

Chapter 4: The British Zone

The creation and the work of the British Jewish successor organization, the Jewish Trust Corporation for Germany (JTC) is described in detail in the two volumes by Charles I. Kapralik.¹ The development and the conclusion of the successor issue largely followed the pattern of that of the American Zone, yet a marked difference was in the participation of the German Jewish communities in the Special Committee of the JTC to decide on the disposition of the communal property, in which they were represented on the basis of parity with the party of the important foreign Jewish organizations. This chapter examines the background of the creation of the Special Committee, and the role played by the British Foreign Office. It highlights the differences between, and at the same time the points in common with the American counterpart JRSO.

4.1. The Palestine Issue and the Restitution of the Jewish Property

As many authors have shown, the British policy toward the Jews in its occupation zone of Germany was largely influenced by the situation in Palestine.² Its distinct trait was its denial of the Jewish nationality. The British tried to downplay the Jewish DP problem, or to obscure it within the general problems of refugees and postwar migration, and sought

¹ Charles I. Kapralik, *Reclaiming the Nazi Loot: The History of the Work of the Jewish Trust Corporation for Germany* (London: JTC, 1962), and its sequel, *The History of the Work of the Jewish Trust Corporation for Germany, vol.II*, (London: JTC, 1971). As already mentioned, the records of the JTC at the CAHJP in Jerusalem were not available at the time of this writing. The author relied largely on the JTC-related sources found at other archives, such as the JDC archives and the CZA.

² This view is strongly represented by Arieh J. Kochavi, in his book *Post Holocaust Politics: Britain, the United States, and Jewish Refugees, 1945-1948* (Chapel Hill and London: University of North Carolina Press, 2001), by Zweig, in his article "Restitution and the Problem of Jewish Displaced Persons," pp.54-78, and by Ulsula Büttner, in her one of the earliest work on the Jewish situation in the British zone, *Not nach der Befreiung: Die Situation der deutschen Juden in der britischen Besatzungszone 1945 bis 1948* (Hamburg: Landeszentrale für politische Bildung, 1986).

the repatriation of Jews to their home countries rather than their resettlement elsewhere.³ Its aim was to separate the European Jewish DP problem from the Palestine issue.⁴ Unlike the U.S. Zone, in which the DP camps designated exclusively for Jews existed, the British military government did not physically separate the Jews from the other DPs – among whom many were Baltic DPs who had collaborated with the Nazis – and treated the Jews according to their former nationalities. The largest DP camp in the British Zone, Belsen⁵ had de facto become a Jewish camp after the removal of the Polish DPs, however, the British authorities continued to deny its Jewish character and refused to recognize their representation – the Central Committee of the Liberated Jews in the British Zone (hereafter Central Committee in the British Zone).

On the other hand, their policy toward the German Jewish survivors was aimed toward their reintegration into German society. As seen in the previous chapter, the German Jewish survivors were at first treated practically as vanquished German nationals. As Kochavi points out, the revival of the Jewish community inside Germany would discredit the Zionists' claim that the Jews could not be rehabilitated in Europe and hence they need a state of their own.⁶ If they could have a normal life even in the land of the perpetrators, there should be no reason that the Jews in other European countries could not remain there. This policy was embodied in the separation of the German Jews from the Jewish DPs, in order to prevent the Zionist influence on the former.

³ Zweig, "Restitution and the Problems of Jewish Displaced Persons," p.62.

⁴ Arieh J. Kochavi, "The Displaced Persons' Problem and the Formation of British Policy in Palestine," in *Studies in Zionism* 10 (1989), p.37.

⁵ Belsen was not identical with the concentration camp Bergen-Belsen, which was burnt down after the liberation due to the epidemic of typhus. The surviving inmates were moved to the nearby former German military camp Hühne, which came to be called Belsen with the obvious association to the concentration camp. On the DP camp Belsen, along with the study of Lavsky, *New Beginnings*, see also, Irgun Sheerit Hapleita Me'haezor Habriti, *Belsen* (London: Narod Press, 1957); Königseder and Wetzel, *Lebensmut im Wartesaal*, pp.173-218;

⁶ Kochavi, *Post-Holocaust Politics*, p.56.

The debate on the restitution of the heirless Jewish property reflected the DP problem and the on-going Jewish struggle in Palestine. The British policies were manifested during the talks at the Paris Conference on Reparation in the end of 1945, and the following Five Power talks in 1946. Although their policies were eventually subordinated to the Anglo-American relations as a whole (since they were much in need of American loans, too),⁷ the British were reluctant to provide specific assistances for stateless Jews through the realization of the German external assets in the neutral countries as provided in Article 8 of the Final Act of the Conference. They did not spare any effort in trying to change the provisions to the effect that the Jewish DPs would not become the prime beneficiaries, and in preventing the transfer of advances to the JDC as prescribed in the 1946 Five Power Agreement.⁸

It was in the extension of such policies that the British insisted that the heirless and unclaimed property of Jews should be placed in a general fund to compensate all persecutes in Germany. Entrusting the heirless property to the representatives of the Jews would, first of all, undermine the principle of “non-discrimination” and spur Anti-Semitism. This, however, in its actual context meant preventing the liquidated property from being funneled into the illegal Jewish resistance in Palestine or used to finance clandestine immigration. To verify their fear, the Central Committee in the British Zone openly advocated that such property be transferred to the representatives of the Jewish people to be used for the building-up of Palestine.⁹

The British insistence on giving the heirless property to the German Länder was not only motivated by the Palestine issue, but also by the severe economic situation in the zone, reflecting the economic crisis at home. The daily calories of the German population

⁷ Zweig, “Restitution and the Problems of Jewish Displaced Persons,” p.68.

⁸ Ibid., p.76.

⁹ Kochavi, *Post-Holocaust Politics*, p.38.

in the British zone dropped to 1,050 in 1946,¹⁰ and food had to be imported while even bread was rationed in the U.K. The German economy seemed too feeble to bear the burden of restitution. There was even a voice inside the Political Element of the Control Commission which favored the heirless assets falling to the Crown of Länder, to be used for the reconstruction of German economy.¹¹ The restitution to the representatives of the Jewish people – whose majority lived outside of Germany – was perceived as a form of capital flight. In October 1947, an attempt to enact a joint Anglo-American restitution law failed partly due to the British insistence that heirless property go to a non-sectarian German organization for the benefit of all persecutees in Germany.¹²

Nonetheless, by 1948, the problem of the Jewish DPs was dropped from the most urgent political agenda of the British government. In April 1946, the Anglo-American Committee on Inquiry – which had been established by the British and American governments in 1945 to examine the political and economic situation of Palestine in light of the immigration of Jewish DPs – submitted a report recommending that the British immediately authorize 100,000 certificates of admission to Palestine. Losing its hold on the situation in Palestine, the British decided to entrust the issue to the hands of the U.N. in February 1947, and the U.N. adopted a resolution on the partition of Palestine into a Jewish and an Arab state in November of the same year. After the British Mandate had terminated and the Jewish State was factually established in May 1948, the Jewish immigration was no longer their concern. This might have cleared one of the stumbling blocks for the British to deal with the restitution of the Jewish property. The British restitution law (the Military Government Law No.59) was issued on May 28, 1949, with

¹⁰ Geis, *op. cit.*, p.53.

¹¹ F.R. Bienenfeld to N. Robinson, January 21, 1948, CZA, Z6, 55.

¹² Memorandum to General Clay, November 5, 1948, IfZG, OMUGUS, 17/214-2/9.

approximately a one and a half year delay to the American and French counterparts.¹³ Under Article 8 (Trust Corporation in respect of Heirless and Unclaimed Property) the creation of “one or more trust corporations” for the purpose of claiming heirless and unclaimed property was envisaged.¹⁴

The British Jewish organizations, notably the Central British Fund (CBF) and the Board of Deputies of British Jews (Board of Deputies) had been pressing the British government to follow the American example of establishing a Jewish successor organization. Although Article 8 provided room for the formation of a separate Jewish trust corporation, the British authorities, including the Foreign Office, had not entirely given up the idea of the formation of only one trust corporation for the administration of Jewish and non-Jewish property.¹⁵ According to Professor Norman Bentwitch,¹⁶ the central figure in the negotiations with the Foreign Office, it had already required a “long effort” to convince the authorities to adopt the main lines of the Americans legislation, but it required “still longer negotiation” to convince them of the necessity of a separate

¹³ Military Government-Germany, British Area of Control, Law No. 59, Restitution of identifiable property to Victims of Nazi Oppression, in H.G. van Dam, *Rückerstattungs-Gesetz (Gesetz Nr.59) für die britische Zone mit Nebengesetzen, Einführung, Vergleichstabelle zum US-Gesetz und Index* (Koblenz, 1949), pp.34-96.

¹⁴ Article 8 provided as follows:

1. One or more trust corporations under German Law shall be formed in the British Zone for the purpose of claiming unclaimed and heirless property.
2. Trust corporations shall claim any affected property:
 - a) where no claims for restitution has been lodged; or
 - b) where the victim of Nazi persecution has died or dies intestate without leaving a spouse or relative entitled to his inheritance.
3. Regulations to be made by Military Government will provide for the establishment of trust corporations and the appointment of their members and will define their rights and obligations and specify the classes of persons to whose property they may respectively lay claim.

¹⁵ CZA, S35, 116, Note on a successor organization in the British Zone of Germany, October 10, 1949. Also, see, Kapralik, *Reclaiming the Nazi Loot*, p.9.

¹⁶ Norman de Mattos Bentwich (1883-1971): born in London. Zionist, lawyer and scholar. Attorney general of the Mandate government in Palestine from 1920 to 1931. Director of the League of Nations' Commission for Jewish Refugees from Germany, 1933-1936. He returned to London in 1951, and was active in the CBF.

Jewish corporation.¹⁷ It was not until the end of August 1949, when Bentwich received a cable from Lord Henderson of the Foreign Office, notifying that the British government was ready to agree in principle, that a Jewish Trust Corporation could be established.¹⁸

Having consented to the creation of a Jewish successor organization, however, the Foreign Office made it clear that the Jewish groups in Germany should be given appropriate representation in the organization. The disputes between the JRSO and the Jewish communities in the U.S. Zone were well known, and the British authorities took the position that disagreement among the Jews should be dealt with by themselves. Brooks-Richard of the German Political Department in the Foreign Office stressed that the idea of a Jewish trust corporation was based on the assumption that the Jewish bodies were unanimous in their attitude.¹⁹ The authorities desired the rebirth of an active Jewish community in Germany, and the communal property should serve its foundations. Such an attitude of the Foreign Office was, for the Jewish groups outside of Germany, an “unfortunate position” based upon an “erroneous assumption... that the great development in the past is attributable to the enterprising Jewish communities which once existed.”²⁰ Nevertheless, the condition imposed by the Foreign Office had to be met, and it was felt necessary to come to an official understanding with the German Jewish communities before the actual establishment of the organization.

4.2. London Agreement and the Special Committee

In the British Zone of Germany, the Jewish communities were constituted in cities such

¹⁷ Norman Bentwich, *They Found Refuge: An Account of British Jewry's Work for Victims of Nazi Oppression* (London: Cresset Press, 1956), p.186.

¹⁸ Lord Henderson to Professor Bentwich, August 29, 1949, CZA, S35, 116.

¹⁹ Note on conversation at the Foreign Office, February 8, 1950, CZA, S35, 116.

²⁰ J.J. Jacobson to Eli Rock, January 11, 1950, CAHJP, JRSO-NY, 640a.

as Hamburg, Hanover, Cologne, Düsseldorf, and in many other smaller localities (see Appendix 7).²¹ The Bremen Jewish community was officially in the American Zone, but it constituted an integral part of the Jewish communal life in the British Zone. The first Landesverband of the Jewish communities was established in North Rhine under the leadership of Philipp Auerbach, then residing in Düsseldorf before accepting the position of the state commissioner for the Wiedergutmachung in Bavaria, and moving to the U.S. Zone in September 1946. The British Zone encompassed the industrial and densely populated area alongside the Rhine, hence the Jewish communities which had existed in this region were generally wealthier than those in the U.S. Zone. According to a report of the Jewish Relief Unit (JRU), the population of the Jewish communities in the British Zone numbered 4,934 persons in June 1949.²²

In October 1946, a coordinating body of the German Jewish communities, the *Rat der Jüdischen Gemeinden der britischen Zone* (Council of the Jewish Communities in the British Zone) came into being.²³ It was affiliated with the Central Committee of the Liberated Jews in the British Zone, led by the charismatic leader, Josef (Yossele)

²¹ There are case studies on the reconstitution of the Jewish communities in the British Zone. On Hanover, see, Anke Quast, *Nach der Befreiung: Jüdische Gemeinden in Niedersachsen seit 1945 – das Beispiel Hannover* (Göttingen: Wallstein, 2001). On Düsseldorf, see, Donat Strathmann, *Auswandern oder Hierbleiben? Jüdisches Leben in Düsseldorf und Nordrhein 1945-1960* (Essen: Klartext, 2003). On Cologne, Günther B. Ginzler, "Phasen der Etablierung einer jüdischen Gemeinde in der Kölner Trümmerlandschaft 1945-1949," in *Köln und das rheinische Judentum: Festschrift Germania Judaica 1959-1984*, ed. Jutta Bohnke-Kollwitz et al. (Cologne: J.P. Baehem, 1984), pp. 445-461; Monika Grübel, "Nach der Katastrophe: Jüdisches Leben in Köln 1945 bis 1949," in *Zuhause in Köln: Jüdisches Leben 1945 bis heute*, ed. Günther B. Ginzler and Sonja Güntner (Cologne, Weimar and Vienna: Bohlau, 1998). On Hamburg, Ina Lorenz, "Jüdischer Neubeginn im "Land der Mörder"? Die Wiederaufänge Hamburger Jüdischer Gemeinde in den Nachkriegsjahren," in *Leben im Land der Täter: Juden in Nachkriegsdeutschland (1945-1952)*, ed. Julius H. Schoeps (Berlin: Jüdische Verlagsanstalt, 2001), pp.97-132; Ursula Büttner, "Rückkehr in ein normales Leben? Die Lage der Juden in Hamburg in den ersten Nachkriegsjahren," in *Die Juden in Hamburg 1590 bis 1990: Wissenschaftliche Beiträge der Universität Hamburg zur Ausstellung "Vierhundert Jahre Juden in Hamburg"*, ed. Arno Herzig in Zusammenarbeit mit Saskia Rohde (Hamburg: Dölling und Galitz, 1991), pp.613-632; Ina S. Lorenz and Jörg Berkemann, "Kriegsende und Neubeginn: Zur Entstehung der neuen Jüdischen Gemeinde in Hamburg 1945-1948," in the same volume, *Die Juden in Hamburg 1590 bis 1990*, pp.633-656.

²² The Jewish Committee for Relief Abroad Bulletin, June 13, 1949, CBF, R24, 129/116.

²³ Lavsky, *New Beginnings*, p. 132.

Rosensaft.²⁴ Unlike the American Zone, in which the Jewish DPs of East European origin constituted the overwhelming majority of the Jewish population, the number of Jewish DPs in the British Zone stayed below 20,000, even at the peak of the DP movement in 1946/47, due to the restrictive British policy on the entry of DPs into the zone. Therefore, the constituted Jewish communities were characterized by the stronger presence of German Jewish survivors and returnees, although there were communities consisting overwhelmingly of DPs, such as that of Celle, Brunswick and Lübeck.²⁵ Despite the British policy of separating the Jewish DPs and the German Jews, liaison between the two groups was good thanks to the close ties between Rosensaft and Norbert Wollheim,²⁶ a German Jewish leader of the Lübeck community. Wollheim represented the department for the German Jewish communities inside the Central Committee. Cooperation between the DP leadership and the German Jewish groups was largely due to Wollheim's pronounced advocacy of Zionism and his negative attitude toward the re-establishing of the Jewish community in Germany. He promoted the emigration of Jews from Germany and considered cooperation with the international Jewish organizations essential for the interests of the communities.

It was Wollheim who represented the German Jewish communities in the negotiations with the British Jewish groups concerning the establishment of a British successor

²⁴ Josef Rosensaft (1911-1975): born in Bedzin, Poland. He survived several concentration and forced labor camps, and was liberated at Bergen-Belsen. Chairman of the Central Committee in the British Zone. A committed Zionist. Nonetheless, he immigrated to the United States in 1957.

²⁵ Lavsky, *New Beginnings*, pp. 87-90

²⁶ Norbert Wollheim (1913-1998): born in Berlin. During the Third Reich he organized a rescue program for children, the *Kindertransport* to England. He lost his wife and son in Auschwitz. Founder of the Lübeck Jewish community. Immigrated to the United States in 1951. He brought the industrial concerns I.G. Farben to court for the compensation of forced labor in Auschwitz, and won the case in 1953. This was the first successful case against the German enterprises which had used the forced laborers during the war. He died in New York. (On the Wollheim vs. I.G. Farben case, see the following literature: B. Ferencz, *Less Than Slave*; Wolfgang Benz, "Der Wollheim-Prozeß: Zwangsarbeit für I.G. Farben in Auschwitz," in *Wiedergutmachung in der Bundesrepublik Deutschland*, ed. Ludolf Herbst and Constantin Goschler (Munich: Oldenburg, 1989), pp.303-326.

organization. He was known to share the view of the foreign Jewish organizations that the heirless property should first serve the entirety of Jewish interests. Acknowledging him as the undisputed leader of the survivors, however, other community leaders did not necessarily share his view on the future of the Jews in Germany, nor the policy of collaboration with the Central Committee.²⁷ There were obvious differences in the interests of a group whose objectives were set on emigration, and of a group which was trying to re-establish its existence in Germany. The issue of the heirless property was one of the points where such differences were most articulated. Some German Jewish leaders felt that their positions were not properly represented by Wollheim vis-à-vis the British Jewish groups.²⁸

The communities objected, among others, that the communal property be treated together with the heirless and unclaimed private property in the envisaged trust corporation. Instead, they insisted that two corporations be established, one for the private property and the other for the communal property, and that the latter's proceeds would be used for the benefit of the communities but their surplus could be remitted to the former.²⁹ The foreign Jewish organization could not accede to the demand of the German Jewish communities on the creation of two trust corporations, first because it was very unlikely to be accepted by the Foreign Office. It was already difficult enough to obtain the approval for one trust corporation. Moreover, the British authorities conveyed more than once that they would not act as an arbiter between the Jewish groups. Secondly, two corporations would unfavorably influence the position of the JRSO. The British Jewish groups indeed suspected that the communities were of the opinion that they would fare

²⁷ In December 1949, the German Jewish communities factually ceded from the Central Committee in Belsen. (Lavsky, "Die Anfänge der Landesverbände," p.232.)

²⁸ Quast, *Nach der Befreiung*, p.202.

²⁹ William Frankel to Foreign Affairs Department, December 19, 1949, YIVO, 347.7, FAD 41-46, Box 31.

much better if no trust corporation would be established, and if the matter be left in the hands of the German governments.³⁰ It was hence most important to include the communities within the framework of the trust corporation.

To iron out the differences and open the way for the creation of the second Jewish successor organization after the JRSO, a conference was held on March 1-3, 1950 in London. The representatives of the German Jewish communities, including Wollheim and Harry Goldstein (Hamburg), met those of the major foreign Jewish organizations (the CBF, the Jewish Agency, the JDC, the Board of Deputies, the Anglo-Jewish Association, the WJC, the URO, the Council of Jews, the Jewish Committee for Relief Abroad, the Agudas Israel). It began with the German Jewish representatives' refusal of the "Stuttgart formula" offered by the British groups, proposing that the communities receive title to properties they would need for communal purposes, on the condition that they would not mortgage or sell them without the consent of the trust corporation. Goldstein stated that the communities would be forced into dependence.³¹ The positions of the two parties were far apart, but Wollheim's compromise proposal saved the talks. He proposed that the principle of one trust corporation be accepted on the condition that a special body would be created to deal with the disposal of the communal property, a body in which the communities would be represented equally with the other Jewish bodies.³²

This proposal was elaborated on the next day and the conference met again on March 3, where the so-called "London Agreement" was signed.³³ It was agreed that the Jewish Trust Corporation (JTC) should be established without delay and serve as the sole claimant to all the individual heirless and unclaimed property and the communal property.

³⁰ CBF to J.J. Jacobson, February 10, 1950, CAHJP, JRSO-NY, 640a.

³¹ Conference with leaders of German Jewish communities, March 1, 1950, CZA, Z6, 387.

³² Ibid.

³³ Minutes of the Agreement made at London, March 3, 1950, ZA, B.1/15, 302. The full text of the London Agreement in Kpralik, *Reclaiming the Nazi Loot*, pp.151-152.

It was agreed further that a department be created within the JTC, which would deal exclusively with the use and disposal of the communal property. It would be governed by the Special Committee, half of whose members would be designated by the German Jewish communities and the other half by the CBF, the JDC, the Jewish Agency and the Council of Jews. This meant that the German Jewish groups could have an equal say as that of the important foreign Jewish organizations inside the Special Committee – this was much more favorable toward the interests of the communities than the Advisory Committee of the JRSO.

This agreement was a product of concessions. “Without considering the legal views of the respective parties,” as it stated, the agreement did not touch upon the legal aspects of the issue as to whether the communities should be regarded as the legitimate successors of the former communities. This is exactly why the London Agreement was called a “standstill agreement”: the creation of the Special Committee had to be unprejudicial toward the legal positions of the communities. The agreement was presented for the ratification of the Jewish communities.

Meanwhile, an unexpected development came from a German corner. On February 16, 1950, the Land Parliament of North Rhine-Westphalia passed a law which would bestow the Jewish communities with the status of corporations of public law with the capacity to collect synagogue taxes, and recognize them as legal successors to the communities which had lost their status by the decree of March 28, 1938.³⁴ It was intended to clarify the legal status of the Jewish communities in this Land, for some communities, such as Düsseldorf and Essen, had already applied for the recognition. Approximately at the same time, on February 17, the British High Commission had issued Ordinance No.205

³⁴ Telegram from the Foreign Office (German Section) to Wahnerheide, February 18, 1950, PRO, FO 371, 85250. Also, see, Draft Land law relating to the Jewish communities, February 7, 1950, PRO, FO 371, 85250.

amending Article 7 of the restitution law. It limited the right to claim the property of dissolved associations to a successor organization.³⁵ The effect of the Land law fundamentally contradicted what the British decree had ordered, and if promulgated, it would produce concurrence between the trust corporation to be established and the communities empowered by the German law. A similar law was issued in the Land Rhineland-Palatinate in the French Zone in January 1950, which resulted in the small Jewish communities receiving communal assets superfluous to their actual needs.

The issue was brought before the Review Committee of the Allied High Commission on March 24, 1950. In its contradiction with the Military Government Law No.59 (and therefore an infringement of the Allied authority on restitution), it was agreed that this law should be disapproved.³⁶ This recommendation was approved by the Council of the Allied High Commission on March 30, and an order was sent out next day to the Land commissioner of North Rhine-Westphalia to disapprove the law.³⁷

After the projected Land law which gave a slight hope to the communities in North Rhine-Westphalia was vetoed, a meeting was held between the representatives of the CBF and the German Jewish communities in Hamburg on May 7, 1950, in which the Landesverbände and the communities accepted the London Agreement.³⁸ The

³⁵ Ordinance No. 205, February 17, 1950, PRO, FO 944, 146. Article 7 of the 1949 restitution law read: "If a juridical person, unincorporated association or partnership was within the material period, dissolved or compelled to dissolve for any of the reasons referred to in Article 1, the claim for restitution may be pursued by any shareholder, member or partner." Amended Article 7 reads: "Claims of Dissolved Associations and Partnerships Claims for restitution of property formerly belonging to any juridical person, unincorporated association or partnership, devoted to relief, religious, charitable or humanitarian purposes, ... which was within the material period dissolved or compelled to dissolve ... shall be filed only by a successor organization. The decision whether a particular organization is to be treated as the successor to a dissolved organization shall be made, ... by the Restitution Chamber, who shall make their decision on equitable principles."

³⁶ Council of the Allied High Commission, Law relating to Jewish communities (North Rhine/Westphalia), March 27, 1950, PRO, FO371, 85251.

³⁷ G.P. Glain, Secretary General, to Land Commissioner, North Rhine-Westphalia, March 31, 1950, PRO, FO371, 85251.

³⁸ Report on the meeting with the representatives of the German Jewish communities, May 7, 1950,

Landesverband in North Rhine, which initially reserved its approval, consented to it in view of the fact that the Land law ended abortive.³⁹ With the ratification of the London Agreement by the German Jewish communities, the way to establish the British successor organization finally became free. On June 4, 1950, the Jewish Trust Corporation for Germany officially came into being.⁴⁰ In its memorandum of association, one of the aims of the corporation was described as to work “for the benefit of the Jewish Communities in Germany and Jewish victims of Nazi or other persecution or discrimination” and to “aid and assist the Jewish communities in reviving their essential synagogues, hospitals, schools and other communal institutions.” Such an emphasis on the rehabilitation of the Jewish communities was obviously a gesture for the German Jews and for the Foreign Office.⁴¹ Sir Henry D’Avigdor Goldsmid was appointed Chairman of the corporation, C.I. Kapralik – General Secretary, and Reinhold Lachs, a German-born Jew who had become an English barrister – General Manager of the operation in Germany.⁴² The JTC was incorporated on June 23, 1950 in London.⁴³ On August 18, 1950, Regulation No.7 was issued designating the JTC as the successor organization for the heirless and unclaimed Jewish property and the property of dissolved Jewish organizations in the British Zone.⁴⁴

In accordance with the London Agreement, the Special Committee was constituted in December 1950.⁴⁵ The four foreign organizations (the JDC, the Jewish Agency, the CBF, and the Council of Jews) each sent one member to the Committee, and the *Verband der*

CZA, S35, 117.

³⁹ Julius Dreifuss to Kapralik, May 24, 1950, CZA, S35, 117.

⁴⁰ JTC first annual report for the period from inception to 30. September 1951, JDC-J, Geneva IV, 9/1c, File 14.

⁴¹ For the text of the Memorandum, see, Kapralik, *Reclaiming the Nazi Loot*, p.134.

⁴² Minutes of an informal meeting of members of the executive committee, June 4, 1950, CAHJP, JRSO-NY, 640a.

⁴³ JTC report to the council, June 30, 1950, CAHJP, JRSO-NY, 640a.

⁴⁴ *Official Gazette*, No. 30, August 18, 1950.

⁴⁵ Summarishcers Protokoll der 1. Sitzung des Spezialkomitees, December 13, 1950, CZA, L47, 190-I.

Jüdischen Gemeinden Nordwestdeutschlands (Federation of Jewish Communities in North-West Germany, hereafter Verband) – a representative body of the Jewish communities in the British Zone – appointed four members. The creation of the Verband had its origin in the negotiations with the foreign Jewish groups – safeguarding their interests in the matters relating to the heirless property was one of the binding factors of this organization.⁴⁶ E.G. Lowenthal, a German Jew who immigrated to England, assumed the position of secretary of the Special Committee.⁴⁷ Under the Special Committee a steering committee was created, which met between the Special Committee meetings and examined the restitution items brought by the communities.

4.3. “Exclusive” Claims of the JTC

Two possibilities existed in the British Zone when dealing with the communal property. If they were in the hands of private individuals, they could be claimed and recovered through normal restitution proceedings. If they had passed into the Reichsvereinigung – which was in the majority of the cases – the procedures were a little more complicated. First of all, there was a debate on the nature of the Reichsvereinigung property, as to whether it should be deemed Nazi property. By the terms of the Control Council Directive No. 50, the property which had belonged to the Nazi organizations was vested to the respective Zone commanders, who could in turn appoint commissions to

⁴⁶ The establishment of the Verband was decided upon during the meeting in Hamburg on May 7. Also, see, Quast, *Nach der Befreiung*, p.202-203. In the Federation of the Jewish Communities in North-West Germany, the following Jewish communities and their Land Federations participated: the Jewish communities of Cologne and Hamburg, the Land Federations of North-Rhine, Westphalia, Lower Saxony and Schleswig-Holstein.

⁴⁷ Ernst Gottfried Lowenthal: (1904-1994): born in Cologne, member of the Central Association of German Citizens of the Jewish Faith (Centralverein) and the publisher of its organ, CV-Zeitung. Emigrated to England in 1938. Field Director of the JRU 1946-1949, director of the communal property division of the JTC 1951-1953. Died in Berlin.

deal with the matter. In the British Zone, the General Claims Commission (*Allgemeiner Organisationsausschuß*) – a quasi-judicial committee composed of German judges – was created in Celle in 1950 to decide on the transfer of the property. When the claimants were not completely identical with the organizations which had been originally deprived of their property, the commission transferred the property to their successors. The question arose as to whether the restitution claims filed by the constituted Jewish communities should be decided before the General Claims Commission, in light of the communities' aims and functions. By the terms of the amended Article 7 of the British restitution law, in fact, the right to claim the property of the dissolved Jewish organizations was vested with the successor organization. The British authorities maintained the view that if no legal entity identical with the former organization existed on May 8, 1945, the organization would be considered dissolved.⁴⁸ Obviously, no Jewish community existed which was identical with its predecessor at the time of German capitulation. Whether the constituted communities had been incorporated in the registry or granted the status of corporations of public law – these points were irrelevant to the exclusive claims of the JTC. Nonetheless, confusion prevailed in dealing with the claims of the postwar communities before the General Claims Commission, even after the designation of the JTC in August 1950.⁴⁹

In this situation, the British High Commissioner simply reserved the decisions on these matters to his power. He issued Regulation No. 10 on March 2, 1951, in which the JTC was given the “exclusive” rights on the property of the dissolved Jewish organizations.⁵⁰ That is, all Jewish organizations shall be seen dissolved without any exceptions before

⁴⁸ M.J.P. Kelly, Internal Restitution Section, to Lachs, January 14, 1951, BAK, Z36, I-52.

⁴⁹ For example, see, *Übertragung von Vermögenswerten der Reichsvereinigung der Juden in Deutschland*, December 22, 1950, BA, Z36, I-52.

⁵⁰ On Regulation No. 10, see, Kapralik, *Reclaiming the Nazi Loot*, pp.155-157.

May 8, 1945, and the JTC was the sole rightful claimant for any claim on the Jewish communal and organizational property. The properties before the General Claims Commission were automatically transferred to the JTC. This was obviously a political decision on the part of the British authorities. Allied authority on the restitution matters was the ultimate tool for the British authorities to do away with the time-consuming task of scrutinizing the merits of each case. It was in contrast to the U.S. Zone, where the postwar communities disputed the point as to whether such a dissolution took place at all. This was only possible because of the London Agreement, in which the German Jewish communities acknowledged the exclusive claims of the JTC on the communal property.

Yet, there were groups which challenged the rule laid down by the High Commissioner. According to Kapralik, they were the “small communities which had chosen to stay outside the organization which had been created by the great majority of the communities in the British Zone.”⁵¹ One such example was the case of the Minna-James-Heinemann Foundation in Hanover, and that of the Jewish community of Rheda.

The foundation, intended for the care of elderly, mostly Jewish women, was established in Hanover in 1927, by a Belgian national Dannie Heinemann, in memory of his mother, who originated from that city. The foundation was incorporated into the Reichsvereinigung in 1941, and its property was sold to a Nazi welfare organization. Following the war, the original founder Heinemann, by then a U.S. national, appointed a new board of directors to re-establish the foundation, and obtained an opinion from the Interior Minister of the Land Lower-Saxony in 1950 that with the dissolution of the Reichsvereinigung, the foundation was revived as the original entity. The new board of the foundation then requested the transfer of the property before the General Claims

⁵¹ Kapralik, *Reclaiming the Nazi Loot*, p.32.

Commission. The JTC contested the claim of the Foundation, maintaining that it be the sole rightful claimant. The General Claims Commission decided on April 24, 1951 that the original foundation had been dissolved, and hence the claims on dissolved Jewish associations belonged solely to the JTC.⁵² This was rather a special case in light of the fact that the original founder was still alive. The British authorities wished justice to be done for the founder, and it was ultimately agreed upon with the British authorities as well as with the newly created Heinemann Foundation, that the JTC would claim and receive the property, but it would then be handed over to the new foundation.⁵³

This was the model cases on the claims of dissolved Jewish associations. Several crucial interpretations were established, such as the nature of the Reichsvereinigung as a Nazi organization, and the “incorporation” into it equaled “dissolution” – and therefore the exclusive right of the JTC on the property. This was the first case decided by the highest Allied court on the rivaling claims of Jewish groups, and it provided the grounds on which the later Augsburg decision of 1954 was built.

The case of the community of Rheda greatly resembled the Augsburg case, in which the newly constituted community claimed the restitution of the communal property, maintaining that it had never ceased to exist. The British Board of Review upheld the decisions of the Appellate Court on February 19, 1952,⁵⁴ and confirmed the right of the JTC on the property. The essence of the judgment was expressed in the following sentences of the court:

⁵² Beschluß, Allgemeine Organisationsausschuß, April 24, 1951, BA, B126, 9984. See, also, Gutachten betreffend die Minna-James-Heinemann-Stiftung, March 1951, BA, Z36, I-52. The extract of the decision is printed in Kapralik, *The History of the Work of the Jewish Trust Corporation for Germany*, vol. II, p.89-95.

⁵³ Memorandum on the former charitable endowments in the British Zone of Germany, June 7, 1951, CZA, L47, 190-I, JTC.

⁵⁴ *Decisions of the Board of Review, Part II, Cases Decided in February 1952* (n.p.: Printing and Stationary Service RAOC, British Army of the Rhine, 1952), pp.42-50. For the extract, see, Kapralik, pp. *The History of the Work of the Jewish Trust Corporation for Germany*, vol. II, pp.95-97.

In our opinion the word “dissolution” in Article 7, Paragraph 2, must be given a wide interpretation, and is not restricted to dissolution within a limited meaning of the Civil Code. If that limited meaning were intended, the remedies provided by Article 7, Paragraph 2, might apply to a narrow category of cases in which organizations disappeared between 1933 and 1945: and many other such cases would be unprovided for. We cannot think that it was the intention to create such a distinction.⁵⁵

The epilogue of the successor issue was the creation of the *Jüdische Gemeindefonds Nordwestdeutschland e.V.* (Jewish Communal Funds for North-West Germany) in 1958, through which all the claims of the communities arising out of the British restitution law, the BEG and the BRüG, were regulated.⁵⁶ With the creation of a central administration of the restitution and indemnification money, the function of the Special Committee became redundant, and accordingly it was dissolved.⁵⁷ A total of 253 communal properties were restituted, of which all except one was sold before 1960.⁵⁸ In 1962, the London office of the JTC took over the remaining work in Germany.

⁵⁵ *Decisions of the Board of Review*, p.48.

⁵⁶ Creation of Jewish Communal Fund North West Germany, May 29, 1958, ZA, 1.15/452. For the division of the communal property and the indemnification payment, see, Schreiber, *op.cit.*, pp.187-188. It shall be noted that the funds came into being before the creation of the two Communal Funds in the U.S. Zone.

⁵⁷ Agreement between the JTC and the Verband of Jewish communities in North West Germany, June 7, 1955, ZA, B.1/15, 302.

⁵⁸ Kapralik, *The History of the Work of the Jewish Trust Corporation for Germany*, vol. II, p.7.