Negotiations in Switzerland - Including German Proposals
Folder 4: B: 95 - 124
MEMORANDUM FOR THE SECRETARY'S FILES:

March 13, 1946

The Secretary met with Rabbis Kalmanowitz, Kotler and Korff and Mr. Bunim at 3:15 p.m., March 13, 1946. General O'Dwyer and Miss Hodel of the War Refugee Board were also present.

Rabbi Korff opened the presentation for the rabbinical group stating that they had come to see the Secretary on three matters: (1) the problems involved in the restrictions imposed on the remittance of the $937,000 to Isaac Sternbuch; (2) the obtaining of transportation from Switzerland into Germany; and (3) the evacuation of refugees from Germany to Switzerland by means of transportation facilities provided from Switzerland.

The Secretary prefaced his remarks by stating that he would speak to the group very frankly as a government official and with deep and sincere sympathy for their work. He then explained that our Government's primary concern today is the winning of the war and the protection of American prisoners of war; that within this framework, the high officials of the Government responsible for War Refugee Board activities have been unremitting in their efforts to accomplish the purposes for which the Board was created. He explained that the attention that has been given to War Refugee Board matters during the waging of a war has been amazing and that the accomplishments to date have been remarkable. The Secretary stated that, because of the primary concern of our Government to win the war, the only decision which could be reached in the Remi matter was the one made unanimously by the Board members at a special meeting called for the sole purpose of discussing that problem. This decision was that no payments for ransom to the Germans could be authorized by this Government. However, because of the possibility that the money in question might be needed for legitimate expenditures and because of the Board's concern over the saving of the lives of the persecuted minorities inside Germany, the remittance in question was approved with certain safeguards.

The Secretary then stated that the Jews in America could bring great harm to themselves and dangerous anti-Semitic publicity if it should ever be revealed that any American Jews were dealing directly with Himmler for the rescue of Jews from German-controlled territory.

Mr. Bunim, speaking for the rabbis, stated that they appreciated the views expressed by the Secretary but that they felt that the lives involved were so important that humanitarian considerations should prevail in this case and that the saving of more
lives might well be forestalled by the restrictions imposed upon
the remittance in question. He then argued that the requirement
in the license to refer back to Washington every request for the
use of the money in question would involve delays and possibly
endanger further rescue operations. He requested that with
respect to the million Swiss francs already remitted under the
license permission be granted to spend this amount for legitimate
expenditures upon the authorization of Mr. McClelland, the Board's
representative in Switzerland. The Secretary stated that the re­
quest to so modify the license was reasonable and General O'Dwyer
and Miss Hodel concurred. The Secretary then stated that an
appropriate cable would be drafted and cleared with Secretary
Stimson and Secretary Stettinius.

With respect to the problem of transportation facilities
from Switzerland to Germany, the Secretary explained that the
Board was exploring every possibility of obtaining adequate truck­
ing facilities for the delivery of relief through the International
Red Cross to civilian detainees. He explained that the War Depart­
ment had agreed last week to recommend to General Eisenhower that
trucking facilities be made available from United States army
stocks for this purpose and General O'Dwyer stated that at the
same time McClelland is making every effort to obtain transporta­
tion equipment from private sources inside Switzerland. He added
that the Swiss Minister had agreed to recommend to his government
that Swiss Government transportation equipment be made available
for this purpose. It was explained that transportation equipment
must be obtained if any relief is to reach these people and if
any of them are to be rescued to safety in Switzerland.

As to the third question, it was explained that the plan
being developed by the War Refugee Board envisaged the use of
relief delivery trucks for the evacuation of physically unfit
detainees from Germany to Switzerland. In addition, it was also
explained that the president of the International Red Cross is
now in Germany discussing with high German officials the possible
use for such evacuations of trucks being used for the delivery of
prisoner of war packages.

At the conclusion of the meeting, the Rabbis presented to
the Secretary a written memorandum covering the points which
they had made in their discussion.
March 15, 1945

General William O'Dwyer
War Refugee Board
Treasury Department
Washington, D.C.

Honorable Sir:

We respectfully submit for immediate consideration, amendment of License #W2426 with respect to one million Swiss francs remitted on March 10, 1945 to the account of Isaac Sternbuch and Roswell McClelland in the Credite Swiss, bank in Berne.

Condition One of the License reads:

"(1) No part of the above sum shall be expended or committed for expenditure except as authorized by specific action of the War Refugee Board, Washington, D.C."

It is very obvious that our representative will need funds for routine expenses such as transportation, food, documentary fees, supplies, and personal services. At that moment he may have sufficient time to submit these items to Mr. McClelland but it would be most hazardous for the rescue work involved to delay decision on these expenditures until Mr. McClelland would communicate with Washington and wait for a reply. One hour may cost thousands of lives.

Mr. McClelland no doubt is a trustworthy and capable representative of the War Refugee Board and is fully apprised of the spirit prevailing in the War Refugee Board and the several departments comprising the Board. We therefore request that he should be authorized at his own discretion to release the above million francs recently remitted for the above outlined purposes and similar purposes.

Need we call your attention to the fact that time is of the essence?

Vaad Hatzala Emergency Committee

Rabbi Aron Kotler
Rabbi Abraham Kalmanowitz
Irving M. Bunim

To utilize the possibilities for rescue of European Jewry where the Vaad Hatzala program is especially needed.
General William O'Dwyer
War Refugee Board
Treasury Department
Washington, D.C.

Attention: Miss Hodell
You will recall that when the Vaad Hahatzala (Rabbi Kalmanowitz, etc.) called on you last week they requested that consideration be given to an amendment to the license issued in the Muzi case. Specifically, they requested that, with respect to the 1,000,000 Swiss francs remitted on account on March 10, permission be given to Mr. McClelland, the Board's representative, to authorize expenditures for such items as transportation, documentary fees, food and other supplies and services without prior reference to Washington.

At the conference, you indicated that this was a reasonable request.

Following the meeting, General O'Dwyer discussed the matter with Mr. Grew and Colonel Gearhardt of Mr. McCloy's office. Mr. Grew stated that he would have no objection to such an amendment provided that McClelland were instructed again that no part of the 1,000,000 Swiss francs could be used for ransom. Colonel Gearhardt indicated that the War Department would also approve the amendment on that basis.

The attached draft of a cable to Bern advising McClelland that the War Refugee Board has approved such an amendment is submitted for your approval. Copies have also been sent to Mr. Grew and Colonel Gearhardt for State and War clearance.

(Signed) Florence Hodel
CABLE TO HARRISON, BERN, FOR MOUSSAELAND FROM WAR REFUGEES BOARD

At the request of the Vaad Mahatzala the War Refugee Board has approved an amendment of Treasury license No. W-2426, text of which was cabled to you on March 6, 1945 (Department's No. 968). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Vaad Mahatzala on March 10 to the joint account of Isaac Sternbuch and Roswell Mousseland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for ransom. As you were advised on March 2, the members of the Board unanimously decided that no payments for ransom will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.

PH:sd 3/17/45
MEMORANDUM

TO: Mr. Warren
FROM: Miss Hodel

In accordance with General O'Dwyer's conversation with Mr. Grew last week, there is forwarded to you herewith for Mr. Grew's approval a proposed cable to Bern on the amendment to the Vaad Haatzala license. The amendment to the license will not be issued by the Treasury Department until the attached cable has been dispatched to Bern.

It will be appreciated if you will advise us by telephone of Mr. Grew's views concerning the proposed cable.

(Signed) Florence Hodel

FH:hd 3/20/45
At the request of the Vaad Hahatzala the War Refugee Board has approved an amendment of Treasury license No. W-2426, text of which was cabled to you on March 6, 1945 (Department's No. 958). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Vaad Hahatzala on March 10 to the joint account of Isaac Sternbuch and Roswell McClelland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for ransom. As you were advised on March 2, the members of the Board unanimously decided that no payments for ransom will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.

FH:hd 3/17/45
MEMORANDUM

TO: Colonel Gearhardt
FROM: Miss Hodel

In accordance with your recent conversation with General O'Dwyer, there is sent to you herewith for clearance a copy of our proposed cable to Bern on the amendment of the license issued in the Musy negotiations.

The amendment will not be issued by the Treasury Department until this cable has been cleared and dispatched.

(Signed) Florence Hodel

Clearal with O'Dwyer
PH: Ha 3/20/45
CABLE TO HARRISON, HERN, FOR MCGILLAND FROM WAR REFUGEE BOARD

At the request of the Vaad Hahatzala the War Refugee Board has approved an amendment of Treasury license No. W-2426, text of which was cabled to you on March 6, 1945 (Department's No. 958). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Vaad Hahatzala on March 10 to the joint account of Isaac Sternbuch and Roswell McGilland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for ransom. As you were advised on March 8, the members of the Board unanimously decided that no payments for ransom will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.

THIS IS WRR HERN CABLE NO. 467

11:15 a.m.
March 21, 1945

FHind 3/17/45
CABLE TO HARRISON, BERN, FOR MCCLELLAND FROM WAR REFUGEES BOARD

At the request of the Vaad Hahatzala the War Refugees Board has approved an amendment of Treasury license No. W-2426, text of which was cabled to you on March 6, 1945 (Department's No. 959). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Vaad Hahatzala on March 10 to the joint account of Isaac Sternbuch and Roswell McClelland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for ransom. As you were advised on March 2, the members of the Board unanimously decided that no payments for ransom will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.
TO: Mr. Schmidt

FROM: William O'Dwyer

Reference is made to license No. W-2426 issued by the Treasury Department to the Vaad Hahatzala Emergency Committee upon the recommendation of the War Refugee Board.

The War Refugee Board has received a written request, copy of which is attached, from the Vaad Hahatzala for an amendment of the first condition of the license so as to provide that, with respect to the 1,000,000 Swiss francs remitted on March 10, 1945, expenditures may be made as authorized by Roswell McClelland, War Refugee Board representative in Bern, Switzerland.

The members of the War Refugee Board have approved this amendment and it is recommended that the license be amended as requested at once.

For your information, there is attached a copy of the cable which the Board has sent to Mr. McClelland in connection with this matter.

(Signed) William O'Dwyer

Attachments.

FH:td 3/20/46
March 16, 1946

General William O'Dwyer
War Refugee Board
Treasury Department
Washington, D. C.

Honorable Sir:

We respectfully submit for immediate consideration, amendment of License #W2428 with respect to one million Swiss francs remitted on March 10, 1946 to the account of Isaac Sternbuch and Roswell McClelland in the Credit Suisse, bank in Bern.

Condition One of the License reads:

"(1) No part of the above sum shall be expended or committed for expenditure except as authorized by specific action of the War Refugee Board, Washington, D. C."

It is very obvious that our representative will need funds for routine expenses such as transportation, food, documentary fees, supplies, and personal services. At the moment he may have sufficient time to submit these items to Mr. McClelland but it would be most hazardous for the rescue work involved to delay decision on these expenditures until Mr. McClelland would communicate with Washington and wait for a reply. One hour may cost thousands of lives.

Mr. McClelland no doubt is a trustworthy and capable representative of the War Refugee Board and is fully apprised of the spirit prevailing in the War Refugee Board and the several departments comprising the Board. We therefore request that he should be authorized at his own discretion to release the above million francs recently remitted for the above outlined purposes and similar purposes.
Need we call your attention to the fact that time is of the essence?

Vaad Hatzala Emergency Committee

/s/ Rabbi Aron Kotler

/s/ Rabbi Abraham Kalmanowitz

/s/ Irving H. Bunim
The following for McClelland is WE 467.

At the request of the War Division in the War Refuge Board, has approved an amendment of Treasury license No. 1-2426, text of which was cabled to you on March 6, 1945 (Department's no. 958). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Veda Verhazala on March 10 to the joint account of Isaac Sternbach and Howell McClelland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for remun. As you were advised on March 2, the members of the Board unanimously decided that no payments for remun will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.

WBN: 127/45
3/21/45
CABLE TO HARRISON, BERN, FOR MCCLELLAND FROM WAR REFUGEE BOARD

At the request of the Vaad Hahatzala the War Refugee Board has approved an amendment of Treasury license No. W-2426, text of which was cabled to you on March 6, 1945 (Department's No. 958). The amendment provides that, solely with respect to the 1,000,000 Swiss francs remitted by Vaad Hahatzala on March 10 to the joint account of Isaac Sternbach and Roswell McClelland, expenditures may be authorized by you as representative of the Board, without prior reference to the Board in Washington, for such legitimate expenses as transportation, documentary fees, food and other supplies and services.

In approving this amendment, the Board holds you responsible to see to it that no (repeat no) part of the 1,000,000 Swiss francs is used for ransom. As you were advised on March 2, the members of the Board unanimously decided that no payments for ransom will be authorized.

Please keep Board fully informed of any payments which are authorized by you under this amendment. The text of the amendment will be sent in separate cable.

THIS IS WAR BERN CABLE NO. 467

11:15 a.m.
March 21, 1945

FH:hd 3/17/45
In reply please refer to: 62021

Dear Sirs:

The War Refugee Board has transmitted to this office a copy of your letter of March 15, 1945, in which you request that license No. 5-2426 issued to you under date of March 1, 1945, be amended so that, with respect to the sum of $1,000,000 Swiss Francs remitted under such license on March 10, 1945, expenditures may be made as authorized by Mr. Roswell B. McClelland, War Refugee Board representative in Bern, Switzerland.

Pursuant to the recommendation made to this office by the War Refugee Board, license No. 5-2426 (cited above), is hereby amended so as to provide that, solely with respect to the sum of $1,000,000 Swiss Francs remitted under this license on March 10, 1945, expenditures may be authorized by Mr. Roswell B. McClelland, as the representative in Switzerland of the War Refugee Board, for such expenses as transportation, documentary fees, food, and other supplies and services.

Sincerely yours,

(Handed) Orvis A. Schmidt
Orvis A. Schmidt
Director

Vand Havastsale Emergency Committee,
Union of Orthodox Rabbis of the
United States and Canada,
132 Nassau Street,
New York, New York.

RBParker 2-22-45
Dear Sirs:

The War Refugee Board has transmitted to this office a copy of your letter of March 10, 1945, in which you requested that license No. W-4256, issued to you under date of March 1, 1945, be amended so that, with respect to the sum of 1,000,000 Swiss francs remitted under such license on March 10, 1945, expenditures may be made as authorized by Roswell D. McClelland, War Refugee Board representative in Bern, Switzerland.

Pursuant to the recommendation made to this office by the War Refugee Board, license No. W-4256 cited above is hereby amended so as to provide that, solely with respect to the sum of 1,000,000 Swiss francs remitted under date of March 10, 1945, expenditures may be authorized by Roswell D. McClelland as the representative in Switzerland of the War Refugee Board, for such expenses as transportation, documentary fees, food and other supplies and services.

Sincerely yours,
The cable below for McClelland is UMB 477.

Reference Department's 1149 of March 22, 1945 (UMB 467).

Following is text of amendment dated March 22 to license No. V-2428 issued to Vnaa Hachatzala Emergency Committee:

"QUOTE Pursuant to the recommendation made to this Office by the War Refugee Board, license No. V-2428 is hereby amended so as to provide that, solely with respect to the sum of 1,000,000 Swiss francs remitted under this license on March 10, 1945, expenditures may be authorized by Mr. Roswell D. McClelland, as the representative in Switzerland of the War Refugee Board, for such expenses as transportation, documentary fees, food, and other supplies and services." UNQUOTE

(Acting)
CABLE TO HARRISON, BERN, FOR McCLELLAND FROM WAR REFUGEES BOARD

Reference Department's 1149 of March 21, 1945 (WRB 487).

Following is text of amendment dated March 22 to license No. W-2426 issued to Vaad MahaTsula Emergency Committee:

"Pursuant to the recommendation made to this Office by the War Refugees Board, license No. W-2426 is hereby amended so as to provide that, solely with respect to the sum of 1,000,000 Swiss francs remitted under this license on March 10, 1945, expenditures may be authorized by Mr. Roswell D. McClelland, as the representative in Switzerland of the War Refugees Board, for such expenses as transportation, documentary fees, food, and other supplies and services."

This is WRB Bern Cable No. 477
The Devil, Sick, a Saint Would Be—

THE LIBERATION OF 2000 JEWS IN GERMANY BY ORDER OF HEINRICH HIMMLER
Dear Sirs:

We have been informed by our representative in Switzerland that he has authorized Mr. Sternbuch to remit to the International Committee of the Red Cross the sum of 500,000 Swiss francs for food purchases and transportation charges, under the terms of your amended License No. W-2476.

Very truly yours,

(Signed) William O'Dwyer
William O'Dwyer
Executive Director

Vaad Nahatsala Emergency Committee,
132 Nassau Street,
Secretary of State,
Washington.

1905, March 31, 1 p.m.

FOR WRB FROM MCCLELLAND
Department's 1149, WRB's 467, March 21 and 1204, WRB's
477, March 24.

Sternbuch has been informed of this amendment to
Vaud Hématoma's license nº-2426 governing only one
million francs.

Pursuant to this amendment and after thorough
examination of purpose, I have authorized Sternbuch
to remit 500,000 Swiss francs to ICRC to cover event-
ual food purchases and transportation charges. ICIR
has agreed to furnish me with detailed information
concerning all such purchases or charges.

HARRISON

WMB
DEPARTMENT OF THE UNITED STATES
OF AMERICA

April 11, 1945,

Dear General O'Day:

In the postwar negotiations with Redfield Krueger, I am sure that the State would be
interested in receiving your views of the activities of the Jewish Agency in
New York and in London. I am also interested in knowing whether you think that the
activities of the Jewish Agency should be continued. I believe that their activities
are being seriously considered in London and that the Jewish Agency is being
actively supported by the British government.

I would not disagree with Mr. Stimson's statement
that I can disagree with only my ideas. But I have the
feeling that the Jewish Agency has a significant role to
play in the postwar world and that its activities should be
continued.

According to recent reports, I have heard that Mr. Krueger
has been considering the possibility of forming a new
organization to replace the Jewish Agency. However, I believe
that such a move would be premature and that the
activities of the Jewish Agency should be continued at least for
the present.

Yours sincerely,

[Signature]

[Name]

[Title]
old letter of the release of Jewish deportees from Germany. Sternau's statement, based on many
clues that Salo Meyer had collected and collated, Bacher through Keesnar, with all present current
unsuspected to Levy's negotiations which had appeared
in Switzerland, is not only incorrect but an in-
excusable calumny of Mr. Meyer. Mr. Bacher himself
told other channels revealed such clippings
(which is not improbable) which he displayed in
Berlin, this is surely a question of internal SS
competition and squabbling over whose Mr. Meyer has
no control whatever.

Mr. and Mrs. Meyer returned from Berlin on the
afternoon of March 1st (the day before I left for Paris).
empty-handed and with the report that their efforts
to extricate further convoys of deportees had been
unsuccessful. It is my understanding that they have
since returned once more by car to Germany to continue
their negotiations for the release of at least 2000
Jews early.

After Brezer's discussion last night Hassen-
blumner of the S.S., of which negotiations for the
release of larger categories of "Schutzhaftlinge"
were in one of less official channels between the
German government and the International Committee
of the Red Cross, it is not surprising that Levy's
feelings should become of secondary if not of lower
importance. It is my feeling - and not that
Jews' present negotiations on this broader basis
will now supersede and replace the previous accord-
ance negotiations carried on through the Salo
Meyer-Blescher and Breslau-Haven "hook-ups." At the
same time, after a silence of almost a week during
which it was rumored that he was ill, Blescher, who
had been ostensibly at the Grand Hotel in Vienna,
has now announced that he wishes to come at least to
the Swiss Frontier to discuss urgent matters with
Salo Meyer. Keesnar will probably accompany Blescher.
It is, however, both Salo's and my feeling that since
the fall (or rather near the fall at the writing of these
lines) of Vienna and the obvious weakening of Germany's
situation militarily Blescher is not interested in any
trying to sell out certain wealthy Jews among the
Selig and Shorin families whom the Nazis held as
in Vienna, and 0 be has continued. If we
the case our remaining situation will be consis-
tremely strengthened and you may be sure we will take
full advantage of it to reduce as many people as
possible.

Very sincerely yours,

[Signature]

Address: General [Name],
[City], [State], U.S.A.
US URGENT.

The following message from McClelland for General O'Dwyer of WAC and for the Department is transmitted.

Accompanied by Sternbuch, Husy who had just come back from his most recent trip to Germany, called on me on the 8th of April with the information and proposals given below:

Himmler, Schellenberg, and another SS general named Gehring, who was described by Husy as being the head of German concentration camp system, were called to a meeting on April 3rd or 4th by Hitler who had learned of negotiations of the SS to release certain categories of schutzhäftlinge, and Hitler was opposed to any such release, the release of Jews especially.

Accordingly, preparations were started for the evacuation on foot toward a Nazi Reduit in the south, of fifteen major concentration camps.

Himmler and Schellenberg nevertheless declared that they were willing to preserve the status quo in these camps and prevent such evacuation provided they receive from the British
and Americans assurance that all administrative personnel and SS guards found in such camps will be treated as soldiers and prisoners of war when the British or American forces arrive. The fear that all such SS guards would be shot at once motivated the condition named above.

Musay was informed that to the best of my knowledge it is not the practice of British or American Armies to shoot anyone in uniform of a unit incorporated regularly in German armed forces who without resistance surrendered properly.

Musay was asked by me to furnish information as to the exact geographic location of the fifteen camps in question as soon as possible.

He must have a reply by seven o'clock in the evening, April 11, at the latest if evacuation of these camps is to be avoided, Musay declared.

It is difficult to understand the present proposal made by the Nazis which is apparently of such small advantage to them, in the light of earlier proposals they have made.

It is requested that you inform me as to what action you desire me to take in the matter, if any.

HARRISON

DC/LILOWIAN
4-10-45
GABLE TO NOGLELLAND, HERR, FROM WILLIAM O'DWYER, WAR REFUGEE BOARD

You are hereby directed not (repeat not) to engage in any discussions concerning proposals of the nature described in your No. 2087 of April 9. Any such proposals or discussions are beyond the terms of reference of the War Refugee Board.

This is WHB Herr No. 493
My dear Mr. Secretary:

I send you herewith for your personal information copies of a cable dated April 9, 1946, received from Mr. McClelland in Bern, and of our reply thereto.

Very truly yours,

(Signed) William O'Dwyer
Executive Director

The Honorable,
The Secretary of State.

Enclosures.

FH:hd 4/11/45
My dear Mr. Secretary:

I send you herewith for your personal information copies of a cable dated April 9, 1945, received from Mr. McClelland in Bern, and of our reply thereto.

Very truly yours,

(Handwritten)

William O'Dwyer
Executive Director

The Honorable,
The Secretary of the Treasury.

Enclosures.

FH:hd 4/11/45
My dear Mr. Secretary:

I send you herewith for your personal information copies of a cable dated April 9, 1945, received from Mr. McClelland in Bern, and of our reply thereto.

Very truly yours,

[Signature]

William O'Dwyer
Executive Director

The Honorable,
The Secretary of War.

Enclosures.

[Handwritten note: Signed by William O'Dwyer]
Dear General O'Dwyer:

With reference to my wire No. 2087 of April 9th, I enclose for the Board's information a copy of my discussion "in extenso" of last Sunday afternoon with Musy.

Meanwhile your answering wire, Department's No. 1415 of April 11 has been received. It is difficult for me to know how far this represents the Board's ideas or those of the Department of State. As it happened Musy telephoned me before this message came in so that I could only attempt to stall him. He will call again, unfortunately, tomorrow evening at about 7 o'clock, at which time I shall have no choice but to string him along further. I plan on my own responsibility to tell him that we can only give a definite answer to his proposal on condition that we first be furnished detailed information concerning the names, exact geographic location, number of inmates (including the nationalities and sexes) for each of the 15 concentration camps.

Very sincerely yours,

Roswell D. McClelland

Enclosure: Report of recent conversation with Musy.

Brigadier General William O'Dwyer
Executive Director,
War Refugee Board,
Washington 25, D.C.
MEMORANDUM

Geneva, April 9 - 10, 1945

SUBJECT: CONVERSATION WITH MUSY CONCERNING HIS MOST RECENT TRIP TO GERMANY.

Saturday evening, April 7th., about 9 o'clock Sternbuch telephoned to me in a highly excited state. He said he was speaking from Montreux and had just talked to Musy who was at present in Zürich and had returned that morning, with his son, from the latest of his trips to Germany. Sternbuch informed me that Musy had a matter of great importance "to Washington and London" which he must discuss with me as soon as possible. I attempted to extract additional information from Sternbuch as to the exact nature of this "important news," asking him whether it concerned relief to detainees in Germany and their evacuation or if it was solely of a political nature. If the latter - and in view of the fact that Musy was in Zurich and the matter supposedly most urgent - it might be better if some authorized person connected with our Consulate in Zurich discuss the subject with Musy. Sternbuch said he would contact Musy again, try to secure some clarification and call me back. About an hour later Sternbuch telephoned again and informed me that Musy would have to come to Geneva in any event and planned to do so on Sunday. He could therefore talk to me in Geneva; but this would have to be tomorrow evening or Monday morning early at the latest since the message in question should be transmitted to Washington at the start of the day on Monday. I asked Sternbuch to call me on Sunday morning and let me know what time to expect Musy. This he did and announced that Musy would arrive in Geneva on the 4:15 train and that he, Sternbuch and his colleague, Mr. Donnbaum, would accompany Musy. They would come immediately to my home.

Around 4:15, Sunday Sternbuch phoned from the station announcing that they had arrived and that he wished to inform me by way of preparation and orientation that Musy's message concerned guarantees to be given by the Allies that on the
arrival of the American or British forces at concentration camps in Germany none of the SS guards would be shot. Sternbuch then launched into a somewhat incoherent story about 350,000 Hungarian Jewish deportees who had been shot by the Germans, then switched over to the subject of Recher (the SS man who has carried on negotiations with Saly Mayer for the past many months regarding the Hungarian Jews) whom he stated was now being sent, on written orders from Schellenberg, to the camp of Ravensbrück. I cut him off short and said that he had better wait to discuss all this when we were together. About 20 minutes later the three of them arrived: Sternbuch, Donnebaum and Musy.

After some preamble (we spoke in French) concerning his desire that his negotiations with Himmler receive favorable press comment in the United States, Musy told the following story, the elements of which did not always hang together very well:

A short time ago Hitler had been shown transcripts of "Atlantiksender" broadcasts as well as press clippings concerning the negotiations of outside agencies with the SS for the liberation from Germany of certain categories of civil detainees ("Schutzhaftlinge"). Hitler had immediately taken violent exception to any such step, particularly as regards Jews, and had a few days later (I gathered on either April 3rd., 4th. or 5th.) summoned Himmler, Schellenberg and an SS General named Gehring (I am not sure about this spelling), whom Musy described as "the head of the German concentration camp system," to a special meeting where Hitler definitely vetoed the evacuation or release from Germany of any of these people. The tenor of Hitler's ranting seemed to have been along the line that these people should share the fate of the Germans themselves who would never surrender but withdraw for the last stand into their réduit in the south. Hitler, however, did not enter into the practical question of how hundreds of thousands of detainees could possibly ever be moved into the Nazi réduit. Himmler and his henchmen had, therefore, to bow before Hitler's will.
and preparations were begun for the evacuation on foot - there being no means of transportation available - of the major concentration camps.

Muay cited the specific case of the camp of Buchenwald bei Weimar where, he affirmed, preparations were already well advanced on Thursday, April 5th, to send some 18,000 men and women out on foot for a march of about 300 kilometers. Muay stated that he questioned Gehring as to the number of persons out of these 18,000 who might conceivably be able to reach their destination alive. Gehring said he thought about 10,000.

After having explained that he had, prior to Hitler's meeting, proposed to Himmler that the inmates of the major concentration camps be all released (as a grandiose, Nazi "humanitarian" gesture, I gathered) and evacuated through the fighting lines under cover of an especially called truce - a proposal which, he said, Himmler had been willing to consider favorably - Muay maintained that he had continued discussions with Himmler, and particularly with Schellenberg and General Gehring (whom he saw "almost every day during his stay in Berlin"), in an effort to find a way of saving (from evacuation) these tens of thousands of detainees. Himmler had at first wished to obtain politico-military concessions such as a guarantee that there would be no negro occupation troops, but Muay had waved them aside as unrealizable and continued, he intimated, to try to bring Himmler around to this step as one of value to the Nazis and to Germany in general in that it would if not directly obtain better terms or treatment at least lessen Allied antipathy to the Nazis. Eventually Himmler and Schellenberg declared themselves willing to give orders (they pointed out to Muay that this was at the risk of their lives since it would be contrary to Hitler's wishes) that all the inmates of some 15 main concentration camps still in Nazi territory should be kept in their camps and not evacuated. SS guards and administrative personnel should also remain on the spot and efforts should be made to continue feeding the detainees, as far as military developments permitted. (I asked Muay at this point if
the SS would make any difficulty with the arrival and distribution of food parcels by the ICRC, to which he replied none whatever.

In response to my question as to how keeping detainees in their camps could be carried out in practice if it was contrary to Hitler's orders - Musy having previously stated that Hitler was the master and the SS obeyed him - Musy replied that "Hitler now had other more important matters to attend to" and that in such questions of internal SS administration Himmler and Schellenberg would have a free hand.

As a direct result of this "change of heart" on the part of Himmler and Schellenberg orders were given not to evacuate or at least to suspend evacuation preparations. The inmates of Buchenwald, did not have to leave their camp.

Musy explained that Himmler and Schellenberg were willing to take this step on one condition; that they receive formal assurance from the Americans and the British that all SS guards and administrative personnel found in the concentration camps on arrival of the American or British forces be treated as soldiers and regular prisoners-of-war. This condition seemed to be motivated by the fear that all such SS guards on concentration camps would be immediately shot.

I told Musy that to the best of my knowledge it was not and had never been the practice of the American and British armies to shoot anyone arbitrarily who wore the military uniform of a unit or organization regularly incorporated in the German, or for that matter, any other armed forces if this individual surrendered in due and proper form without offering resistance.

Throughout my conversation with Musy and in the discussion of this "condition" he spoke only of the Americans and the British and of the assurance being obtained from them, never from the Russians.

Musy seemed pleased with my personal opinion that there was little danger of such concentration camp SS guards being summarily shot and told me that he planned to telephone Konstanz that evening (Sunday) a message which would be passed
on to Schellenberg and inform the latter that he had delivered the proposition to the Americans and that the "Americans" had informed him informally that there was little likelihood that SS guards on concentration camps would be immediately shot.

Sternbuch seemed very anxious that Musy be as encouraging and positive as possible in this preliminary message.

I suggested to Musy, and he agreed, that as a preliminary condition he inform Schellenberg that both SS guards and administrative personnel in these concentration camps should wear their regular uniforms and that under no circumstances should they offer armed resistance. Further, that we should be supplied as soon as possible with accurate information as to the precise geographic location of each of these 15 camps. Musy said that he would definitely ask for this and added that such information would be very valuable to avoid any mistaken shelling or aerial bombardment of the camps.

I could not help voicing my opinion as to the inconsequence of this condition, to which Musy replied that he had told Himmler that any condition laid down which he, Musy, would propose to the Allies should be as easy of fulfillment as possible.

Musy informed me that he planned to return to Germany (by car, as usual) on Thursday morning, April 12th. at the latest and that he would very much like to receive a definite reply from the Americans and British (that is, the supreme headquarters of the Allied armies fighting in the west) to take back with him. I told him that I could not give this guarantee but could only agree to present the proposal to my superiors. Musy thereupon stressed the urgency of an early reply referring once more to the suspended evacuation of Buchenwald and explaining that General von Schellenberg had estimated on April 5th. that the Allied armies would be in Weimar in 5 to 6 days at the most. Musy further confided to me that it was Schellenberg's personal opinion that the war would be over in Germany within 5 to 6 weeks.

While on the subject of Schellenberg Musy once more spoke
warmly of the man whom he described as "moderate" ("modéré"). Schellenberg was really not a military man, he went on, but a lawyer by training and still only 35 years of age. Musy then told me that he had heard that the Americans had selected and were now using some 2 or 300 Germans as a police force in Cologne, intimating that after all since we were doing things like this we ought to be able to use a man of Schellenberg's qualities.

I tried to "pump" Musy on the subject of Schellenberg's plans for the future. Did he plan to retire into the réduit with the "Götterdämmerung crowd?" Musy was vague on this subject and only willing to intimate that opinions were divided on this score in high German circles and that Schellenberg and Himmler had their own particular followers and would not necessarily have to follow Hitler at the last moment even if it meant armed conflict. († withdrawing into a réduit)

I asked Musy whether he thought, on the basis of his recent travels in Germany and contacts in high quarters, that this réduit question would go through. He would only say that in driving back to Switzerland he passed a great many fortifications and mine fields all along the approaches to the Bavarian alpine region.

On the subject of Hitler and what would ultimately happen to him Musy stated that Hitler "would not escape the wrath of his own people," adding that the opposition to and dissatisfaction with Hitler was growing to formidable proportions in Germany.

Regarding the nearness of the Americans and the British in the west to Weimar and the urgency therefore of receiving an answer from them as rapidly as possible, Schellenberg had added that he thought there was no danger from the Russian side (i.e. of their arriving shortly) for the moment since they were too far away.

By way of incidental information Musy said that Berlin was plastered with huge placards exhorting the population "to die rather than be carried off to Siberia as slaves."
Before leaving Musy stated that he would telephone me from Kreuzlingen at about 7 p.m. Wednesday and added that it would be most desirable for the success of his negotiations if an answer from the Americans and British could be forthcoming by that time. He felt it most important to be able to return to Germany personally on Thursday with the answer in hand, otherwise it might be too late to prevent the evacuation of these 15 concentration camps.

RDMG60
SECRET

Brigadier General William O'Dwyer
Executive Director,
War Refugee Board,
Washington 25, D. C.

By air mail
Par avion
Secretary of State,
Washington.

2474, April 27, 7 p.m.

FOR WRB FROM McCLELLAND.

Legation's 1905, March 31.

Following is for your information. On April 15, Sternbuch of Vaad Ha'atzala requested my approval of a project to purchase several tons of canned fish, olives and figs in Portugal and Spain to be paid out of discretionary funds in our joint account. According to our best information, Swiss Government, ICRC, many Swiss commercial firms and a number of private relief agencies already possess considerable stocks of food which must be held in Spain and Portugal for lack of transportation facilities to Switzerland. I accordingly advised Sternbuch that the indefinite future delivery of this food which he desires to purchase now clearly eliminated this project as one which might be seriously considered for payment out of funds provided by the JDC for emergency relief and rescue programs in behalf of civil detainees and deportees in German
April 27, 7 p.m., from Bern.
in German occupied territory. I therefore turned down his project. As Sternbuch has substantial funds which he received from his committee I suggested that he consider making such purchases out of his free funds.

HARRISON

JMS
Revd. Kohnovitz and Revd. Katz came in to see Mr. Silverman. They left with a memorandum, dated April 28th, asking that a further meeting be issued to the Nazis regarding the treatment of civilian internees of Jewish nationality and that an arrangement, similar to the reunion of war agreement, be reached with the Nazis regarding these internees.

Mr. Silverman advised the rabbis that General O'Dwyer was deeply interested in these people and that everything possible was being done.

Kohnovitz and Katz also asked that permission be given to Sternbach to use discretionary funds in the joint account of Sternbach and Kohnovitz for the purchase of food stuffs in Portugal and Spain. (See cable from UH No. 1974 of April 28th.)

Mr. Silverman advised the rabbis that, since her refugee board activities were restricted to enemy territory, getting food into liberated camps was not our priority. Mr. Silverman said that he was sure that Kohnovitz would see that the funds were used most effectively in compliance with the terms of the license and that the Vaad Hakahal should not raise the issue of ownership of the funds with us at this time. Mr. Silverman called Leavitt when the rabbis had left and outlined this conversation to him. Mr. Leavitt said that the Vaad Hakahal couldn't touch that money since it wasn't theirs and that the Vaad were coming in to see the JDC tomorrow (Key 1st) and that the JDC would "lay the law down to them."

On Key 1st after talking to General O'Dwyer, Mr. Silverman called Revd. Katz and again told him that, according to the terms of the license, these funds could not be used for relief outside of enemy territory.

Mr. Leavitt advised Mr. Silverman that the JDC is sending a letter to the JDC refugee board, putting the board on record as to the ownership of the funds.
May 7, 1945.

Mr. Moses A. Leavitt
Joint Distribution Committee
270 Madison Ave.
New York 16, N.Y.

Dear Mr. Leavitt:

We have your letter dated May 2, and wish to state that the Vaad Hatzala cannot appropriately comply with your request in view of a number of considerations pertaining to this particular grant.

We are also writing to our representative in Switzerland for detailed information and shall arrange for a conference with you just as soon as we hear from Mr. Sternbuch.

Cordially yours

VAAD HATZALA EMERGENCY COMMITTEE

(Signed) Rabbi Jacob Karlinsky
Executive Sec'y
In connection with Treasury license W2426 issued to the Vaad Hahatzala Emergency Committee, the American Jewish Joint Distribution Committee advanced the sum of $937,000 for the purposes covered by that license. The War Refugee Board is familiar with the projects of rescue which had been envisaged by the Vaad Hahatzala and with the purposes of the funds which were deposited in Switzerland.

In the light of the fact that such rescue activities are now virtually concluded, we have today written to the Vaad Hahatzala Emergency Committee requesting that they authorize their representative in Switzerland, Mr. Isaac Sternbuch, to transfer the funds now held under the joint account of Mr. Roswell McClelland and Mr. Sternbuch to the account of the American Jewish Joint Distribution Committee in Switzerland. We are enclosing herewith a copy of the letter we have today written to the Vaad Hahatzala. We understand that the balance of the funds unspent amounts to approximately $800,000. May we ask you to be good enough to instruct your representative in Switzerland, Mr. McClelland, to arrange with Mr. Sternbuch for the transfer of the balance of our funds to our account in Switzerland.

Sincerely yours,

Moses A. Leavitt
Secretary
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May 2nd, 1945.

Vaad Hahatzala Emergency Committee
132 Nassau Street
New York, N.Y.

Gentlemen:

On March 2nd, we sent you our check no. 11347 in the sum of $937,000 as an advance to the Vaad Hahatzala Emergency Committee for transmission to Switzerland in accordance with special license W2428 which you received from the Treasury Department. This advance to you was made in connection with certain possible schemes of rescue in which your Committee was engaged through Switzerland and the J.D.O. borrowed these funds from the banks in order to make them available to you for such rescue activities. You have now informed us that your representative, Mr. Isaac Sternbuh, has advised you that the funds in question will not be used for the purposes intended in rescuing the Jews from occupied areas.

On April 12th you advised us that approximately $125,000 were expended by you for food and transportation and that the Treasury Department had released that sum of money for this purpose. In light of the above, we believe that the purpose for which the funds were advanced to you has been completed. We would therefore request that you instruct your representative in Switzerland to release those funds to our account in Switzerland and we are writing to the War Refugee Board as per copy attached.

Sincerely yours,

Moses A. Leavitt
Secretary

MALJO
enc.
Dear Mr. Leavitt:

There is enclosed herewith a photostatic copy of your letter of March 2, 1945, addressed to the Vaad Hahatzala. The enclosure bears the signature of Mr. Isaac Sternbuch and was received for you through the United States Legation in Bern.

Very truly yours,

(Signed) Florence Hodel

Florence Hodel
Assistant Executive Director

Mr. M. A. Leavitt
Secretary
The American Jewish Joint Distribution Committee
270 Madison Avenue
New York 16, New York

Enclosure
Dear General O'Dwyer:

Please find attached hereto the photocopy of a letter written to the Vaad Hahatzala Emergency Committee in New York to the Joint Distribution Committee. This letter was forwarded to me some weeks ago in order that it might be countersigned by Mr. Sternbuch. Not without some delay Mr. Sternbuch has returned it to me signed as his organization requested. I therefore hasten to return it to you so that it may be sent to the J.D.C.

Very sincerely yours,

Roswell D. McClelland
Special Assistant to the American Minister.

Enclosure: 1 photocopy of letter for the JDC.

Brigadier General William O'Dwyer
Executive Director
War Refugee Board,
Washington 25, D. C.
Representative of the
Refugee Board,
THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
BRYN MAWR
PENNSYLVANIA

SECRETIAL
VIA BERN

By air mail
Par avion

Director General of Refugees
Assistent Director
Refugee Board,
Washington, D.C.
25, October

APP No: 408
March 2, 1945

Vaad Hahatzala
132 Nassau Street
New York, N. Y.

Gentlemen:

We enclose herewith our check $1134 in the amount of $937,000 as an advance to the Vaad Hahatzala Emergency Committee for transmission to Switzerland in accordance with license #W2426, which you have received from the Treasury Department. It is understood and agreed to by the Vaad Hahatzala that during the period when the approval of the U. S. Government is required for the expenditure of these funds, the Vaad Hahatzala will undertake to inform the J.D.C. of such expenditures. Should the war in Europe end and the U. S. Government restriction be removed from license #W2426, the Vaad Hahatzala undertakes to discuss with the J.D.C. such expenditures, or the balance of these funds, and to secure the approval of the J.D.C. to such expenditures before they are authorized. Should the time come when these funds have not been expended in whole or in part, in accordance with the terms of the license, the Vaad Hahatzala undertakes to release to the J.D.C. the unexpended portion of this sum and to so instruct its representative in Switzerland, Mr. Isaac Sternbuch, or his successor, in order to release these funds to the J.D.C. at that time. The Vaad Hahatzala will also undertake to have Mr. Sternbuch sign a copy of this letter or similar letter.

Will you be good enough to sign the enclosed carbon copy of this letter as indicating that you are in agreement with this understanding and return this copy to us.

Very sincerely yours,

/M/ Moses A. Leavitt
Moses A. Leavitt
Secretary

Montreux, the 16th April 1945

/M/ I. Sternbuch
(Isaac Sternbuch)
The following for McClelland from Var Refugee Board is W.B. 522.

Reference your no. 2476 of April 27, Department's no. 968 (W.B. no. 430) of March 6, and Department's no. 1204 (W.B. no. 477) of March 22, 1945, concerning $957,000 remitted to joint account in names of you and Sternbok in connection with uneasy negotiations.

You are hereby instructed to authorize no (repeat no) further expenditures from this account until further instructions are sent you by the Board.

Grew

6/10/45
CABLE TO AMERICAN LEGATION, BERN, SWITZERLAND, FOR MCCLELLAND, FROM WAR REFUGEES BOARD

Reference your No. 2474 of April 27, Department's No. 939 (WRR No. 430) of March 6, and Department's No. 1204 (WRR No. 477) of March 22, 1945, concerning $287,000 remitted to joint account in names of you and Sternbuck in connection with treaty negotiations.

You are hereby instructed to authorize no further expenditures from this account until further instructions are sent you by the Board.

This is WRR Cable No. 522, Bern.
22:45 p.m.
May 10, 1945

Miss Chauncy (for the Sec'y), Colm, DuBois, Gaston, Hodel, Hutchison, McCormack, O'Day, Filer.

E. H. McIlvaine
5/10/45
**NEGOTIATIONS IN SWITZERLAND, INCLUDING GERMAN PROPOSALS**

*(CONTINUED)*

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Department of State

INCOMING TELEGRAM

DIVISION OF CENTRAL SERVICES TELEGRAPH SECTION

CURRENT COPY

Distributed only by special arrangement.

Dated May 16, 1945

Received 4:50 p.m.

Bern

Secretary of State, Washington

2781, May 16, 5 p.m.

TO MR. EISENHOWER. Department's 1765 WMB 522

May 10th.

I fully agree with your instructions and in fact recently refused second request from Strobiuch's organization to release one million Swiss francs from our joint account to purchase foodstuffs for relief. 500,000 francs transferred to ICRC as reported in Legation's 1508, March 31 have been expended by Strobiuch for purchase of foodstuffs: condensed milk, cheese and canned fish to extent approximately 462,000 francs and for transportation relief supplies to the displaced persons for 38,000 francs. These operations were begun however before Nazi collapse were of an emergency nature in German occupied territory and borne some relationship to lady's negotiations part of whose role having been assurance of supplies in food deliveries to Jews in concentration camps so can accordingly be considered legitimate.

DECLASSIFIED
State Dept. Letter, 1-11-72

By E. F. Perkins Date SEP 27 1972
-2- [0781, at 16, 5 p.m., from Bern
Dom etc. Festivities in Germany nevertheless ceased before Steinhuch's Committee was able ship major portion
above mentioned food purchases which remain in
Switzerland.

Since Germans have surrendered and Rasy's negoti-
ations have consequently ended original purpose for
which this money transmitted has ceased to exist. In
fulfillment therefore of their agreement with JIC when
latter made these funds available it would seem that
time has come for Vachshatzke to instruct Steinhuch
return unexpended balance which amounts to 3,500,000
franes to JIC. If feasible JIC will probably wish
this balance turned over to their representative in
Switzerland.

I will await your further instructions this matter.

HARRISON
Secretary of State,
Washington

2761, May 16, 5 p.m.

URB FROM NICOLLETTI. Department’s 1765 URB 522

May 16th

German occupied territory and bardene relationship to Husy’s negotiations part of whose role having been asuring compliances in food deliveries to Jews in concentration camps so can accordingly be considered legitimate. Hostilities in Germany nevertheless ceased before Sternbuch’s Committee was able ship major portion above mentioned food purchases which remain in Switzerland.

Since Germans have surrendered and Husy’s negotiations have consequently ended original purpose for which this money transmitted has ceased to exist. In fulfilment therefore of their agreement with JDC when latter made these funds available it would seem that time has come for Vanarshatzala to instruct Stornbuch return unexpended balance which amounts to 3,500,000 francs to

DECLASSIFIED
State Dept. Letter, 1-11-72
By R. H. Parks Date SEP 27 1972
May 16, 5 p.m., from BBR

If feasible JDC will probably wish this balance turned over to their representative in Switzerland.

I will wait your further instructions on this matter.

I fully agree with your instructions and in fact recently refused second request from Stornbuch's organization authorizing release one million Swiss francs from our joint account to purchase foodstuffs for relief.

500,000 francs transferred to ICRC as reported in Legation's 1905, March 31 have been expended by Stornbuch for purchase foodstuffs: condensed milk, cheese, and canned fish to extent approximately 462,000 francs, and for transportation relief supplies to the Hesientstadt for 38,000 francs. These operations were begun however before Nazi collapse were of an emergency nature.

HARRISON
SECRETARY OF STATE, Washington:

2795, May 18, 11 a.m.

URB FROM NOCLELLAND.

FROM: SALY MAYER TO H. LEAVITT JDC:

Regarding interest on joint account with Swiss National Bank answer is in negative. SNB is precluded by law from paying interest and chances with commercial banks are not much better if it is question of shortcall money. All Swiss funds in USA do not yield interest either. Interest could probably be obtained from smaller banks but security would not be the same. One and only reliable means of securing interest would be to buy bonds; but from practical point of view this seems inadvisable since I do not know how suddenly money might be called in. I shall however continue my inquiries this matter and in case more positive result can be obtained will communicate with you without delay.

I have
-2-53795, May 18, 11 a.m., from Bern

I have discussed topic of medical aid to combat epidemics with IRC headquarters but committee already has its own established connections regarding this matter. Concerning Berta Rappaport-les Avants your instructions have been carried out.

HARRISON

RR
DEPARTMENT OF STATE

OUTGOING TELEGRAM

DIVISION OF CENTRAL SERVICES
TELEGRAPH SECTION

MAY 23, 1945

TO:

FROM:

MAY 23, 1945

MEMORANDUM

SECRET

1937, Twenty-eighth

The cable below for McClelland is TPC 528.

Following message is for you from I. A. Leavitt,
American Jewish Joint Distribution Committee:

We would appreciate your conferring with Isaac
Sternbren and requesting him that for purposes of
accounting between Vada Mahatzala and Joint Distribu-
tion Committee, he furnish you with statement of all
sums expended by him from special $2 million June from
deposit. Also that commitments he incurred with your
approval which still payable. Please ask him cable
directly Vada Mahatzala, New York, similar information
so that his Committee can instruct him to release funds
to Joint Distribution Committee.

CHEW
(Acting)

(Acting)

5/26/45

3/26/45
Following message is for you from M. A. Leavitt, American Jewish Joint Distribution Committee:
We would appreciate your conferring with Isaac Sternbuch and requesting him that for purposes of accounting between Vshd Hahatzala and Joint Distribution Committee, he furnish you with statement of all sums expended by him from special 4 million Swiss franc deposit. Also what commitments he incurred with your approval which still payable. Please ask him cable directly Vshd Hahatzala, New York, similar information so that his Committee can instruct him to release funds to Joint Distribution Committee.

This is telegram cable No. 528

Copy sent to Joe 9:25 A.M.

10:00 a.m.
May 24, 1945

Miss Chauncey (for the Sec'y), Cohn, Dubois, Gaster, Model, Hutchison, McCorrnack, O'Dwyer, Tyler.

Mahlby 5/23/45
May 30, 1945

Dear Mr. Leavitt:

The following message for you from Joseph Schwartz was received through the United States Embassy in Paris under date of May 29, 1945:

"Have arranged with McClelland and Saly Mayer for return of 20 million francs which are intact. Of the 4 million francs which were sent for the account of McClelland and Sternbusch only 500,000 have been used for the purchase of food most of which has not been distributed and we have suggested that the supplies be turned over to us. Have asked McClelland to return the balance to New York or turn it over to Saly Mayer. He advises that in order to do this Vaad Nahatsala New York should cable and write Sternbusch instructing him to return the funds and to whom. Also suggest you ask Vaad Nahatsala instruct Sternbusch turn over distributed supplies to disposal Saly Mayer."

Very truly yours,

Florence Hodel
Assistant Executive Director

Mr. M. A. Leavitt, Secretary, American Jewish Joint Distribution Committee, 270 Madison Avenue, New York 16, New York.

*Signature*

R.B. Hutchison 5/30/45
INCOMING
TELEGRAM

SECRETARY OF
STATE

EF-425

DIVISION OF
CENTRAL SERVICES
TELEGRAPH SECTION

PLAIN

Paris

Dated May 29, 1945

Rec'd 12:57 a.m. 30th

Secretary of State
Washington

3032, Twenty-ninth

FOR WAR REFUGEE BOARD FOR HOSES LEAVITT JOINT

DISTRIBUTION COMMITTEE FROM JOSEPH SCHWARTZ

"Have arranged with McClelland and Saly Mayer for
return of 20 million francs which are intact. Of the
4 million francs which were sent for the account of
McClelland and Sternbusch only 500,000 have been used
for the purchase of food most of which has not been
distributed and we have suggested that the supplies
be turned over to us. Have asked McClelland to return
the balance to New York or turn it over to Saly Mayer.
He advises that in order do this Vaad Hatzalah
New York should cable and write Sternbusch instructing
him to return the funds and to whom. Also suggest
you ask Vaad Hatzalah instruct Sternbusch turn over
distributed supplies to disposal Saly Mayer."

CAFFERY

JHS
June 6, 1945

Dear Mr. Leavitt:

The following message for you from Rossell D. McColllland, Special Representative of the War Refugees Board, was received through the United States Legation in Bern under date of May 31, 1945:

"The following amounts have been spent by Sternbuch through ICRC from four million franc special credit made available to Vaad Habatsala by JDC on March 21:
97,177.30 francs for condensed milk and cheese April 24; 26,448 for rent on trucks, insurance, drivers, etc for shipments of relief goods to the Rosenstadt, April 25; 11,620.45 for the same on May 2; the unspent balance of 300,000, that is, 364,754.05, transferred to commission mixte of ICRC to cover cost of food purchases previously ordered, May 11; I authorized Sternbuch to spend or credit for expenditure a single sum of 500,000 francs in all which we retransferred to ICRC March 26. The balance unspent should therefore be approximately 3,500,000 less banking charges. I will try to recover this money locally and will keep you advised. Vaad Habatsala has requested Sternbuch to wire statement of these expenditures directly to them."

Very truly yours,

[Signature]

Florence Hodel
Assistant Executive Director

Mr. M. A. Leavitt, Secretary,
American Jewish Joint Distribution Committee,
270 Madison Avenue,

[Signature]

B.Hatchman: 6/6/45
Secretary of State,

Washington.

2961, May 31, 8 a.m.

WRB FROM MACOLELLAND

Dept's 1907 WRB's 526 May 28 and Legation's 2781 May 16.

FOR LEAVITT OF JDC: Following sums have been expended by Sternbuch thru ICRC from special four million franc credit made available by JDC to Vaad Hahtzala on March 2; 24 April 97177.50 francs for condensed milk and chooso; 25 April 26448 hire of trucks insurance drivers etc. for relief shipments to Rosenstadt; 2 May 11620.45 for same; and 11 May unspent balance of 800,000 that is 364754.06 transferred to commission mixte of IRC to cover food purchases previously ordered. In all I authorized Sternbuch to spend or credit for expenditure a single sum of 500,000 francs which we retransferred to IRC on March 26. Unexpended balance should therefore be about 3500000 minus banking charges. I will attempt to recover this money locally and

DECLASSIFIED
State Dept. Letter, 1-11-72
By R.H. Parks Date: SEP 27, 1972
2-2961, May 31, 8 a.m. from Bern locally and will keep you informed. Sternbuch has been requested to wire statement of those expenditures directly to Vaad Hahtzela.

HARRISON

RR
DEPARTMENT OF STATE

INCOMING TELEGRAM

EK-088
Distribution of true reading only by special arrangement. (UR-1)

Distribution

Secretary of State,

Washington.

3561, July 17, 9 a.m.

O'NYX OF WRB FROM MCCLELLAND.

Legation's 2961, May 31.

Kindly inform Mr. Leavitt of JDC that for past six weeks I have been endeavoring recover unspent balance of approximately 3,500,000 Swiss francs still in joint account at Fidea Treuhand Basel in Sternbach's and my names. Sternbach, however, was absent from Switzerland most of June in France. He finally called on me July 13 and stated that he hoped within week receive authorization from Vaadha Hatzalah, New York to sign order to bank for transfer this balance to my US Govt depository account in Bern as I had requested him on June 2.

In interest of clearing up this piece of unfinished business as soon as possible, I should appreciate early instructions from JDC concerning disposition to be made of this money if it comes into my account and any steps JDC could take hasten his authorization to Sternbach.

BB

DECLASSIFIED
State Dept Letter, 1-11-72

HARRISON by R.H. Ferris Dated SEP 27 1972

000134
July 27, 1945

Dear Sirs:

The following message for you from Isaac Sternbuch was received through the United States Legation in Bern under date of July 26, 1946:

"With reference to our various telegrams and our telephone conversation, we urgently request prompt instructions regarding the unspent balance from license No. W-2426."

Very truly yours,

(Signed) Florence Hodel

Florence Hodel
Assistant Executive Director

Vaad Hahatzala Emergency Committee,
132 Nassau Street,
New York, N. Y.

hd 7/27/45
Secretary of State,
Washington.

3699, July 26, 8 p.m.

FOR URB FROM LORIELAND.

Please deliver following from Sternbuck to Vaadha Hatzala New York:

"With reference to our various telegrams and our telephone conversation, we urgently request immediate instructions concerning unspent balance from license W 2426."

HARRISON

HELicot WR-1

DECLASSIFIED
State Dept. Letter, 1-11-72
By R. H. Facke Date SEP 27 1972
War Refugee Board

ALLOCATION

DEPARTMENT OF STATE

OUTGOING TELEGRAM

DIVISION OF CENTRAL SERVICES

TELEGRAPH SECTION

Mr. R. J. Farnum

CONTROL COPY

The following was forwarded to Mr. McClelland in URB 541:

Reference the No. 3591, July 17.

Board has been advised by the Treasury that pursuant to agreement between JDC and Vaad Hahatzala, Sternbach is to receive 100,000 Swiss francs of the approximately 3,500,000 Swiss francs still in special joint account in Sternbach's and your names. JDC authorizes you with Board's approval to receive the aforementioned balance less 100,000 Swiss francs to be transferred to Sternbach, and to transfer this amount to account of July Mayer.

SECRET W

URB: INSUFFICIENT FUND
7/27/40

SEC. H. E.

DECLASSIFIED
State Dept. Letter, 11/11/72

By H. P. Parks Date

SEP 27 1972

Vaad Hahatzala program is especially needed.
CABLE TO AMLEGATION, BERN, FOR MCCLELLAND FROM WAR REFUGEE BOARD

Reference your No. 3591, July 17.

Board has been advised that pursuant to agreement between JDC and Vaad Hahatzala, Sternbuch is to receive 100,000 Swiss francs of the approximately 3,500,000 Swiss francs still in special joint account in Sternbuch's and your names. JDC authorizes you with Board's approval to receive the aforementioned balance less 100,000 Swiss francs to be transferred to Sternbuch, and to transfer this amount to account of Salo Mayer.

This is WRB Bern No. 541

July 27, 1945
10:16 a.m.

Cleared with Maj. Anderson,nex t JDC beaten Vaad Hahatzala.
FH:na 7/24/45
July 25, 1945

Miss Florence Hodel
War Refugee Board
Treasury Building
Washington, D. C.

Dear Miss Hodel:

This is to advise the War Refugee Board that we have officially instructed our representative Isaac Sternbuch in Montreux, Switzerland as follows:

"FROM JOINT ACCOUNT WITH MOCELLAND
ONE HUNDRED THOUSAND FRANCS GO TO YOUR
ACCOUNT BALANCE MOCELLAND STOP JDC IS
CONFIRMING THIS ARRANGEMENT WITH
MOCELLAND"

This is with the consent of the Joint Distribution Committee.

Our instructions will no doubt be carried out.

With our deepest appreciation, we are

Very respectfully yours,

VAAD HAHATZALA EMERGENCY COMMITTEE

[Signature]

Rebbi Abraham Halmanowitz

Irving Banm

To utilize the possibilities for rescue of European Jewry where the Vaad Hahatzala program is especially needed.
FOR O'DAYER, WB, FROM MCCLELLAND.

Kindly inform JDC New York that on August 7 sum of 3,397,096.25 Swiss francs was released to me as unspent balance of joint account I had been holding with Stornbuch, latter having retained 100,000 francs according to previous instructions. Salley Layer has been notified that I am holding this money at his disposal.

HARRISON

JT
Dear Mr. Leavitt:

Under date of August 14, 1946, Mr. McClelland cabled the Board requesting that we advise you that on August 7, 1946, the sum of 3,397,098.25 Swiss francs was released to him as the unspent balance of the joint account he had been holding with Sternbuch who retained 100,000 Swiss francs in accordance with previous instructions. Saly Mayer has been notified that Mr. McClelland is holding this money at his disposal.

Very truly yours,

(Signed) William O'Dwyer
William O'Dwyer
Executive Director

Mr. M. A. Leavitt,
American Jewish Joint
Distribution Committee,
270 Madison Avenue,
New York 16, N. Y.