Introduction

The almost complete annihilation of European Jewry had left in its wake a postwar situation unprecedented in history and unknown in scope. There remained a large amount of Jewish property, the rightful owner of which had been murdered together with all their kin, leaving no heirs. Under normal circumstances, heirless property reverts or escheats to the state. But it was morally and politically unacceptable that the German Länder (states), the legal successors of the Third Reich, fall heir to the assets of the Nazis’ victims. The Nazi regime had stripped the German Jews of citizenship and property; it would have been a colossal injustice for German states to declare the murdered German Jews – postmortem – “German citizens” and to come forward as the successors to their property.

To prevent the Jewish assets from falling into the coffers of the German treasury, Jewish successor organizations were created in the three Western occupation zones of Germany, in order to retrieve the heirless Jewish property. The first was the Jewish Restitution Successor Organization (JRSO) in the U.S. Zone in 1948, followed by the Jewish Trust Corporation (JTC) in the British Zone in 1950, and lastly, the Branche Française de la Jewish Trust Corporation (French Branch of the JTC, hereafter French Branch) in the French Zone in 1952. As the successors to the deceased Jewish individuals and the dissolved Jewish associations, they claimed, received, administered, and eventually disposed of the ownerless Jewish property – which would have otherwise devolved to the states.

The activity of the Jewish successor organizations was in many respects unprecedented. Their operation was aimed to benefit an entire class of people who suffered damage from Nazi persecution, which indeed meant the Jewish people as a whole. Such a broad definition of a victim group, and the legal redress thereof, extended far beyond the
territorial boundary of Germany, and therefore transcended the conventional framework of a nation-state. This novelty, in terms of international politics and international law, has been neglected in the research on the subject, and consequently, the history of the successor organizations has hardly been studied despite its importance.

There are only a handful of studies which deal exclusively with these successor organizations. They were written by contemporaries who had themselves engaged in the operation of the organizations. One study is the article by Ernest Weissmann, who was the comptroller and the director of the Reports and Information Office of the JRSO, and which appears in the six-volume series: Die Wiedergutmachung nationalsozialistischen Unrechts durch die Bundesrepublik Deutschland, published by the Ministry of Finance of the Federal Republic of Germany. Based on the precise knowledge of an insider, it provides an overview of the operation of the successor organizations.1 Weissmann’s article is an undisputed reference work for the history of the successor organizations, however, from his legal text it is difficult to grasp the political (domestic and international) and social context in which the successor organizations operated. An additional study, composed by the director of the JTC, Charles I. Kapralik, provides detailed accounts of the organization, in his two-volume The History of the Work of the Jewish Trust Corporation for Germany.2 A recent article, written by Ruth Schreiber, concerning the relations of the successor organizations with the Jewish communities in Germany, is also


available. However, it is problematic in terms of its primary sources, and contains a number of inaccuracies. Lastly, there is an article by the author, “The ‘Gemeinde Problem’: The Jewish Restitution Successor Organization and the Postwar Jewish Communities in Germany, 1947-1954.” This is the first study written on the JRSO based on its organizational records. In brief, research on the successor organizations has barely begun.

In contrast to this, there is an abundance of historical literature on the German Wiedergutmachung, in which the history of the successor organizations shall be located. Yet, even in some of the most cited works on the Wiedergutmachung – Constantin Goschler’s Wiedergutmachung: Westdeutschland und die Verfolgten des Nationalsozialismus (1945-1954), Ludolf Herbst and Goschler’s Wiedergutmachung in

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3 Ruth Schreiber, “New Jewish Communities in Germany after World War II and the Successor Organizations in the Western Zones,” in The Journal of Israeli History vol. 18, Nos. 2/3 (1997), pp.167-190. Neither the organizational papers of the JRSO nor the records of the German Jewish communities were consulted in her work. Her sources rely for the most part on the Israeli archives, which results in an account from an Israeli point of view. Given that the Israeli sources are generally unfavorable toward the German Jewish communities, this article seems to lack balance. This article is based on her Ph.D. thesis entitled “The New Organization of the Jewish Community in Germany 1945-1952” (Hebrew). Due to my inability to read Hebrew, I cannot certify that Schreiber factually did not use the records of German Jewish communities in her dissertation. It is possible, however, German-Jewish records were only just beginning to be accessible at the time of her research.


5 Literally: “to do good again.” This term is generally employed to describe the restitution and compensation measures taken by the West German State toward the victims of National Socialism. It occasionally includes the measures initiated by the Military Governments. This terminology, well-established in German historiography, should not be applied without certain reservation. Israeli historian Yeshayahu A. Jelinek, for example, proposes the term “Shilumim,” a Hebrew word for material compensation instead of Wiedergutmachung. The underling idea is that the Nazi crime cannot in any way be made good again. The German acts are thus strictly restricted to material dimension. See, Jelinek, “Israel und die Anfänge der Shilumim,” in Wiedergutmachung in der Bundesrepublik Deutschland, ed. Ludolf Herbst and Constantin Goschler (Munich: Oldenbourg,1989) pp.119-138. With his criticism in mind, the author nonetheless employs the term Wiedergutmachung to refer to the wide range of measures taken by the West German State. Vague as it is, it represents the multi-facetted aspects of atonement, which extended over the moral, material and political dimensions.

der Bundesrepublik Deutschland, and Hans Günther Hockerts’ compressed but wide-ranged article, “Wiedergutmachung in Deutschland: eine historische Bilanz 1945-2000” – reference to the successor organizations is only marginal.

How could this omission and the absence of research be explained? The response to this question contains both objective and subjective reasons. Objectively, it is and has been difficult to obtain the records of the successor organizations. Among the three organizations, only the documents of the JRSO at the Central Archives for the History of Jewish People (CAHJP) in Jerusalem have been accessible to researchers, while those of the JTC and the French Branch remained closed at the time of this writing (2003). Nonetheless, the absence of research shall be attributed more to the academic, and indeed, political, environment surrounding this theme, than to mere technicalities of collecting documents. As Herbst observed in the above mentioned book at the end of 1980s and Hockerts confirmed a decade later, the 1952 Luxembourg Agreements has been considered the Wiedergutmachung. Studies are naturally concentrated on them and they are indeed far more advanced. However, as Ronald W. Zweig points out, the German-Jewish negotiations leading to the conclusion of the Agreements constituted the third phase of the reparations process, after the first phase (the formation of the Jewish collective claims and the Allied response at the Paris Conference on Reparation end of

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7 Wiedergutmachung in der Bundesrepublik Deutschland, ed. Ludolf Herbst and Constantin Goschler (Munich: Oldenbourg, 1989).
9 Ibid., p.178.
1945) and the second phase (restitution of the heirless property in Germany).\footnote{Ronald W. Zweig, “Restitution, Reparations and Indemnification: Germany and the Jewish World,” in The Journal of Israeli History, vol.18, No.2 and 3 (Autumn 1997), p.133. In his important work German Reparations and the Jewish World, Zweig does not deal with the successor organizations, but he analyses the international political background of the restitution issue, which corresponds to the “first phase,” in his earlier article “Restitution and the Problem of Jewish Displaced Persons in Anglo-American Relations, 1944-1948,” published in American Jewish History LXXVIII (September 1988), pp.54-78.} Without a doubt, the concentration of studies on the Luxembourg Agreements and their implementation is proportional to their political weight on the international scene. As the direct result of difficult negotiations between the former perpetrators and the victims, the Agreements occupy an important place in both German and Jewish historiography.

In German historiography, they were considered one of the most distinguished political achievements of the Adenauer government, which secured a place for West Germany among the family of nations, and consolidated the country’s democratic orientation. The West German Wiedergutmachung, which commenced in large scale thereafter with the promulgation of the 1953 Bundesentschädigungsgesetz (Federal Indemnification Law, BEG), was not confined to the purely legal measures of righting the wrongs. It is now understood as a term which represents the multi-facetted aspects of atonement, and which extends beyond the moral, political and social dimensions. The political culture of West Germany underwent fundamental changes through the engagement in the Wiedergutmahcung, without which the German Vergangenheitsbewältigung (coming to terms with the past) could not be discussed. The history of Wiedergutmahcung is, therefore, often identified with the long and thorny path of the democratization of the German society.

In Jewish historiography, the Luxembourg Agreements signified a realization of Jewish “collective” claims against Germany. A state, which did not exist at the moment of injury, but which later came to represent the majority of the victims, received the reparations –
this was hailed as a breakthrough in the practice of international law.\textsuperscript{12} In addition, the money and goods which flowed in to Israel from West Germany factually consolidated the infrastructure of the young state.\textsuperscript{13} They represented the climax of the Jewish struggles for justice, as well as an unusual achievement of Israeli and world Jewish politics. The political and social impact of the reparations agreement was so profound that it dwarfed whatever came before. The successor organizations are pushed into the background as a “pre-stage” of the global settlement. Yet, one aspect is often ignored. As Zweig rightly points out, the Luxembourg Agreements constituted the climax, because other Jewish demands in the early postwar period – such as the transfer of the heirless Jewish assets located in the wartime neutral countries to the Jewish welfare organizations – did not bear fruit.\textsuperscript{14} Despite the efforts to recover the heirless Jewish property in Europe for the benefit of the surviving Jewish victims, few states shared interests and sympathy in turning over the property to the representatives of world Jewry. The property was increasingly “lost” due to the intensifying Cold War, and after the conclusion of the Agreements with Germany, the pursuit of such demands became less politically, let alone economically, “interesting.” The property issue was sealed and remained frozen until the fall of the Communist regimes in Eastern Europe, which brought an end to the postwar status quo and “defrosted” this old issue.\textsuperscript{15}

This explains the “sudden” surge of public and academic interest in the heirless Jewish property in the late 1990s. Beginning with the allegation toward the Swiss Banks, that

\textsuperscript{12} See, for example, Sagi, op. cit., pp.31-48.
\textsuperscript{13} See, for example, Yeshayahu A. Jelinek, “Implementing the Luxembourg Agreement: The Purchasing Mission and the Israeli Economy,” in \textit{The Journal of Israeli History}, vol.18, No.2 and 3 (Autumn 1997), pp.191-209.
\textsuperscript{14} Zweig, \textit{German Reparations and the Jewish World}, 2d Ed., p.4.
they enriched themselves with the money in the dormant accounts of the Nazi victims, an
avalanche of litigations followed in the United States – demanding the restitution of
so-called Holocaust-era assets, such as bank accounts, unpaid insurance policies, stolen
art works, etc. 16 With the resurfacing of “forgotten” restitution after half a century, the
public justifiably asked “why now,” and “why was justice so delayed.” The heirless
property was a blank page in the history of Jewish restitution and indemnification.

The environment surrounding this theme has undergone a tremendous change since the
late 1990s. The European nations began to reexamine the spoliation of Jewish property in
their own countries and their postwar policies of restitution. Since then, twenty four
historical commissions were established world wide, and many research projects were
launched. 17 Curiously, however, the precedent of recovering the heirless Jewish assets in
Germany by the three Jewish successor organizations was seldom mentioned in these
recent discussions. Even in the most recent scholarly works, they were not dealt with. 18
Moreover, only a few were aware that the JR SO, the JTC and its French Branch are in

16 For recent publications on the Holocaust-era assets, see for example, Marilyn Henry, The
Restitution of Jewish Property in Central and Eastern Europe (New York: AJC, 1997); U.S. and Allied
Efforts to Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World
War II, Preliminary Study, Coordinated by Stuart E. Eizenstat Under Secretary of Commerce for
International Trade, Special Envoy of the Department of State on Property Restitution in Central and
Eastern Europe, Prepared by William Z. Slany, The Historian, Department of State (May 1997)
(hereafter Eeizenstat Report), http://www.state.gov/www/regions/eur/rpt_9705_ng_links.html; Itamar
Levin in corporation with Jewish Agency for Israel/World Jewish Restitution Organization, The Last
Caper of the Holocaust? (Jerusalem: Maor Walch Press, 1998); Stuart Eisenstat, Imperfect Justice:
Looted Assets, Slave Labor, and the Unfinished Business of World War II (New York, PublicAffairs,
2003); Michael Bazyler, Holocaust Justice: The Battle for Restitution in America’s Courts (New York,
New York University Press, 2003); also, the special issue on “Historical Commission and Restitution”
of Zeitgeschichte 5, September/Oktober 2003.

17 Among others, Bergier Commission in Switzerland, Mattéoli Mission in France, and the
Historikerkommission in Austria published series of studies extending from the “Aryanization” to the
postwar restitution. This work profited from the newly unearthed facts by these commissions.

18 See for example, The Plunder of Jewish Property during the Holocaust: Confronting European
History, ed. Avi Baker (New York: New York University Press, 2001); “Arising” und Restitution:
Die Räckerstattung jüdischen Eigentums in Deutschland und Österreich nach 1945 und 1989, ed.
Constantin Goschler and Jürgen Lillteicher (Göttingen: Wallstein, 2002); Raub und Restitution:
“Arising” und Räckerstattung des jüdischen Eigentums in Europa, ed. Constantin Goschler and
Philipp Ther (Frankfurt: Fischer, 2003).
fact the prototype of today’s World Jewish Restitution Organization (WJRO), which has been seeking the restitution of Jewish communal property as well as of the heirless and unclaimed property in the post-Communist East European countries, and which has been the negotiating partner of the European enterprises along with the WJC. The settlement in the form of the lump sum payments with the European banks and insurance companies was indeed the pattern established by the successor organizations many decades ago. Furthermore, the same people who were engaged in the first phase of restitution directly after the Second World War, were again involved in the second phase of restitution in the late 1990s.

In this light, this study is an attempt to fill in the blank page of restitution. Without understanding the successful restitution of the heirless property in West Germany, one may not be aware of the crucial elements which preceded the present situation, and consequently not understand the success or failure of the restitution in the 1990s. Yet, reconstructing the complete history of the successor organizations is not the objective of this work. To scrutinize the far-reaching juridical, political and economic traces left by them is well beyond the scope of this research study. Instead, it focuses on one inner Jewish aspect which reflects the essence of the work of the successor organizations, as described below.

**Jewish Life in post-Holocaust Germany**

An additional objective of this work is to locate the successor organizations in the

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outline of postwar German Jewish history. 20 This shall be discussed in the context of continuity or discontinuity of Jewish existence in Germany, which has been in fact one of the focal points in postwar German Jewish historiography. Was there continuity between the Jewish communities before and after the war? Did the history of the Jews on German soil come to an end, as some prominent German Jews, notably Rabbi Leo Baeck, had asserted? Who then succeeded the legacy of German Jewry, a community which had enjoyed the awe and respect of Jews and non-Jews alike as the cultural and intellectual center of Germany? These questions have continually been asked by the German Jewish immigrants, as well as by the small groups of survivors in Germany, since the end of the war. This was the core of the problem of Jewish identity in postwar Germany, where Jews were said to be “sitting on packed suitcases.”

These historical-philosophical questions were materialized in the disputes with the successor organizations over the ownership of the communal Jewish property. The successor organizations were designated by the Allied authorities as the sole successor to the communal, as well as to the individual heirless Jewish assets in their respective zones. This resulted in a rivalry of claims by the “re-established” local Jewish communities over

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the succession of the communal property, such as synagogues, cemeteries, old age homes and community centers. These communities claimed that they were the continuation of the Jewish institutions, which existed before Hitler, and therefore their rightful heirs. Contrary to such claims, the successor organizations assumed a break in the continuity of the Jewish communities before and after the war. The purpose of their operation – liquidation of Jewish property left unclaimed in Germany – in itself presupposed a virtual end of Jewish existence there.

It was foremost a legal issue to determine who possessed the right of succession, and thus was to be solved within a legal framework. Yet, it also contained an undeniable political element because the rivalry of claims among the Jewish groups (who were both acknowledged victims of National Socialism) fundamentally concerned with their “legitimacy.” The question was, therefore, which group of Jews should be considered to have “more” legitimate claims. This was the yardstick of the Jewish politics at the time, which went through a fundamental change as a result of the catastrophe. In this regard the successor issue reflected a shift in Jewish ideology, and represented a crystallization of the new self-understanding of the Jewish world after the Holocaust.

Some important points will be clarified before going on to the main subject.

First, the scope of analysis in this study is limited to the three western zones of Germany, excluding the western sectors of Berlin. The Soviet Occupation Zone and the Soviet sector of Berlin (later East Germany) are excluded, for no Jewish successor organization was established there. The western sectors of Berlin are excluded, primarily because the records of the Berlin Jewish community are not available. Moreover, West Berlin had its own restitution law of May 1949, in accordance with which the American
JRSO operated as the successor organization in all three sectors, while acting as the agent of the British and French successor organizations. Therefore, Berlin should be treated in a different framework from that of the Western occupation zones.

This work deals with all three successor organizations, however, it focuses on the American JRSO and the developments in the U.S. Zone. The JRSO, as the first to be created in 1948, established the modus operandi, which was followed by the two other successor organizations. In addition, the disaccord with the communities was most conspicuous there, and the patterns of confrontation were largely repeated in the two other zones. Needless to say, non-availability of the JTC/French Branch records resulted in the focusing on the American organization (and therefore chapter 4 and 5 shall be considered a preliminary study to be supplemented when more records become available). With the establishment of the Federal Republic of Germany in May 1949, the occupation zones ceased to exist, but the zonal framework of the restitution was maintained, on the grounds that the Occupation Statute reserved the internal restitution for the Allied authorities. This continued until West Germany regained full sovereignty in 1955. Therefore, the three western zones are referred to as such throughout this work.

Secondly, the term “German Jew,” which is used throughout this work, is a cultural and historical notion, not a nationality. It refers to those who were brought up in the German language and culture, and those who considered themselves as such. It is said that approximately 10 percent of the Jews in Germany in 1933 possessed foreign nationality, largely Polish. However, many of them had already lived in Germany for more than one generation. Likewise, the majority of Jews who emigrated from Germany after 1933 lost

22 Baden-Württemberg, which came into being by the amalgamation of Württemberg-Baden of the American Zone and Württemberg-Hohenzollern and Baden of the French Zone in 1952, is dealt in accordance with the old zonal framework of the occupation period.
their German citizenship in 1941, and acquired the nationalities of their adoptive countries. They kept their cultural identity long after, and were also politically organized as such under the umbrella of the Council for the Protection of Rights and Interests of Jews from Germany (Council of Jews from Germany). These facts render a definition of a “German Jew” by nationality inappropriate. Regardless of the nationality they possessed before and after Hitler, Jews with German background are referred to as German Jews throughout this work, in order to distinguish them from the East European Jews who came to Germany after the war.

**Sources**

This work is mainly based on four types of primary sources.

1) **The organizational records of the successor organizations.** As already mentioned, the JRSO papers are accessible at the CAHJP, conditioned on obtaining permission from the Conference on the Jewish Material Claims Against Germany (Claims Conference), New York. Although the JRSO has been dormant since the 1970s, it exists to this day as a registered corporation in the State of New York. The continued existence of the JRSO is partly due to the claims against former East Germany, which had principally refused the restitution and compensation to the Jewish victims. It was held advisable not to disband the corporation completely, as it was possible that a day would come when the claims could be pursued. The Claims Conference, created in 1951 as an organization representing the Jewish communities outside of Israel vis-à-vis Germany, in matters relating to the restitution and compensation, is the custodian of the papers of the still existing, but non-active JRSO. Entrusting the JRSO documents to the Claims Conference was logical in that the Jewish claims on restitution and compensation are intrinsically interwoven. Moreover, some of the JRSO staffs worked later for the Claims Conference, often holding double positions in both organizations. For example, Saul Kagan, the longstanding executive secretary of the JRSO, is the...
be found at the CAHJP, however, they have yet to be inventoried in 2003. Cataloguing has recently begun, and they are expected to become available in near future.

2) The records of the member organizations of the three successor organizations.

It is still possible to reconstruct the history of the successor organizations without using the organizational papers found at the CAHJP. The successor organizations were not mass-member organizations, but umbrella organizations consisting of many national and international Jewish organizations. While the organizational records remain unavailable, the documents of these member organizations may, to a certain extent, substitute them. The records of the JTC and the French Branch referred in this work stem from these sources. These consist of correspondence relating to the activity of the successor organizations, including letters and reports which were sent from the offices in Germany. These supplementary sources are found in many public and private archives in Israel, Germany, the U.S., the U.K., and France. Most important of them are as follows: the Jewish Agency related documents – at the Central Zionist Archives (CZA) in Jerusalem; the American Jewish Joint Distribution (JDC) documents – in its own archives in New York and Jerusalem; the World Jewish Congress (WJC) documents – at the American Jewish Archives (AJA) in Cincinnati; the American Jewish Committee (AJC) documents

Executive Vice President Emeritus of the Claims Conference. Wholehearted thanks to Mr. Kagan, who enabled the author to research the JRSO material, and who accepted the repeated requests for interviews. On the other hand, the British and French organizations were both officially liquidated in the 1960s. The member organizations of the three successor organizations are as follows. The JRSO: Agudas Israel World Organization (Agudas Israel), American Jewish Committee (AJC), American Jewish Joint Distribution Committee (JDC), Anglo-Jewish Association, Arbeitsgemeinschaft der Süddeutschen Landesverbände Jüdischer Gemeinden, Board of Deputies of British Jews (Board of Deputies), Central British Fund for Jewish Relief and Rehabilitation (CBF), Conseil représentatif des institutions juives de France (CRIF), Council of Jews from Germany, Jewish Agency for Palestine/Israel, Jewish Cultural Reconstruction Inc., World Jewish Congress (WJC). The JTC: CBF, JDC, Jewish Agency, Agudas Israel, Anglo-Jewish Association, Verband der jüdischen Gemeinden in Nordwest Deutschland, Board of Deputies, Council of Jews from Germany, WJC. The French Branch: Jewish Agency, JDC, WJC, Council of Jews from Germany, AJC, Jewish Communities in the French Zone of Germany, JTC, Alliance israélite universelle, CRIF, Fonds social juif unifié (FSJU), Association pour la défense des droits et intérêts des victimes de l’Axe (ADIVA).
– at YIVO, New York; documents of the Council of Jews from Germany – at the Leo Baeck Institute (LBI) in New York. Documents of the Central British Fund for Jewish Relief and Rehabilitation (CBF) are available in microfilm. The *Conseil rerésentatif des institutions juifs de France* (CRIF) documents – at the *Centre de documentation juive contemporaine* (CDJC) in Paris; postwar documents of the French Jewish organizations, including those of the *Alliance israélite universelle* (AIU), are generally inaccessible at present. Important documents can be found in more than one archive. When identical documents are found in several archives including the CAHJP, it is referred to as the source.

3) The records of the Jewish communities in Germany. The *Zentralarchiv zur Erforschung der Geschichte der Juden in Deutschland* (Central Archives for the Research of the History of Jews in Germany, hereafter: ZA) in Heidelberg, holds the postwar records of the communities including Frankfurt and Düsseldorf, and those of their umbrella organizations, such as the *Landesverband der jüdischen Gemeindein in Nordrhein-Westfalen* (State Association of the Jewish Communities in North Rhine-Westphalia). It is not obligatory for a community to transfer the documents to the ZA. Many communities, therefore, keep the records in their own archives. The records of the most important community, those of the West Berlin, remain closed.

4) The records of the Allied authorities – the Military Governments (1945-1949) and the Allied High Commissions (1949-1955). As the agencies which authorized and supervised the successor organizations, these records provide different angles for analysis. Documents concerning the inner restitution have been to a great extent declassified. The

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27 The requests of the author to the individual communities to open their archives remained in most part unanswered or replied to in the negative. Some communities, however, started to open their archives for qualified researchers, for example, Cologne and Hanover. The records of the Hamburg community are located at the city archives of Hamburg. The records of the Munich community were lost in a fire.
records of the Office of the Military Governor, United States (OMGUS) and its successor, the Office of High Commissioner for Germany (HICOG) can be found at the National Archives at College Park (NACP), Maryland. Partial copies of the OMGUS papers are available in microfilm at the Institut für Zeitgeschichte (IfZ) in Munich, as well as at the Bundesarchiv (BA) in Koblenz. The records of the Control Commission for Germany, British Element (CCGBE), are accessible at the Public Record Office (PRO), London. The records of the French Military Government and the French High Commission for Germany are found at the Centre des archives de l’occupation française en Allemagne et en Autriche (Center of Archives of the French Occupation in Germany and Austria, hereafter: CAOF), Colmar. The correspondence between the French occupation authorities and the Ministry of Foreign Affairs in Paris can be consulted at the diplomatic archives at Quai d’Orsay (Archives du ministère des affaires étrangères, MAE).