued during the month based on experience gained and the more interesting are listed below.

226572

/69.

DECLASSIFIED
Authority 100068103
By NR NARA Date 3/91

RG 86
Entry Foreign Funds CONTROL
File CLIPPINGS
Box 386

Clippings

*N.Y. Times
5-23-41*

*La
Interna*

[From Late Edition of Yesterday's Times]
Italian King Recovers Wealth
ROME, May 21 (AP)—King Victor Emanuel's coin collection—reported to be worth \$20,000,000—has been recovered from the Germans and returned to Rome. An official announcement said the collection, in twenty-four iron-bound chests, had been turned over to the United States Eighty-eighth Infantry Division by SS General Wolff.

*US
88th Inf
Div*

*Worm
Wolff*

DECLASSIFIED
Authority 100968103
By NR NARA Date 3/91

RG 84
Entry FOREIGN FUNDS CONTROL
File CLIPPINGS
Box 386

Clippings

Washington Post
5-20-41-

23 Tons of Gold Is Returned to Rome
Rome, May 19 (U.P.)—Twenty-three tons of gold, stolen by the Germans and recovered in northern Italy by American troops, was returned here today under Allied guard.
The treasure was placed under custody of an Allied financial agency pending its final disposal. The Italian press has claimed that the gold was taken from the Bank of Italy in the autumn of 1943.

*Allied
Fin.
Agency*

*to
Inter
Agency*

Shipment No. **80****TALLY IN**Date **19 February 1947** Place **Foreign Exchange Depository Frankfurt a.M.**

1. Received from: **Helmut Alstact, U.S. civilian on behalf of AC of S G-2 Hq USIAF on 2 October 1946**
2. For the purpose of: **storage custody, inventory and disposal**
3. The following described assets: **one wooden box containing various items of gold, as per attached list. Temporary receipt now invalidated by this formal tally in. Any items consisting of jewelry, precious stones, stamps, precious or non-precious metals, and coins of numismatic value, are accepted subject to later examination by technical experts.**
4. Above assets to be released only in accordance with instructions issued to Foreign Exchange Depository by **Director, Finance Division, GCSBS, APO 742, as determined and ordered by higher authority and without further reference to the AC of S., G-2 USIAF**

Documents attached: Letters Hq Civ Int Enc.No. 22 26 Aug and 27 Aug 1946
 1st Ind. Hq 1st Inf Div APO 1 30 Sept 1946.
 Translation of letter Waldemar Meier Foreign Exchange Depository
 16 Aug 1946. Temporary receipt H.E.D. (copy)
 Copy letter AC of S G-2 USIAF 5 Feb 1947 by: **William G. [unclear]**
 copy of letter Dir. of Intelligence 10 Feb 1947 Colonel **GSC**
 and 1st Ind. Dir Fin Div 14 Feb 1947 Foreign Exchange Depository

Received by Depository Section **Lt. John E. Sawyer** Vault Location **S 12V**
 Security Officer Present **Capt. Henry N. Irlanborn** Containers **one wooden box**
 Other Personnel Present

OMG-W

226575

DECLASSIFIED
 Authority NND 740112
 By CTP NARA Date 3/22/00

RG 165
 Entry 449
 File OPD 386.3 TS
SECTION 1
 Box 166 CASSET

MEMBERS

Q. M. C. Form 353 (Old No. 490)
 Revised July 26, 1918

LIST OF PAPERS

File under No. OPD 386.3 TS

TOP SECRET

3-6788

SERIAL NUMBER	FROM—	DATE	TO—	SYNOPSIS
1	OPD	10 Apr 45		Disposition of Treasure Captured in Germany. (OUT-65929).
*1 (2)	SHAEF	11 Apr 45		Disposition of Captured Treasure. (No. FWD-18954, IN-10058 & IN-10061).
*1 (3)	OPD	8 Apr 45		Disposition of Gold and Other Articles of Value Captured in Germany by American Forces.
*1 (4)	OPD (CCS 845)	25 May 45		Disposition of Bullion and Other Property Discovered by Third Army. (CCS 845 & 845/1).
2	JCS (CCS 864)	3 Jun 45		Allocation Policy on Samples of Secret Weapons.
3	OPD	21 Aug 45		Disposal of Enemy War Material in Germany and Austria (JCS 906/17).
3 (2)	OPD	13 Sep 45		Disposal of Enemy War Material in Germany and Austria (JCS 906/15, /17 and /18)
*3 (3)	OPD	9 Oct 45		Disposal of Enemy War Material in Germany and Austria.

INSTRUCTIONS.—When papers on a subject become numerous they will be numbered serially and brief entries made on this form.

TOP SECRET

226576

DECLASSIFIED
Authority NND 740112
By CLP NARA Date 3/22/00

RG 165
Entry 419
File OPD 386.3 TS
SECTION 1
Box 166 CASSETT

TOP SECRET

OPD 386.3 TS (SECTION 1)

**OPERATIONS DIVISION
WAR DEPARTMENT GENERAL STAFF
RECORDS SECTION**

TOP SECRET

DECLASSIFIED
 Authority NND 740112
 By ewp NARA Date 3/22/00

RG 165
 Entry 449
 File OPD 386.3 TS
SECTION 1
 Box 164 CASE 1



TOP SECRET

WAR DEPARTMENT
 WAR DEPARTMENT GENERAL STAFF
 OPERATIONS DIVISION
 WASHINGTON 25, D. C.

8 April 1945

MEMORANDUM FOR GENERAL HULL:

SUBJECT: Disposition of Gold and Other Articles of Value
 Captured in Germany by American Forces

On this subject, Mr. H. R. Matthews, State Department Director of the Division of European Affairs, gave his opinion as follows:

- a. We should maintain custody without fail because we will be held responsible for its safe-keeping by our Allies.
- b. Although ease of transport may suggest it, we should not remove this material to France.
- c. If in any way possible, we should transport it to the area of Germany which American Forces will occupy after the war.
- d. Any decision as to the final division will probably be far in the future and will be influenced by the European Advisory Commission and the Reparations Committee.

DD
 D. D.

CM-OUT-64968 (7 Apr 45) TS
 CM-IN-7369 (8 Apr 45) Limited Distribution

TOP SECRET

226579

DECLASSIFIED
Authority NND 740112
By ESP NARA Date 3/22/00

RG 165.
Entry 419
File OPD 38613 TS
SECTION 1
Box 164 CASSET

File

London.--The Nazi gold reserve seized in the Merkeers Salt Mine is not believed sufficient to cover the claims of liberated countries and others for gold looted from them, informed financial quarters said.

4/9--S1126A

Secretary Stettinius said that the Army will be temporary custodian of the gold and art treasures found by U. S. Armies in Germany.

Eventually, he said, the matter might be turned over to the Allied Control Commission for Germany.

4/9--S142P

113

DECLASSIFIED
Authority NND 740112
By CLP NARA Date 3/22/00

RG 165
Entry 449
File OPD 38613 TS
SECTION 1
Box 166 CASBT

Controlled Routing - Information Filing Form
Operations Division

Decimal Classification: OPD 336 TS (10 Apr 45)

[Handwritten signature]

- x 123
- x 091 Germany
- x 041
- x 336 Germany
- x 201 Marshall, I.C.

Subject: Disposition of Treasure Captured in Germany Date 10 Apr 45 Origin OPD (0-65929)

Digest:

Action:

Section

- To
- Asiatic
 - European
 - Liaison
 - Mediterranean
 - Pacific
 - Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 - _____
 - _____
 - _____
- Theaters
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments:

Recommendation:

Section Chief _____ Date _____
Group Chief _____ Date _____

Concurrence:

- Executive, OPD
- Deputy A.C. of Staff, OPD
- A.C. of Staff, OPD

Original Date Received _____

Dispatch File

Action by _____
Signed _____ Date _____

DECLASSIFIED
Authority NND 740112
By CRP NARA Date 3/22/00

RG 165
Entry 419
File OPD 38613 TS
Box 164 CASET

TOP SECRET

CRP

URGENT

Operations Division, WDGS
Executive Office

2904

10 April 1945

General Hull

*Depo of treasure
Capt. in Germany*

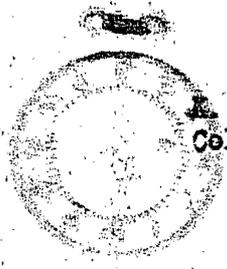
X

SUPREME HEADQUARTERS ALLIED EXPEDITIONARY FORCES FORWARD RHEIMS FRANCE

FOR YOUR INFORMATION THE FOLLOWING MEMORANDUM HAS BEEN RECEIVED FROM THE STATE DEPARTMENT AND HAS THE APPROVAL OF THE TREASURY DEPARTMENT COLON PAREN TOPSEC FROM MARSHALL TO EISENHOWER COMMA FOR HIS EYES ONLY PAREN QUOTE IT HAS COME TO THE DEPARTMENT APOSTROPHE S ATTENTION THAT AMERICAN ARMED FORCES HAVE CAPTURED IN GERMANY A QUANTITY OF GOLD COMMA FOREIGN CURRENCIES AND ART TREASURES PERIOD PENDING FINAL DECISION AS TO THE ULTIMATE DISPOSITION OF THE FORGOING COMMA WHICH WILL REQUIRE CAREFUL STUDY AND PROBABLE CONSULTATION WITH OUR ALLIES COMMA THE STATE DEPARTMENT HOPES THAT THIS TREASURE MAY BE MOVED TO A PLACE OF SAFEKEEPING IN THE PROPOSED AMERICAN ZONE OF OCCUPATION IN GERMANY FOR THE TIME BEING AND CAREFULLY GUARDED PERIOD THE DEPARTMENT FEELS THAT THIS TEMPORARY SOLUTION WILL BE LESS LIKELY TO CAUSE UNFORTUNATE POLITICAL COMPLICATIONS UNQUOTE PERIOD PLEASE KEEP ME ADVISED ON THIS SUBJECT

J. E. HULL,
Major General, GSC
Assistant Chief of Staff, OPD

OPD Limited
SCS



A. W. TREACY
Colonel, GSC

by @M-OUT-65929 (10 Apr 45) [Signature]

276

226582

DECLASSIFIED
 Authority NND 740112
 By SP NARA Date 3/22/00

RG 165
 Entry 419
 File OPD 386.3 TS
SECTION 1
 Box 166 CASSET

Tele
 TOP SECRET

200 (Hand)
DRAFT

Supreme Headquarters, Allied Expeditionary Forces, Forward, Rheims, France

(TOPSEC from Marshall to Eisenhower, for his EYES ONLY)

For your information the following memorandum has been received from the

State Department and has the approval of the Treasury Department:

Quote It has come to the Department's attention that American armed forces have captured in Germany a quantity of gold, foreign currencies and art treasures. Pending final decision as to the ultimate disposition of the foregoing, which will require careful study and probable consultation with our Allies, the State Department hopes that this treasure may be moved to a place of safekeeping in the proposed American zone of occupation in Germany for the time being and carefully guarded. The Department feels that this temporary solution will be less likely to cause unfortunate political complications unquote. Please keep me advised on this subject.

JEM

226583

DECLASSIFIED
 Authority NND 740112
 By CRP NARA Date 3/22/00

RG 165
 Entry 449
 File OPD 386.3 TS
SECTION I
 Box 166 CASE 1

DEPARTMENT OF STATE
 DIVISION OF EUROPEAN AFFAIRS

April 10, 1945

Memorandum for Colonel Maddux, Liaison Section, OPD

Subject: Report of Treasure Captured in Germany

It has come to the Department's attention that American armed forces have captured in Germany a quantity of gold, foreign currencies and art treasures. Pending final decision as to the ultimate disposition of the foregoing, which will require careful study and probable consultation with our Allies, the State Department hopes that this treasure may be moved to a place of safekeeping in the proposed American zone of occupation in Germany for the time being and carefully guarded. The Department feels that this temporary solution will be less likely to cause unfortunate political complications.

HFM
 H. Freeman Matthews,
 Director, Office of European Affairs

EUR:HFMatthews:mjb

OK
see Bell
Treasury
4/10/45
Under Secretary
of Treasury

U
 226584

DECLASSIFIED
Authority NND 740112
By SP NARA Date 3/22/00

RG 165
Entry 419
File OPD 38613 TS
SECTION 1
Box 164 CASSET

Combined Routing - Information - Filing Form
Operations Division

TOP SECRET

1-12/1119

Decimal Classification: OPD 330 TS (11 Apr 45) (P # 61)
THIS COPY OF ROUTING FORM TO BE
REMOVED ONLY BY OPD RECORDS SECTION
CLASSIFICATION DATE: 12 Apr 45

Subject: Disposition of Captured Treasure Date 11 Apr 45 Origin SI-MEP

Digest: had no. WAD 13954, JN-1K-10053 (13) Also cm-in-10061

HANDLE BY OFFICER ONLY

Action: Subject message is reply to WAR 65929. No reply required.
See Memo for Record.

Executive Section S & P Gp

- Asiatic
 - European
 - Liaison W
 - Mediterranean
 - Pacific
 - To Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 -
 -
 -
- Theaters SE
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments:

Recommendation:
 Section Chief [Signature] Date 12 Apr 45
 Group Chief [Signature] Date " "

Concurrence:

Executive, OPD [Signature]
 Deputy A.C. of Staff, OPD
 A.C. of Staff, OPD

Original Date Received 12

Dispatch [Signature]
 File [Signature]

Action by Col Tasker
Signed Tasker Date 12 Apr 45

TOP SECRET

DECLASSIFIED
 Authority NND 740112
 By CTP NARA Date 3/22/00

RG 165.
 Entry 449
 File OPD 386.3 TS
SECTION 1
 Box 164 CASE 1

TOP SECRET

4-12/1119

OPD 336 TS (11 Apr 45)

12 April 1945

MEMO FOR RECORD:

SUBJECT: Disposition of Captured Treasure

1. Subject message, FWD 18954 from SHAEF (CM-IN-10058, 11 Apr 45) is reply to WAR 65929, 10 Apr 45. The latter message transmitted a request from the State Department asking that the "Salt Mine Treasure" be removed to a place of safe keeping within the proposed American Zone of Occupation in Germany for the time being and be carefully guarded to prevent "unfortunate political complications."

2. The reply to this request (CM-IN-10058^{as corrected by CM-IN-10061}) indicates compliance with this request and suggests that information concerning the selected storage location be kept very secret.

3. State Department has received a message through its own channels giving essentially the same facts. Liaison Section, OPD, is coordinating closely with State Department on the matter.

4. No reply is indicated and no further action is necessary at this time.

H. P. T.

TOP SECRET

COPY FOR OPD FILE

226586

DECLASSIFIED
Authority NND 740112
By CAF NARA Date 3/24/00

RG 165
Entry 449
File OPD 386.3 TS
SECTION 1
Box 166 CASSET

Combi 1 Routing - Information - Form
Operations Division

TOP SECRET

Decimal Classification: OPD 336 Germany (25 May 45)
OPD 386.3 TS (25 May 45)
X 334.8 CCS
X 322.01 Bridging
X 042
X 091 Germany
[Handwritten initials and signatures]

Subject: Disposition of Bullion and Other Property Discovered by Third Army. 25 May 45
Date: 25 May 45
Origin: OPD
Implementing Section: S & P Group

Digest:

Action: Memos fwd for info CCS 845 and 845/1 to CG USAF ETO (cy of memo w/incls to CAD and to AAF); and to EAC (cy of memo w/o incls to CAD and AAF). D/F fwds for info to G-2, CCS 845 and 845/1 (cy of D/F w/incls to CG ASF).
Implementing Section: S & P Group

- Asiatic
 - European
 - Liaison
 - Mediterranean
 - Pacific
 - Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 -
 -
 -
- Theaters
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments:

Recommendation:

Section Chief [Signature] Date 25 May 45
 Group Chief [Signature] Date 11-5

Concurrence:

Executive, OPD
 Deputy A.C. of Staff, OPD
 A.C. of Staff, OPD

Original Date Received _____

Dispatch File

Action by: Capt Martell
Signed: [Signature] Date: 25 May 45

TOP SECRET

1/4

DECLASSIFIED
Authority NND 740112
By CRP NARA Date 3/22/00

RG 165
Entry 449
File OPD 386.3 TS
SECTION 1
Box 166 CASE 1

TOP SECRET

BY AUTHORITY OF A.C. OF S, OPD

Date

Initials

**Disposition of Bullion and other Property Discovered
by Third Army.**

OPD 336 Germany (25 May 45)
G-2, WDGS

OPD, WDGS

25 May 45
Col Sawyer/2971 /LEM/mb

1

1. The inclosures are forwarded for your information.

2. Identical inclosures have been forwarded for information to the Commanding General, U.S. Army Forces in the European Theater of Operations and to the Military Advisor, U.S. Delegate, EAC, American Embassy, London.

FOR THE ASSISTANT CHIEF OF STAFF, OPD:

2 Incls

- 1. CCS 845 , Cy No. 99
- 2. CCS 845/1, Cy No. 99

HAROLD P. TASKER, Col, GSC
Executive Officer, S & P Group

Distr:

CG, ASF, Cy D/F w/CCS 845, Cy No. 100 *sc 4430*
and CCS 845/1, Cy No. 100

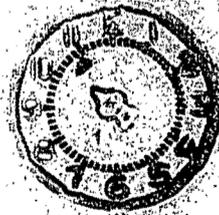
MEMO FOR RECORD:

1. CCS 845 is a letter from the Supreme Commander, AEF, referred to the CCAC for comment and recommendation. In this ltr it was stated that it would be of great assistance if the Treasury Dept would send 2 expert weighers of gold bars and an expert who could study the certificates in possession of SHAEF Hq.

2. CCS 845/1 is a report by the CCAC, in which it was concluded that U.S. and U.K. experts should participate in examination of the treasure. The CCAC recommended the dispatch of a message informing the Supreme Commander, AEF, advising that U.S. Treasury can make available 3 experts. CCS 845/1 was approved by CC6FS on 21 May 45.

L. E. M.

MAY 26 AM *sc 4429*



TOP SECRET

COPY FOR OPD FILE

226588

DECLASSIFIED
 Authority NND 740112
 By CTP NARA Date 3/22/00

RG 165
 Entry 449
 File OPD 38613 TS
SECTION 1
 Box 166 CASSET

TOP SECRET

BY A COMMITTEE OF A.C. OF S. OPD
 HS/2971
 LEM/mb
 Date Initials

OPD 336 Germany (25 May 45)

25 May 1945

MEMORANDUM FOR THE COMMANDING GENERAL, U.S. ARMY FORCES, EUROPEAN THEATER OF OPERATIONS:

SUBJECT: Disposition of Ballistic and other Property Discovered by Third Army.

1. The inclosures pertaining to disposition of ballistic and other property discovered by Third Army are furnished for information and distribution as follows:

- Hq, ETOUSA - 3 cys - CCS 845
- 3 cys - CCS 845/1
- U.S. Gp Cent'l Council - 16 cys - CCS 845
- 16 cys - CCS 845/1
- Lt Gen W. B. Smith - 1 cy - CCS 845
- 1 cy - CCS 845/1

2. Identical inclosures have been forwarded for information to the Military Advisor, U.S. Delegate, EAC, American Embassy, London.

J. E. HULL
 Major General, GSC
 Assistant Chief of Staff, OPD

HAROLD P. TASKER
 Colonel, GSC
 Executive Officer
 Strategy & Policy Group

- 2 Incls
- 1. CCS 845, Cys No. 76 thru 95
 - 2. CCS 845/1, Cys No. 76 thru 95

Copy furnished:
 CAD, Attn: Col Cameron, w/cy No. 96, IC 4431
 CCS 845 and cy No. 96, CCS 845/1.
 AAP, Attn: Col Righelmer, w/cy No. 97, IC 4432
 CCS 845 and cy No. 97, CCS 845/1.



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226589

DECLASSIFIED
 Authority NND 740112
 By CTP NARA Date 3/22/00

RG 165
 Entry 449
 File OPD 386.3 TS
SECTION 1
 Box 166 CASET

TOP SECRET

BY AUTHORITY OF A.C. OF S., OPD
 HS/2971
 LEM/mb

 Date Initials

OPD 336 Germany (25 May 45)

25 May 1945

MEMORANDUM FOR THE MILITARY ADVISOR, U.S. DELEGATE, EAC, AMERICAN EMBASSY, LONDON:

SUBJECT: Disposition of Bullion and other Property Discovered by Third Army.

1. The inclosures pertaining to disposition of bullion and other property discovered by Third Army are furnished for your information.
2. Identical inclosures have been forwarded for information to the Commanding General, U.S. Army Forces in the European Theater of Operations.

J. E. HULL
 Major General, GSC
 Assistant Chief of Staff, OPD

HAROLD P. TASKER
 Colonel, GSC
 Executive Officer
 Strategy & Policy Group

- 2 Incls
1. CCS 845, Cy No. 98, 101, 102, 103
 2. CCS 845/1, Cy No. 98, 101, 102, 103

Copy furnished:
 CAD, Attn: Col Cameron, w/o incl *sc 4431*
 AAP, Attn: Col Rigelmeier, w/o incl *sc 4432*

MAY 26 1945

 Out

TOP SECRET

COPY FOR OPD FILE

226590

DECLASSIFIED
Authority MM 740112
By WRD/KARA Date 3/1/90

RG 165
Entry 449
File CASES 66-114
Box 143

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LOAN MEAT

Combined Routing - Information - Filing Form
Operations Division

TOP SECRET

Decimal Classification: OPD 330 (13 of 45)

THIS COPY OF ROUTING FORM TO BE REMOVED ONLY BY OPD RECORD SECTION

Subject: Transfer of certain sold to Date: 13 Apr 45 Origin: State Dept.

Digest: Revised under telephoto 4-17/1679
HANDLE BY OFFICER ONLY

Action: Cable to SHAEF passing on Mr. Clayton's, Asst Secy of State, information for investigation and to advise OPD of action taken.

0-69134

European Section OPD

- Asiatic
 - ~~European~~
 - Liaison
 - Mediterranean
 - Pacific
 - Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 - Col action
- ~~Theaters~~
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments: 508

Recommendation: [Signature]

Section Chief: [Signature] Date: 17 Apr 45

Group Chief: [Signature] Date: 17 APR 1945

Concurrence: [Signature] 1540

Executive, OPD

Deputy A.C. of Staff, OPD

A.C. of Staff, OPD

Original Date Received: [Signature]

Dispatch

File

Action by Lt Col Stong
Signed [Signature] Date 17 Apr 45

TOP SECRET

226591

DECLASSIFIED
 Authority MND 740112
 By WRD NARA Date 3/21/00

RG 165
 Entry 449
 File CASES 66-114
 Box 143

~~TOP SECRET~~

DECLASSIFIED
 Authority MND 740112
 NARA Date 12/19

URGENT

Operations Division, WDDP
 European Section, WDDP

2591

17 April 1945

OPD 336 TS (13 April 45)

Lt Col E. E. Stong

X

SUPREME HEADQUARTERS ALLIED EXPEDITIONARY FORCES MAIN VERSAILLES FRANCE
 SIX THOUSAND KILOS OF GOLD PAREN TOPSEC MARSHALL TO EISENHOWER PAREN
 BELONGING TO GERMAN REICHSBANK IS BEING TRANSFERRED TO SWISS NATIONAL BANK
 AT BERN FOR OFFICIAL USE OF GERMAN GOVERNMENT ACCORDING TO REPORTS FROM
 AMERICAN LEGATION AT BERN FORWARDED THROUGH MR CLAYTON ASST SECRETARY OF
 STATE PD GOLD NOW PHYSICALLY LOCATED AT LORRACH PROVINCE OF BADEN ACCORDING
 TO BEST INFORMATION AVAILABLE PD THIS GOLD NOT YET ACCEPTED BY SWISS
 AUTHORITIES DUE TO ASSURANCES TO US GOVERNMENT THAT GERMAN GOLD ONLY FOR
 CERTAIN SPECIFIED PURPOSES WOULD BE ACCEPTED PD MR CLAYTON STATES THIS GOLD
 IS PROPERTY OF GERMAN GOVERNMENT AND IS SUBJECT TO MILITARY SEIZURE PD HE
 FURTHER STATES IT IS POLICY OF THIS GOVERNMENT TO PREVENT GOLD EXPORTS FROM
 GERMANY FOR NUMEROUS REASONS ONE OF WHICH IS THAT GOLD IS PROBABLY LOOTED
 AND STRONGLY URGES THAT IMMEDIATE STEPS BE TAKEN TO LOCATE AND SEIZE THIS
 SHIPMENT OF GOLD PD PLEASE INVESTIGATE AND ADVISE RESULTS

J. E. HULL
 Major General, GSC
 Assistant Chief of Staff, OPD

OPD
 G-2

- DAN GILMER
 Colonel, General Staff,
 Chief European Section,
 Theater Group, GSC

COPY FOR OPD FILE

jes

~~TOP SECRET~~

226592

DECLASSIFIED	
Authority	MM 740112
By	MD NARA Date 3/2/90

RG	165
Entry	449
File	CASES 66-114
Box	143

~~TOP SECRET~~NOTE FOR RECORD:

1. Memo fr Gen Bissell AC/S G-2 forwards for action a letter from Mr. Clayton, assistant Secretary of State, stating that the American Legation, Bern, Switzerland, informs that 6,000 Kilos of Gold belonging to the German Reichsbank is being transferred to the Swiss National Bank and states further that to best information gold is now located at Lorrach, Prov/Baden. Mr. Clayton states Swiss have not yet accepted gold due to assurances to U.S. Government that in future German gold only for certain specified purposes would be permitted to enter Switzerland. He further states since gold is property of German Government and in active theater it is subject to military seizure and since it is the policy of US Government to prevent gold exports from Germany for numerous reasons, one of which is that gold is probably looted, he strongly urges that military authorities take immediate steps to locate and seize shipments of gold.

2. Action: Cable to SHAEF passing on Mr. Clayton's, Asst Secy of State, information for investigation and to advise OPD of action taken. Concurrences obtained from MG Bissell, AC/S, G-2 (Ext 72577), Lt Col Yost, Liaison Sec OPD (Ext 2818), and Lt Col Sladen (Ext 74974).

COPY FOR OPD FILE

~~TOP SECRET~~

226593

DECLASSIFIED
Authority MD 740112
By MD/NARA Date 3/21/00

RG 165
Entry 419
File CASES 66-114
Box 143

TOP SECRET

Combine Routing - Information - File
Operations Division

Decimal Classification: OPD 236,18 (13 Apr 45) (6-16/2975)

THIS COPY OF ROUTING FORM TO BE
REMOVED ONLY BY OPD RECORD SECTION

Subject: Transfer of German Gold to Date 13 Apr 45 Origin at no port.
the Swiss National Bank

Digest: BASIC PAPERS
re-interested pending reply to Op-001-59134 + cm-10-17420.

HANDLE BY OFFICER ONLY

Action: D/F to G-2 informing of cable to SCAEF notifying of gold and advising of
SCAEF'S reply.

Message withdrawn for file Eur Sec

European Section OPD

- Asiatic
- ~~European~~
- Liaison
- Mediterranean
- Pacific
- Troop Control
- Operational
- Projected
- Policy
- Strategy
- Coord. & Reports
- Combat Analysis
- Planning
- Operating
- Reg. DOG

- Theaters
- Logistics
- Strategy & Policy
- Current
- Pan-American

Comments:

Recommendation:

Section Chief [Signature] Date 19 Apr 45
Group Chief JEO Date 19 Apr

Concurrence:

- Executive, OPD
- Deputy A.C. of Staff, OPD
- A.C. of Staff, OPD

Dispatch

File

Action by LT [Signature]
Signed [Signature] Date 19 Apr 45

DECLASSIFIED
Authority MM 740112
By WRD NARA Date 3/1/90

RG 165
Entry 419
File CASES 66-114
Box 143

Routing - Information - **TOP SECRET**
Operations Division

Final Classification: OPD 336 TS (29 Apr 45) (fw #67)

Subject: Transfer of German Gold to the Swiss National Bank. Date 29 Apr 45 Origin SHAEF

Digest: Rad. No. S 86489, CM-IN-27664. (TOP SECRET) to: European
No action required - file.
W. M. M. M. M. APR 29 1945
(Officer's Initials) (Date)

Action: Return to OPD Record Section.
Section

- Asiatic
 - European
 - Liaison
 - Mediterranean
 - Pacific
 - Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 -
 -
 -
- Theaters
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments:

Recommendation:

Section Chief _____ Date _____
Group Chief _____ Date _____

Concurrence:

Executive, OPD
 Deputy A.C. of Staff, OPD
 A.C. of Staff, OPD

Original Date Received _____

Dispatch File

Action by _____
Signed _____ Date _____

TOP SECRET
67/5

DECLASSIFIED	
Authority	MD 740112
By	MD NARA Date 3/1/00

RG	165
Entry	419
File	CASES 66-114
Box	143

C O P Y

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
ES 800.515/4-245
SECRET

April 13, 1945.

My dear General Bissell:

I have been advised by the American Legation at Bern, Switzerland, that 6,000 kilos of gold belonging to the German Reichsbank is being transferred to the Swiss National Bank at Bern for official use of the German Government, and that the gold is now physically located at Lorrach, Baden. No further information is available as to its exact location.

In view of recent assurances given this Government by the Swiss authorities to accept in the future German gold only for certain specified purposes, this gold has not yet been permitted by the Swiss authorities to enter Switzerland. Since the gold is the property of the German Government and is situated in or close to an active theater of military operations, it is subject to military seizure. It is the policy of this Government to prevent gold exports from Germany for numerous reasons, one of which is that gold exported at the present time is, in all probability, looted gold. It is strongly urged that the military authorities take immediate steps to locate and seize this shipment of gold.

I should very much appreciate your advising me of the outcome of this matter.

Sincerely yours,

/s/ W. L. CLAYTON

Major General Clayton Bissell,
Assistant Chief of Staff, G2,
War Department,
Washington, D. C.

jes

226596

DECLASSIFIED
Authority MM740112
By MD NARA Date 3/2/00

RG 165
Entry 419
File CASES 66-114
Box 143

Combined Routing - Information - Filing Form
Operations Division

TOP

S
E

Decimal Classification: OPG 336 TB (21 Apr 45) (P. 57)

THIS COPY OF ROUTING FORM TO BE REMOVED ONLY BY OPD RECORD SECTION

Subject: Operation to Seize Gold in Lorraine Date 21 Apr 45 Origin OPD

Digest: OPG No. 15000, S-1-2, (20) (15)

HANDLE BY OFFICER ONLY

Action: 1. Noted in European Section, OPD.
2. No further action necessary.
3. CM-IN 20206 withdrawn for file Eur Sec, OPD.

(See NOTE FOR RECORD on reverse) European Section OPD

- Asiatic
- European
- Liaison
- Mediterranean
- Pacific
- To Troop Control
- Operational
- Projected
- Policy
- Strategy
- Coord. & Reports
- Combat Analysis
- Planning
- Operating
- Reg. Doc.

- Theater 22 APR 1945
- Logistics
- Strategy & Policy
- Current
- Pan-American

Comments:

Recommendation:
 Section Chief [Signature] for D.G. Date 22 Apr 45
 Group Chief [Signature] Date 22 Apr 45

Concurrence:

- Executive, OPD
- Deputy A.C. of Staff, OPD
- A.C. of Staff, OPD

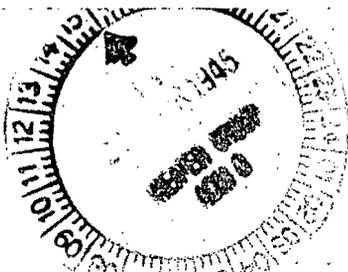
Original Date Received [Signature]

Dispatch File

Action by LT COL STONE
Signed [Signature] Date 22 Apr 45

67/3
226597

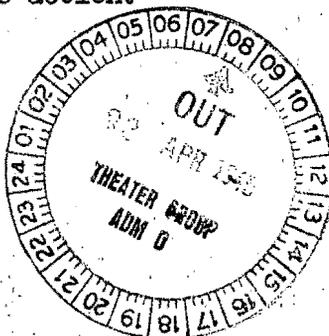
DECLASSIFIED

Authority MM740112By MMD NARA Date 3/2/00RG 165Entry 449File CASES 66-114Box 143

NOTE FOR RECORD:

1. Memo fm Gen Bissell, AC/S G02, fwd'd for action letter fm Mr. Clayton, Asst Secy of State, stating that the American Legation at Berne, Switzerland, has informed that 6,000 kilos of gold belonging to German Reichsbank is being transferred to Swiss National Bk and states further that to best information gold is located at Lorrach, Province of Baden. Mr. Clayton stated the Swiss have not yet accepted gold due to assurances to US govt that in future German gold only for certain specified purposes would be permitted to enter Switzerland. He further stated that since the gold is property of the German government and in an active theater it is subject to military seizure and that it is the policy of the US Govt to prevent gold exports fm Germany for numerous reasons, one of which is that the gold is probably looted and he urged that military authorities take immediate steps to locate and seize the gold.
2. Cable WAR-X 69134 dated 17 Apr 45 was sent to SHAEF, passing on Mr. Clayton's information for investigation and to advise OPD of action taken.
3. CM-IN 17420 dated 18 Apr 45 is SCAEF's reply that instructions have been issued and OPD will be advised of results.
4. D/F to G02 dated 19 Apr 45 informed of cable to SHAEF notifying of gold & advised of SCAEF's reply in CM-IN 17420 dated 18 Apr 45. Col Harvey Smith, German Specialist, G-2 (Ext 2505), concurred that the basic letter should be returned to G-2 in order that they may inform Mr. Clayton of the present status.
5. CM-IN 20206, 21 Apr 45, from SCAEF, states LORRACH is at present in enemy's possession and due to present operational commitments, precludes any special operation to seize gold in Lorrach. When Lorrach is uncovered by our forces advancing southward, special party, which has been arranged for, will attempt to locate and seize the gold.
6. Action: No action necessary.

Informal concurrence was obtained from Lt Col Earman (Ext 72452) G-2, who states that G-2 has copy of this message, CM-IN 20206 dated 21 Apr 45, and is preparing to include the information contained therein in a letter to Mr. Clayton, advising him of SCAEF's action.



226598

DECLASSIFIED
Authority MD740112
By MD NARA Date 3/1/01

RG 165
Entry 419
File CASES 66-114
Box 143

Combine Routing - Information - File Form
Operations Division
OTR

SECRET

4-29/2943

Decimal Classification: OPD 336 TS (28 Apr 45) (P/w #67)
x 323.3 WFO

THIS COPY OF ROUTING FORM TO BE REMOVED ONLY BY OPD RECORD SERVICES SUSPENSE DATE: 2 May 45

Subject: Transfer of German Gold to Swiss National Bank at Bern. Date 28 Apr 45 Origin Rheims

Digest: Radio from Rheims, 28 Apr 45, No. WFD 20145 (CM-IN 27092)
LIMITED DISTRIBUTION

Action: 1. Noted by European Section, OPD.
2. No further action necessary.
3. CM-IN 27092 (L.D.) withdrawn for file European Section, OPD.

(See NOTE FOR RECORD attached) European Section OPD

- Asiatic
 - ~~European~~
 - Liaison
 - Mediterranean
 - Pacific
 - To Troop Control
 - Operational
 - Projected
 - Policy
 - Strategy
 - Coord. & Reports
 - Combat Analysis
 - Planning
 - Operating
 - Reg. Doc.
 - Col Stone filed in
 - APR 29 1945
- ~~Theaters~~
 - Logistics
 - Strategy & Policy
 - Current
 - Pan-American

Comments:

Recommendation:
Section Chief [Signature] Date 29 Apr 45
Group Chief [Signature] Date 9 APR 1945
1630

Concurrence:

Executive, OPD
 Deputy A.C. of Staff, OPD
 A.C. of Staff, OPD

Original Date Received 29 MAY 45

Dispatch *AK* File *Q*

SECRET

Action by It. Col. Stone
Signed [Signature] Date 29 Apr 45

226599

DECLASSIFIED	
Authority	MD 740112
By	MD HARA Date 3/2/90

RG	165
Entry	449
File	CASES 66-114
Box	143

OPD 336 TS (28 Apr 45)

29 April 1945

Subject: Transfer of German Gold to Swiss National Bank at Bern.

NOTE FOR RECORD:

1. Memo from Gen. Bisell, AC/S G-2, forwarded for action letter from Mr. Clayton, Asst Sect of State, stating that report from American Legation at Berne, Switzerland, indicated 6,000 kilos of gold belonging to German Reichsbank was being transferred to Swiss Nat'l Bank and that to best information gold is located at LORRACH, in the Province of BADEN. According to Mr. Clayton the Swiss have not yet accepted the gold due to assurances to U. S. gov't that in future German gold would be permitted to enter Switzerland only for certain specified purposes. Mr. Clayton urged that military authorities take immediate steps to locate and seize the gold in view of the fact it is property of the German gov't and in an active theater and therefore subject to military seizure. He further stated it is the policy of the U. S. Gov't to prevent gold exports from Germany for numerous reasons, one of which is that the gold is probably looted.
2. The above information was sent to SHAEF by cable WARX 69134 (TS) dated 17 Apr 45, for investigation and to advise OPD of action taken.
3. Reply from SHAEF, CM-IN 17420 (TS) dated 18 Apr 45, indicated instructions had been issued and OPD would be advised of results.
4. D/F to G-2 dated 19 Apr 45 informed of cable to SHAEF notifying of gold and advised of SHAEF'S reply in CM-IN 17420 (TS) noted above. With concurrence of Col Harvey Smith, German Specialist, G-2 (Rm 2E 828, Ext 2505), the basic letter was returned to G-2 in order that they could inform Mr. Clayton of the present status of the matter.
5. Subsequent message from SHAEF (CM-IN 20206 (TS), dated 21 Apr 45) indicated LORRACH was then in enemy's possession and operational commitments at the time precluded any special operation to seize the gold. It was further indicated that when LORRACH was uncovered by our forces a special party would attempt to locate and seize the gold.
6. No action was taken by OPD upon the above cable upon obtaining informal concurrence from Lt. Col. EARMAN, G-2, (Rm 2E800, Ext. 72452) indicating G-2 was preparing to include the information contained therein in a letter to Mr. Clayton, advising him of SHAEF'S action.
7. This message from SHAEF (CM-IN 27092 (TS), dated 29 Apr 45) advises investigation has been made at LORRACH (now captured by our forces) but the gold has not been found. Investigation of Reichsbank officials as well as other local personalities, including Swiss authorities, has failed to disclose any knowledge of the gold, but inquiries are proceeding.
8. Action: No action necessary. Lt. Col. LANTAFF, G-2 (Rm 2E800, Ext. 2968) stated G-2 has copy of this message (CM-IN 27092 (TS), of 29 Apr 45) and Gen. Bissell, AC/S G-2 (Rm 2E800, Ext. 72577) is preparing a letter this date (29 Apr 45) to Mr. Clayton including the information contained therein and advising him of SHAEF'S action.

226600

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45

~~██████████~~

COPY NO. 15

C.C.A.C. 184/4

8 June 1945

COMBINED CIVIL AFFAIRS COMMITTEE

DISPOSITION OF BULLION AND OTHER PROPERTY
DISCOVERED BY THIRD ARMY

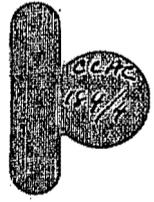
Note by the Secretaries

DECLASSIFIED PURSUANT
TO JCS 927.1
Date: 17 Dec 1970

The Combined Civil Affairs Committee, by informal action, agreed GOV 360 and dispatched it on 7 June 1945 in reply to SCAF 427 (Enclosure to C.C.A.C. 184/3).

T.E.H. BIRLEY,
W. M. CAMERON,
Combined Secretariat.

read 306 Summary (3-21-45)



H
47
6-9-45

226601

6-8-45

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2- GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE
CCAC DISTRIBUTION

Combined Chiefs of Staff
Combined Civil Affairs
Committee, By:
Operations Division, WDGS
European Section, WDOED.
73766 Lt Col Hilliard.

7 June 1945

Supreme Headquarters, Allied Expeditionary Force,
Forward Echelon, Frankfurt, Germany.

Commanding General, United Kingdom Base Section,
London, England.

British Joint Staff Mission, Washington, D.C.

Number: WARX 13510^c

This is GOV 360^c refer SCAF 427 signed WARCOS

Departure Treasury experts.

United States Treasury experts John D Jamieson, Leland Howard
and Theodore H Schiercke ETD United States 8 June.
Equipment air shipped simultaneously.

United Kingdom Treasury experts F. E. Coulton and
G. W. Cornwall ETD United Kingdom to arrive same time
United States experts.

Statement Paragraph 4 reference cable correct.

End

Note: SCAF 427 IN 862 (1 June 45)

ORIGINATOR: CCAC

INFORMATION: ASF, CC/S, OPD, G-2, Adm King, Mr McCloy.

CM-OUT-13510

(June 45)

DECLASSIFIED PURSUANT
TO JCS 927.1
Date: 17 Dec 1970



40

✓ 6-1-45 this file

6-9-45
H

COPY No. 25

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226602

CCAC 386 Germany (3-21-45)

6-9-45

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45

COPY NO. 15

~~_____~~
C.C.A.C. 184/3 ✓
4 June 1945

ACTION ASSIGNED TO *Gant*

COMBINED CIVIL AFFAIRS COMMITTEE

DISPOSITION OF BULLION AND OTHER
PROPERTY DISCOVERED BY THIRD ARMY

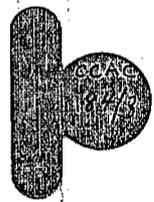
Note by the Secretaries

The enclosure (SCAF 427) has been referred to the
Combined Civil Affairs Committee for action deemed necessary.

T. E. H. BIRLEY,
W. M. CAMERON,
Combined Secretariat.

DECLASSIFIED PURSUANT
TO JCS 927.1-5
Date: 17 Dec 1970

Cac 386 Remmery (3-21-45)



6-4-45-

43

H

226603

DECLASSIFIED
Authority <u>NND943011</u>
By <u>SR</u> NARA Date <u>1-9-99</u>

RG 218
 Entry 2 - GEOGRAPHIC FILE
 File CONTROL OF GERMAN PROPERTY & ASSETS
 Box 112 3-21-45

ENCLOSURE

From: Supreme Headquarters Allied Expeditionary Forces,
 Forward, Frankfurt, Germany

To: War Department
 Special Officer Signal Ministry, London, England
 Supreme Headquarters Allied Expeditionary Forces,
 Main, Versailles, France

Nr: FWD 23018 SCAF 427 1 June 1945

FWD 23018 AGWAR for Combined Chiefs of Staff repeat for information to AMSSO for British Chiefs of Staff; SHAEF Main for G-5 for Financial Branch signed Eisenhower this is SCAF 427.

A. Reference is FACS 225.*

1. Three US Treasury and two Bank of England experts welcome.

2. We believe that the experts should be warned that we are not aware of the existence here of any special scales or other technical apparatus that they may require, which they will, no doubt, arrange to bring with them.

3. Please advise names and estimated time of arrival of experts at Frankfurt. Also advise expected time of arrival of bags, seals and tags.

A. Reference GOV 349.

4. In view of foregoing it is considered that no inspection by other nations of Merkers' treasure should be permitted until US and British experts finish appraisal and inventory and you have decided on policy for disposal.

End.

NOTE: FACS 225 is CM-OUT-85726 (21 May 45).

CM-IN-862 (1 Jun 45)

* See C.C.A.C. 184/1 and 184/2.

226604

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2- GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~ MUG
PRIORITY

From: Supreme Headquarters Allied Expeditionary Forces,
Forward, Frankfurt, Germany

To: War Department
Special Officer Signal Ministry, London, England
Supreme Headquarters Allied Expeditionary Forces,
Main, Versailles, France

Nr: FWD 23018 ~~SCAF 427~~ 1 June 1945

FWD 23018 AGWAR for Combined Chiefs of Staff repeat for information to AMSSO for British Chiefs of Staff; SHAEF Main for G-5 for Financial Branch signed Eisenhower this is SCAF 427.

A. Reference is FACS 225.

1. Three US Treasury and two Bank of England experts welcome.

2. We believe that the experts should be warned that we are not aware of the existence here of any special scales or other technical apparatus that they may require, which they will, no doubt, arrange to bring with them.

3. Please advise names and estimated time of arrival of experts at Frankfurt. Also advise expected time of arrival of bags, seals and tags.

A. Reference GOW 349. ²

4. In view of foregoing it is considered that no inspection by other nations of Merkers' treasure should

CM-IN-862 (1 Jun 45)

1. 5-31-45 *the file*
2. 5-24-45 " "
40.

DECLASSIFIED PURSUANT
TO JCS 927435-1
Date 17 Dec 1970

*Argument
Mergits*

COPY NO. 71

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226605

Case 386 Germany (3-2-45)

See Sov 360 6/7/45 the file

H

6/2/45

6-1-45

DECLASSIFIED

Authority NND 943011

By SR NARA Date 11-9-99

RG 218

Entry 2 - GEOGRAPHIC FILE

File CONTROL OF GERMAN PROPERTY & ASSETS

Box 572 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~ ANUG

PRIORITY

Page 2.

From: Supreme Headquarters Allied Expeditionary Forces,
Forward, Frankfurt, Germany

Nr: EWD 23018 SCAP 427

1 June 1945

be permitted until US and British experts finish appraisal
and inventory and you have decided on policy for disposal.

End.

NOTE : PAOS 225 1s CM-002-85726 (21 May 45).

ACTION: CC/S

INFO : Adm Leahy
Gen Arnold
Gen Somervell
OPD
Gen Bissell
Gen Richards
SGS (Lt Col Newsome)
Adm King
C of S

CM-IN-862

(1 Jun 45)

DIG 011430B

rel

COPY No. 71

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226606

6-1-45

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 572 3-21-45



THE COMBINED CHIEFS OF STAFF
WASHINGTON 25, D. C.

@S11878

2 June 1945

~~SECRET~~
DECLASSIFIED PURSUANT
TO JCS 927/495-1
Date: 17 Nov 1970

MEMORANDUM FOR THE COMBINED CIVIL AFFAIRS COMMITTEE:

Subject: Disposition of Bullion and Other
Property Discovered by Third Army.

References: a. C.C.S. 845/1.

b. SCAF 427. — *ccas 184/3*
4 June '45

SCAF 427 is referred to the Combined Civil Affairs
Committee for action deemed necessary.

A 20 am Jan
A. T. CORNWALL-JONES,
Brigadier

A. J. McFarland
A. J. McFARLAND,
Brigadier General, U.S.A.

Combined Secretariat

File 6/4/45
pe

Lt. Col. Warde M. Cameron ✓

*Birley want to know immediately
who U.S. experts are*

~~SECRET~~

226607

ccas 386 McFarland (3-21-45)

6-8-45

6/4/45

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 512 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

CCAC DISTRIBUTION

Combined Chiefs of Staff
Combined Civ Affairs Committee
Lt Wingate 4376

24 May 1945

Supreme Headquarters Allied Expeditionary Force Forward
Echelon Rheims France

Commanding General United Kingdom Base Section London England
British Joint Staff Mission Washington D C

Number: WARX 87416

This is GOV 349

DECLASSIFIED PURSUANT
TO JCS 927.1-1
Date: 17 Dec 1970

French participation in inspection of Merkers treasure.

French request permission to send 2 representatives appointed by the Minister of Finance to participate in examination of treasure referred to in FACS 225 in similar capacity to that of United States/United Kingdom experts. Request your views relative to adding them to party of 5. If this request is approved it may be necessary to grant similar privilege to Belgians.

End.

FACS 225 is CM-OUT-85726 (21 May 45)

ORIGINATOR: CCAC

INFORMATION: ASF
CC/S
OPD
G-2
Adm King
Mr McCloy

5-31-45 this file



CM-OUT-87416

(May 45)

DTG 242212Z

fpc

See SCAF 427 6/1/45 when file

Case 386 Germany (3-21-45)

H
5/25/45

37

COPY NO.

25

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226608

5-24-45

DECLASSIFIED
Authority NND943011
By SR NARA Date 11-9-99

RG 218
Entry 2 - GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 12 3-21-45

~~TOP SECRET~~
WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER

~~TOP SECRET~~
OUTGOING MESSAGE

Combined Chiefs of Staff
W.D. Ext. 77500 Col

21 May 1945

Supreme Headquarters,
Allied Expeditionary Forces,
Forward Echelon,
Rheims, France

British Joint Staff Mission,
Washington, D C

Number: WARX 85726

TOPSEC Book Message to SHAEP Rheims for Eisenhower for
action, to AMSSO pass to British Chiefs of Staff for
information, FACS 225 from the Combined Chiefs of Staff

U.S. Treasury can make available 3 experts requested
in your letter of 20 April regarding Merkers Treasure.
The Combined Chiefs of Staff consider 2 billion experts
offered by Bank of England should also participate. Advise
if satisfactory to send all 5. U.S. Treasury making bags,
seals, and tags available. War Crimes Commission being
asked to advise United Nations Investigatory Agencies that
some of this treasure may be usable as evidence of War
Crimes, and that you will permit inspection thereof at prop-
er time. War Crimes Branch under Judge Advocate for U.S.
Army Forces, European Theater of Operations also notified.

End

ORIGINATOR: CC/S

INFORMATION: Gen Somervell; Adm Leahy; Gen Arnold; OPD;
Gen Bissell; Gen Richards; Adm King; C of S

CM-OUT-85726

(May 45)

DTG: 212325Z

rrm

DECLASSIFIED PURSUANT
TO JCS 927.1-5-51
Date: 17 Dec 1970

~~TOP SECRET~~
COPY No. 63

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226609

*See Gov. 349 5-29-45 memo file
See SCAF 427 6-1-45*

Case 586 Summary (3-21-45)

5-21-45

H

DECLASSIFIED
Authority NND 943011
By SR NARA Date 11-9-99

RG 218
Entry 2- GEOGRAPHIC FILE
File CONTROL OF GERMAN PROPERTY & ASSETS
Box 512 3-21-45

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

Civil Affairs Division Oper-
ations Division, WDCS European
Section, WDOFD OFD 311.23 CAD
6180 Col Jones

7 May 1945

Supreme Headquarters
Allied Expeditionary Forces, Main Echelon
Versailles, France

Number WAR 79393

Eisenhower from Hildring signed Marshall.

Personnel urad 7 May S 87301 VOG 429 is further reference
WAR 70005 advising 21 civilians available May. Three departed
3 May entire group should clear not later than 20 May Treasury
advises this is maximum number for this duty they have avail-
able.

End.

NOTE: S-87301 is CM-IN-6314 (7 May)

*✓ 5-7-45 this file
X not rec'd*

ORIGINATOR: CAD
INFORMATION: OFD
Mr. McCloy

DECLASSIFIED
DOD Directive 5200.9
9/27/58

CM-OUT-79393 (May 45) DTG 091310Z

hng

24

~~TOP SECRET~~

WOB
5745-

COPY NO. 13

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

226610

OOAC 386 Germany (3-11-45)

5745

DECLASSIFIED

Authority NND 943011

By SR NARA Date 11-9-99

RG 218

Entry 2 - GEOGRAPHIC FILE

File CONTROL OF GERMAN PROPERTY & ASSETS

Box 572 3-21-45

KED

~~SECRET~~

COPY NO. 15

~~SECRET~~
C.C.A.C. 184

(SPECIAL DISTRIBUTION)

28 April 1945

ACTION ASSIGNED TO *you*

COMBINED CIVIL AFFAIRS COMMITTEE

DISPOSITION OF BULLION AND OTHER PROPERTY
DISCOVERED BY THIRD ARMY

Note by the Secretaries

The attached letter (C.C.S. 845) from the Supreme Commander, Allied Expeditionary Force, has been referred to the Combined Civil Affairs Committee for comment and recommendation.

T. E. H. BIRLEY,
W. M. CAMERON,
Combined Secretariat.

DECLASSIFIED PURSUANT
TO JCS 927/195-1
Date 17 Dec 1970

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