My dear Mr. Secretary:

There has just come to my attention a BOC Airgram No. 40 of June 15, 1943, from the Combined Committee for French North and West African Civil Affairs, relative to "Property Changes under German Rule - Tunisia".

The conditions described in this airgram are additional evidences of the extremes to which the Axis powers have gone to wreak their vengeance upon innocent inhabitants of occupied territories.

I should appreciate it if you would notify the representatives of the United States Government in North Africa that the conditions described in BOC Airgram 60 are within the accepted and announced policy stated by the United Nations last December not to recognize property transfers made by inhabitants of occupied territories under the duress of the Axis powers.

Our representatives should also be instructed to notify the French authorities in North Africa that this Government looks with disfavor upon any attempt at foreclosure or collection of interest on mortgages incurred as a result of levies made by the Axis powers.

I should appreciate your keeping me informed of such actions as are taken by our representatives and of any changes in the situation that may occur.

Sincerely,

(Signed) FRANKLIN D. ROOSEVELT

The Honorable

The Secretary of State
The following communication was received 19 Nov., 1943.

BAD Algeciras GO, 15 June, 1943

From: R.A.E.M. Panama and Central Division

To: CGNIA and Secretary of Treasury

Subject: Property Changes under German Rule - Tunisia

1. Tunis, as the first sizable city recaptured from Nazi occupation, offers a realistic indication of the problems which will arise in the return of property and the indemnification of discriminated groups who have suffered at Nazi hands. Our preliminary study of this matter, presented herewith, is based primarily on the treatment accorded to Jewish people in Tunisia and was gleaned from conferences with the heads of Jewish groups and other persons in Tunisia. Exact figures are not available at present.

2. There are about 50,000 Jews in Tunisia as a whole. About 50,000 are descendants of people who have been in the country 2,000 years. They are not subjects of the French, but of the Bey. There are about 5,000 - 6,000 Italian Jews, sent to Tunisia as colonists about 150 - 200 years ago, who have remained subjects of Italy. Finally, there are about 5,000 Jews who are French subjects.

3. Shortly after the arrival of the Germans in Tunisia on about 6 November, 1942, the Nazis commenced to requisition buildings of the Jews for use as offices and dwelling houses. A typical case in the following: A middle class Jewish family in Tunisia was notified one evening in early December that they would have to evacuate their apartment the next morning, since it was to be taken over by Italian officials as a residence. The family, more fortunate than many, packed up most of its belongings during the night and moved out the next morning. After 6 May with the departure of the Italians, the family returned. In many cases in which houses were requisitioned for use by the Germans or Italians, damage was done to fixtures and furniture. Rugs, hangings, furniture, etc. were taken. The Nazis also requisitioned the vehicles owned by Jewish people and obliged them to turn in their radios, refrigerators, firearms, etc. Many of these requisitioned vehicles were damaged and some were sent to Europe. Most of the radios, refrigerators, etc. were sent to Europe. The total cost of this phase of Nazi oppression was estimated at about 30,000,000 French. While some of the requisitioned vehicles have been found and returned, there is, as yet, no program developed for compensation for items insured as the result of this type of activity.
On 8 December, 1941, the Council of the Jewish Community in Tunis received an order from the German authorities to create 2,000 workers, under an arrangement whereby food, clothing, wages, and tax were to be paid for by the Jews. At the cost of an additional 1,000 laborers, a 21-hour extension was obtained. On 9 December 1942, the request not having been complied with, a reign of terror commenced, in which synagogues and schools were broken into, Jews beaten and threatened, and obliged to march long distances. At this point the Jewish Community organized itself and set up services for drafting laborers, feeding, clothing and paying them, as well as supplying them with transportation and medical aid. About 4,000 workers were obtained, and put at work at the airport and harbor in Tunis, at Bizerta, Sfax, Midninek, and Carthage, all points of nearly constant Allied air attacks. The Jews also had to act as policemen, to ensure that the workers remained at their jobs despite heavy bombings and shelling.

5. The Jewish Community was obliged also to shoulder the financial burden of caring for Jewish refugees who came to Tunis from Africa, and similarly destroyed cities as well as those who lost their homes by other means.

6. The funds to meet the expenses referred to above including the costs of feeding and care for the labor gangs were obtained by the Jewish Community by imposing a capital levy of 10-15% upon the property of its members. Mortgages, sales, etc., were resorted to to raise these funds, which were estimated at 60,000,000 francs. At the present time, these mortgages are still outstanding, and in the hands of banks principally.

7. On 22 December 1942, the Germans imposed a levy of 20,000,000 francs on the Jewish Community to "pay" for the Anglo-American bombings of non-Jewish property, for which the Jews were said to be responsible because they were friends of the Allies. The head of the Jewish Community was unable, without success, to raise these funds at the private banks in Tunis, and was obliged to appeal to the Government for aid. The latter authorized the Calice Fonciere, a semi-public institution, to advance these funds in the form of a loan at 5% interest, with commissions and carrying charges making it up to about 10%. The loan was secured by mortgage on Jewish estates, those in the country being insisted upon because there was less danger from bombing. The Calice Fonciere received the funds from the Bank of France, Tunis branch, and we have been advised that payment was made in Bank of France notes. It was said that these Bank of France notes were subsequently distributed among the French and Italian followers of the Nazis. The former head of the Jewish Community has recently approached the Government in Tunis with a view toward adjusting or deferring the payment of this loan which the Jews are not in a position to meet at present. The Calice Fonciere threatened
8. On 15 February, 1943, the Germans, because many of the
forced Jewish laborers were leaving the work camps, imposed a fine
of 3,000,000 francs on the Community. This fine was paid without
recourse to the banks, by the sale of jewels, etc., belonging to
individual members of the Community.

9. On the basis of present estimates, the measures taken by
the Germans and Italians against the Jews in the Tunis area, from
6 December, 1942 to 3 May, 1943 cost the latter about 100,000,000
francs. No indemnification or relief measures have yet been taken
by the French, and, insofar as the bulk of the problem is concerned,
none appears to be contemplated.

10. From the fact that this oppression is confined largely
to the Jews, it should not be inferred that this class stood alone
in regard to discrimination. The case of the Jews is probably the
most glaring, because the great majority of them could not be
considered enemies of the Nazis or Italians in the technical sense.
Furthermore, there appears to have been more physical hardships, and
the imposition of fines seems to be an additional measure of operation.
However, vehicles, houses, factories, etc., were requisitioned from the
French in Tunis. Machinery was taken away, and forced labor was at
least threatened, if not in fact realized. To a very large degree the
side of the picture was fully at the present...

11. Likewise, a counterpart of this story which we will discuss
is the matter of internment of Italians and Arabs as the result of
this discrimination. Rumors to these matters have reached us, but
it is of course, more difficult to develop this side of the problem.

12. We are also studying the question of real property transfers
made during the occupations and endeavoring to obtain as much information
as possible on this score.

13. We should appreciate your views on the problems. In this
connection, reference might be made to the United Nations Declaration
on property transfers.

ACTION: Treasury, State
DISTRIBUTION "A"
THE WHITE HOUSE
WASHINGTON

June 26, 1943

Grace -

Will you please see that
the President gets this?

Lubo
MEMORANDUM

TO:        THE PRESIDENT

FROM:      MR. LUBIN

The attached cable from Algiers describes one of the most deplorable situations I have ever heard of. It is worthy of very careful reading.

Would it be possible to have the State Department bring pressure upon the French Committee immediately in order to relieve what appears to be an unbearable situation?

The State Department might notify the French Committee that the United Nations refuse to recognize as valid any sale or mortgage incurred by the Jewish residents of North Africa to meet levies made by the Germans and Italians.

The State Department should also be asked to notify the French that we do not countenance the pressure now being exercised by the French banks upon those Jews who were forced to mortgage their properties at high interest rates in order to meet levies imposed by the Axis. It is certainly beyond reason to believe that these banks would be permitted to foreclose on loans made under the conditions described in the attached cable.

I am attaching herewith a draft of a letter that might be sent to the Secretary of State in the event that you can see your way clear to taking some action in this matter.
My dear Mr. President:

I appreciate the expression of approval in your letter of July 30, 1943 with reference to the cables sent by the Department to the Consulate at Algiers and by the CCNA to the NAEB, regarding steps that may be taken to relieve the hardships caused by acts of dispossession by the enemy in Tunisia.

Regarding your request for information as to what has been done under cable COB 769, I attach for your information a copy of the paraphrase of BOC 927, a cable from the Field Headquarters of the North African Economic Board, received on July 26. This is the only information thus far received, and I shall see to it that you are promptly informed of any further reports.

Faithfully yours,

Enclosure:

Paraphrase copy of BOC 927, July 24, 1943.

The President,

The White House.
The following communication was received 26 July 1963.

LANGARAGE


From: FEAS

To: CCHA

Subject: United Nations Declaration - Property Losses in Tunisia

Ref: C66 (69); State 1275

Given below is the French position on Tunisian property losses and an application of United Nations declaration.

1. We have been advised by the French authorities that the necessity for approval of United Nations declaration by the Comite Francais De La Liberation Nationale still exists. However, they feel it will be done rapidly.

2. Arrangements for provisional moratorium on mortgage loans to Jewish communities in Tunisia will be made by French authorities, after such approval and at first application of declaration. This will be done until a program for the disposition of these claims is worked out.

3. At present a plan for administering and financing a war damage compensation program is being studied by the French authorities. Cases arising under the United Nations declaration will be included in this. This is felt by the French to be a matter of extreme delicacy and one which must be considered carefully.

4. The significance of this program for economic warfare purposes is acknowledged by the French authorities.

Will. Treasury

DELIVERY: "A"
DEPARTMENT OF STATE
WASHINGTON

September 22, 1943

My dear Mr. President:

In your letter of June 29, 1943 you requested me to keep you informed of developments with respect to the fines imposed by the German occupation authorities on the Jewish Community of Tunisia. There is attached a copy of the paraphrase of telegram no. 1513 from Algiers which indicates the current proposals of the French authorities for dealing with the problem. You will observe that the proposed measures would prevent any foreclosure or collection of interest on mortgages incurred as a result of levies made by the occupying authorities, but, on the other hand, would not at this time make an unqualified indemnification for the losses incurred.

Faithfully yours,

Enclosure:

Paraphrase of telegram no. 1513
from Algiers, September 1, 1943.

The President,

The White House.
Murphy and Glasser send the following for the Secretary and Morgenthau:

Reference is made herewith to the Department's telegrams nos. 1239 and 1276.

The following is the proposal made by the Commissariat of Finance for settling the problem of levies, fines, mortgages, et cetera, which the enemy imposed on Jews in Tunisia: loans will be made by the banks to organized Jewish Communities who will give formal acknowledgment of the debt and distribute funds but no property will be pledged by them. The loans are to be of indefinite maturity and the Tunisian Treasury is to guarantee them. The proposal is that the advance will last until such time as it is possible to settle the whole question of levies and fines imposed in both France and Tunisia by the enemy. All charges, including interests, will be paid by the Tunisian Treasury. These advances will be large enough to repay bank loans made previously and to reimburse fully the members of the Jewish Communities who advanced funds to meet the levies imposed by the enemy.

This proposal is to be submitted to Comite. It was stated by us that the conditions were a great improvement over suggestions made previously but we felt it was important that the obligation be assumed in the first instance by the French authorities. There are two objections to this on the part of the French. In the first place they do not wish to commit the French Treasury at this time to an unknown and possibly huge financial burden once France is free. In the second place they fear that, in view of the delicate Arab-Jewish political problem in Tunisia, direct payment of Jewish fines will lead to resentment and demands by the Arabs for financial aid. It has been requested by us that pending your reactions the matter not be referred to the Comite. It is felt by us that we still have a good possibility of achieving unqualified indemnification by the French authorities by continuing to point out advantages to Economic Warfare of our position. An urgent reply is requested.