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Authority NND 775059  
By WJD NARA Date 2/10/17

VIII - 7/1

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

STAFF CABLE CONTROL

DATED 212243Z

INCOMING MESSAGE

1946 Aug 46  
1946 10h

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P R I O R I T Y

FROM : AGWAR FROM WDSKA ES  
TO : OMCUS, USFA  
INFO : USFET  
REF NO : WX-9112

*Added ext 4430  
for copies*

Recused November WX-85965, March WX-99226 this cable is in two parts:

PART 1.

There follows State Department Draft proposed JCS Directive to OMCUS and USFA in implementation of that part of Article 8 of final act of Paris Conference Reparation signed by the nations on January 14, 1946 which provided:

"In recognition of fact that large numbers of persons have suffered heavily at hands of Nazishand now stand in dire need of aid promote their rehabilitation but will be unable to claim assistance of any government receiving reparation from Germany, the Governments of US of America, France, UK, Czechoslovakia and Yugoslavia, in consultation with Inter-Governmental Committee on Refugees, shall as soon as possible work out in common agreement plan on following general lines:

"A. Share or reparation consisting of all non-monetary gold found by Allied Armed Forces in Germany shall be allocated for rehabilitation and resettlement of non-repatriable victims of German action" and that part of Five-power Agreement of June 14 pursuant to Article 8 which provided: "the Inter-governmental Committee on Refugees" or its successor organization be hereby authorized to take title from appropriate authority to the "non-monetary gold" found by Allies in Germany and to take such steps as may be needed to liquidate these assets as promptly as possible, due consideration being given to secure highest possible realizable value"

(1.) You will make available on demand to duly accredited representative of IGCR all valuable persons

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religious victims of Nazi Government or its satellite governments or nationals thereof which was or may hereafter be found, seized or confiscated by USFET or by local authorities acting under direction or control of US Forces, subject to following conditions:

- a. That property cannot be restituted to government pursuant to WX-85965 November 1945 and WX-99226 March 1946, as amended and modified by Control Council action, because determination of national origin is impractical.
  - b. That property cannot be restituted to lawful owners under laws in force in place where presently found either because lawful owner has died or ceased to exist without legal successor or because determination of individual ownership is impractical.
  - c. That ownership interests in real property located in Germany and German currency or instruments of exchange payable in German currency will be excepted.
  - d. That Jewish books, manuscripts and literature of cultural or religious importance will be excepted and disposed of pursuant to separate directive.
  - e. That detailed inventory and tentative agreed valuation will be made of property subject to transfer to IGCR hereunder, and transfer will be made upon signing of joint inventory which shall be made part of receipt.
- (2.) You will permit property transferred hereunder to be removed from Germany and Austria or to be sold therein if payment can be made outside Germany or Austria in acceptable foreign currency, notwithstanding any laws for control of foreign exchange, to end that maximum value be obtained therefrom by IGCR.

- (3.) You will seek to obtain Control Council agreement to disposition pursuant to terms of this directive of any property disposition of which is reserved to Control Council. Even prior to such

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agreed to you will nevertheless execute directive and you will advise your representatives of Control Authority that you are doing so pursuant to obligation assumed by your government in subscribing to Paris Agreement on reparations.

(4.) Expression "valuable personal property" as used in paragraph 1 of this directive shall be interpreted to exclude ordinary items of furniture, clothing and other personal property of small intrinsic value and to include any such items of uncommon value. In determination of impracticality of identification pursuant to paragraph 1 sub-paragraph a and b of this directive regard shall be had to extent of commingling with other property and difficulty and expense of determination of ownership in comparison with value of property. All property, as defined herein, will be considered as falling within this directive and will be made available to IGCR unless available evidence clearly is to contrary. You will establish such administrative machinery as may be necessary to execute this directive promptly and effectively."

PART 2.

Your comments desired soonest. Considered opinion of State that US policy should favor broadest possible interpretation obligation under Article VIII and that in definition of "non-monetary gold" and application to specific cases, most liberal interpretation should govern. Entirely outside obligation under Paris Reparation Agreement, this program directly related to general responsibilities this government connection financing resettlement German and Austrian non-repatriables. To extent "non-monetary gold" made available from US Zones Germany and Austria and success in persuading UK and France to pursue similar policies their Zones, general financing burden of US will be decreased. Therefore, position taken in proposed directive not viewed as strict construction Article VIII, but as being in line with more fundamental US interests.

As is well known non-repatriable financial position critical and desirable that non-monetary gold formula be established and applied without delay. Implementation thereafter should be given very high priority and preliminary steps taken now. IGCR representatives will be made available to advise and

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assist you as required.

In order facilitate issuance of directive and implementation in field desired that your comments be submitted in form of any specific proposals for amendment which you may consider advisable. Repeat replies all addressees.

WX-85965 is SCC IN 15174, 3 Dec. 45, Info.  
 WX-99226 is SCC IN 22212, 7 Mar 46, Info.

ACTION : ECON

SUSPENSE: 25 AUGUST

INFORMATION : O/SS  
 FIN  
 LEGAL  
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