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By *[Signature]* MARS, Date *11/2/46*

(V-110)

*Conference in
non-repatriables
June '46*

The Honorable
James F. Byrnes
Secretary of State
Washington, D.C.

My dear Mr. Secretary:

As U.S. Representative to the recent Five-Power Conference on Reparation for Non-Repatriable Victims of German Action, I have the honor to submit herewith my report which is divided as follows:

- I Accomplishments of the Conference.
- II Action to Insure Implementation of the Agreements.
- III The Strategy of the Negotiations.
- IV Analysis of the Agreements.
- V Supporting Documents.

At this time I desire to express my appreciation to you for the honor of having been appointed U.S. Representative. I also desire to express my appreciation for the support which I received prior to and during the Conference, not only from the Department in Washington, but also from the Embassies in London, Brussels and Paris.

I should like to acknowledge particularly the excellent work of the Assistant U.S. Representatives, Mr. Jacob Kaplan, of the Division of Research for Europe; and Mr. Irwin Mason of the American Embassy in Paris. Mr. James B. Jones, made available for this mission by the Secretary of War to serve as my secretary, performed his multiple tasks with noticeable credit.

Sincerely yours,

Eli Ginzberg.

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*Records of Staff Commission,
Conf. and Councils
Paris Conf. on Reparations*

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ACCOMPLISHMENTS OF THE CONFERENCE

The Final Act of the Paris Conference on Reparation provided in Article 8 for the allocation of a reparation share to non-repatriable victims of German action and charged the governments of the United States, the United Kingdom, Czechoslovakia and Yugoslavia, in consultation with the Inter-Governmental Committee on Refugees to work out as soon as possible a plan in common agreement. Acting under this mandate, the Five-Power Conference worked out a plan incorporated in the following Agreements:

- a. "Agreement on a Plan for Allocation of a Reparation Share to Non-Repatriable Victims of German Action."(1)*
- b. "Letter of Instruction to the Director of the Inter-Governmental Committee on Refugees."(2)
- c. Letter to the Neutral Powers on "Heirless Funds".(3)
- d. Note to all Governments Signatory to the Final Act of the Paris Conference on Reparation with regard to an Interpretation of Eligible Persons.(4)

The specific accomplishments contained in the foregoing Agreements can be summarized as follows:

- 1. A principle of allocation was decided upon for the three sources of assets available (\$25,000,000 to be secured from the liquidation of German assets in Neutral Countries; the proceeds from the liquidation of "non-monetary gold and other valuables" found by the Allies in Germany; and the proceeds from the liquidation of assets in Neutral Countries of victims of German action

*Numbers refer to supporting documents presented in Part V of this report.

who died without heirs). The allocation principle was framed with reference to the numbers and the degree of need of non-repatriable victims of German action.

2. Operating responsibility for rehabilitating and resettling the victims was placed upon appropriate field organizations, thereby insuring that the funds would be used with maximum effectiveness.

The American Jewish Joint Distribution Committee and the Jewish Agency for Palestine were designated as the appropriate field organizations, to act on behalf of Jewish victims, while responsibility was placed on the Inter-Governmental Committee on Refugees to select appropriate field organizations to act on behalf of the non-Jewish victims.

3. General supervisory responsibility was given to the Director of the Inter-Governmental Committee on Refugees, with the provision that such of his responsibilities as had not been completed at the time when the new International Relief Organization began operations would be transferred to the Director General thereof.

4. Specific criteria were laid down concerning the functions for which the appropriate field organization could request funds. Emphasis was placed upon practicable resettlement schemes in which expenditures on rehabilitation would be considered as essential preparatory outlays to resettlement. Provision was made for children to receive preferential assistance.

5. To insure that all victims of Nazi action who are non-repatriable should be eligible for assistance, Article 8 of the

Final Act of the Paris Conference on Reparation was interpreted to include "Nationals of other members of the Axis who suffered directly from Nazi action, either inside or outside of Germany." If approved by the Signatory Powers, all Jews who were nationals or former nationals of countries belonging to the Axis, as well as all non-Jewish nationals who were persecuted by the Nazis will be eligible for assistance. Care was also taken to reaffirm the exclusion of "any person whose loyalty to the United Nations is or was doubtful."

6. A plan was worked out to request the Neutral Powers to make available the proceeds of assets of victims of German action who died without heirs. The general administration of the proceeds of such assets, including their allocation, was likewise provided for.

7. To insure that all funds made available would insure to the greatest possible benefit of the victims, it was stipulated that they could be transferred from the currency in which they arise only at the specific request of the appropriate field organization.

8. The atmosphere in which the deliberations proceeded and the speed with which a common Agreement was reached testified to the awareness on the part of all participants that the rehabilitation and resettlement of these victims depended almost entirely upon sympathetic and effective action by governments acting in concert.

ACTION TO INSURE IMPLEMENTATION OF THE AGREEMENTS

The following suggests certain areas in which further action by the U.S. Government may be required to insure successful and speedy implementation of the Agreements:

a. "Non-Monetary Gold and Other Valuables."

1. To insure the expeditious liquidation of the "non-monetary gold and other valuables", it will be necessary to work out a clear and practical definition so that the military authorities will be in a position to transfer all appropriate assets as soon as they are identified and collected.(5)

2. Since recent developments suggest that certain caches of "non-monetary gold and other valuables" may not as yet have been discovered, it would be desirable to request the military authorities to intensify their search for such deposits.

3. Neither the British nor the French Governments admitted the existence of deposits of "non-monetary gold or other valuables" during the course of the Conference. It may be desirable to raise this issue either formally or informally with them so that they, in turn, will be encouraged to intensify their search for such deposits.

4. In view of the fact that at the present time the only known deposits of "non-monetary gold and other valuables" are in the United States Zone, it might be desirable to recommend the appointment of an American, either military or civilian, to act on behalf of the Inter-Governmental Committee on Refugees as agent in the collection of these assets.

5. Since all non-repatriable victims of Nazi action, including those who were nationals of former Axis countries, are being made eligible for assistance, consideration might be given to the inclusion of "non-monetary gold and other valuables" found in the United States Zone in Austria. If the United States acts positively in this matter, it may be desirable to apprise the United Kingdom and France of the action taken and request them to take similar action.(6)

b. \$25,000,000 Proceeds from the Liquidation of German Assets in Switzerland.

Since the United States took the leadership during the Allied-Swiss negotiations to press for priority for the \$25,000,000 sum for the rehabilitation and resettlement of non-repatriable victims of German action, any untoward delay in making this sum available, should result in the United States taking appropriate action to accomplish its original intent.

c. "Heirless Funds".

1. The United States is pledged by the Agreement to associate itself with the French Government in approaching the Neutral Countries and requesting them to make available the proceeds from the liquidation of assets of victims of German action who died without heirs. Since the action of Neutral Countries will depend in large measure on the amount of moral pressure exerted on them, it is recommended that the United States make strongest possible representations on this subject.

2. It may be desirable, or necessary, for the United States, acting independently or jointly with Great Britain, to take over the responsibility of the French Government in making representations on this subject to Spain.

3. Both in preliminary discussions and at the Conference, the question was raised whether the Allies would act to make available "heirless funds" in their respective countries. It was recognized that the representations to the Neutral Powers would be greatly strengthened if the Allies took such action. It is therefore strongly recommended that the United States seek to initiate action in this matter as soon as possible.(7)

4. It is further recommended that as soon as the United States has acted to make its "heirless funds" available, it inform the other signatory powers of the Final Act of the Paris Conference on Reparation and request them to do likewise.

5. It now appears that there will be considerable "unclaimed Jewish assets" over and above the amount categorized as "heirless." Consideration should be given to treating these "unclaimed Jewish assets" within the same general framework of administration as was worked out for the "heirless funds."

d. Appropriate Field Organizations.

The Agreements refer in several instances to "appropriate field organizations" and specify that the designated field organizations for Jewish victims will be the American Jewish Joint Distribution Committee and the Jewish Agency for Palestine, and that the Director of the Inter-Governmental Committee

on Refugees will select appropriate field organizations to assist in resettling the non-Jewish victims. The Department will probably have multiple queries from Jewish and non-Jewish field organizations requesting information how they may participate in the programs of rehabilitation and resettlement to be financed under the Agreement.

1. As far as Jewish field organizations are concerned, (other than the two duly designated by the Conference) the Department's reply should call attention to the fact that with resettlement a basic objective, and with the victims themselves overwhelmingly requesting resettlement in Palestine, the selection of the Jewish Agency for Palestine was mandatory. The designation of the American Jewish Joint Distribution Committee reflected the desire of the Conference to select the largest Jewish field organization, with the most varied programs, to carry out the non-Palestinian aspects of the work of rehabilitation.

2. As far as the non-Jewish field organizations are concerned, it may be desirable for the Department to refer all inquiries to Mr. Patrick M. Malin, the Vice-Director of Inter-Governmental Committee on Refugees who because of his present position and previous experience with American and European field organizations would be in the best position to guide the submission of programs for non-Jewish victims.

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e. Resettlement Programs.

Responsibility for approving programs submitted by the appropriate field organizations for rehabilitation and resettlement was placed on the Director of the Inter-Governmental Committee on Refugees in order to insure expeditious action. In the event that the Director should fail to act in accordance with this specific mandate, the U.S. Government should press him to do so.