

Independent Commission of Experts  
Switzerland – Second World War

# **Switzerland and Gold Transactions in the Second World War Interim Report**

This version has been replaced by the revised and completed version:

Unabhängige Expertenkommission Schweiz – Zweiter Weltkrieg:  
Die Schweiz und die Goldtransaktionen im Zweiten Weltkrieg, Zürich 2002 (Veröffentlichungen der  
Unabhängigen Expertenkommission Schweiz – Zweiter Weltkrieg, vol. 16).

Order: Chronos Verlag ([www.chronos-verlag.ch](http://www.chronos-verlag.ch))

**Edited by**

Independent Commission of Experts  
Switzerland – Second World War  
P.O. Box 259  
3000 Bern 6, Switzerland  
Fax ++41-31-325 11 75  
ISBN 3-908661-00-5

**Internet**

[www.uek.ch](http://www.uek.ch)

**Original version in German****Distributed by**

EDMZ, 3000 Bern  
Art.-Nr. 201.280 eng  
6.98 3000 41249

# Switzerland and Gold Transactions in the Second World War Interim Report

Independent Commission of Experts  
Switzerland – Second World War

---

## Members of the Commission/Overall Responsibility

Jean-François Bergier, *Chairman*

Sybil Milton, *Vice-Chairman*

Joseph Voyame, *Vice-Chairman*

Wladyslaw Bartoszewski

Georg Kreis

Saul Friedländer

Jacques Picard, *Research Director*

Harold James, *Primary Author*

Jakob Tanner, *Primary Author*

## General Secretariat

Linus von Castelmur

## Coordination/Editorial Team

Benedikt Hauser, *Project Coordinator*

Jan Baumann

Stefan Karlen

Martin Meier

Marc Perrenoud

## Research Assistants

Petra Barthelmeß, Geneviève Billeter, Pablo Crivelli, Alex Fischer,  
Michèle Fleury, James B. Gillespie III, Christian Horn, Ernest H. Latham III,  
Bertrand Perz, Hans Safrian, Thomas Sandkühler, Hannah E. Trooboff,  
Jan Zielinski

## Secretariat / Production

Estelle Blanc, Regina Deplazes, Armelle Godichet

## **Acknowledgements**

The Independent Commission of Experts: Switzerland – Second World War received assistance from many quarters in compiling this interim report. Thanks are due in particular to the following persons, companies, and associations for their cooperation and valuable advice and suggestions.

Professor William Z. Slany, US Department of State, Washington, DC;

Greg Bradsher, US National Archives, College Park, M.D.;

Gill Bennett, Foreign and Commonwealth Office, London;

Vladimir Nikolaevich Kuzelenkov, Director of the «Centre for the Preservation of Historical-Documentary Collections» («Special Archive»), Moscow;

Minister Vladimir P. Kozlov, Director of the Ross Archives, Moscow;

Professor Dieter Lindenlaub, Head of the Archives of the Deutsche Bundesbank, Frankfurt;

Maria Keipert, Political Archives of the Department of Foreign Affairs, Bonn;

Krystyna Oleksy, State Memorial Museum Auschwitz-Birkenau, Oswiecim;

Professor Christoph Graf, Daniel Bourgeois, and other staff members at the Swiss Federal Archives, Bern;

Professor Klaus Urner, Historical Institute, Archive for Contemporary History, Swiss Federal Institute of Technology Zürich;

Jean-Pierre Roth, Vice-Chairman of the Governing Board of the Swiss National Bank, Vincent Crettol and Patrick Halbeisen, Swiss National Bank, Bern/Zürich;

Piet Clement, Bank for International Settlements, Basel;

Professor Willi Boelcke, Stuttgart;

Hersch Fischler, Düsseldorf;

Credit Suisse Group, Zürich;

Swiss Bankers Association, Basel

Swiss Bank Corporation, Basel;

Union Bank of Switzerland, Zürich;

Swiss Life, Zürich;

Swiss Re-Insurance, Zürich;

Swiss Insurance Association, Zürich;

Zurich Group, Zürich;

BMP Translations AG, Basel; Gary Fliszar, Fribourg; Mary Louise Mettler, Basel (Translations into English);

Gary Fliszar, Fribourg (Proofreading).

## **Preface**

Gold played an essential role in the financial transactions carried out during the Second World War. It is a metal that can assume a multitude of forms: bar, coins, pieces of jewelry. It can be smelted and resmelted, disguising its origin. It was also a universally accepted means of inter-bank payment, a form of money easily exchanged for more liquid currencies, and thus very valuable to the belligerent states.

Since the autumn of 1996, gold has again taken center stage, this time in international discussions concerning the responsibility borne by both countries and individuals for their activities during World War II: gold has become emotionally and symbolically linked to the suffering of the victims of Nazism. Switzerland's participation in the war-time gold trade – the participation of its financial center as the hub of gold transactions – has become a focus of debate. It is now imperative that Switzerland's complex and sometimes controversial activities be brought out into the open.

The Independent Commission of Experts: Switzerland – Second World War, set up in December 1996 with the mission of carrying out an in-depth investigation of the conduct of Switzerland and of its financial center, has chosen to treat the gold trade issue as a priority, and to dedicate to this topic its first interim report.

The convocation of the International Conference on Nazi Gold, held in London from December 2 to 4, 1997, provided us with a special impetus. Despite all our efforts, we were unable to complete this report in time for that event. Our research work on a number of archival sources had not progressed sufficiently, and it was our desire to take advantage of the questions as well as the information contributed at the conference by the delegates coming from some forty countries and organizations. We therefore limited ourselves to submitting a working document which proposed a broadly applicable definition for the various categories of Nazi gold as a function of its origin, be it legal or criminal, and to providing a global, statistical balance sheet (in a revised and enhanced form, this same document constitutes Chapter I of the present report).

Other reasons also justify the priority that the Commission has given to gold. The transactions carried out with this precious metal relate to and elucidate a number of other aspects of our research: Switzerland's commercial and financial relations with the belligerent powers and with the other neutral countries; the use put to Swiss francs by Switzerland's trading partners; the role played by the commercial banks and, to a certain degree, that of the insurance companies in the war-time economy; and the manufacture of articles destined for export. In a more indirect manner, the examination of gold policy makes it possible to observe the behavior of both the economic and political key players of the time. It illustrates the tensions between the

technocrat whose primary concern was to execute the duties inherent in his position, and the politician responsible for the country's foreign security and its domestic tranquillity. Conflicts of interest and power clashes centered around gold came to a head in Switzerland itself. For these reasons, the Commission deems the gold issue to be an appropriate starting point for the entire spectrum of its research topics.

Though the Swiss were largely spared the ravages of the war on their lives and property, they did suffer many of its evil effects. They experienced the anxiety of a country besieged by the Axis powers, which remained threatening even after the final outcome of the war had become apparent. The Swiss lived through the war with all of the personal and civil privations which it imposed on their lives. During those years, they also shared an ever-vivid collective memory of the painful experiences of the past, particularly of the First World War and of the 1930's. Without further insistence on this point, it is essential to place the transactions which we are attempting to reconstitute into this longer-term historical context.

Following a general analysis of Switzerland's war-time gold transactions, the report accords a preferential place to the gold shipments of the German Reichsbank to the Swiss National Bank (Chapter II). This is due not only to the fact that these shipments were large and therefore important, but because they give rise to the most delicate questions. What were the motives of the Swiss National Bank in continuing its purchases until the very end of the war? What interests was it taking into consideration in doing so? Did the National Bank act solely to carry out monetary policy, or out of larger economic, political, or even personal concerns? Did those involved in the transactions earn a profit? What did they really know about the doubtful origin of a large part of the gold they purchased, and did they inform the government in time?

At the same time, the Swiss National Bank also bought gold from the Allies, albeit in a chronological context that renders any comparison misleading (Chapter III). The origin of this gold causes no problems. However, other questions emerge. In 1941, Swiss gold in the United States was frozen and thereby rendered almost useless. What concerns or coercion instigated purchases from the Allies after this point? What were the respective roles of the Swiss National Bank, the Confederation, and the private sector in dealing with Allied financial policy-makers? How did the Allies use Swiss currency obtained through sales of gold?

Gold can be used for any and everything. It is not a prerogative only of the central banks; and in Switzerland, commercial banks also performed operations with gold (Chapter IV). On the whole, one-eighth of the German shipments was meant for them. How was this gold used? After 1942, their latitude for maneuver was drastically diminished: regular transactions were thereafter the sole domain of the Swiss National Bank. The commercial banks consequently

moved their activity in this field to other neutral financial centers: Lisbon (trafficking in escudos), Buenos-Aires, and Istanbul.

Another chapter (Chapter V) deals with a topic which attracted particular attention shortly before the end of the War: the problem of Swiss insurance companies which were active in Germany and the efforts which they took to recover their debts before it became too late. To this end, attempts were made to convince the Swiss National Bank and the Federal administration to accept more gold from Germany. The vehemence of the negotiations held at that time (during which the Swiss insurers received the support of the German authorities) revealed the conflict that existed between narrowly seen financial interests and political responsibility. The final chapter briefly treats the 1946 agreement which settled the political issues pertaining to gold.

Switzerland lay at the heart of nearly all European gold transactions during the war. Thus too does it lie at the center of this report. The Commission has nonetheless taken pains to expand the horizons of the issue and to place it on the proper international level, for it deems such as the condition for a clear, objective, and global view.

The Commission and its staff members in Switzerland, the United States, Germany, Austria, and Poland had to face a number of difficulties. First was the problem of the limited time at their disposal, even though they were able to rely on several existing, high quality studies, and on the database which the Swiss National Bank has itself created from its records. Nevertheless, it was necessary to consult a number of other sources, at times disparate and inconvenient to access. It was also necessary to identify the major aspects of the issue, to understand the complex mechanisms of the gold operations (sometimes obscured by an intentional cover-up), and to uncover the intentions and the motives of the main actors behind words which were often meant to deceive.

The Commission encountered no fundamental diversity of opinion either in identifying the arguments or in interpreting them. We have approved the structure of this report in full consensus, and we have examined each of its pages in detail. It is without any reservations that the nine members sign this report, submitting it in one voice to the attention of the Federal Council and that of the public.

The Commission is, however, conscious of the gaps which this report has left unfilled. Certain of them must remain open, at least for the time being. Some of the sources upon which this research should have been based have been destroyed. Other sources coming from the Reichsbank and from several agencies of the German government were confiscated in 1945; some were taken to Moscow (where they remain to this day); others to Washington, where they were microfilmed before being returned to Germany, where they in turn inexplicably

disappeared during the 1950's. The microfilms which remain are of poor quality and reading the data they contain entails a bit of guess work. Moreover, one source is not always in perfect harmony with the other so that we are unable to vouch for the rigorous exactitude of all of the quantitative data which we propose, despite the critical attention that we have paid to their reconstruction.

In some cases, we were unable to procure early access to significant archival sources; these records either have not been consulted yet, or were examined only in part. This holds true for the *Sonderarchiv* in Moscow where the archives of the Nazi regime which were confiscated by the Red Army in 1945 are stored. These archives principally concern the Ministry of the Economy, those of the security services [Reichssicherheitshauptamt], and those of the Four-Year Plan. The same holds true for the papers of Colonel Bernstein deposited in the Harry S Truman Library in Independence, Missouri, which have just recently been opened to researchers. Based on our preliminary investigations of these archives, we believe that we will come away with useful complementary information. Research is thus continuing and the results will be put into the final report.

The final report, planned for the year 2001, will also accord a proper place to the ensemble of the legal problems which are closely linked to the historical questions the Commission has been mandated to elucidate, notably all of the aspects relating to neutrality. This is the reason why, in this interim report on gold, we have temporarily avoided proposing a legal assessment of the conduct of the relevant key players. *Da mihi facta et dabo tibi jus*: based on the facts stated here, the experts will be called upon to make such an assessment for the sake of the Commission.

It is inevitable that a report which is consecrated to gold transactions assume a pronounced technical and accounting character. It measures and follows around the world large quantities of this multiform and unfeeling metal, measured in bars or in coins, in tons or in ounces, in francs, reichsmarks, dollars, or pounds, in its value at the time, or in what it is worth today (we have taken utmost care always to express the values in terms which are comparable). However, these quantities must not deceive us. Large or small, they always represent the often tragic fate of men, women, and children. Bars containing gold looted by Nazi criminals from the victims of work camps and extermination camps, also found their way to Switzerland. Even though late 1943 discussions were held by the SNB directors on the topic of gold confiscated from deported Jews, there are no indications that the decision-makers at the Swiss central bank knew that bars containing such gold were being shipped to Switzerland by the Reichsbank. These gold bars, bearing no mark distinguishing them from the others, are nonetheless symbolically laden with suffering.

Our report is not an indictment. The Swiss who acted out the transactions described herein had their own motives for what they did. But their actions were often prompted by routine or by the path of the least resistance. They were lacking in imagination and foresight. They did not see the omens of the future written in the war-time heavens. They did not understand what crimes and what tragedies were hidden by their arguments, their calculations, their pettiness, and their self-righteousness.

The fate of the victims is the reality at the heart of this report.

*Jean-François Bergier*

Original text in French



## Contents

<b>INTRODUCTION</b>	<b>11</b>
Research to Date	12
Research Agenda and Structure of this Report	17
Sources, Methodology, and Unresolved Issues	20
<b>1. ACQUISITION AND USE OF GOLD IN THE NATIONAL SOCIALIST ECONOMIC ZONE</b>	<b>23</b>
1.1 The German Reichsbank and its Function for the Nazi Regime	23
<i>1.1.1 The Framework</i>	23
<i>1.1.2 Relations with Switzerland</i>	25
<i>1.1.3 Other Participants and Government Control Measures</i>	27
1.2 Terminology and Presentation	28
<i>1.2.1 Origins of Gold in Nazi Germany and Occupied Europe</i>	29
<i>1.2.2 The Question of Victim Gold</i>	30
<i>1.2.3 Tables and Coherence of Data</i>	36
1.3 Gold Transactions of the Reichsbank	38
1.4 Gold Shipments from the Reichsbank to the SNB	46
1.5 Gold Acceptances from Shipments Sent by SS Captain Bruno Melmer	48
1.6 Gold Transactions of the SNB	50
<i>1.6.1 Gold Purchases and Sales by the Swiss National Bank</i>	51
<i>1.6.2 Gold Transactions of the Reichsbank via the SNB</i>	55
1.7 Shipments of the Reichsbank to Swiss Commercial Banks	56
<b>2. GOLD ACQUIRED BY THE SNB FROM GERMANY</b>	<b>61</b>
2.1 Background and Participants	61
2.2 Overview of Data	64
2.3 Gold Transactions of the SNB with the Reichsbank: a Chronology	66
<i>2.3.1 March 1939 until June 1940</i>	67
<i>2.3.2 June 1940 until June 1943</i>	73
<i>2.3.3 July 1943 to July 1944</i>	93
<i>2.3.4. August 1944 to April 1945</i>	107
2.4 What the SNB Knew and its Rationale	119
2.5 Gold Purchases and SNB Profits	133
<b>3. SNB GOLD PURCHASES FROM THE ALLIES</b>	<b>135</b>
3.1 Defining the Problem	135
3.2 Swiss Holdings of Gold and Capital in the Allied Countries	137
3.3 The Freezing of Swiss Currency Reserves, the Management of Dollar Holdings, and the Financial Dollar Market	141
3.4 Structure and Reasons for the Allies' Need for Francs	144
3.5 Inflation Fears and Countermeasures by the National Bank	146

---

3.6	Magnitude and Reasons for Gold Purchases by the Confederation	149
3.7	Summary	150
<b>4.</b>	<b>THE GOLD MARKET AND THE ROLE OF THE COMMERCIAL BANKS</b>	<b>153</b>
4.1	Introduction	153
4.2	The Gold Market and its Participants	154
4.3	The Commercial Banks in the Gold Market	157
4.4	Access and Source Material in Bank Archives	157
4.5	From a Free to a Controlled Gold Market	158
4.6	The Banks Seek Alternatives Abroad	160
4.7	Latitude for Private Gold Imports into Switzerland	161
4.8	Profits from the Gold Trade and the Consequences of Market Controls	164
4.9	Gold Purchases from the SNB by the Major Banks	165
4.10	Tracing Belgian and Netherlands Looted Gold	166
4.11	Summary and Outlook	168
<b>5.</b>	<b>THE ROLE PLAYED BY SWISS INSURANCE COMPANIES IN ACCEPTING GOLD FROM GERMANY IN MARCH AND APRIL 1945</b>	<b>171</b>
5.1	Introduction	171
5.2	Archival Material	171
5.3	The International Position of Swiss Insurance Companies and the Significance of Business in Germany	172
5.4	The Position of Insurance in German-Swiss Clearing	174
5.5	Escalation of the Situation in March and April 1945	176
5.6	Negotiations with Vice-President Puhl of the Reichsbank	179
5.7	The Role Played by Hans Koenig	182
<b>6.</b>	<b>THE NEGOTIATIONS IN WASHINGTON AND THE 1946 FINANCIAL AGREEMENT</b>	<b>185</b>
	<b>CONCLUSION</b>	<b>191</b>
	<b>APPENDIX 1: BIOGRAPHICAL INFORMATION</b>	
	<b>APPENDIX 2: TABLES</b>	
	<b>APPENDIX 3: ARCHIVES</b>	
	<b>APPENDIX 4: BIBLIOGRAPHY, ABBREVIATIONS</b>	

## List of Charts and Tables

<b>No.</b>	<b>Charts</b>	<b>Page</b>
I	Gold consignments of the Reichsbank in Switzerland 1940–1945	65
II	Gold purchased by the SNB from the Reichsbank 1939–1945 per quarter	66
III	Distribution of the SNB's gold holdings at home and abroad 1939–1945	68
IV	Gold sold by the SNB on the market 1940–1945	81
V	Price trend for gold coins in Switzerland	89
<b>No.</b>	<b>Tables</b>	<b>Page</b>
I	Overview of gold transactions of the Reichsbank	39
II	Gold imports into Switzerland 1939–1945	46
III	Gold purchases and sales by the SNB (gross and net)	51
IV	Gold transactions of the Reichsbank via the SNB (gross) 1940–1945	56
V/1	Shipments of the Reichsbank to major Swiss banks 1940/41, per year	56
V/2	Shipments of the Reichsbank to major Swiss banks 1940/41, per bank	56
V/3	Shipments of the Reichsbank to Swiss commercial banks 1940/41 according to US source 1946	57
VI	Percentage cover of SNB notes in circulation, annual average	69
VII	Gold transactions between the SNB and the Banco de Portugal 1939–1945	83
VIII	SNB gold purchases and sales with the Allies, 1939–1945	135
IX	Movements of capital between Switzerland and the United States (1939–1945)	139
X	Geographic distribution of the currency reserves in gold (1940–1945)	140
XI	Gold holdings of the SNB and the Swiss Confederation (1939–1945)	141
XII	Francs needed by the Allies	144
XIII	Confederation gold deposits (1943–1945)	150
XIV	Balance sheets of the Swiss banks in 1940 (excluding private banks)	156
XV	Switzerland's major banks in 1940	156
XVI	Purchases of Belgian looted gold by the SNB	166
XVII	Development of gross premium income of Swiss insurance companies, 1939–1945	173
XVIII	Premium income of Swiss insurance groups from German business operations, 1943	174
XIX	Gold purchased by the big Swiss banks from the SNB (bars and coins, 1939–1945, gross value)	Appendix 2
XX	Gold purchases and sales of the SNB, 1939–1945	Appendix 2
XXI	Profits of the SNB from gold and foreign currency trading 1939–1945	Appendix 2
XXII	Profits of the SNB from the purchase and sale of gold	Appendix 2
XXIII	Compilation made by the SNB in 1946 and 1948 concerning Dutch and Belgium gold: Shipments from the Reichsbank to the SNB	Appendix 2



## Introduction

This interim report reflects Switzerland's firm commitment to an unrestricted examination of its history during World War II and its links with Germany's Nazi regime. The report sets out to provide a broad, clear, and transparent assessment of a complex period of Switzerland's history. The objective is to help Switzerland become conscious of its own responsibilities, particularly concerning the restitution of goods and assets which may not yet have been returned to their legal owners. The report also seeks to shed unbiased and constructive light on a controversial period of Swiss history.

On 13 December 1996,<sup>1</sup> Switzerland's parliament decided to set up an Independent Commission of Experts, assigned the broad task of examining, as completely and exhaustively as possible, Switzerland's political, economic, and financial links with the Axis powers, the Allies and the other neutral countries. The Commission is also to examine policies concerning refugees and official versions of the past. On 19 December 1996, the Federal Council appointed a chairman and members.<sup>2</sup>

Initially, public discussion concerning Switzerland's role during the war focused on dormant accounts held by Swiss banks. Since the autumn of 1996, interest within Switzerland as well as abroad<sup>3</sup> has increasingly concentrated on gold transactions. Since gold is of such economic and political significance, and because of the ethical questions arising from the Nazis' systematic practice of looting conquered states, the Commission has decided to publish this initial study. Our main focus is on the gold operations of the Swiss National Bank, Swiss commercial banks, and other participants in the gold trade, and on the interests of other agents, such as insurance companies. The principle issue addressed is gold transactions with Germany during the war. Further problems faced by Switzerland after the collapse of the Third Reich have been touched upon only briefly and incompletely. These issues will be addressed in the final report, which is scheduled to appear in 2001.

The present study is an interim report.<sup>4</sup> In some chapters, therefore, we merely identify areas requiring further in-depth study.

The Commission decided to publish the initial results of its research at the London Gold Conference held on 2 to 4 December 1997.<sup>5</sup> There, we divided gold sold by Germany on the

---

<sup>1</sup> Federal decree concerning the historical and legal investigation of the fate of assets which reached Switzerland as a result of National Socialist Rule: AS 1996, 3487–3489.

<sup>2</sup> Historical and legal investigation of the fate of assets which reached Switzerland as a result of National Socialist Rule: Appointment of Independent Commission of Experts (Federal Council Decree).

<sup>3</sup> See articles in Schweizerisches Bundesarchiv 1997.

<sup>4</sup> The present study was completed on 20 February 1998. It was not possible to include subsequent publications and newly examined archival material.

<sup>5</sup> There is insufficient space here to provide bibliographic details concerning the information published at the Conference. The Stationery Office, London, will publish all the information in book form in mid-June 1998. This will offer a systematic comparison of the figures contained in the individual reports.

international market into five categories.<sup>6</sup> With the help of tables, we provided information concerning the Reichsbank's gold holdings during the war. The main focus was on the role of the SNB and Swiss commercial banks. The information we published in December 1997 has been integrated in revised form into the present study.

The present interim report does not discuss general legal problems (for example, the issue of neutrality) relating to most of the historical questions arising from our mandate. Moreover, we have not assessed the legal implications of the actions discussed in this study. These issues will be discussed in detail in our final report.

## Research to Date

At the end of the 1930's, gold – always a necessary currency reserve asset under the gold standard – became much more important both to the belligerents and the neutral countries. With the help of gold it was possible to obtain strategically important raw materials, war materiel, or the foreign currency needed to procure such items. The Swiss franc also came to play a special role: after continental European assets were frozen in the United States on 14 June 1941, the Swiss franc became the only globally convertible currency. It therefore took on functions previously performed by the dollar and, before that, by the British pound. Gold and franc operations became an important part of Switzerland's elaborate network of financial and economic ties with Germany and Italy, the Allied countries, and neutral countries.

The SNB acquired gold worth 1.2 billion Swiss francs from Germany, and gold worth just under 2.2 billion Swiss francs from the United States, Great Britain, and Canada,<sup>7</sup> during the war. Even during the war years, there was considerable discussion about gold purchased from Germany's central bank, both within and between the Axis, Allied, and neutral governments. Indeed, by the autumn of 1940 the Governing Board of the SNB had grounds to believe that the Reichsbank was in possession of new gold reserves which could only have originated in countries that Germany had invaded.<sup>8</sup> In June 1942, the SNB considered melting down gold bars it had acquired from the Reichsbank as it was assumed that they came from occupied countries; SNB authorities were concerned that blocking lists issued by Belgium's government in exile might make them less acceptable on the international market.<sup>9</sup> At the end of 1943, the head of the SNB's legal office noted that the Germans were seizing the assets of private individuals «including, for example, deported Jews».<sup>10</sup> Moreover, the Allies by then had issued warnings against receiving further shipments of gold from Germany, and towards the end of the war the Swiss government and the SNB became involved in a spiral of accusations and

---

<sup>6</sup> Independent Commission of Experts: Switzerland – Second World War 1997.

<sup>7</sup> See appendix 2, Table XX. We discuss the problem of comparability of figures in Chapter 3.

<sup>8</sup> SNB Archives, no. 2245: «En marge de la crise monétaire». Manuscript of Philippe Blaser, October 1940. See also Fior 1997, p. 47.

<sup>9</sup> SNB Archives, Minutes of the Governing Board, 18 June 1942, no. 450, pp. 563–564. See also Fior 1997, p. 56.

<sup>10</sup> SNB Archives, extract from Minutes of the Governors Conference, 1 December 1943. See also Fior 1997, p. 89.

justifications. These events were discussed during the negotiations with the Allies in Washington in early 1946.

Gold transactions between the Reichsbank and the SNB are a fairly well researched field. However, few studies have been conducted from the perspective of victims of the Nazi regime. Such studies could provide insight into the origin of gold stolen and subsequently sold in Switzerland. Moreover, studies concerning Swiss financial markets have largely focused on the SNB, and little attention has been paid to the role of commercial banks, financial intermediaries, and black markets. In addition, research has seldom addressed the fact that Swiss banks had internationalized their operations between the wars and were in a position to carry out transactions via their offices abroad or through new subsidiaries opened in New York in 1939–1940.<sup>11</sup> In the following discussion, we give a short account of the important historical studies and the current state of research.<sup>12</sup>

The first overviews of the most important war-time financial transactions were the SNB's report of 16 May 1946 and the Federal Council's report of 14 June 1946 to the Federal Assembly, in which the government laid the groundwork for Switzerland's ratification of the Washington Agreement.<sup>13</sup> However, these official documents either ignored embarrassing questions about the SNB and political institutions, or simply provided rationalizations. With the coming of the Cold War there began a collective process of forgetting, and Swiss-German financial interaction disappeared from historical accounts of the war years.<sup>14</sup>

Various economic history dissertations have mentioned the gold received by the SNB and the associated problems in terms of stability and monetary policy.<sup>15</sup> Moreover, the Guide to Banking, Finance, and the Stock Market in Switzerland [Handbuch des Bank-, Geld und Börsenwesens der Schweiz], published for the first time in 1947, the Guide to the Swiss Economy [Handbuch der schweizerischen Volkswirtschaft] and the «The Swiss National Bank 1907–1957» [Schweizerische Nationalbank 1907–1957] provided an overview of earlier research.<sup>16</sup> The authors of these studies, however, were mostly political and economic decision-makers who tended to ignore sensitive topics or were reluctant to present events that problematized their history.

For many years even academic historians showed little interest in the subject of gold received from Germany by Switzerland. Swiss Federal Archives documents concerning the war did not

---

<sup>11</sup> See König, Epilogue to Rings 1996. Schneider 1959, Iklé 1970, and Cassis 1995a also discussed the internationalization of banks during the Second World War.

<sup>12</sup> Tanner 1997.

<sup>13</sup> SNB Archives, SNB Governing Board report concerning gold transactions between the SNB and Germany's Reichsbank during the Second World War, 1939–1945, 16 May 1946; extracts also published in SDD, vol. 15, pp. 117 ff.

<sup>14</sup> Van Dongen 1996.

<sup>15</sup> See in particular Erdman 1959. See also Bürgi 1948 and Maechler 1952.

<sup>16</sup> Handbuch des Bank-, Geld und Börsenwesens der Schweiz 1947; Handbuch der Schweizerischen Volkswirtschaft 1955; Schweizerische Nationalbank 1957; Lexique de l'économie suisse 1965.

become accessible to the general public until 1973, and there was little research into Switzerland's economic and financial co-operation with Nazi Germany. In 1962, the Federal Council commissioned Edgar Bonjour to prepare a study concerning Switzerland's neutrality. He was given full access to relevant sources, and focused on gold received from the Allies. Indeed, the so-called «Bonjour Report», which appeared in 1970,<sup>17</sup> does not discuss looted gold shipped from Germany.

The 1970s, however, witnessed a renewed interest in historical aspects of Swiss-German interaction. Daniel Frei's 1969 study<sup>18</sup> examined the 1946 Washington Agreement, and was followed by Daniel Bourgeois's 1974 dissertation «Le Troisième Reich et la Suisse»,<sup>19</sup> which drew on German archival sources and, for the first time, discussed the main issues which concern us. Peter Utz's article concerning the scope and extent of the SNB's gold transactions with Nazi Germany, published in April 1980,<sup>20</sup> proved a springboard for later discussion. In 1983, Hans-Ulrich Jost integrated his interpretation of Swiss gold operations into the chapter «Bedrohung und Enge» [Threats and Difficult Circumstances] in his «Geschichte der Schweiz – und der Schweizer» [History of Switzerland and the Swiss],<sup>21</sup> which included a discussion of the war years. In his 1984 dissertation on Swiss-American financial relations, Marco Durrer<sup>22</sup> focused on gold received by Switzerland from the Allies, and Marc Perrenoud's study concerning the geographic distribution of Switzerland's foreign assets<sup>23</sup> made an important contribution. The publicist and film writer Werner Rings also discussed gold stolen by Germany in his book about Switzerland's role as a market place for gold.<sup>24</sup> Rings makes certain counter-arguments concerning the SNB Governing Board's level of knowledge, but he made it clear that from the start the parties involved swung wildly between profit-driven expediency and more morally informed positions. Jakob Tanner's 1986 dissertation focused on the extent to which flows of gold and capital into Switzerland were macroeconomically interconnected, and on how the Federal government intervened in the SNB's monetary and currency policies via so-called «gold sterilization». Tanner's study also shows how important Switzerland was to the Third Reich: since Germany had been cut off by the Allied blockade, Switzerland provided it with access to world markets and allowed it to obtain strategically important materials such as tungsten, manganese, high grade iron-ore, and crude oil.<sup>25</sup>

---

<sup>17</sup> The «Bonjour Report» is generally considered to be volumes 3–6 of «Geschichte der schweizerischen Neutralität» [A History of Swiss Neutrality], published in 1970, by Professor Edgar Bonjour, University of Basel, covering the period from 1933–1945. Three further volumes which included sources appeared between 1970 and 1976. See Bonjour 1970–1976.

<sup>18</sup> Frei 1969.

<sup>19</sup> Bourgeois 1974; Bourgeois 1981.

<sup>20</sup> Utz 1980.

<sup>21</sup> Jost 1986.

<sup>22</sup> Durrer 1984.

<sup>23</sup> Perrenoud 1987/1988.

<sup>24</sup> Rings 1996.

<sup>25</sup> Tanner 1986; Tanner 1990b. See also Heiniger 1989.

These studies, which focused on Switzerland's financial links to the Axis powers, provoked various responses, as other historians drew attention to the large amounts of gold received by Switzerland from Allied countries. These historians generally viewed instances where gold was received from Germany as part of the political balance required to maintain neutrality. In particular, counter-revisionist responses focused on the gold which the SNB had to receive from the United States (most of which was sold on to the Swiss Confederation) due to the freezing of Swiss funds.<sup>26</sup>

In 1985, Robert Vogler, archivist at the SNB at that time, prepared a straightforward factual study of war-time gold transactions.<sup>27</sup> He confirmed that the macro-data for gold received by the SNB used by the aforementioned authors were correct. Indeed, these figures are still acknowledged to be statistically accurate. Vogler also looked at SNB decision-makers' knowledge concerning the provenance of gold purchased from the Reichsbank.

Few international scholars at this point were actively assisting Swiss researchers in placing Switzerland's activities into a larger historical perspective. There were, however, valuable exceptions to this trend, such as the publication of the Nuremberg Trial documents.<sup>28</sup> Of the secondary literature, Willi A. Boelcke's 1976 essay is of some interest: it is a historical account of the Nazi state's international gold policy, and suggests that Switzerland played a key role in selling stolen gold sent from Nazi Germany.<sup>29</sup> The publications by Nicholas Faith<sup>30</sup> and Arthur Smith<sup>31</sup> are also historiographically important.

The topic again became popular among Swiss writers in the 1990's. Linus von Castelmur's 1992 dissertation is a detailed reconstruction of the background to the Washington negotiations. It looks at the various barriers and delays to the implementation of the 1946 Agreement.<sup>32</sup> In 1993, Gian Trepp published an in-depth analysis of gold operations at the Bank for International Settlements. He investigates how the bank functioned as a clearing house for gold and how it co-operated with Switzerland's financial markets. Trepp's study indicates that the Basel-based bank was of major significance for the belligerents as well as Switzerland.<sup>33</sup>

---

<sup>26</sup> See also Philippe Marguerat's studies. Marguerat bases his analysis primarily on the SNB report of 16 May 1946, and essentially shares the views expressed therein. Marguerat 1985, Marguerat 1987, Marguerat 1997. Vogler 1997b, p. 121, and Favez 1992 are critical of Marguerat's 1985 study.

<sup>27</sup> Vogler 1985. The internal report was published in the SNB's quarterly journal in 1985 in slightly abridged form. The original edition has been available in slightly edited form since 1996. It also came out in a publication issued by the Bundesamt für Kultur [Federal Office of Culture]: Vogler 1997b.

<sup>28</sup> Trials of the Major War Criminals before the International Military Tribunal 1945–1946. Of particular significance are the records of proceedings 3–15 May 1946 (vol. 13) and 30 July – 10 August 1946 (vol. 20).

<sup>29</sup> Boelcke 1976; Boelcke 1983.

<sup>30</sup> Faith 1982.

<sup>31</sup> Smith 1989; see also Sayer/Botting 1984.

<sup>32</sup> Castelmur 1997.

<sup>33</sup> Trepp 1993; see also Trepp 1997.

In early 1996, a new debate arose in Switzerland about the role played by its financial institutions during the war, and with the Cold War successfully concluded, this debate gained in intensity.<sup>34</sup> Various journalists and publicists made their views known, and a number of books were rapidly published.<sup>35</sup> From an academic standpoint these books are of varying, sometimes dubious, quality. They present certain new information in a fragmentary manner and also contain items of pure conjecture, sometimes melodramatically juxtaposed with information already known. There are a few exceptions, but generally these publications do not cite their sources properly. They present information that cannot be verified or used for academic research. Nevertheless, they did increase public awareness of the issue.

The two Rifkind Reports published by the British Foreign Office in September 1996 and May 1997 made a useful contribution to research,<sup>36</sup> and in May 1997, the first Eizenstat report appeared. Based on the appraisal of extensive sources in the US National Archives, it demonstrated that victim gold (i.e. gold from concentration camps and extermination camps) found its way to Switzerland. Sydney Zabudoff's short study, which came out in October 1997, also contains interesting general remarks about the Reichsbank's gold operations.<sup>37</sup>

Vigorous new impetus for research is also to be attributed to official Swiss agencies. For instance, the SNB has completed the task of putting information concerning wartime gold reserves on computer, and has now presented a complete overview of all incoming and outgoing gold bars and other forms of monetary gold.<sup>38</sup> Drawing on this material, Jean-Pierre Roth, the Vice-Chairman of the SNB has prepared an in-depth study of his bank's history.<sup>39</sup>

A recent article by Harold James addresses, among other things, the «credulity trap» into which decision-makers at the SNB fell. Against their better judgement, they felt they could rely on the false assurances proffered by the Germans, and were unwilling to change their views when the Allies confronted them with the truth.<sup>40</sup> Another recent study, by Michel Fior, is based on the data prepared by the SNB and on Fior's own research. It asks how much the decision-makers at the SNB knew and shows that by 1941 the SNB was well aware of the circumstances in which the Reichsbank was obtaining Belgian and Dutch gold. Fior argues that the SNB received gold from the Reichsbank to help stave off a German invasion of Switzerland.<sup>41</sup> Thomas Maissen's study, only part of which has appeared so far, is also of interest concerning some aspects of Dutch gold.<sup>42</sup>

---

<sup>34</sup> Picard 1996; Hug/Perrenoud 1997; Picard 1997.

<sup>35</sup> Balzli 1997a in particular came up with new information. The following were also of interest: Vincent 1987; Speich et al. 1997; Bower 1997; and Lebor 1997. See also Koch 1997; Ziegler 1998.

<sup>36</sup> Rifkind 1996; Rifkind 1997a; Rifkind 1997b. See also The Holocaust Educational Trust 1997a.

<sup>37</sup> Zabudoff 1997.

<sup>38</sup> SNB Archives, Inventory accounting for customers' custody accounts for gold 1939–1945, 4 March 1997; SNB Archives, Gold transactions for own account 1939–1945, 4 March 1997.

<sup>39</sup> Roth 1997.

<sup>40</sup> James 1996; James 1998.

<sup>41</sup> Fior 1997; we discuss the «dissuasion thesis» in Chapter 2 and the Summary.

<sup>42</sup> Maissen 1997a; Maissen 1997b.

In addition, various articles that came out following the London Gold Conference on 2 to 4 December 1997, address the topic from the point of view of individual countries and institutions. Of particular interest are the articles prepared by the United States, Great Britain, Germany, Belgium, the Netherlands, Luxembourg, the Czech Republic, Hungary, Greece, Albania, the Banca d'Italia, the Federal Reserve Bank of New York, the Bank for International Settlements, the Tripartite Gold Commission, and the SNB.<sup>43</sup> Our own paper was mentioned earlier.

## Research Agenda and Structure of this Report

World War II may be regarded, for analytical purposes, as falling into several distinct phases. By 1943, it was evident that Nazi visions of a «New European Order» were unrealistic. In 1940, however, as the Wehrmacht swept victoriously through France and the Low Countries, such projects were conceivable, and despite later changes in the fortunes of war some Swiss remained unconvinced of the certainty of German defeat. It is important to take this into consideration, since the behavior of those involved can more readily be understood if one considers how they viewed the international situation.

A broader analysis than space here allows would be needed to portray the dilemma in which neutral Switzerland found itself. It was confronted with the Nazi «dual state»,<sup>44</sup> a polity evolving outside of international law and civil society—a system incompatible with Swiss *ordre public*. The Third Reich generally used conventions of international law as a facade in its relations with other countries. Since Swiss diplomats tended to place formal neutrality tenets at the forefront of their internal debates, they were largely unable to see the extent of the problem posed by Nazi Germany's manipulation of the international political structure. Switzerland was faced with a regime that was committing unprecedented crimes. Why was this fact ignored?

Even during the war, Switzerland's actions were defended legalistically: the country had internationally guaranteed its neutrality and was therefore formally required to treat all parties involved in the war equally. In formal terms, transactions with the Axis powers were to be approached in the same way as those with the Allies. This reasoning, however, ignored the criminal means by which most of Germany's gold was acquired, as well as the fundamental nature of the Nazi state. The legal responsibilities of neutrality are obviously an important issue, but they should not preclude ethical and moral analysis.

Knowledge of the persecutions and plundering performed by the Third Reich is critical to any assessment of Swiss behavior. Such a perspective, however, was largely ignored in the 1946 Washington negotiations, which focused almost solely on central bank transactions. Until very

---

<sup>43</sup> See note 5.

<sup>44</sup> The term *Doppelstaat* [dual state] suggests a distinction between the «legal state» and the «action state». The term was coined by Ernst Fraenkel, who was present in Berlin in 1939, in his study of the Nazi system of rule. His study came out for the first time in 1941 in the United States: Fraenkel 1969.

recently research has generally centered on central banks' gold policies, and there has been scant research on how gold from ghettos, concentration camps, and extermination camps was stolen and disposed of.

The issue of how much decision-makers knew of German atrocities during the war has recently attracted considerable attention. The argument that decision-makers at the SNB simply trusted the Nazis, were unaware of the origins of German gold and acted in good faith has been refuted. Nevertheless, there has not yet been a study examining the motivations and mentality of top SNB decision-makers. Such a study might explain why these bankers did not have a clear idea of the nature of their involvement. Did they not want to know? What information did they resist knowing? Since they had received conflicting information, whom did they believe? Why did the SNB Governing Board have such a close and friendly relationship with a dubious figure like Emil Puhl, Vice-President of the Reichsbank? We believe these are central issues, but can only provide partial answers in this interim report.

It is important to remember that gold operations in Switzerland took place in a broad international context, and there was a complex interplay between long-term developments and solitary events. The emergence of Switzerland as a financial center began in the second half of the 19th century, and the process of economic evolution continues to this day. Nazi looting was clearly confined to a limited time period. Gold played a role in both of these very different developments. As territorial expansion was a key aspect of German policy, gold became an increasingly important raw material with military applications, as a 1937 German study indicated.<sup>45</sup>

For Switzerland, gold trading was not of great economic significance before World War II. Nevertheless, Switzerland's powerful capital market, driven by the Swiss franc, a strong currency backed by substantial gold cover, was of special importance within Europe and gave Swiss banks a distinct advantage. With this in mind, we need to determine how and to what extent Switzerland became a supplier of foreign currency for Germany, a hub for Reichsbank gold transactions, and thus a support for Germany's war economy after 1941.

To tackle this issue properly, we need to look at the provenance and uses of gold. In *Chapter 1* of this study we set forth the results of research in tables which indicate gold reserve levels and in/outflow volumes for Germany and Switzerland. We have also defined and analyzed certain terms relevant to the subsequent discussion. We focus on the Reichsbank, its role within the Nazi system, and the question of victim gold. We also distinguish between several categories of gold that Germany placed on the international market.<sup>46</sup>

---

<sup>45</sup> Eyssen 1937, p. 1170.

<sup>46</sup> As we said at the beginning, we presented parts of this chapter at the London Gold Conference held on 2 to 4 December, 1997.

*Chapter 2* forms the backbone of this interim report. Here we discuss the dynamics of the gold transactions and analyze different phases of Swiss policy. We discuss how the motivations and arguments of the SNB decision-makers responsible for gold transactions changed over time. We also discuss the triangle of transactions between Germany, Switzerland, and Portugal. Our analysis is based on the following questions: how much did Swiss decision-makers know about the extent to which law had been misused and morality perverted in Germany and Axis-occupied countries? How much did those involved know about the origins of gold that found its way to Switzerland? What were their objectives in terms of commercial gain, monetary policy, and political strategy? Did they want to prevent an invasion of Switzerland or were they simply worried about maintaining currency stability? Was it their initial intent to help contribute to the creation of a new German-dominated Europe, and did they subsequently yield to Allied pressure because they felt the postwar economic and legal system would be dominated by the Allies? To what extent did the SNB become trapped by its own actions, arguments, and psycho-political rationalizations and thus become incapable of changing its position?

In *Chapter 3* we look at gold that Switzerland acquired from the Allies. We discuss what induced the SNB to acquire gold from the United States, Canada, and Great Britain, and why one cannot equate these operations with gold transactions involving the Reichsbank.

In *Chapter 4* we discuss Switzerland's financial markets, the interaction between the SNB and the banks, and commercial gold transactions. Our main focus is on gold purchases by the major banks. What were the motives behind the commercial banks' policies? When addressing these issues, one should remember that the Swiss financial center was a complex entity with a large number of intermediaries and private individuals.

From today's perspective, it is difficult to comprehend why the SNB was willing to receive German gold virtually until the end of the war (indeed Confederation authorities tolerated this). Thus in *Chapter 5* we look at the motives of financial creditors (mainly Swiss insurance companies) who were pushing for payment of debts owed to them by German parties in March – April 1945.

*Chapter 6* focuses on the Swiss negotiating team's demands at the Washington negotiations in early 1946. In particular, we discuss Switzerland's position and the arguments used in self-defense. We also briefly discuss the financial transactions that led to the Agreement conditions being partially fulfilled.

The most important new information in this study relates to the commercial banks and the Swiss gold market. Between 1939 and 1941, the Reichsbank carried out more gold transactions through Swiss banks than has previously been known. The various functions of the gold market were more complex than has generally been perceived. In addition, we have discovered more about how currency acquired by Germany via Reichsbank gold was used in settling debts owed to Swiss financial creditors, thus explaining to some extent why

Switzerland continued to receive gold from Germany right up until the last few months of the war.

### **Sources, Methodology, and Unresolved Issues**

This interim report is based on sources from Switzerland, the United States, Russia, Great Britain, Germany, and Poland. For the first time we have also consulted the archives of certain Swiss companies. In addition, we have used records from the Nuremberg Trials as well as historical documents of the German agencies involved in gold trade. Bibliographical data about the most important public archives is provided in Appendix 3;<sup>47</sup> further details concerning files from corporate archives are provided in Chapters 4 and 5.

While we have attempted to provide as strictly factual an account as possible, three problems of historical interpretation must be taken into account:

First, «hard facts» have not always been easily established. Indeed, there is still no coherent set of universally recognized data concerning wartime gold transactions, and we have been forced to establish aggregate figures from individual documents. In the case of the central banks, there are instances where the figures provided should be considered definitive, as we have worked through and checked all the available sources several times. In other instances, where the available statistics are heterogeneous and patchy, the figures may perhaps change somewhat if we perform further intensive source work (if items were double-counted, the figure will decrease; if we turn up new data, it will increase). At this point, it is proper to mention the distinction which has been made between gold purchases and gold shipments. In the case of purchases, a commercial transaction takes place, but gold is not necessarily moved; a shipment of gold entails physical movement between banks or from one legal or natural person to another, but ownership does not necessarily change. In the course of the present study, it has frequently been easier to show physical shipments of gold than to prove changes in ownership.

A second problem is that gold can change its external form without losing value. This is a particularly important issue here, since it was possible to melt down gold stolen from victims or acquired from central banks and use it for financial transactions. This makes it much more difficult for us to trace the path of the gold: commercial transactions and physical changes make it difficult or impossible to follow the path of individual pieces of gold. Moreover, even if the macro-data indicate that looted gold was sold (total sales are greater than legally acquired inventories), it is often difficult to decide what gold was used in the individual transactions. Indeed there are many areas of uncertainty, and it is important to make a global assessment of gold sales and acquisitions.

---

<sup>47</sup> As already mentioned in the preface, for the purposes of this interim report, use of Russian sources was limited to files in the Moscow «Special Archives». All of the files relevant to the Commission's work are still undergoing a systematic inspection. The personal papers of Colonel Bernstein, deposited at the Harry S Truman Presidential Library, Independence, Missouri, USA, have become available in May 1998.

Third, there is the question of how to handle documents that essentially contain interpretations of facts rather than facts. There is a school of thought that says historians should stick closely to sources and add nothing. It is certainly true that one should present historical facts and chronologies accurately. However, a simple reproduction of arguments made at the time is inadequate. In reproducing documents «authentically», one runs the risk of coloring one's interpretation ideologically. In addition, one should avoid judging past motivations solely in the light of what we know today: it is important to take the basic political, military, and psychological conditions of the period into consideration. Thus one should place all actions and precautionary measures in their historical context, point out all the contradictions, recreate the conflicts between those involved and ask how much leeway they had in making their political decisions. Statements made by institutions and individuals during various phases of the war can be seen as part of an ongoing discourse of justification and rationalizations, and it is important to determine the objectives underlying these statements and consider how they superseded earlier statements. This applies in particular to key documents such as the SNB report of 16 May 1946 already mentioned.

Obviously this interim report will leave many questions unanswered. For example it is hard to paint a complete picture of all the Third Reich's gold operations. Numerous Nazi organizations and individuals were involved in the acquisition and selling of victim gold, and these parties generally pursued different goals. The documents available at the moment do not allow us to identify all the players. Moreover, our figures for looted gold have to be based on known volumes and in/outflows. In addition, Germany acquired a certain amount of gold and currency on the black markets of various neutral countries (including Switzerland) by selling other confiscated and stolen goods such as jewelry and art. The question of how victim gold that found its way to Switzerland was used, also remains unresolved.

In the later years of the war, when it became more difficult to sell gold directly, certain German agencies made covering purchases in francs on markets in countries such as Romania. We have deliberately avoided the topic of convoluted gold transactions with countries allied with Germany, e.g. Italy, Croatia, Romania, Slovakia, and Hungary. An in-depth analysis of the complex relationships between these countries, the SNB and Swiss commercial banks is beyond the scope of this interim report.

We have also decided not examine all the events tangentially associated with gold. Thus it is already known that diplomatic immunity was used as a way to keep gold coins and bars out of the hands of the Allies». <sup>48</sup> This is essentially a topic relating to Nazi flight capital and movement of assets, and we therefore do not address it here.

---

<sup>48</sup> For an account of the most important files relating to this topic, see BAR E 2001 (D) 2, vol. 59 and BAR E 2001 (E) 2, vol. 560; for an account of the events surrounding the German embassy in Berne, see BAR 2001-03 (-) 7, vol. 1; BAR E 4320 (B) 1968/195, vol. 50 and BAR E 6100 (B) 1981/96, vol. 15; for an account of the events surrounding the German embassy in Ankara, see BAR E 2200.11/2, vol. 1 and BAR E 2200.11 1967/100, vol. 15. See also Balzli 1997b.

Furthermore, we only discuss the role of the Bank for International Settlements in passing. A systematic examination of the bank's abundant historical resources would shed light on the relationships between the Reichsbank, the BIS, and Swiss banks. However, no one has yet carried out a study of this kind. The same applies to the archives of the Swiss Bankers Association [Schweizerische Bankiervereinigung] and other Swiss interest groups whose historical files have not been examined in any depth.

Even if we could fully reconstruct movements of gold, we would not be able to paint a complete picture of economic and financial transactions during the war and thus determine Switzerland's role in the outcome. A balanced picture would take into account a wide range of interrelated issues and would view them in terms of the whole rather than in isolation. Thus our report suggests that the export of capital, creditors' interests, and gold purchases were closely linked issues, which means monocausal explanations are inadequate. Did Switzerland's role as a market hub for gold dissuade the Axis powers from turning their military aggression on Switzerland? Or did Switzerland's gold operations prolong the war and Nazi genocide? To answer these questions, one would need to conduct much broader research than our current study, which merely looks at gold transactions and additional channels through which Germany carried out some of its international financial transactions. Such research would necessitate in-depth analysis of Germany's economic and financial links with other countries and perhaps a complete account of all cross-border transfers of capital. This will doubtless be the main theme of a more comprehensive future study of economic ties between Switzerland, Nazi Germany, and other countries.

# 1. Acquisition and Use of Gold in the National Socialist Economic Zone

This chapter has two primary aims. The first is to analyze the various methods by which gold was acquired and used in the Third Reich.<sup>1</sup> The second is to show in tabular form the gold transactions of the German Reichsbank during World War II.

The chapter is divided into three main sections. The first briefly describes the position and function of the Reichsbank and the importance of gold for the Third Reich. It is followed by an explanation of terms used for the most important categories of gold in Nazi Germany and occupied territories. The final section is devoted to two compilations summarizing the most important gold transactions of the Reichsbank and the SNB between 1939 and 1945.<sup>2</sup>

## 1.1 The German Reichsbank and its Function for the Nazi Regime

In comparison to other areas, the study of Third Reich public finances has received comparatively little attention.<sup>3</sup> Thus there is neither a specialized monograph nor a usable survey of the history of the German Reichsbank between 1933 and 1945. This report will not answer all the outstanding questions. The following remarks consider the functions and activities of the German central bank only as they relate to an understanding of the gold transactions involving Switzerland during World War II.

### 1.1.1 The Framework

The premise for understanding the role of the Reichsbank under the Nazi regime is first of all the fact that Germany had been suffering from a chronic shortage of foreign currency since the worldwide depression in the 1930's. The collapse of Germany's second largest bank, the Darmstädter- und Nationalbank [Danat Bank] in July 1931 led to massive withdrawals of foreign capital and a dramatic reduction of German gold and foreign currency reserves.<sup>4</sup> The government was forced to cancel the free currency market and to introduce a controlled foreign exchange system. The goals were total control and far-reaching restrictions on money transfers abroad.<sup>5</sup>

In addition, diminished export surpluses at the end of 1932 resulted in a balance of trade deficit by 1934, necessitating a new direction for German foreign trade policy. The «New Plan» of 1934, conceived by Hjalmar Schacht as President of the Reichsbank and newly-appointed

---

<sup>1</sup> The designation «Third Reich» will be used in the following text without quotation marks.

<sup>2</sup> Certain parts of this chapter were published by the Commission as a contribution to the London Gold Conference in December 1997: Independent Commission of Experts: Switzerland – Second World War 1997. Although certain figures have been updated on the basis of new information, they deviate only slightly from those of December 1997.

<sup>3</sup> For the history of the Third Reich public finances see Boelcke 1976, pp. 292–309; Kopper 1995; Volkmann 1992. Oertel 1979 is of little use.

<sup>4</sup> Boelcke 1994, p. 16; James 1993, pp. 350 f.; Jöhr 1956, pp. 341 f.

<sup>5</sup> Boelcke 1994, p. 21.

Minister of the Economy,<sup>6</sup> allowed imports only to the extent that they could be paid for by exports. Imports were to be determined by economic necessity, and countries which would accept sufficient quantities of German products were to be given preferential treatment.<sup>7</sup>

The Nazis' efforts at autarchy could not solve Germany's foreign currency shortage. The goal of significantly increasing the German economy's self-sufficiency was not attained.<sup>8</sup> In addition, Hitler, who had reserved the power since October 1933 to appoint members of the Governing Board of the Reichsbank, gave priority to war preparations after 1936. Schacht was thus replaced by Walther Funk<sup>9</sup> as Minister of the Economy at the end of 1937 and as President of the Reichsbank at the beginning of 1939. Funk, who from 1933 to 1937 served in the Reich government as press secretary and as state secretary in Joseph Goebbels' Ministry for Propaganda, acted as Hitler's economic advisor and was a confidant of Hermann Göring. In 1938 he was appointed Minister of the Economy and Plenipotentiary for the wartime economy and one year later President of the Reichsbank and Plenipotentiary of Economic Affairs. Schacht, to no avail, resisted the project of financing the wartime economy with unsecured public debt.

With the attack on Poland, the need intensified for armaments and raw materials which could only be acquired abroad against payment in foreign currencies or gold. The latter included petroleum, iron ore, manganese, and tungsten. The main suppliers were Portugal, Romania, Sweden, Spain, and Turkey.<sup>10</sup> The Reich's requirement for freely-convertible foreign currency increased, as a result of payments for international services and capital transactions which continued after 1933, and which were in part maintained until 1945. These included the servicing of foreign currency bond issues (primarily the Dawes and Young bonds, and the Austrian League of Nations bonds which were taken over in 1938), the transfer of capital yields such as interest and dividends to foreign investors, as well as license royalties, premiums and professional fees, and pensions for German citizens residing abroad. In this connection, a leading spokesman of Swiss industry referred to the estimated sum of SFr. 212.2 million for annual payments by the German Reich to his country alone.<sup>11</sup>

Germany had five principle ways of acquiring foreign exchange:

1. Securing universally convertible foreign currency through sales of gold to foreign central banks and commercial banks.
2. Exports and services for customers abroad.
3. The sale of looted goods such as works of art, precious stones or negotiable securities.

---

<sup>6</sup> For biographical information, see Appendix 1.

<sup>7</sup> Boelcke 1994, p. 23.

<sup>8</sup> Boelcke 1994, p. 158; Volkmann 1989, pp. 430 ff.

<sup>9</sup> For additional biographical information see Appendix 1.

<sup>10</sup> Boelcke 1994, pp. 131, 159, 174.

<sup>11</sup> According to information from Heinrich Homberger, Director of the Handels- und Industrieverein [Swiss Association for Trade and Industry]. See SDD, vol. 15, p. 72, note 8. For biographical information on Homberger, see Appendix 1.

4. Extortion of ransom money for persecutees of the Nazi regime.
5. Indebtedness abroad through assuming credits in foreign currencies.<sup>12</sup>

During the war years, it became increasingly clear that gold was indispensable for the acquisition of raw materials essential to the war effort. The balancing of clearing transactions was unthinkable without gold. Walther Funk bluntly stated in 1941 that «by the end of the war, the gold which we need will be ours».<sup>13</sup> Since the Reichsbank under Schacht had already begun disguising and hiding part of its gold reserves, in 1938 Germany officially reported gold holdings of only 70.8 million Reichsmarks.<sup>14</sup> Despite extensive gold shipments to Germany during the war, this official figure remained the same. Prior to the outbreak of the war, the actual gold reserves of the Reichsbank were in fact a good deal higher than the official statement, as is confirmed by documents of the Four-Year Plan located in the Moscow «Special Archives» (see Comments on Table I, I/1, and I/2).<sup>15</sup> In addition to its convertibility, the fact that gold offered the possibility of obscuring its origin was not underestimated.

### 1.1.2 Relations with Switzerland

Switzerland was of central importance for the Reichsbank as a place of transit for gold. Thus, in the polemics of Joseph Goebbels' weekly newspaper «Das Reich», the German central bank viewed Switzerland as a «gilded country», which was

«practically the only country whose intercession enables us today to acquire foreign currency with gold, in other words to still be able to sell gold. In our opinion it should not be a matter for newspaper articles to sneer at Switzerland's gold reserves, most of which stem from us».<sup>16</sup>

The Reichsbank, in 1944 also argued that in case of an economic war with Switzerland

«capital transactions would cease in any case; and we would no longer get Swiss francs for military and other non-commercial matters; our gold would therefore be worthless for all purposes of interest to us».<sup>17</sup>

Emil Puhl, Vice-President of the Reichsbank, played a key role in Swiss-German financial relations.<sup>18</sup> Born in 1889, Director of the Reichsbank and specialist for currency matters from 1930 to 1935, Puhl joined the NSDAP in May 1934. He was not a Nazi activist, but was strongly committed to defining the goals of the Nazi gold policy. This was manifested in his close relationship with Lieutenant General [SS Obergruppenführer] Oswald Pohl,<sup>19</sup> who was

---

<sup>12</sup> In view of its special significance for Switzerland, this subject will be more closely examined in the following chapter.

<sup>13</sup> Speech given by Funk in Rome on 20 October 1941, BAB R 25.01/7018/1, p. 549.

<sup>14</sup> For example, the Schweizerische Nationalbank 1939, p. 55 (Monthly Report January 1939).

<sup>15</sup> See also Smith 1989, pp. 28 ff.

<sup>16</sup> Strictly confidential notation by the Department for Economic Affairs with the request for further action at the press conference, 25 June 1943, BAB R 25.01/6955. It was referring to an article in «Das Reich» no. 25, 20.6.43, p. 4. The last sentence of the quotation, however, was not repeated at the press conference (with a note requesting deletion).

<sup>17</sup> Minutes of the Committee on Trade Policy, 7 January 1944, BAB R 3101 (R 7)/3648.

<sup>18</sup> See biographical information in Appendix I.

<sup>19</sup> Pohl, Oswald, 1892 Duisburg – 1951 Landsberg/Lech. 1926 member of the NSDAP, 1929 member of the SA, 1934 SS Colonel, Chief of Administrative department in the SS-central offices, 1942 head of the SS-WVHA. Sentenced to death by the US Military Tribunal at Nuremberg, 1947, executed, 1951.

head of the SS Central Office for Economy and Administration [WVHA] from 1942 until the end of the war. The Reichsbank Vice-President, for instance, saw to it that the SS obtained the silver which Himmler needed for his gift frames «without involving the Reich Office for Precious Metals»,<sup>20</sup> and he personally looked after the interests of the WVHA in Switzerland. In November of 1943, Puhl wrote to Lieutenant General [SS Obergruppenführer] Pohl:

«In the last days I have returned from an official trip to Switzerland where, under present circumstances, I have been involved in some very difficult negotiations.<sup>21</sup> During the course of these negotiations, it was a pleasure for me to also be able to settle matters as requested by your administrative office. I am glad that in this way I once again had the opportunity of being able to successfully conclude your affairs».<sup>22</sup>

And once again, Pohl acknowledged to Puhl,

«that, in the accomplishment of my tasks, you have helped me in every way, and especially in those matters in which only you could be of help. I also know that this has often been difficult for you. From my side, it would be a pleasure for me to be of help or act in an advisory capacity to you».<sup>23</sup>

At the same time Puhl, during his recurring stays in Switzerland, was becoming an expert at alluding to his skepticism vis-à-vis the national socialist regime and to posing as an anti-Nazi.<sup>24</sup> Leading figures in finance and industry appreciated him as a competent specialist and an agreeable person in conversation.<sup>25</sup> Following a meeting with the Vice-President of the Reichsbank, Swiss Federal Councillor Ernst Wetter wrote in his diary:

«I believe we should welcome the fact that the management of the Reichsbank is in such steady and reasonable hands. This also applies to the postwar period».<sup>26</sup>

Puhl, who was sentenced in Nuremberg in 1949 to five years in prison, was of the opinion after the war that it was not the duty of the Reichsbank to examine the origin of the gold which it accepted or even to compromise its own government by indicating the surrendered holdings as being «non-deliverable»:

---

<sup>20</sup> BAB NS 3/122, p. 123 Rs.

<sup>21</sup> This refers to a discussion after the 3rd supplementary agreement to the Clearing Treaty which was signed on 1 October 1943.

<sup>22</sup> Private letter of Puhl to Pohl, 11 November 1943, BAB NS 3/122, p. 28. At the end of June 1943, Wolff, the Director of the Reichsbank, was also in Switzerland. This was known to Pohl's staff lawyer Volk (*ibid.*, p. 96).

<sup>23</sup> From Pohl to Puhl, 20 November 1943, *ibid.*, p. 27.

<sup>24</sup> As Per Jacobsson, economic counselor at the BIS, put down in his diary in 1942. «Puhl does not take the outcome of the war for granted any longer». Per Jacobsson Estate, Diary, vol. 43, 28 May 1942, Manuscript Department of the Basel University Library. During his visits to Switzerland, Puhl was also invited as guest to the private homes of SNB Members of the Governing Board, for instance Fritz Schnorf. On such occasions, he posed as an anti-Nazi (oral communication of Dr. F. Schnorf, Jun., Meilen, September 1997). Puhl enjoyed excellent relations with Ernst Weber, Chairman of the SNB Governing Board, as well.

<sup>25</sup> See also Chapters 2, 4 and 5.

<sup>26</sup> Diary of Wetter, 19 November 1942, p. 124, privately owned.

«It was self-evident that the Reichsbank was not able to distinguish between gold, ... which was later described as looted gold by the enemy, and its other gold holdings ... The Reichsbank began with the generally, valid international principle that gold is fungible, and thus always considered its gold reserves as a global matter. It had to do so, otherwise the purpose of gold as cover for notes in circulation would be lost».<sup>27</sup>

Puhl's character exemplifies how dubious it was to pursue *business as usual* with the Reichsbank.

### 1.1.3 Other Participants and Government Control Measures

Gold transactions in the Third Reich were not only concluded by the Reichsbank. Several other agencies and individuals from varied backgrounds were involved in the gold trade. The Reichsbank itself carried out commercial gold transactions through its subsidiary, the German Gold Discount Bank [Deutsche Golddiskontbank, or Dego]. The acquisition of gold for armaments had in the meantime become one of the tasks allocated to officials for the Four-Year Plan. A remark referring to this agency made in retrospect in 1946 stated that:

«This agency, which is uncontrollable due to the absoluteness of its power, has considerable funds at its disposal for special purposes related to government policy and conducts notoriously significant transactions in precious metals, specifically in gold and platinum and valuable foreign exchange, excluding, as it were, the administrative general public ... Presumably its main areas of activity are in the neutral states, in other words in Switzerland, Sweden, and Portugal, and perhaps in Turkey ... It is unlikely that the Reich Office for Precious Metals is aware of this group».<sup>28</sup>

This office previously known as the Supervisory Authority for Precious Metals, was under the jurisdiction of the Reich Ministry of Economy. Its competence initially extended within the framework of the legally established Foreign Exchange Control<sup>29</sup> to gold transactions for goldsmiths and jewelers. In particular, it supervised the export of gold which was subject to authorization.<sup>30</sup> Until 1939, the Supervisory Authority for Precious Metals was assigned additional responsibilities because the government increasingly blurred the distinction between «foreign exchange gold», which was under the Foreign Exchange Control, and gold as a freely marketable commodity.<sup>31</sup> At the end of 1938, the Supervisory Authority issued an order which made every transfer of gold subject to its approval. In 1939, the Ministry of Economy upgraded the former Supervisory Authority to the «Reich Office for Precious Metals». In

---

<sup>27</sup> From Puhl to the Federal Minister of Finance, 20 August 1954, archives of the Deutsche Bundesbank, B 333/376. For biographical information on Puhl, see also Appendix 1 as well as Urner 1985a.

<sup>28</sup> 5 December 1946, BAB R 3/201, pp. 1 f. (cited page 2).

<sup>29</sup> Regulation regarding foreign currency notes of 1 August 1931; Foreign Exchange Control of 4 February 1935 (DevG), RGB1 1935 I, p. 106, §§ 4, 10–11, 13. See Behrbohm/Sudau 1932, pp. 5, 7.

<sup>30</sup> § 1,2 no. 6 of the implementation of the Foreign Exchange Control of 4 February 1935, RGB1 1935 I, p. 114 (ibid., p. 25); Section IV 29–32 of the guidelines for the Foreign Exchange Control of 19 December 1936, RGB1 1936 I, p. 1021 (ibid., pp. 101 f.).

<sup>31</sup> Since July 1938, Reichsmark gold coins were no longer a legal means of payment. The decisions were based on the assumption that gold bars and not old gold resulted from smelting gold coins so that an exclusion from the controlled economy was out of the question. Even the melting of old gold resulted in monetary gold which was subject to approval. Bender 1939, pp. 14–16, 1942.

wartime it was responsible for «an especially economical use of expensive raw materials dependent on foreign exchange»<sup>32</sup> and for the supervision of the gold refineries.

Gold transactions were also undertaken by private firms. In this respect, the German Gold and Silver Refinery [Deutsche Gold- und Silberscheidenanstalt, or Degussa] should be mentioned first of all, as well as the Deutsche Bank, the Dresdner Bank, and the Bankhaus Sponholz & Co. There is little knowledge at present about the gold dealings of these companies. Apart from certain comments in the investigations by the Allied occupation authorities which were carried out immediately after the war,<sup>33</sup> no further details have become available.

In the middle of 1942, the Reich Office for Precious Metals also took over management of industrial diamonds and the means of payment necessary for their import. Although this subject is outside the scope of this interim report, the acquisition of industrial diamonds sheds light on the overlapping jurisdictions which was typical of the Third Reich. The Office of the Plenipotentiary of the Four-Year Plan (Göring), the Trading company for Raw Materials (Roges), and the Reich Ministry of Armaments, and War Production (Speer) bought diamonds on the black market, particularly in France and in Switzerland. Neither the Reich Office for Precious Metals nor the Reichsbank had specific knowledge of these transactions.

The examples demonstrate that an analysis of gold transactions in the Nazi state should not be limited to the Reichsbank alone. The polycratic structure of the Third Reich is reflected especially in the gold trade. The complexity of the facts must be taken into account, resulting in distinctions in conceptual terms between the various forms of using gold.

## 1.2 Terminology and Presentation

The literature often distinguishes between «monetary» and «non-monetary» gold. The former was at the disposal of central banks. It served as a national currency reserve and was an integral part of monetary systems based on a gold or a gold-foreign exchange standard. The term «non-monetary» relates to a less differentiated residual category in which all other gold, obtained or traded from private persons or companies, is subsumed. The distinction also formed the basis after the war for the restitution efforts of the Tripartite Commission for the Restitution of Monetary Gold (TGC).

Focusing on the central banks' gold demonstrates that the entire problem of restitution, raised by the Third Reich's economic system of looting, was primarily defined by states which were above all concerned with war costs and the return of stolen national property. The victims, the dispossessed, have had to take second place behind official reparation claims and the formation

---

<sup>32</sup> From the Reich Office to dealers and smelters, 20 July 1939; BAB R 8 X/253.

<sup>33</sup> OMGUS 1985; OMGUS 1986. Both of the commercial banks, as well as Degussa, have in the meantime initiated research projects in which gold transactions will also be examined. See first meeting of the working group of the «Gesellschaft für Unternehmensgeschichte» on the role of enterprises and industrialists in national socialism, Munich, 6–7 February 1998.

of new alliances during the Cold War. Even today, the difference between «monetary» and «non-monetary» tends to reproduce an approach oriented toward states and central banks. In particular, it does not do justice to the transformations which gold underwent as a result of the various forms of its use. This Commission is using the term «looted gold», in general and comprehensively, to indicate all that gold which the Nazi regime seized through the application of its racial laws or as a result of military expansion in many parts of Europe.

### 1.2.1 Origins of Gold in Nazi Germany and Occupied Europe

The present interim report distinguishes between five categories of gold, primarily based on its origin. It will then go on to examine the use of gold and the resulting transformations in its form and function.

1. *Gold* which came under the control of the Reichsbank by means of broadly applied legal requirements. In the Third Reich an entire group of organizations and administrative offices were involved in the registration, appropriation, and extortion of gold. Such measures extended from general tax laws and foreign currency regulations to compulsion stemming solely from the needs of the wartime economy. These programs effected all German citizens (both of Jewish and non-Jewish origin) as well as other dispossessed persons, groups and institutions within Germany.

2. *Confiscated and plundered gold*. On the one hand this includes property (coins, jewelry, and precious metal bar) which was collected by force from Jews in Germany and Austria after 1938, as authorized by Nazi racist legislation. On the other hand it includes property taken from residents and citizens of annexed and occupied areas (The Netherlands, Belgium, Poland, etc.) through the arbitrary use of state power or individual plundering. Such gold was either transferred to the reserves of the Reichsbank, used on the black markets, or hoarded.

3. *Victim gold*. This is a general term used to denote the gold assets which the Nazi regime took from victims (dead or alive) of ghettos, mass executions by shooting, concentration camps, and killing centers.<sup>34</sup> «Concentration camps and killing centers» is a comprehensive term.<sup>35</sup> The mass extermination of European Jews was at the same time a large-scale looting operation for jewelry gold, precious stones, and foreign currencies. Above all, the SS Central Office for Economy and Administration [WVHA], was the leading participant in the plundering of victims. It also raises the question of embezzlement and plundering by individuals involved in the killing process. The Central Office for Reich Security was informed by an American news agency report in April 1944 that SS-Reichsführer Heinrich Himmler had deposited assets of about \$2 million in South American accounts and invested another \$640,000 in life insurance policies.<sup>36</sup> The accuracy of this report, the origin of the alleged assets, and the way in

---

<sup>34</sup> Victim gold also includes the gold looted from the victims of the so-called «Euthanasia Operations», see Chapter 1.2.2.

<sup>35</sup> See Weinmann 1990, pp. 715 ff.

<sup>36</sup> Copy of a confidential special report by the US news agency Exchange Telegraph relating to German assets abroad,

which they reached South America is still being questioned. More detailed remarks at the end of this section indicate the complexity of the subject (1.2.2).

4. *Gold from currency reserves of central banks.* Even before the war, the Third Reich was able to appropriate gold reserves of other states through its territorial expansion. During the *Blitzkrieg* in the spring and summer of 1940, other substantial gold holdings came under the control of the national socialist state. In the years of occupation by the German Wehrmacht which followed, gold continued to flow from the monetary reserves of the European central banks to the Reichsbank. The last three categories (2, 3, 4) indicated are globally referred to as «looted gold».<sup>37</sup> Apart from these, an additional category of non-looted gold must be defined:

5. *Gold from holdings which came into the possession of the Reichsbank before 1933 or which was acquired through regular transactions before the outbreak of war.*

### 1.2.2 The Question of Victim Gold

The looting of gold and other private valuables has up to now been dealt with primarily from the perspective of the persecution of Jews and other minorities subjected to discrimination within the framework of the Nazi racial policy.<sup>38</sup> With the use of the term «victim gold», we wish to replace the too narrow designation of «gold from the deceased» and thus to encompass the totality of (persecutee-origin) looted gold. The primary question to be clarified is the channels through which the victim gold was collected and disposed of.<sup>39</sup>

There has not yet been a comprehensive study of the Third Reich's looting and its consequences on all segments of the population in German-occupied areas. Neither has the plundering of Jewish victims been sufficiently researched.<sup>40</sup> On the other hand, there are many monographic studies for individual countries.<sup>41</sup>

The 1997 Eizenstat Report also delves into this topic.<sup>42</sup> Above all, it documents American efforts to secure and restore looted gold. For the war period, it is based on the evidence used at the Nuremberg trials; and for the rest, on the sources of the US Military Government for Germany. The detailed description of the cache of looted gold discovered by the American troops in Merkers (Thuringia), which had been thoroughly inventoried by November 1946, is central. Microfilms of documents from the Reichsbank's Precious Metals Office, that only in

---

27 April 1944, BAB R 58/3490.

<sup>37</sup> The Commission is using the term «looted gold» to denote a historical fact. At the present time, it is not commenting on the question of the juridical (il)legality of the German Reichsbank's appropriation of gold from central banks (category 4).

<sup>38</sup> Arndt 1966; Hilberg 1985, vol. 1, pp. 94 ff., 239 ff.; vol. 2, pp. 471 ff., vol. 3, pp. 947 ff.

<sup>39</sup> The issue of victim gold shipped to Switzerland («Melmer-Gold») will be dealt with in part 1.5 of this Chapter.

<sup>40</sup> The standard work by Hilberg is the closest to fulfilling the requirements of a global presentation: Hilberg 1985.

<sup>41</sup> See for instance: for the Third Reich with respect to «Aryanization» Bajohr 1997; Barkai 1989; Hayes 1994; for the policies of occupation and extermination in Poland Madajczyk 1988; Pohl 1993; Sandkühler 1996; for «Jewish policy» in France, Mattéoli Report 1997; Poznanski 1997; Klarsfeld 1989; for Italy, Steinberg 1992; for Eastern Europe, Manoschek 1993; for Austria, Safrian 1993.

<sup>42</sup> Eizenstat 1997, Chapter IX.

1997 were re-discovered in the US National Archives,<sup>43</sup> are not analyzed in the Eizenstat Report. For this reason, the total volume of victim gold is not quantified therein. The Report comes to the conclusion that a part of the gold which the SS had robbed from its victims was resmelted with Dutch gold into bars, and was shipped in this form to the Reichbank's depository at the Swiss National Bank in Bern.<sup>44</sup>

An analysis of victim gold can begin with individual SS shipments and their subsequent processing, or it can be estimated from the Reichsbank's «Gold Purchase Ledgers» and other records. Both methods are legitimate, and they lead to comparable results. The Commission has opted for the latter procedure and has arrived a minimum value of \$2.9 million.<sup>45</sup>

Where did victim gold come from? In what form and via what channels did it arrive at the Reichsbank? How far could reutilization or exploitation of this gold exist outside official channels, and to what extent were they used? Questions like these can only be answered if structural characteristics of the system of National Socialist rule are drawn into the picture.

The Third Reich pillaged gold and other property from Jews and Sinti, and Roma inside Germany as well as looting the property of other ethnic, national or religious groups in occupied areas. There was a basic distinction between German military and civil administration. Frequently tensions and jurisdictional conflicts occurred between the SS and German occupation authorities, both civil and military. These rivalries and differences were not about fundamental occupation policies, but often concerned the appropriation of looted property and assets. The following section will attempt to provide a brief overview of gold looted from different victim groups.

In the *T4 killing centers* and *T4 institutions* (so-called «euthanasia killing centers»), the practice of extracting dental gold from the victims began in 1940.<sup>46</sup> A former *T4* employee testified later that gold teeth had been brought to her after the «euthanasia» killing operations:

«He had a book, and I had a book, and we each signed the other's in receipt. Then we left them lying there in a little carton. There they lay until more teeth were assembled, whereupon we sent them by courier to Berlin».<sup>47</sup>

Other valuables were also taken from the *T4* victims using the same methods as in the extermination camps of the East. A later court judgment stated that:

---

<sup>43</sup> US National Archives, RG 56. Eizenstat 1997, First Supplement, pp. 79–82.

<sup>44</sup> Eizenstat 1997, pp. 168, 178.

<sup>45</sup> See following: Table I, point III/2. This amount stems solely from the shipments which SS-Captain Bruno Melmer [SS-Hauptsturmführer] made to the Reichsbank. The gold looted from victims by civil agencies is not included.

<sup>46</sup> Friedlander 1997, pp. 170, 473.

<sup>47</sup> Hessisches Hauptstaatsarchiv Wiesbaden [Hessian Main State Archives], 461/32061/7: Frankfurt state court, Wahlmann, Gorgass, and Huber case, 4a KIs 7/47 (4a Js 3/46), protocol of the public session of the 4th Criminal Division, 3 March 1947, p. 32 (testimony of the defendant Ingeborg Seidel).

«Ultimately, it was the central economic department that was responsible for registering money and valuables that *T4* couriers brought to Berlin, and in at least one instance, that the defendant himself brought to Berlin from extermination camps in the East. The defendant stated the value of this «booty» was approximately 180,000 Reichsmarks in 1942 and consisted mostly of dental gold, but also included coins and jewelry. He therefore brought objects to the Criminal Technical Institute where the dental gold was resmelted and subsequently sold to Degussa ...».<sup>48</sup>

It is not known whether *T4* gold ended up in the possession of the Reichsbank.

Immediately after the German invasion of the Soviet Union in 1941,<sup>49</sup> mobile killing units conducted mass executions. Thereupon, ghettos were created where Jews selected for work and later for elimination were brought. These ghettos were later «cleaned up», and the persons who had been imprisoned in them were either murdered at once or deported elsewhere.

From the start of the German occupation until 1942, Jewish communities as well as other groups of the local population became victims of extortion. Extremely high contributions, usually calculated in precious metals, were demanded by the German administration. The confiscation of Jewish property was the task of military economic offices in the areas under military administration, and under civil offices, i.e., the regional commissars, in the so-called Reich Commissariats of the Eastern Territories (hereafter Ostland) and the Ukraine. The security police frequently attempted to seize the most valuable objects. Whether they were successful in doing so depended on local power arrangements.

The victim gold was shipped to Berlin in the form of jewelry, such as rings or watches, gold coins, and also in the form of dental gold. The civil administration kept accounts with a relevant designation<sup>50</sup> and apparently credited the Reichsbank directly. Jewelry went to the Municipal Pawnshop in Berlin, which either appraised the objects, or if they could not be sold, had them resmelted under the supervision of the Reich Office for Precious Metals. Military offices (field commands) transferred the gold to the Reich Main Accounting Office where the shipments were duly entered into the «Russia Booty Ledger».<sup>51</sup> Incidentally, the procedure described here was applied in exactly the same way for gold seized from non-Jewish inhabitants.

---

<sup>48</sup> Frankfurt State court, judgement and sentence Hans-Joachim Becker and Friedrich Robert Lorent, Ks 1/69 (GStA), 27 May 1970, p. 115. Other trials containing information about looting of victims and the resmelting of gold crowns into gold bars are: State Attorney Düsseldorf, trial of Albert Widmann, 8 Ks 1/61 (8 Js 7212/59), Interrogation Widmann 15 January 1960, p. 5 as well as State Attorney Stuttgart, trial of Albert Widmann, Ks 19/62 (19 Js 328/60), testimony of the witness Klara Mattmüller in the *T4* Economic Department in Berlin (Freiburg, 17 February 1966, StA Frankfurt Js 7/63 and Js 15/63 GStA). These two documents, as well as those cited in note 47, are found in the Zentrale Stelle der Landesjustizverwaltungen in Ludwigsburg [Central Office of the State Justice Administrations].

<sup>49</sup> For material about the conditions in the Soviet Union, we thank Christoph Dieckmann, Frankfurt am Main, and Christian Gerlach, Berlin.

<sup>50</sup> There were «J» accounts or «funds» under the supervision of the Reich Office for Precious Metals, as well as «J» accounts and similarly designated accounts at the Trusteeship and Finance Departments of the occupied Soviet regions, which transferred the amounts they took in over to the Reichsbank.

<sup>51</sup> BAB, R 2104/84–88. Gold coins confiscated by the military also arrived from other occupied areas (Poland, France, etc.) and was registered in such booty books.

Presumably only a small portion of the booty from the Soviet Union ever reached the designated agency. The security police, for instance, were theoretically obliged to hand over confiscated precious metals to the civil administration. It is not clear what happened to those valuables which it kept for itself. In addition, looted assets were widely used as a means of «self-financing» of civil administrations, which were obliged to cover their own financial needs without any contributions from the Reich. A new regulation was introduced in early summer 1942 and was implemented in the civilly administered Ostland and in the Ukraine. On 7 September 1942, the Ministry for the Occupied Eastern Territories issued a directive that precious metals resulting from searches and «Jewish Operations» be henceforth sent to the Office for Precious Metals, which was in turn to appraise these objects and transfer the proceeds, via the Main Accounting Office, to the finance departments of the Reich Commissariats.<sup>52</sup> From that point on, smelting of victim gold was under the jurisdiction of the Reich Office for Precious Metals, which kept its «J» accounts with the resmelting centers.

The amount of corruption and personal enrichment which took place cannot be measured in either absolute or in relative figures. The fact that it did, however, occur is clear from SS special tribunals involved in punishing personal enrichment.<sup>53</sup> Nevertheless, it is for certain that the hidden figures were very significant. Precious metal was particularly coveted by the major cabinet-level officials<sup>54</sup> as well as local, lower-ranking administrators. It appears that the SS behaved extremely conscientiously when transferring gold. In late December 1941, the Senior SS and Police Commander for Central Russia, Erich von dem Bach-Zelewski,<sup>55</sup> sent gold and currencies valued at about 32,000 Rubles<sup>56</sup> to the Reich Main Accounting Office, and an additional shipment of 12 hundredweights of silver direct to the SS Main Office.<sup>57</sup>

Poland was occupied by Germany and by the Soviet Union at the beginning of World War II, and subdivided into several sections as early as 1939. In the north, the Danzig-West Prussia District was created and annexed by Germany; and in the west, the Posen Administrative District, latter named Wartheland (or Warthegau) District was constituted. The Upper Silesian industrial region almost up to Cracow, encompassing also the city of Oswiecim [Auschwitz] as well, was incorporated into the Silesia District and divided at the beginning of 1941, into Upper and Lower Silesia. The remaining regions formed the so-called General Government with the districts of Cracow, Radom, Warsaw, and Lublin. From August 1941, to these was

---

<sup>52</sup> We thank Christoph Dieckmann, MA, Frankfurt a.M., for the kind information.

<sup>53</sup> US National Archives, RG 238, Interrogation of Dr. Konrad Morgen, 1946–1948, and NO 2366 (Accusation prepared by Morgen against the Commander of the Buchenwald and Lublin-Maidanek Camps, Karl Koch, who was subsequently condemned for corruption and executed). For the Koch affair, see Kogon 1982, pp. 322–327.

<sup>54</sup> For Himmler's bank accounts abroad, see Chapter 1.2.1, point 3.

<sup>55</sup> Bach-Zelewski, Erich von dem, 1899 Lauenburg/Pomerania – 1972 Munich. 1930 member of the NSDAP, 1931 entry into the SS Lieutenant General [SS-Obergruppenführer], Higher SS and Police Leader in the region of the Central Military Group (1941). Head of the «Combat Against Bands» (1943). Commanding SS General during the suppression of the Warsaw insurrection (1944). Condemnation by the German Court of Justice to ten years in work camp (1949), and to life imprisonment for murder of political opponents (1962).

<sup>56</sup> According to the exchange rate in vigor at the time, 1 Reichsmark = 10 Rubles.

<sup>57</sup> Telegram from von dem Bach-Zelewski to Himmler, 29 December 1941, Public Records Office, HW 16/32.

added the District of Galicia with the area around the city of Lvov which had been occupied by the Soviet Union in 1939. In these areas, a comprehensive system of camps was built up (work camps, transit camps, concentration camps, and after December 1941, extermination camps). Here a distinction must be made between killing centers like Chelmno in the Warthegau, the camps of the so-called «Operation Reinhardt»—the name given to the program begun in early-1942 for the deportation and the killing of Polish Jews from the General Government<sup>58</sup> – and the largest extermination camp, Auschwitz-Birkenau, which lay in the so-called annexed areas and thus belonged directly to the Reich.<sup>59</sup>

In the annexed areas, precious metals looted from both Jews and non-Jews were also confiscated by the Main Trusteeship Office East [Haupttreuhandstelle Ost] and the Trusteeship Office for the General Government.<sup>60</sup> These offices reported to the Four-Year Plan Office, namely Hermann Göring. Only in 1944 were they directed to ship the objects they had sequestered to the Reichsbank. The Lodz ghetto was an exception since the local municipal administration was responsible. «Operation Reinhardt» came under the General Government. Here the same types of deportation, killing, and plundering operations took place as had been applied to the occupied areas of the Soviet Union. As a result, conflicts ensued between Reich Leader of the SS and Police Heinrich Himmler, and General Governor Hans Frank, with the latter emerging victorious in autumn 1942.<sup>61</sup>

Up until mid 1942 the SS collected in the territory of the Reich the dental gold from the deceased or murdered concentration camp inmates and shipped it directly to the SS Health Office. There it was used for the dental needs of SS personnel.<sup>62</sup> A modification of this procedure was instigated by an exchange of letters between Dr. Ernst Robert Grawitz, Reich Physician of the SS, and Police, and the SS detachments in the General Government. At the end of April 1942, SS Major General [SS-Gruppenführer] Grawitz addressed the Warsaw Leader of the SS and Police requesting that «old gold of Jewish origin» confiscated in Warsaw be made available for dental purposes.<sup>63</sup> From Warsaw, SS Senior Colonel [SS-Oberführer] Wigand replied that he was unable to decide about the use of «old gold of Jewish origin» which had come into his possession, and that Grawitz should obtain instructions from Himmler. After Grawitz had contacted the personal headquarters of the Reichsführer SS, Himmler sent out a directive in August 1942 to the Higher SS and Police Leaders in the

---

<sup>58</sup> See Kogon et al. 1994, pp. 102 ff.

<sup>59</sup> Ibid., pp. 139 ff.; as well as Gutman/Berenbaum 1994.

<sup>60</sup> See the decree on the safeguarding of the assets of the former Polish state dated 15 January 1940, and the order on the handling of assets of the members of the former Polish state of 17 September 1940, printed in the official list of the General Government 1940.

<sup>61</sup> Hilberg 1985, pp. 947 ff.

<sup>62</sup> Nuremberg Document NO-2305, letter of SS Brigadier General [SS-Brigadeführer] Frank, SS Central Office for Economy and Administration [SS-WVHA], to Reichsführer SS, concerning dental gold, 8 October 1942.

<sup>63</sup> Nuremberg Document NO-3166, exchange of correspondence between SS Reich Physician Dr. Grawitz, SS Senior Colonel [SS-Oberführer] Wigand (Warsaw District), SS Lieutenant Colonel [SS-Obersturmbannführer] Dr. Brandt (Personal Headquarters of the Reichsführer SS), April, May 1942.

«Eastern Territories» to the effect that «all quantities of gold, old gold, silver, various precious metals, and other valuables without exception be shipped to SS Lieutenant General [SS-Obergruppenführer] Pohl», head of the SS Central Office for Economy and Administration [SS-WVHA].<sup>64</sup> Thereafter it would be up to the WVHA to decide how the booty would be distributed. At about the same time, negotiations took place between the WVHA, representatives of the Reich Ministry of Finance, as well as the Reich Minister of Economy and Reichsbank President Walther Funk concerning the disposal of the looted assets gathered by the SS.<sup>65</sup> The result of these negotiations was that the booty was to be taken from the WVHA to the Reichsbank. Beginning in August 1942, SS Captain Bruno Melmer [SS-Hauptsturmführer]<sup>66</sup> shipped sealed containers to the Reichsbank where the foreign currencies, precious metals, coins, and pieces of jewelry were sorted.

The Reichsbank Office for Precious Metals, headed by Albert Thoms,<sup>67</sup> accepted these shipments and distributed them along the various channels such as the Municipal Pawnshop, refining centers, etc. Once the SS dentists had covered their «requirement»,<sup>68</sup> Himmler's subordinates also began, in November 1942, to deliver dental gold extracted from those who had been murdered. This gold was for the most part smelted down and processed into bars of a type designated «various». In this connection, it should moreover be noted that within the deployment area of «Operation Reinhardt» in the General Government, the process of melting down was carried out prior to dispatch to Berlin, whereas for Auschwitz-Birkenau, such a procedure is not known to have taken place.<sup>69</sup>

The precious metals carrying the designation of «Melmer» in the records of the Reichsbank, did not, however, originate solely in «Operation Reinhardt». Considerable amounts of gold came from the Auschwitz-Birkenau extermination camp. These shipments were after all so voluminous that Auschwitz was exempted from a new regulation on the disposal of victim gold that, according to a declaration made by the head of Amtsgruppe D of the WVHA, Willi

---

<sup>64</sup> Nuremberg Document NO-3192, Brandt's circular issued to all Higher SS and Police Leaders, 12 August 1942, and to Pohl, 12 August 1942.

<sup>65</sup> Nuremberg Document PS-3944, affidavit of the former Vice President of the Reichsbank Puhl, 3 May 1946.

<sup>66</sup> Bruno Melmer was the Head of the Finance Office in «Amtsgruppe A/II» of the WVHA [SS Central Office for Economy and Administration] BAB (BDC), SS Officers files Bruno Melmer.

<sup>67</sup> Thoms, Albert, as of 1910 staff member of the Reichsbank, with 1923/1924, Head of the Reich Office for Precious Metals. See also Hilberg 1985, vol. 3, pp. 957 ff.

<sup>68</sup> It was not until November 1942 that dental gold looted from victims began arriving at the Reichsbank due to the fact that until that time it had been being used for the dental treatment of members of the SS as per request of SS Reich Physician Dr. Ernst Robert Grawitz (see Jüdisches Historisches Institut Warschau 1961, p. 404). In October, the Head of Office A of the WVHA informed Himmler that the Health Office had already received 50 kg of dental gold, sufficient for the next five years. For this reason, he wanted to ship this gold to the Reichsbank in the future in return for acknowledgment from the latter. Frank to Himmler, 8 October 1942, BAB NS 19/3929.

<sup>69</sup> That the practice of melting down was carried out in Poland is confirmed by the comparison of two documents, i.e., by the concluding report of the Lublin SS and Police Leader Odilo Globocnik on the economic aspect of «Operation Reinhardt» dated 5 January 1944, as well as the concluding report of the Galicia District SS and Police Leader Friedrich Katzmann on the local «solution to the Jewish question» dated 30 June 1943. According to these documents, Katzmann shipped scrap gold, earrings, dental gold etc. to Globocnik's «Special Headquarters», while the latter's statement of accounts showed only gold and silver bars. See Jüdisches Historisches Institut Warschau 1961, pp. 421 f. (Globocnik); Trials of Major War Criminals, vol. 37, pp. 402 f. (Nuremberg Document Nr. L-105) (Katzmann).

Burger, was introduced around the end of 1943. According to this new regulation, the WVHA ordered that in the future, valuables and dental gold were no longer to be shipped directly to the Office A-II headed by SS Captain [SS-Hauptsturmführer] Melmer, but rather to the Concentration Camp Administration [Office D], which would deliver them to Melmer. Auschwitz, on the other hand, continued making its shipments directly to Melmer.

To summarize, the disposal of looted gold had several routes: from the *T4* killing centers to Degussa; from the Soviet Union direct to the Reichsbank and to the Pawn Shop; from military authorities in all the areas occupied by Germany, as booty, via the Reich Main Accounting Office to the Reichsbank; as refined precious metal from Lublin to the WVHA and on to the Reichsbank; as unrefined precious metal from Auschwitz-Birkenau to the WVHA. It must be noted that we know very little about the security police. In addition, the above-mentioned September 1942 order issued by the Ministry for the Eastern Territories is a strong indication that looted gold could also bypass the Reichsbank. For a long time, the paths taken by victim gold, as well as the manner in which it was disposed, have only been very partially researched. Due to the absence of sources, the elucidation of these points is to a certain extent doomed to failure.

Seen as a function of the quantity and of the value it represents, the gold which was looted from victims is but a fraction of the proven gold reserves handled by the Reichsbank.<sup>70</sup> This fact, however, should not palliate the reality that the human suffering behind these statistics is incalculable.

### 1.2.3 Tables and Coherence of Data

The following tables illustrate the magnitude, the institutional trails and the geographical structure of the gold transactions. They include a compilation, for the Third Reich and Switzerland, of the most important gold transactions which took place between 1 September 1939 and 30 June 1945. The relationship between the tables is explained in the following.

*Table I* provides an overview of the origin and use of the Reichsbank gold. *Table II* juxtaposes those sums which are listed as Shipments to Switzerland («Gold Shipped Abroad») in *Table I* with the Acceptances from Germany («Reichsbank's Shipments to Switzerland») on the Swiss side. There are certain problems of compatibility and deviation between the Swiss and the German statistics which are not serious. *Table III* provides information on the gold purchases and sales of the Swiss National Bank. Analogous to the presentation in *Table I*, a distinction is made between origin and use, whereby gold transactions with the Allies and the non-belligerent states are also identified. The remaining Reichsbank shipments to the Swiss National Bank, which were not purchased by this bank but rather recorded as deposit on account of other

---

<sup>70</sup> See *Table I* in this Chapter.

central banks and managed in its Bern depot, are dealt with in *Table IV*. *Tables V/1– V/3* list the shipments to Swiss commercial banks.

In recording the gold movements of the central banks, the Commission has used a two-part format. It has the advantage that each part must lead to two identical sum totals (origin or income = use or outlay), the comparison of which results in a residual amount. In the case of the SNB, the residual amount is practically zero as the source material is complete (Table III), whereas the residual amount in the case of the Reichsbank (Table I, item III/3) indicates plundering by the national socialist state which was not recorded in the statistics.

The following overviews and compilations are based on sources in the US National Archives in Washington, the Swiss Federal Archives, and the archives of the Swiss National Bank.

All figures are calculated at the 1945 dollar price of \$35 per fine ounce of gold, or \$1,125 per kilogram of fine gold (kgf). In the period under investigation, the official price of the SNB for gold amounted to SFr. 4,869.80 per kgf, or an exchange rate of SFr. 4.3287 per dollar.

### 1.3 Gold Transactions of the Reichsbank

A note on the sources: In Merkers/Thuringia, US army units seized not only the larger part of the gold reserves of the Reichsbank, but also the accounting records of the Office for Precious Metals. The documents were brought to the headquarters of the Foreign Exchange Depository (FED) in Frankfurt am Main and served as the basis for attributions of the various gold holdings which had been seized. In 1948, the FED made copies of the most important documents and sent the microfilms to the United States Department of the Treasury in Washington. The original documents were handed over to the Bank Deutscher Länder in Frankfurt am Main. During research for the «Eizenstat Report», the microfilm copies were found in the US National Archives, College Park, as part of the records belonging to the Department of the Treasury.<sup>71</sup> The Commission evaluated these documents for the working paper which it published at the end of 1997. It has re-examined and updated the compilations for the present interim report. In doing so, there have been several changes, including those which relate to shipments from the Reichsbank to the major Swiss banks. In comparison to the figures reported in December 1997, they are slightly lower. But they are nevertheless higher than assumed until now. For more detailed information, we refer to the corresponding sections in the following report.

Information on the origin of gold which the Reichsbank already owned or was able to bring under its control appears in the left column of Table I. Its use can be seen in the right column. Both columns refer to the same period, extending from 1 September 1939 until 30 June 1945.

The following equations are valid for this overview:

Holdings prior to the outbreak of war + acceptances, or theft, of central bank gold + gold confiscated from private persons or looted gold (incl. victim gold) + gold purchased from foreign central banks/transit transactions	=	Holdings which the Allies secured in spring 1945 + gold shipments abroad (central banks and other) + sales to the private sector at home + sales to official agencies
--	---	--

<sup>71</sup> They have been there available to the public since spring of 1997 under the call number RG 56 (Records of the Department of the Treasury), Entry 66-A-816, Box 3; of the total 78 rolls of microfilm which make up this archival source, the following have been the main object of evaluation by the Commission: roll 5 (gold purchase inventory control); roll 12 (main ledger miscellaneous gold bars), roll 13 (controll ledgers miscellaneous gold bars), roll 25 (vault work book of vault A); rolls 29 (weight control and stores); rolls 49 to 53 (bag ledgers); roll 62 (lists of dispatched gold shipments). Furtheron quoted as *Reichsbank Ledgers, US National Archives*.

**Table I: Overview of gold transactions of the Reichsbank***1 September 1939 until 30 June 1945 (in \$ million)*

<b>I. Prewar Reserves</b>		<b>V. Reserves at the End of the War</b>	
I/1. Published reserves	28.6	V/1. Gold recovered in Germany	265.6
I/2. Hidden reserves	82.7	V/2. Gold recovered in Austria	(33.3)
I/3. Other German banks-of-issue	12.1	<i>Total</i>	298.9
I/4. Austrian gold reserves	99.0		
I/5. Czechoslovak gold reserves	34.3	<b>VI. Gold Shipped Abroad</b>	
<i>Total</i>	256.7	VI/1. Swiss National Bank	387.8
		Swiss commercial banks	56.3
<b>II. Gold of Other Central Banks (as of September 1939)</b>		VI/2. Other foreign banks	
II/1. National Bank of the Netherlands	137.2	National Bank of Belgium	9.1
II/2. National Bank of Belgium	225.9	National Bank of the Netherlands	2.2
National Bank of Luxembourg	4.8	Swedish Reichsbank	5.1
II/3. National Bank of Hungary	(33.3)	National Bank of the USSR	7.0
National Bank of Italy	71.9	Central Bank of the Turkish Republic	5.7
II/4. Other state banks	10.1	Consorzio Esportazioni Aeronautiche	5.6
<i>Total</i>	483.2	National Bank of Italy	3.6
		National Bank of Croatia	0.4
		National Bank of Romania	54.2
<b>III. Gold of Individuals</b>		VI/3. Reichsbank branches abroad	28.5
III/1. Four-Year Plan Activities	71.8	<i>Total</i>	565.5
III/2. «Melmer-Gold»	2.9		
III/3. Other assets (residual amount)	7.3	<b>VII. Domestic Commercial Use</b>	
<i>Total</i>	82.0	VII/1. Degussa	4.2
		Sponholz & Co.	3.6
<b>IV. Purchases of Gold Abroad/ Transit Transactions</b>		VII/2. Deutsche Bank	3.6
IV/1. Purchases from the Soviet Union	23.0		
Purchases from Japan	4.2	Dresdner Bank	4.2
IV/2. Purchases from the BIS	2.3	<i>Total</i>	15.6
IV/3. Gold transfers from the Soviet Union	38.4		
<i>Total</i>	67.9	<b>VIII. Government Use</b>	
		VIII/1. Federal Foreign Office	7.1
		Foreign Military Intelligence	2.3
		VIII/2. Central State Security (RSHA)	0.1
		Wehrmacht	0.3
		<i>Total</i>	9.8
<i>Total</i>	889.8	<i>Total</i>	889.8

**Comments to Table I**

**I. Prewar Reserves.** The Overview takes the first day of war as the initial date for the accounting period. As a result, gold obtained by the Reichsbank prior to the official declaration of war is included in the «Prewar Reserves», including gold transferred to the German reserves from the state banks of Austria and Czechoslovakia, and gold taken earlier from German, Czechoslovak, and Austrian citizens by various confiscatory measures.

**I/1. Published Reserves.** Under the gold standard, all central banks published statistics on the amount of gold with which they backed the paper currency in circulation. With the imposition of exchange controls in July 1931, Germany effectively abandoned the gold standard. In any case, Germany had forfeited a large part of its reserves during the worldwide depression. The published figure for

Germany's gold reserves began to fall in December of 1933, reaching \$28.6 million at the end of 1937.<sup>72</sup> It changed little during the war.<sup>73</sup>

**I/2. Hidden Reserves.** In 1933, Reichsbank President Schacht began a policy of secretly accumulating gold on several different accounts.<sup>74</sup> Widely believed by Reichsbank employees to be a war-preparation fund, these hidden reserves were worth \$82.7 million by September of 1939.<sup>75</sup>

**I/3. Other German Banks-of-issue.** Several banks-of-issue, such as the Bavarian State Bank, were still existing in Germany from the time prior to unification. Together the banks held \$12.1 million in gold which was placed at the disposal of the German government.<sup>76</sup>

**I/4. Austrian Gold Reserves.** After the «Anschluss» in 1938, the gold reserves of the National Bank of Austria, inventoried at \$99 million, were amalgamated with those of the Reichsbank and transferred to Berlin.<sup>77</sup> Subsequently, Austrians became subject to German law requiring citizens to turn their gold holdings over to the government. Private gold received before September of 1939 is included in «Hidden Reserves»; subsequent receipts of gold are accounted for in the «Four-Year Plan Activities» described later.<sup>78</sup>

**I/5. Czechoslovak Gold Reserves.** Unlike the National Bank of Austria, the Czechoslovak central bank was never absorbed by the Reichsbank. Instead, it was newly organized as the National Bank of Bohemia and Moravia and its gold, though confiscated de facto by the German government, was transferred to separate accounts in the Reichsbank. Withdrawals from the accounts were always reimbursed in paper Reichsmarks. A part of Czechoslovak gold reserves was transferred to Bern, London, and New York before the invasion, but was returned to German control through swaps within the BIS. \$34.3 million in Czechoslovak gold contributed to the German reserves.<sup>79</sup> The Czechoslovak reserves held in Switzerland were transferred to the account of the Reichsbank by telegraphic order on 7 March 1939, one week before the German invasion.<sup>80</sup>

---

<sup>72</sup> For instance, the Schweizerische Nationalbank 1939, p. 55 (Monthly Report January 1939). An exchange rate of 2.479 RM/\$ has been used for the Reichsmark (RM). United States Code of Federal Regulations 1940, Suppl. Title 31: Money and Finance.

<sup>73</sup> «Goldbestand am 1.9.1939» and «Sonderdeviseneingang zwischen dem 1.9.1939 und dem 1.11.44» [Memorandum, «Gold reserves on 1 September 1939» and «Special receipts of foreign exchange between 1 September 1939 and 1 November 1944»], Four-Year Plan, 28 November 1944. Center for Historical Documents («Special Archives»), Moscow, Inventory 700-1-97. Furtheron quoted as *Four-Year Plan Documents*.

<sup>74</sup> Conversion Account, 1933, and Special Purposes Account, 1934. These two accounts were closed in 1935; An account for gold purchases was opened in 1934 to which most of the gold from the Conversion and the Special Purpose Account was transferred. An Auditing Account was opened in 1933, an account for Secret Gold in 1935, and a fifth account for Special Purposes («DER») in 1937. These hidden reserves were sometimes described by Reichsbank employees as the new «Julisturm», in reference to pre-World War I gold reserves hidden in case of war. US National Archives, RG 260, Box 444, Office of the Financial Division and the Finance Advisor, File 940.62 Work Papers, Table I, «Balances of Six Hidden Gold-Reserve Accounts of the Reichsbank». Furtheron quoted as *Six Hidden Gold-Reserve Accounts*.

<sup>75</sup> Four-Year Plan Documents.

<sup>76</sup> Four-Year Plan Documents.

<sup>77</sup> US National Archives. RG 43, M-88, Box 201, Memorandum from O. F. Fletcher, «Revised Estimate of German Gold Movements from March 1938 to May 1945», 12 June 1946. Furtheron quoted as *Fletcher Memorandum*.

<sup>78</sup> See I/2 and III/1 of the comments to Table I. The Austrian gold reserves were incorporated into the general gold reserves of the Reichsbank. The possibility of a double assessment can be excluded. There was no large increase in the hidden reserves in 1938, indicating that Austrian gold was at that point still recorded separately in the Reichsbank accounts. Six Hidden Gold Reserve Accounts.

<sup>79</sup> Four-Year Plan Documents.

<sup>80</sup> SNB Archives, the amount listed here includes only Czechoslovak gold which was taken over by the Germans *after* the invasion. The so-called shipment *prior* to the invasion must be included either under I/2 (Hidden Reserves) or under III/1 (Four-Year Plan Activities).

**II. Gold from Other Central Banks (as of September 1939).** In each of the states occupied by Germany during the war, it became a key objective of the German government to gain control of national gold reserves. In doing so, efforts were always made to maintain a semblance of legitimacy; the Reichsbank attempted to obtain signatures of the bank's management in each country, indicating agreement with the transfer of gold to Germany (unsuccessfully in the case of the Belgian National Bank). It is well possible that amounts which have been attributed to the central banks in Table I include gold seized from individuals and surrendered to authorities in their own countries rather than to representatives of the German Four-Year Plan.

**II/1. National Bank of the Netherlands.** The Netherlands managed to transfer part of its gold reserves to London and New York prior to the outbreak of war. The gold remaining in Amsterdam was shipped to Berlin for the Reichsbank and reimbursed with paper currency. Gold coins and bar from the Netherlands were valued at \$137.2 million.<sup>81</sup> Much of this gold was resmelted by the Prussian Mint, stamped with prewar dates, and sold to neutral states in return for foreign exchange. American studies published after the war indicate higher figures for gold seized from the Netherlands. A memorandum of the American government of June 1946, for example, refers to \$164 million.<sup>82</sup> This amount includes gold confiscated from individuals by officials of the Four-Year Plan, and is listed separately in the table.<sup>83</sup> In the process of resmelting, other gold, including «victim» gold from inmates of the camps, was added to the Netherlands gold.<sup>84</sup>

**II/2. National Banks of Belgium and of Luxembourg.** Belgium and Luxembourg had both entrusted their gold bar to the Banque de France prior to the war. After the invasion of the Netherlands, Belgium and Luxembourg, Belgian gold was shipped to the French colonies in Africa. The case of the Belgian gold was particularly problematic, and was already familiar during the war. At the outset of hostilities, most of Belgium's gold reserves were transferred to Great Britain and the United States. Part of them went to France from where they were shipped to Dakar after the German invasion. The Vichy Government in France brought the gold back to Europe, and the Banque de France, under pressure from Prime Minister Pierre Laval, agreed to its transfer to the Reichsbank. The Reichsbank tried to pay the Banque Nationale de Belgique in Reichsmarks, but the Banque's directors refused to sign the receipt.<sup>85</sup> The gold was seized in France and taken to Berlin, resmelted into new bars at the Prussian Mint and stamped with dates from the mid-1930s. Belgium lost \$225.9 million to Germany, and Luxembourg \$4.8 million.<sup>86</sup>

**II/3. National Banks of Hungary and of Italy.** The gold reserves of the Hungarian National Bank were evacuated from Budapest by Hungarian officials. They were captured in May of 1945 by US troops in Spital am Pyhrn at the foot of the Ennstal Alps in present day Austria and brought to the headquarters of the Foreign Exchange Depository in Frankfurt am Main.<sup>87</sup> Because the gold coming from Hungary was included in several lists of gold secured by US officials in (Greater) Germany at the end of the war, it has been incorporated into the tables for the sake of completeness even though it did not appear in the entries of the Reichsbank and in this respect represents an exception. The currency reserves of the Banca d'Italia were transferred from Rome to Milan in

---

<sup>81</sup> Four-Year Plan Documents.

<sup>82</sup> Fletcher Memorandum.

<sup>83</sup> See III/1 of Comments to this Table.

<sup>84</sup> US National Archives. RG 260, Folder 940.60, «Netherlands Gold Bars Resmelted in 1942», 26 October 1946.

<sup>85</sup> SNB Archives, 119.8, letter of Governor A. Goffin (Banque Nationale de Belgique) to the Reichsbank, 5 May 1943.

<sup>86</sup> Four-Year Plan Documents.

<sup>87</sup> US National Archives, RG 260, Finance Box 469, Register of Valuables in the Custody of the Foreign Exchange Depository, and US National Archives, RG 43, M-88, Box 257, The German Gold Position.

1943. In April of 1944, some 23.4 tons of gold were shipped via Chiasso to Switzerland, with just under 11 tons intended for the Swiss National Bank and 12.6 tons for the Bank for International Settlements.<sup>88</sup> About 71 tons of precious metal<sup>89</sup> from the holdings of the Banca d'Italia were sent in two shipments from Fortezza [Franzensfeste] south of the Brenner to Berlin at the beginning of March and in October of 1944. According to Emil Puhl, an agreement between German and Italian authorities specified that these shipments were to serve as Italy's «contribution» to the war on the eastern front.<sup>90</sup> The Federal Foreign Office in Berlin removed 135 sacks of gold coins, with a weight of 7 tons of fine gold, from the shipment. The larger part was taken over by the Reichsbank. The figure of \$71.9 million listed in the Table – referring to a compilation of transactions by the Reichsbank – does not include the amounts accepted by the Federal Foreign Office but consists of those parts of the Italian holdings which were entered in the records of the Reichsbank.<sup>91</sup> According to a list of the accounting office of the Reichsbank, a part of the gold accepted from Italy inventoried at approx. \$10 million originally came from Yugoslavia.<sup>92</sup> These currency reserves of the Yugoslav National Bank were allegedly seized in 1941 after the defeat of Yugoslav forces.<sup>93</sup>

**II/4. Other Central Banks.** The Germans seized various other national banks and confiscated their gold reserves. These included the banks of Greece, Yugoslavia, Danzig, and Albania.<sup>94</sup> The looted reserves were valued at \$10.1 million.<sup>95</sup>

**III. Gold Seized from Individuals.** By the early 1930's, the German government had already undertaken measures to increase its gold holdings by restricting the possession of gold or by confiscating privately owned gold. During the war the measures became more draconian and were applied both to German citizens and to individuals in occupied states. Considerable amounts of gold, including wedding rings, gold watches, spectacle-frames, jewelry, religious objects, and dental gold were also taken from inmates of concentration camps.

**III/1. Four-Year Plan Activities.** The German government enacted several decrees requiring all German citizens (and later citizens of all occupied countries) to turn over their gold to the government in exchange for paper currency. These regulations were followed by more general rules on assets, including gold. Penalties for non-compliance were severe. Documents of the Four-Year Plan refer to \$71.8 million which was confiscated in this way from individuals.<sup>96</sup>

---

<sup>88</sup> The background of this transfer was explained in Gian Trepp's study on the Bank for International Settlements. Trepp 1996, pp. 123 ff. His figures (ibid., p. 127) were slightly modified in the report submitted by the Banca d'Italia at the London Gold Conference in December of 1997. Bank of Italy, The story of the gold deposited at the Bank of Italy (1943–1958), Prepared by the Historical Archives of the Bank of Italy, 1997, furtheron quoted as *Bank of Italy*.

<sup>89</sup> The records of the transfer stated the values of the shipments at 141 million Reichsmarks and about 60 million Reichsmarks respectively. See Supplement in US National Archives, RG 407, Entry 368, Box 1034, Report on Gold of the Banca d'Italia Taken to Germany and Subsequently Entered on the Books of the German Reichsbank, 14 December 1945, OMGUS, Division of Investigation of Cartels and External Assets.

<sup>90</sup> Report on Gold of the Banca d'Italia. Gold valued at \$27.9 million which remained in Fortezza was not included in the present survey. Bank of Italy.

<sup>91</sup> These holdings were listed by the Reichsbank under the following headings: Special Purpose Federal Foreign Office – Italian Gold I, Special Purpose Federal Foreign Office II, Deposit Federal Foreign Office 10 million Reichsmarks, Special Purpose no. 5 Federal Foreign Office, «Istcambi» Gold (the first shipment accepted and booked in the DER Special Purposes and Gold Purchases accounts); see Bank of Italy.

<sup>92</sup> Supplement to Report on Gold of the Banca d'Italia, List of the main accounting office, Berlin, 16 November 1944.

<sup>93</sup> See Smith 1989, pp. 26 f.

<sup>94</sup> Poland had substantial gold reserves before the war and was able to bring the larger part out of the country to prevent them being confiscated by the Germans.

<sup>95</sup> Four-Year Plan Documents.

<sup>96</sup> Four-Year Plan Documents.

**III/2. «Melmer Gold».** Gold from the extermination camps, predominantly Belzec, Sobibor, Treblinka, Auschwitz-Birkenau, and Lublin-Maidanek. As of August 1942, SS Captain Bruno Melmer [head of division A II – comptroller’s office/SS WVHA] shipped valuables, including gold, to the Reichsbank.<sup>97</sup> The gold consisted of personal effects of people who had been murdered in Auschwitz and other extermination camps in the East. The Melmer shipments were valued at more than \$2.9 million. It would be incorrect to assume that the gold designated as «Melmer» included all of the gold stolen in the extermination and concentration camps. A part of the Melmer gold was resmelted in the Prussian Mint and sent abroad.<sup>98</sup>

**III/3. Other Private Holdings (residual amount).** The amount of \$ 7.3 million is the residual sum necessary to balance both sides of the compilation of Reichsbank transactions. Based on the information available, it can be assumed that this amount includes gold that the Reichsbank acquired in addition to that which is represented in the figures listed in positions III/1. and III/2. It encompasses the gold which was confiscated from individuals beyond the jurisdiction of the Four-Year Plan by means of decrees, rulings, and laws, as well as the gold which was sequestered from concentration camp victims but was not accounted for in the categories mentioned above.<sup>99</sup> In addition, gold was also bought by the Nazi Regime on the black markets in occupied Europe as well as in neutral countries by selling other property (diamonds) stolen from the victims of persecution and referred to as «Judenschmuck», or Jewish jewelry. Bank notes were also sold.

**IV. Purchases of Gold Abroad / Transit Transactions.** The Reichsbank purchased a relatively small amount of gold from foreign banks during the war. In addition to this, it conducted transit transactions for the State Bank of the Soviet Union.

**IV/1. Purchases from the Soviet Union and Japan.** Purchases of gold from banks in the Soviet Union and Japan were probably made in exchange for Reichsmarks which were needed to purchase goods from German trading companies. Purchases of gold from the Soviet Union were all undertaken prior to June of 1941. Germany purchased gold valued at \$23 million from the Soviet Union and \$4.2 million from Japan.<sup>100</sup>

**IV/2. Purchases from the Bank for International Settlements.** The BIS sold gold valued at \$2.3 million to the Reichsbank in November of 1939. This gold was shipped to Berlin from the BIS account at the Swiss National Bank in Bern. It was sold by the BIS in order to obtain Reichsmarks for payments to German organizations and companies.<sup>101</sup>

**IV/3. Gold Transfers from the Soviet Union.** Hand-written entries in the Reichsbank’s ledgers plus numerous documents in both American and Swiss archives point to the fact that part of the Reichsbank’s shipments to Switzerland had to do with Soviet gold. According to the present state

---

<sup>97</sup> See BAB (BDC), SS Officer file Bruno Melmer.

<sup>98</sup> Reichsbank Ledgers, US National Archives. The figure of \$2.9 million cited here includes only gold coins and bar which had been shipped to the Reichsbank by Melmer according to the entries in the records of the Reich Office for Precious Metals. The value of victim gold, such as dental gold, watches and rings, which was brought from Auschwitz and other Eastern camps, is listed under «Other Private Holdings (residual amount)». None of the figures include non-gold valuables such as paper currency. See III/3 of the comments to this Table. By looking again at the barely-legible microfilms, it has been possible to correct here the figures which were published in the Statistical Overview of December 1997. The question of «Melmer Gold» which was shipped to Switzerland is considered in section 1.5 of this chapter.

<sup>99</sup> More exact data concerning this gold are lacking. The figures identified in the present recapitulation are based on the rule that the debit and credit sides of the balance sheet must be equal. The remaining items described as «Other Assets (residual amount)» correspond to the difference between total gold sales and all known gold acceptances.

<sup>100</sup> Zabludoff 1997, p. 6a, Table 1.

<sup>101</sup> Bank for International Settlements, «Note on Gold Operations Involving the Bank for International Settlements and the German Reichsbank», May 1997, section 2.4(a).

of research, such transfers in which the Reichsbank shipped gold from Berlin to Switzerland – most probably acting upon orders received from the Soviet national bank – represented roughly 34,149 kg fine gold or the equivalent of \$ 38.4 million (SFr. 166.3 million). The comments to Table II, to positions V/1 and V/3, and the remarks made at the end of Chapter 2.3.1 give a more detailed explanation about the sources and the background of these gold transactions of Soviet origin. It is possible that the Reichsbank purchased at least a part of this gold for itself prior to transferring it to Switzerland.

**V. Reserves at the End of the War.** The gold remaining in the possession of the Reichsbank at the time of Germany's capitulation can be considered as the final balance for accounting purposes. Toward the end of the war, the Reichsbank began hiding its gold in Germany and Austria to protect it from Allied air raids. Most of this gold was secured by the Allies.

**V/1. Gold Recovered in Germany.** In the spring of 1945, the Reichsbank transferred almost all of its holdings from Berlin to Merkers/Thuringia. They were seized in a mine on 15 April 1945 by US troops. Smaller amounts were found in branch offices of the Reichsbank in Germany and at German embassies abroad. The Western Allies recovered \$ 265.6 million of gold in Germany and centralized it in Frankfurt am Main. Here it was sorted and counted by the Foreign Exchange Depository, a division of the US Military Administration and, after the founding of the Tripartite Commission for the Restitution of Monetary Gold, was administered on its behalf.<sup>102</sup> Gold of the Federal Foreign Office coming from Italy is not listed here.<sup>103</sup>

**V/2. Gold Recovered in Austria.** American military forces secured gold valued at \$33.3 million in Spital am Pyhrn which had been evacuated from the Hungarian National Bank.<sup>104</sup>

**VI. Gold Shipped Abroad.** Germany's desire for gold stemmed from its need for foreign exchange, both to buy goods – especially war materials – and to make payments abroad. These payments were for items such as diplomatic representation, postal charges, and travel expenses, as well as costs for propaganda and espionage.

**VI/1. Swiss Banks.** The most important recipient of German gold was Switzerland, which was able to provide the Germans not only with goods such as machinery and armaments, but also with Swiss francs. The Swiss banks also served as conduits for transferring German gold to third parties, especially Spain, Portugal, and Sweden. The Swiss commercial banks were used by Germany as late as the spring of 1941 to make substantial dollar payments to the USSR and to the United States, as well as smaller payments to Japan and China.<sup>105</sup> Swiss banks received \$444.1 million in gold.<sup>106</sup> Gold shipments to the Swiss National Bank were relatively small at the beginning of 1940, and reached a peak in 1943. After the beginning of 1944, deliveries to Bern declined rapidly, and by 1945 no gold was shipped directly from Berlin to the Swiss National Bank (there was one

---

<sup>102</sup> US National Archives, RG 260, Finance, Box 469, Register of Valuables in the Custody of the Foreign Exchange Depository; Fletcher Memorandum. The difference in the sum totals in the Commission's working paper of 1 December 1997 results from the fact that holdings transported from Italy to Germany were no longer listed separately but rather as a part of this position. Documents consulted in the meantime have made it possible to determine more exactly the way in which holdings were divided between the Reichsbank and the Federal Foreign Office.

<sup>103</sup> See II/3 of the Comments to this Table.

<sup>104</sup> Fletcher Memorandum.

<sup>105</sup> A memorandum from Knoke, Vice-President of the Federal Reserve Bank in New York, mentions \$558,008 which was paid through the Swiss Bank Corporation in March 1941 for US exports of petroleum to Germany. Federal Reserve Bank of New York Archives, File C261 Germany-Reichsbank, Memo to File from L. W. Knoke, 7 July 1941.

<sup>106</sup> Reichsbank Ledgers, US National Archives. The shipment from Constance of April 1945 to the SNB was added to this (\$3.6 million). SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

shipment from the Constance branch of the Reichsbank to Bern). The increased difficulty of selling gold on foreign markets after the end of 1943 meant that Germany transferred more gold to branches of the Reichsbank for use in southeastern Europe. Although by 1944 Germany's gold holdings were still very substantial, German authorities were less and less able to use them for obtaining foreign currency, and the strategic advantage of gold declined as a consequence.

**VI/2. Other Foreign Banks.** Swiss banks were not the only recipients of German gold shipments. During the war, Germany sent gold valued at \$92.9 million to non-Swiss banks abroad, primarily to central banks. These gold shipments enabled the import of petroleum, machinery, weapons, and food into Germany, as well as paying for diplomatic representations, espionage, and covert military operations. For further information concerning the Reichsbank's gold shipments to European central banks, please refer to the compiled edition of reports presented at the Gold Conference held in London from 2 to 4 December 1997 (see Introduction, footnote 5). This compendium will make it possible to undertake a systematic comparison of the figures contained in the individual reports.

**VI/3. Reichsbank Branches Abroad.** The Reichsbank maintained many branch offices throughout occupied Europe to which \$28.5 million worth of gold was shipped during the war. A large part of these shipments consisted of gold coins. The majority of gold was sent to the Reichsbank branch in Vienna. It was used for military activities and espionage in southeastern Europe.<sup>107</sup>

**VII. Domestic Commercial Use.** Privately owned or semi-private businesses and banks in Germany received certain amounts of gold from the Reichsbank during the war for financial and industrial purposes.

**VII/1. Degussa and Sponholz & Co.** Degussa was primarily engaged in resmelting gold and purifying it for industrial use. It purchased gold at prices slightly higher than those of the Prussian Mint and then sold it either to the Reichsbank or to licensed private purchasers. Sponholz & Co. was a German bank founded in 1835 and managed during the war by a close friend of Reichsbank President Walther Funk. It was involved in the international shipping of gold, mostly in small quantities, and worked together with the Reichsbank to sell jewelry abroad in return for hard currency. During the war, Degussa received a net shipment of \$4.2 million in gold, and Sponholz & Co. received a net \$3.6 million.<sup>108</sup>

**VII/2. Deutsche Bank and Dresdner Bank.** Germany's two largest commercial banks received \$3.6 million and \$4.2 million worth of gold respectively from the Reichsbank.<sup>109</sup> These transfers were probably defrayed by the sale of German paper Reichsmarks, and the gold was used in financial transactions throughout occupied Europe and with the neutral states. Several other financial institutions such as «DeGo» [Deutsche Golddiskontbank], the DeGo, and the Prussian Mint also received large sums of gold from the Reichsbank, but they returned almost all of the gold to the Reichsbank immediately after resmelting. Thus the net transfers were negligible.

**VIII. Government Use.** The German government itself needed gold as a means of payment, mostly in regions where other forms of payment were not recognized due to military operations, as financing for activities of the government abroad.

---

<sup>107</sup> Reichsbank Ledgers, US National Archives.

<sup>108</sup> Reichsbank Ledgers, US National Archives.

<sup>109</sup> Reichsbank Ledgers, US National Archives.

**VIII/1. The Federal Foreign Office and the Foreign Military Intelligence.** The Federal Foreign Office received \$7.1 million in gold from the Reichsbank, mostly in gold coins. This gold was transferred to some of the embassies and was used to pay for diplomatic expenses in foreign countries as well as for espionage. The Foreign Military Intelligence received \$2.3 million in gold, mainly in gold coins, to finance espionage and perhaps military activities.<sup>110</sup>

**VIII/2. The RSHA and the Wehrmacht.** The RSHA and the Wehrmacht received \$0.1 million and \$0.3 million in gold respectively.<sup>111</sup> This gold was probably used to finance espionage and military activity abroad where paper Reichsmarks were not generally recognized as currency.

## 1.4 Gold Shipments from the Reichsbank to the SNB

Table II provides details of available information on the gold acceptances by the Swiss banks, and agreements or differences as compared to data from documents of the Reichsbank.

**Table II: Gold imports into Switzerland 1939–1945**  
(in SFr. million)

	Shipments of the Reichsbank to Switzerland (Reichsbank Ledgers)	Shipments of the Reichsbank to Switzerland (Reichsbank Ledgers)	Swiss trade statistics		Shipments of the Reichsbank to the SNB in Bern (SNB calculations)
	Total	to SNB only	amended	according to Rings	
	(1)	(2)	(3)	(4)	(5)
1939	–	–	17.1	16.8	–
1940	222.9	93.0	126.3	125.9	102.3
1941	328.9	215.0	279.4	268.9	190.9
1942	492.0	492.0	474.6	458.4	492.3
1943	582.4	582.4	596.9	588.9	581.9
1944	280.4	280.4	258.2	258.2	254.7
1945	15.6	15.6	15.8	15.8	15.6
<i>Total 1940–1945</i>	<i>1,922.3</i>	<i>1,678.5</i>	<i>1,751.2</i>	<i>1,716.1</i>	<i>1,637.7</i>

(1) Reichsbank Ledgers, US National Archives. Shipments to the SNB and commercial banks. The shipments from Constance in the spring of 1945 were no longer recorded in the Reichsbank books; they have been taken over from column 5. In the books examined until now, no transfers were recorded in the Reichsbank books for 1939.

(2) Reichsbank Ledgers, US National Archives. Shipments to the SNB only. For 1939 and 1945, see remarks on column 1.

(3) Trade statistics [Jahresstatistik des Aussenhandels der Schweiz] amended for industrial gold (with the exception of 1944 and 1945), see column 4. For comparability, see remarks on column 4.

(4) Gold for bank transactions only. 1940–1945 according to Rings 1996, p. 197, and Fior 1997, p. 24. Rings' source was the internal gold statistics of the Customs Administration. The Swiss Federal Archives provided Rings with a transcript of the data in 1984. It is with the Commission in its original version. 1939 according to Swiss trade statistics [Jahresstatistik des Aussenhandels 1939]. The trade statistics recorded only the actual price (the declared values) and information on the actual weight (gross and net). They provided no information on kilograms of fine gold. If available, the price for the latter could be calculated on the basis of the fixed gold price used by the Commission. The figures in the trade statistics cannot be compared in their absolute amounts with other columns, but only in approximate amounts and in their course of direction.

(5) Shipments from Berlin according to the inventory list of the SNB, see Table IV.

<sup>110</sup> Reichsbank Ledgers, US National Archives. The figures cited for Reichsbank transfers to financial institutions are somewhat more precise than those for transfers to industrial organizations or to government agencies not associated with the bank due to the various accounting methods. Because of the small quantities involved the net deviation will probably be insignificant. The gold of the Federal Foreign Office coming from Italy is not listed here.

<sup>111</sup> Reichsbank Ledgers, US National Archives.

## Comments on Table II

Figures used in research until now (Rings, see Column 4) are based on trade statistics but include only item 869a1 (gold for bank transactions). In 1939, the figures still appeared in the published trade statistics, but as of 1940 were for official internal use only.<sup>112</sup>

The Commission has supplemented the figures with item 869a2 (industrial gold) which was published in the trade statistics through 1943 (see Column 3). These figures are missing for 1944 and 1945. As in the previous years, they are probably on the low side.<sup>113</sup>

A comparison of Column 3 (Imports of gold into Switzerland according to Swiss trade statistics) with Column 2 (Figures of the Reichsbank on shipments to Switzerland) indicates an approximate agreement for 1942–1944, but significant differences for 1940 and 1941.<sup>114</sup>

There is a plausible thesis to explain the difference between the figures of the Reichsbank and those of the Swiss trade statistics (compiled by the Customs Administration). It is noteworthy that an unusual amount of gold from the Soviet Union entered Switzerland precisely in 1940 and 1941.<sup>115</sup> These gold imports were subsequently proven to have entered Switzerland indirectly via Berlin. «Russian gold» shipments to Swiss banks for 1940/41 were recorded in the books of the Reichsbank with a total value of SFr. 166.3 million.<sup>116</sup> By far the largest amount, 22,653 kilograms of fine gold valued at SFr. 110.3 million, went to the Swiss Bank Corporation, with the Union Bank of Switzerland receiving gold «of Russian provenance» totaling 6,540 kfg with a value of SFr. 31.8 million. From the records of the Reichsbank, it also emerges that a shipment of 4,956 kgf (SFr. 24.1 million) was sent from the German monetary institute to the SNB from Moscow in transit via Berlin. In any case, it remains obscure as to whether the gold shipped to Switzerland was gold in possession of the USSR in transit via Berlin, or gold which the Reichsbank had acquired in the USSR.

Not only the Swiss customs authorities knew that these German shipments originated in a Soviet Union allied with Hitler. Even the Swiss Federal Attorney's Office and the cantonal police of Zurich were aware of the situation.<sup>117</sup> The reaction of the SNB and the Federal Council will be examined in Chapter 2.<sup>118</sup> The origin and use of the gold were an open secret. The American Embassy in Bern also had access to details of the gold import/export statistics and informed the United States government in this respect. «There was an opportunity several days ago to mention this traffic in a further conversation on this subject with Mr. Rossy (Member of the Governing Board of the SNB)», Ambassador Leland Harrison wrote to the Secretary of State in Washington:

---

<sup>112</sup> «Ein- und Ausfuhr von Gold für Banktransaktionen und von gemünztem Silber im Jahr 1940 (Pos. 869a1 and 869-e)» [Import and Export of Gold for Bank transactions as well as that of Silver Coins for the year 1940 (items 869a1 and 869-e)] in the possession of the Swiss Customs Administration; «Goldverkehr der Schweiz mit Deutschland» [Switzerland's Gold transactions with Germany] (BAR E 7110 1973/134, vol. 7) as well as several documents in BAR E 6100 (A) 25, vol. 2326. See Fior 1997 and Rings 1996.

<sup>113</sup> The internal gold statistics of the Swiss Customs Administration include only item 869a1.

<sup>114</sup> Shipments in 1945 were no longer recorded in the books of the Reichsbank.

<sup>115</sup> Russian/Soviet Union in the annual foreign trade statistics 1927–1946 (Swiss trade statistics): including Ukraine as of 1926; including Latvia, Lithuania and Estonia in 1941; excluding Latvia, Lithuania and Estonia as of 1942. Country Index in the trade statistics of Switzerland (1925–1950), published by the Customs Administration. Import figures are in SFr. millions; for a comparison with other sources, see note to Column 4 in Table II: 1937: 0; 1938: 0; 1939: 12,3; 1940: 121,9; 1941: 38,4; 1942: 0; 1943: no information; 1944: 0; 1945: 0)

<sup>116</sup> Reichsbank Ledgers, US National Archives, list of the gold shipments, Roll 62.

<sup>117</sup> In 1940, the intelligence service of the Zurich Cantonal Police and the Federal Attorney's Office investigated railroad shipments of Russian gold which were accompanied by employees of the Reichsbank and intended for the Swiss Bank Corporation in Le Locle. The Swiss Bank Corporation resmelted the bars and marked them with a Swiss stamp. For more information, see SDD, vol. 13, no. 242, p. 576.

<sup>118</sup> See Chapter 2.3.1.

«The latter [Rossy] appeared to be somewhat embarrassed by the citation of the figures showing the large imports by Switzerland of Russian gold and my assumption that the shipments proceeded almost immediately to the United States. Mr. Rossy stated that the bulk of the Russian gold was assayed and resmelted at Le Locle, at the branch office in that city of the Swiss Bank Corporation [Schweizerischer Bankverein, Basel] and reshipped to the United States where the exchange value was credited to the account of the Soviet commercial representation in New York at the Swiss Bank Corporation's office in that city. He admitted also that a large part of the recent shipments of gold from Germany (valued at 35 million francs in March alone) consisted of metal of Russian origin».<sup>119</sup>

Without analyzing the background of the transactions more closely, it can be stated that the gold shipments from the Reichsbank to Switzerland which included gold of Soviet origin were recorded as such in the Swiss trade statistics. This explains why the figures in the records of the Reichsbank so clearly exceed the import figures from Germany for 1940 and 1941.

## 1.5 Gold Acceptances from Shipments Sent by SS Captain Bruno Melmer

As already mentioned, as of August 1942 SS Captain Bruno Melmer [SS-Hauptsturmführer] was responsible for a total of 76 shipments of valuables from concentration and extermination camps in Eastern Europe to the Reichsbank. They included victim gold valued at \$2.9 million.<sup>120</sup> Of these, bars weighing a total of 119.4914 kfg, and valued at \$134,428, or SFr. 581,899, reached the Reichsbank's depository at the SNB in Bern.<sup>121</sup> A distinction must be made between the bars which were sent from the Reichsbank unaltered, and those which first went to the Prussian Mint for resmelting. It is not possible to determine the extent to which the Melmer bars, combined and smelted together with other gold products, were distributed among the newly-smelted bars. The question of how the bars were used in Switzerland is still open.

Only three of the bars from the Melmer shipment, in their original state before resmelting by the Prussian Mint, were sent by the Reichsbank to Bern: Specifically, these were bars from the seventh Melmer shipment on 27 November 1942 bearing the numbers 36903, 36904, and 36905 and having a total weight of 37.5411 kfg. They were sent by the Reichsbank to the SNB in Bern on 5 January 1943.<sup>122</sup> The other purchasers of the remaining unaltered gold bars were the Deutsche Bank, Dresdner Bank, Degussa, and the Consorzio Italiano Esportazioni Aeronautiche.<sup>123</sup>

---

<sup>119</sup> Letter from Leland Harrison to the Secretary of State in Bern, 30 April 1940, Morgenthau Diaries, Roosevelt Library, Hyde Park, N.Y., Book 258: 270–275.

<sup>120</sup> See Table I, III/2.

<sup>121</sup> Eizenstat 1997 mentions 37 kgf of gold from the Melmer shipments which was added to a resmelting of Dutch guilders by the Prussian Mint (p. 168). The figures compiled by the Commission are based on documents of the German Reichsbank which, although mentioned in the «Eizenstat Report», do not figure in its evaluations. See also Fischler 1998.

<sup>122</sup> Miscellaneous gold bars, Reichsbank Ledgers, US National Archives, Roll 12, p. 13. The outflow dated 5 January 1943 incorrectly refers to Degussa. The shipment to the SNB is recorded in «Tresorarbeitsbuch des Tresors A», Reichsbank Ledgers, US National Archives, Roll 25 and in «Deliveries of Gold to the Swiss National Bank in Bern», no date, no author; US National Archives, RG 56, Department of the Treasury, 490/39/25-31, Country Files Germany 1931–1952, Box 80 «Germany: Gold Records Found and Research Thereon».

<sup>123</sup> Reichsbank Ledgers, US National Archives, Vault working book.

Gold bars from the Melmer shipments to the Reichsbank, which were smelted with the addition of other gold objects and only subsequently reached Switzerland, were divided among the following shipments:

- From the second Melmer shipment of 18 October 1942, gold bars with the numbers 36873 and 36874 as well as another two from the seventh Melmer shipment<sup>124</sup> of 27 November 1942 and 2 December 1942 to the Reichsbank with the numbers 36902 and 36907 were delivered to the Prussian Mint on 25 February 1943. These four bars, with a weight of 30.8914 kfg, together with Netherlands guilders weighing 9049.32 kg, were resmelted into 762 bars of quality and weight normally used in trade. By 4 February 1943, the Reichsbank had already shipped 515 of the 762 gold bars produced in the resmelting. The gold bars of the second and seventh Melmer shipments mentioned above, which reached the Prussian Mint only on 25 February, were added to the production of the remaining 247 bars. These were sent to the SNB on 1 April 1943. Two additional bars of lesser weight, produced with the remaining gold as part of this particular smelting project, were sold to the Deutsche Bank.<sup>125</sup>
- Bar no. 37198, from the 31st Melmer shipment, weighing 0.9981 kfg was sent to the Reichsbank on 11 November 1943 and transferred to the DER account of the Reichsbank on 24 January 1944.<sup>126</sup> On the same day, these bars were delivered to the Prussian Mint and, together with Netherlands coins, resmelted into bars numbered 26062–26654 which were sent to the SNB on 23 February 1944.<sup>127</sup>
- Melmer bars numbered 37192, 37193, 37194, and 37195, weighing a total of 50.0608 kfg and coming from the 25th and 26th Melmer shipments, arrived at the Reichsbank on 1 November 1943. From there, they were sent to the Prussian Mint on 23 February 1944 as part of a shipment of 51 bars weighing 97.0179 kg. The shipment became part of a larger resmelting project which included gold bars and coins from Belgium and the Netherlands. This smelting produced a total of 7975.6656 kfg which was shipped, with the exception of 367.3819 kfg, to the SNB between 23 February 1944 and 8 June 1944.<sup>128</sup>

The Commission examines the question of the SNB's awareness of victim gold in Chapter 2 and in the summary. The largest portion of the gold which arrived in Switzerland was accepted by the SNB.

---

<sup>124</sup> Miscellaneous bars, Reichsbank Ledgers, US National Archives, Roll 12, pp. 11, 13.

<sup>125</sup> Miscellaneous bars, Reichsbank Ledgers, US National Archives, Roll 12, pp. 11, 13, «Looted Netherlands Guilders Resmelted in Early 1943». OMGUS report, prepared by Roma Geib, with Albert Thoms, 1 November 1946. US National Archives, RG 260, OMGUS, 390/46/9/05, Box 440, File 940.60, «General Papers on Gold Study». The shipment of these bars was confirmed by an entry in the Treasury working book.

<sup>126</sup> Miscellaneous bars, Reichsbank Ledgers, US National Archives, Roll 12, p. 25.

<sup>127</sup> «Netherlands Looted Gold Resmelted 1944». OMGUS report, no date, no author, US National Archives, RG 260, OMGUS, 390/46/9/05, Box 440, File 940.60, «General Papers on Gold Study». See also «Tresorarbeitsbuch des Tresors A», Reichsbank Ledgers, US National Archives, Roll 25.

<sup>128</sup> Miscellaneous gold bars, Reichsbank Ledgers, US National Archives, Roll 12, p. 25. «Netherlands Looted Gold Resmelted 1944». OMGUS report, no date, no author, US National Archives, RG 260, OMGUS, 390/46/9/05, Box 440, File 940.60, «General Papers on Gold Study». See also «Tresorarbeitsbuch des Tresors A», Reichsbank Ledgers, US National Archives, Roll 25.

## 1.6 Gold Transactions of the SNB

Analogous to the description used for the Reichsbank, the following Table III is also based on a comparison of origin and use of gold by the Swiss National Bank.

The compilation is organized as follows:

Reserves at the beginning of the war		Gold sales to foreign central banks
+ Gold purchases from foreign central banks		+ Gold sales to the BIS
+ Gold purchases from the BIS		+ Gold sales to the private sector (banks and industry)
+ Gold purchases from the private sector (banks and industry)	=	+ Gold sales to the Confederation
+ Gold purchases from the Confederation		+ Gold reserves of the SNB at the end of the war

### 1.6.1 Gold Purchases and Sales by the Swiss National Bank

**Table III: Gold purchases and sales by the SNB (gross and net)**

*1 September 1939 – 30 June 1945 (SFr. and \$ million)*

SFr. million				\$ million		
<b>I. Initial balance</b>			2860.2			660.8
	Purchases	Sales	Net	Purchases	Sales	Net
<b>II. Axis powers</b>						
II/1. Germany	1,231.1	19.5	1,211.6	284.4	4.5	279.9
II/2. Italy	150.1	0.0	150.1	34.7	0.0	34.7
II/3. Japan	0.0	5.0	-5.0	0.0	1.1	-1.1
<i>Total</i>	<i>1,381.2</i>	<i>24.5</i>	<i>1,356.8</i>	<i>319.1</i>	<i>5.6</i>	<i>313.4</i>
<b>III. Allies</b>						
III/1. USA	2,242.9	714.3	1,528.7	518.2	165.0	353.1
III/2. Great Britain	668.6	0.0	668.6	154.5	0.0	154.5
III/3. Canada	65.3	0.0	65.3	15.1	0.0	15.1
<i>Total</i>	<i>2,976.8</i>	<i>714.3</i>	<i>2,262.5</i>	<i>687.7</i>	<i>165.0</i>	<i>522.7</i>
<b>IV. Others (Net purchasers)</b>						
IV/1. Portugal	85.1	536.6	-451.5	19.7	124.0	-104.3
IV/2. Spain	0.0	185.1	-185.1	0.0	42.8	-42.8
IV/3. Romania	9.8	112.1	-102.3	2.3	25.9	-23.6
IV/4. Hungary	0.0	16.3	-16.3	0.0	3.8	-3.8
IV/5. Slovakia	0.0	11.3	-11.3	0.0	2.6	-2.6
IV/6. Turkey	0.0	14.8	-14.8	0.0	3.4	-3.4
<i>Total</i>	<i>94.9</i>	<i>876.2</i>	<i>-781.4</i>	<i>21.9</i>	<i>202.4</i>	<i>-180.5</i>
<b>V. Others (Net sellers)</b>						
V/1. Argentina	32.7	0.0	32.7	7.6	0.0	7.6
V/2. France	193.2	0.0	193.2	44.6	0.0	44.6
V/3. Greece	0.5	0.0	0.5	0.1	0.0	0.1
V/4. Sweden	77.5	3.0	74.5	17.9	0.7	17.2
<i>Total</i>	<i>303.8</i>	<i>3.0</i>	<i>300.9</i>	<i>70.2</i>	<i>0.7</i>	<i>69.5</i>
<b>VI. Various</b>						
V/1. BIS	61.5	18.3	43.2	14.2	4.2	10.0
V/2. Market	71.6	667.8	-596.2	16.5	154.3	-137.7
V/3. Confederation	269.3	1087.9	-818.6	62.2	251.3	-189.1
V/4. Federal Mint	42.5	45.8	-3.3	9.8	10.6	-0.8
<i>Total</i>	<i>444.9</i>	<i>1819.8</i>	<i>-1374.9</i>	<i>102.8</i>	<i>420.4</i>	<i>-317.6</i>
<b>VII. Total Sales/purchases</b>	<b>5,201.6</b>	<b>3,437.7</b>	<b>1,763.9</b>	<b>1,201.7</b>	<b>794.2</b>	<b>407.5</b>
<b>VIII. Differences</b>			-1.2			-0.3
<b>IX. Final balance</b>			4,622.9			1,068.0

## Comments to Table III

### General Remarks

1. Figures for the gold transactions of the Swiss National Bank are based for the most part on the compilation of individual gold purchases and sales prepared by the Swiss National Bank in 1977.<sup>129</sup> Other sources from the archives of the SNB have been used, including holdings and transactions of the Exchange Stabilization Fund,<sup>130</sup> relating to monthly gold holdings<sup>131</sup> as well as the «Quarterly Reports».<sup>132</sup>
2. Figures given here differ from the data published in March 1997 by the Swiss National Bank for two technical reasons.<sup>133</sup> On the one hand, the period considered by the Commission (1 September 1939 – 30 June 1945) is shorter than that of the SNB (1 January 1939 – 30 June 1945). On the other hand, the Commission's figures are based on the SNB purchasing price for gold valid as of mid-1940, whereas the press announcement of the SNB for 1939 and the first semester of 1940 used the price valid at the time (see below). However the Tables of the Commission and the SNB concur. The accuracy of the figures is proved by the fact that the Commission arrived at the same amount of gold using the stock records as the SNB did by using the «Quarterly Reports».<sup>134</sup>
3. All details are assessed at a gold price of SFr. 4869.80 per kilogram of fine gold.<sup>135</sup> The fact that the statistical survey published by the Commission in December 1997 assessed the transactions of 1939 and partly those of 1940 at 4639.13 per kg, the gold price of the time, is the reason for a new appraisal of the transaction under VII/3 in that report.
4. In the statistical survey of December 1997, the actual sales and purchase prices were taken as the basis for data on purchases and sales. In the case of transactions in gold coins, especially those on the open market, prices which were actually attained deviate from the prices based on weight. These deviations (profits/losses) have been adjusted under VII/1 («Correction for gold sales on the open market»)<sup>136</sup> In the present table, these corrections have already been taken into consideration. Thus the heading no longer appears separately.<sup>137</sup>
5. This up-date can be used to explain the differences between the present Table and those of the statistical overview of December 1997. With the figures expressed in francs, it is now possible to directly determine the weight (or in other words, the amount) of gold which was purchased and sold.

---

<sup>129</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

<sup>130</sup> SNB Archives, 2.3/2235, «Der Abwertungsgewinn der Schweizerischen Nationalbank aus dem Jahre 1936. Zusammenge stellt von G. Jaquemet», April 1974 (manuskript) [The Swiss National Bank's earnings on devaluation from the year 1936. Compiled by G. Jaquemet, April 1974 (manuskript)]; SNB Archives, 122.0, gold from the Exchange Stabilization Fund.

<sup>131</sup> SNB Archives, B3/102.2, «Goldbestände auf je Monatsende 1939–1947», 30 September 1948; SNB Archives, without call number, gold transactions of the Swiss National Bank, dated monthly.

<sup>132</sup> SNB Archives, without call number, quarterly report on gold transactions.

<sup>133</sup> Schweizerische Nationalbank 1997, Table 1.

<sup>134</sup> Details on the sales and purchases of coins are based on the SNB's compilation (SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997), and particularly on the quarterly reports on gold transactions.

<sup>135</sup> Independent Commission of Experts: Switzerland – Second World War 1997, p. 14.

<sup>136</sup> In the period being examined, the SNB's total profits from transactions in coins amounted to SFr. 33.7 million. SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

<sup>137</sup> With regard to the Statistical Overview of December 1997, VII/2 of the Comments to Table III (weighting differences) is missing because the amount is marginal (approximately SFr. 80,000).

6. The table only takes into consideration the purchases of the SNB from the Reichsbank and not the total sums of shipments from the Reichsbank to Switzerland or to its depot in Bern. The total of gold shipments from the Reichsbank to Switzerland cannot be equated with its shipments to its depot at the SNB. The first amount is higher than the second because certain commercial banks purchased gold directly from Germany without its being transferred over the Reichsbank depot at the SNB. Moreover, it is necessary to distinguish between gold consignments from the Reichsbank to its depot in Bern and the sales which it made to the SNB. In fact, from its Bern depot, the Reichsbank sold gold to various central banks and other banks (Portugal, Sweden, Romania, Slovakia, Spain, BIS, Swiss commercial banks, and others) for a total value of SFr. 470 million.<sup>138</sup>
7. Figures quoted in the table comprise all of the gold purchased by the SNB, including items which were regularly resold to the Confederation. The sum total of these appears under the heading «Confederation».
8. Transactions undertaken with the Exchange Stabilization Fund have been taken into account.

#### Comments on the figures

**I. Initial gold reserves.** Gold reserves on 1 September 1939, amounted to SFr. 2,860 million (including the Exchange Stabilization Fund). This amount represents the monetary reserves of Switzerland at the outbreak of the war.<sup>139</sup>

**II. Axis countries.** Net purchases of gold from the Axis powers amounted to net SFr. 1,357 million, the great majority of which represented transactions with Germany.

**II/1. Germany.** Consignments from the German Reichsbank to the various deposit accounts managed by the SNB totaled SFr. 1,638 million. Of these consignments, the SNB acquired gold for SFr. 1,231 million. The remainder was sold by the Reichsbank to various banks in Bern.<sup>140</sup>

**II/2. Italy.** SFr. 52 million of the SFr. 150 million in gold taken over by Italy was part of a guaranteed credit of SFr. 125 million granted by a syndicate of Swiss commercial banks in 1940. Because Italy did not repay this sum in its entirety, the Banca d'Italia under the influence of the German occupation forces remitted the guarantee amount on 20 April 1944 in the form of gold to the SNB.<sup>141</sup> The remaining SFr. 98 million was acquired by the SNB in five transactions, two in September 1939, one in March 1942, one in May 1942, and the last in April 1943.

**II/3. Japan.** Gold valued at just under SFr. 5 million was purchased from Japan on 9 April 1945 (deposit of the Yokohama Specie Bank at the SNB).

---

<sup>138</sup> See Table IV.

<sup>139</sup> SNB Archives, B3/102.2, «Goldbestände auf je Monatsende 1939–1947» [End of month gold reserve status 1939–1947], 30 September 1948. See also SNB Archives, without call number, gold transactions of the Swiss National Bank, dated monthly; SNB Archives, 2.3/2235, «Der Abwertungsgewinn der Schweizerischen Nationalbank aus dem Jahre 1936. Zusammengestellt von G. Jaquemmet», April 1974 (manuskript) [The Swiss National Bank's earnings on devaluation from the year 1936. Compiled by G. Jaquemmet, April 1974 (manuskript)].

<sup>140</sup> See Table IV.

<sup>141</sup> See Table I, comment to II/3; see also SDD, vol. 13, no. 354 and 377 as well as SDD, vol. 15, no. 225 and 332.

**III. Allies.** The SNB's gross purchases of gold from the Allies totaled SFr. 2,977 million. They were used to cover the Allied need for Swiss francs (expenditures for diplomatic and secret service activities, representation of interests, humanitarian aid). Gold purchases by the SNB were therefore significant from the summer of 1941 and intensified at the beginning of 1944.<sup>142</sup>

**III/1. USA.** From the United States alone, the Swiss National Bank purchased gold with a gross value of SFr. 2,243 million.

**III/2. Great Britain.** The SNB took delivery of gold worth SFr. 669 million from Great Britain.

**III/3. Canada.** SFr. 65 million in gold was purchased from the Canadian central bank.

**IV. Other net purchasers.** The SNB undertook significant gold transactions with various European countries including Portugal, Spain, and Romania. Portugal, as the most important purchaser, acquired gold with a net value of SFr. 452 million, mainly towards the end of 1942. Spain acquired SFr. 185 million as of the beginning of 1942, and Romania bought gold with a net value of SFr. 102 million. Other countries undertook similar transactions, though on a less significant scale. Hungary bought gold for SFr. 16 million, as did Slovakia (SFr. 11 million) and Turkey (SFr. 15 million).

**V. Other net sellers.** Argentina accounted for transactions totaling SFr. 33 million in 1941, 1943, and 1944. Purchases by France for SFr. 193 million were effected mainly between the beginning of 1941 and the end of 1942. 1942 transactions were for various gold coins (*Vreneli*, Napoléons, Sovereigns, Eagles), with a value of SFr. 30 million. Transactions with Greece (gold coins for SFr. 0.5 million) took place at the beginning of 1941. Various transactions with Sweden were undertaken by the SNB between the end of 1941 and the beginning of 1942, and between the end of 1944 and the first half of 1945. In addition, it sold 50 gold bars in Stockholm on 24 February 1942. Total gold purchases from Sweden by the SNB came to SFr. 75 million.

## **VI. Various.**

**VI/1. BIS.** Throughout the war, there were several sales and purchases with the Bank for International Settlements (BIS). The SNB purchased gold, mainly between late 1940 and early 1941, for a net value of SFr. 43 million.

**VI/2. Swiss domestic market.** The SNB's gold transactions also included sales on the Swiss market via the commercial banks (SFr. 516 million). These sales were intended to absorb money balances and to stabilize the Swiss franc. Due to the strong demand on the Swiss market, Swiss industry was also directly supplied by the SNB with gold totaling SFr. 80 million.<sup>143</sup> Only 4th quarter figures of 1939 have been taken into account for gold coins.

---

<sup>142</sup> See Chapter 3.

<sup>143</sup> In this table, the Commission did not distinguish between transactions with industry and those with commercial banks. The two figures mentioned are based on information from the SNB (March 1998).

**VI/3. Confederation.** The amount under «Confederation» refers to the gold which the SNB sold to federal authorities, basically as part of the «sterilization» measures. At the end of the period under consideration, transactions by the Confederation totaled a net SFr. 819 million.

**VI/4. Federal Mint.** With the exception of a purchase at the end of 1939 for SFr. 323,000, the position of «Federal Mint» refers to all movements connected with the minting of *Vreneli* gold coins since the beginning of 1945.

**VII. Total purchases and sales.** Total amounts from individual purchases and sales. The SNB bought gold valued at SFr. 5,202 million and sold gold valued at SFr. 3,438 million. Net sales calculated on this basis amount to SFr. 1,764 million.

**VIII. Differences.** Differences between the calculated net purchases (item VII) and the total holdings (final balance minus initial balance). It consists of differences in weight and prices and rounding differences. In comparison to the total volume of purchases and sales, it is extremely small.<sup>144</sup>

**IX. Final balance.** On 30 June 1945, the gold holdings of the SNB amounted to SFr. 4,623 million.<sup>145</sup>

### 1.6.2 Gold Transactions of the Reichsbank via the SNB

Table I indicates how much gold the Reichsbank shipped to the SNB during the war, be it for its own account in Bern, for the depots of other central banks, or for the BIS. According to the records of the Reichsbank, the value of this physical transfer from Berlin, including the shipments from Constance in April 1945, amounted to 1,678.5 million francs.<sup>146</sup> Of this, the SNB acquired gold for SFr. 1,231.1 million,<sup>147</sup> corresponding to about three fourths of all Reichsbank deliveries during the war. As is well known from the literature, there were extensive movements of gold at the Bern depot of the Reichsbank without the SNB appearing as purchaser.<sup>148</sup> Large amounts of German gold were thus able to flow into the Bern depots of other central banks, especially those of Portugal and Sweden, as well as into the gold depot of the BIS. Table IV gives an overview of these transactions in Bern.

---

<sup>144</sup> The uncertainty with regard to coin sales in the third quarter of 1939, which the Commission did not include in the period under examination (see Comments on Table XX), cannot be the cause for this difference because almost the same difference occurs by taking the period between 1 January 1939 and 30 June 1945.

<sup>145</sup> SNB Archives, without call number. Gold transactions of the Swiss National Bank, dated monthly.

<sup>146</sup> Table I, VI/1 and Table II, column 2.

<sup>147</sup> Table III, II/1.

<sup>148</sup> See Rings 1996, pp. 56 f.; Vogler 1985, pp. 70–71.

**Table IV: Gold transactions of the Reichsbank via the SNB (gross) 1940–1945**

<i>Receipts (in SFr. million)</i>	<b>1940</b>	<b>1941</b>	<b>1942</b>	<b>1943</b>	<b>1944</b>	<b>1945</b>	<b>Total</b>
Transfers from Berlin	102.3	190.9	492.3	581.9	254.7	15.6	1,637.7
SNB	19.5						19.5
Portuguese Central Bank				14.1	11.7		25.8
Turkish Central Bank				14.6			14.6
Swiss commercial banks and various	3.9		0.5				4.4
<i>Outflow (in SFr. million)</i>							
SNB	85.7	141.2	424.2	370.1	180.2	29.7	1,231.1
Portuguese Central Bank			41.4	150.5	46.3		238.1
Swedish Central Bank		6.8	19.5	56.0	4.9		87.2
BIS	20.0	6.3	5.4	13.1	13.6		58.4
Romanian Central Bank					50.6		50.6
Slovakian Central Bank		7.8			15.6		23.4
Spanish Central Bank				6.8			6.8
Swiss commercial banks and various			0.5	5.4			5.8

All shipments of the Reichsbank to the SNB in Bern for its own depot or for the depot of other banks have been listed as incoming entries. In addition, all other transfers of the Reichsbank have been listed. The figures cannot be compared directly with those in Table I. All transfers from the Reichsbank to the accounts of other depositors and to the SNB as well as direct shipments from Berlin to the customer depots at the SNB appear as outflow. The outflow of the SNB corresponds to its purchases via the SNB as listed in Table III. Price: SFr. 4,869.8 per kgf.

Source: Information of the SNB, January 1998

## 1.7 Shipments of the Reichsbank to Swiss Commercial Banks

**Table V/1: Shipments of the Reichsbank to major Swiss banks 1940/41, per year**

<b>Period</b>	<b>Swiss franc million</b>	<b>Dollar million</b>	<b>kg fine</b>
1st semester 1940	115.2	26.6	23,654
2nd semester 1940	14.7	3.4	3,016
<i>Total 1940</i>	<i>129.9</i>	<i>30.0</i>	<i>26,670</i>
1st semester 1941	67.4	15.6	13,840
2nd semester 1941	46.4	10.7	9,536
<i>Total 1941</i>	<i>113.8</i>	<i>26.3</i>	<i>23,375</i>
<b><i>Total 1940/1941</i></b>	<b><i>243.7</i></b>	<b><i>56.3</i></b>	<b><i>50,045</i></b>

Source: Reichsbank Ledgers, US National Archives. Price: SFr. 4,869.80 per kgf.

**Table V/2: Shipments of the Reichsbank to major Swiss banks 1940/41, per bank**

	<b>Swiss franc million</b>	<b>Dollar million</b>	<b>kg fine</b>
Swiss Bank Corporation (SBC)	151.0	34.9	31,015
Bank Leu & Cie	43.8	10.1	8,990
Union Bank of Switzerland (UBS)	31.8	7.4	6,540
Basler Handelsbank (BHB)	9.6	2.2	1,963
Credit Suisse (CS)	7.4	1.7	1,513
Eidgenössische Bank (EIBA)	0.1	0.03	25
<b><i>Total</i></b>	<b><i>243.7</i></b>	<b><i>56.3</i></b>	<b><i>50,045</i></b>

Source: Reichsbank Ledgers, US National Archives. Price: SFr. 4,869.80 per kgf.

### Comments to Tables V/1 and V/2

It is important to draw a distinction between shipments of gold to commercial banks and actual purchases of gold by recipients. The above figures relate to the physical transfer (delivery) of gold to recipients in Switzerland. However, they do not provide any information on a possible change of ownership (purchase/sale), nor do they indicate the parties for whose account the banks received the gold delivered to them.

Immediately after the war, the United States occupying forces seized the Reichsbank records for examination. The figures for shipments of gold to Swiss commercial banks obtained from these records were made available during negotiations on the 1946 Washington Agreement, and are documented in the relevant literature on the subject.<sup>149</sup> The study by Sidney Zabludoff published in October 1997 is also based on American sources with regard to transfers to the Swiss banks and repeats the same figures: According to calculations of 1946, gold valued at about \$20.3 million, or SFr. 87.3 million (exchange rate: 1:4.3), was delivered to Swiss commercial banks as of mid-1940.<sup>150</sup>

**Table V/3: Shipments of the Reichsbank to Swiss commercial banks 1940/41 according to US source in 1946**

	<b>in Dollars*</b>
Swiss Bank Corporation	7,999,047
Bank Leu & Cie	6,183,931
Credit Suisse	1,749,740
Basler Handelsbank	1,081,958
Eidgenössische Bank	28,835
Other banks*	3,282,145
<b>Total</b>	<b>20,325,656</b>

Source: US National Archives, RG 59, 800.515, 4201; \* Information and figures according to the original source.

The American occupation forces in 1946, as well as the Commission, have based their information on copies of the Reichsbank records. In comparing the results of the two analyses, substantial differences can be found. According to calculations of the Commission, it appears that significantly larger amounts of gold were shipped to Swiss commercial banks in 1940 and 1941 than was previously assumed. According to the US figures, gold shipments had a value of about \$20 million as opposed to the Commission's estimated \$56.3 million (see Table V/1).<sup>151</sup>

If the time period reviewed by the Allies (mid 1940 until 1946) is taken into consideration, the deviations can in part be explained. According to the Commission's study, most of the gold was shipped to Swiss commercial banks during the first few months of 1940. It was this period of substantial deliveries from the Reichsbank which were not, or only partly, taken into consideration by the Allied survey of 1946. As has emerged from various sources, US figures used during the hearings on the Washington Agreement relate only to the period from the beginning of May 1940. And in all likelihood, they only take into account gold shipped by the Reichsbank as of 30 June 1940.<sup>152</sup>

<sup>149</sup> Castelmur 1997, p. 59, notes 144 and 145; Durrer 1984, pp. 268–270.

<sup>150</sup> In contrast to the information of Durrer 1984 and Castelmur 1997, the amount mentioned according to Zabludoff is not based on the period from 30 June 1940 but rather on the beginning of April of the same year. Zabludoff 1997, p. 12.

<sup>151</sup> At first glance, the deviation is even more surprising because the calculations of the Commission for shipments to the SNB – as opposed to those to the commercial banks – largely coincide with figures which are already known. The remaining differences in the figures for shipments of the Reichsbank to the SNB can be satisfactorily explained by minor technical problems and by the different valuation for gold which was used in the books of these two banks.

<sup>152</sup> 30 April 1940 was chosen as the base date for the beginning of Allied claims in respect to the restitution of gold by Switzerland. As stated in a report of the Department of the Treasury, however, the calculations themselves were for a period beginning on 30 June 1940. «For the purpose at hand 30 June 1940 has been chosen as the base date in order to

Table V/1 details the transfers of German gold to Switzerland over six-month periods. The figures indicate that, of the total shipments to the commercial banks, 23.7 tons of gold, valued at about \$26.6 million (SFr. 115.2 million), were transferred in the period prior to the end of June 1940. The amount includes a shipment from the Reichsbank to the UBS with gold of Soviet origin weighing about one ton, as well as all wartime shipments of «Russian gold» from Berlin to the branch of the Swiss Bank Corporation in Le Locle (see comments on Table II). If the shipments of the Reichsbank in the first half of 1940 are deducted from the sum total of gold shipments from Berlin, there is a remainder of \$29.7 million as based on the 1945 dollar exchange rate used here. The figure is still about \$9.4 million higher than the sum total of Reichsbank transactions with the Swiss commercial banks which the Allies announced immediately after the war. The remaining difference can be largely explained by the following:

As shown in the comments on Table II, shipments of gold from the Soviet Union extended beyond the first semester of 1940. According to Reichsbank records, the only recipient in addition to the Swiss National Bank was the UBS in Zurich. The latter, in addition to the one ton of gold mentioned above, received 5.5 tons of gold of Soviet provenance valued at \$6.2 million (SFr. 27 million). An internal study of the UBS, received by the Commission in March 1998, analyzes the historical background of these shipments and comes to the conclusion that the transfers of «Russian gold» via Berlin as of 1940 mainly served to pay for Swiss goods shipped to the Soviet Union.<sup>153</sup> According to this study, the UBS sold several of the shipments of gold bars which it had received to the SNB. The SNB in turn reimbursed the gold in Swiss francs or reimbursed it through the acquisition of dollars in New York in favor of the UBS. The Commission's investigations confirm this fact.<sup>154</sup> Transactions of this kind were not concealed from American officials (see Comments to Table II). Because it obviously did not refer to gold purchases from the Reichsbank but rather to transit dealings with Soviet contractual partners via Berlin, the transactions were not regarded after the war as gold purchases from Germany. In the compilation made by the Allies (Table V/3), the name of the UBS is missing. In the eyes of American officials, the bank did not act as a purchaser of gold from Germany. If the \$6.2 million in transfers of «Russian gold» to the UBS via Berlin after mid-1940 are deducted from the total of shipments from the Reichsbank to the Swiss commercial banks, the difference between the Allied calculations of 1946 and those of the Commission are reduced to \$3.2 million. Additional efforts could possibly close these gaps in research.<sup>155</sup> The Commission is aware of the fact that the Swiss Bank Corporation has an

---

make the case as favorable as possible to the Swiss and eliminate any uncertainty as to legitimate acquisitions of gold by the Germans prior to their attack on the Low Countries», US National Archives, RG 59, 800.515, 4201. See also Durrer 1984, pp. 268–269, especially note 225.

<sup>153</sup> Confidential letter of 5 March 1998 from the UBS to the Commission. For trade relations between Switzerland and the Soviet Union see SDD, vol. 13, nos. 323 and 420.

<sup>154</sup> SNB Archives, Minutes of the Governing Board, 22 August 1940, no. 727, p. 897; Minutes of the Bank Committee, 21 November 1940, pp. 653, 679, 680 f; SNB Archives, 110 (1940/42) with exchange of letters between UBS and SNB.

<sup>155</sup> Further research should be focused on German shipments in 1941 to the Swiss Bank Corporation's Zurich offices. According to the Commission's analysis of the records of the Reichsbank, these gold acceptances amounted to 8.3 tons

internal study which could contribute additional information in this respect. It had not yet received a copy by the time of completing its investigations for the present interim report.

---

valued at \$9.3 million. Documents in the archives of the Swiss Bank Corporation indicate gold purchases amounting to about 7.4 tons through its offices in Zurich (archives of the Swiss Bank Corporation, Dossier ZH 2077). Based on the various sources, there is a difference of about \$1 million.



## 2. Gold Acquired by the SNB from Germany

### 2.1 Background and Participants

This Chapter is devoted to an examination of the gold purchased by the Swiss National Bank (SNB) from the Deutsche Reichsbank.<sup>1</sup> The considerations and goals envisioned by the decision-makers are described within the context of political and economic conditions. It includes, at the outset, a brief description of Swiss-German economic and financial relations.

#### *The Policy of Bilateral Trade*

Germany has always played an important, if not dominant, role in Switzerland's foreign trade. The First World War solidified these links, and by 1931 Switzerland was already Germany's third largest foreign creditor, preceded only by the United States and the Netherlands. During the Second World War, this financial position frequently allowed Swiss imports of goods to be offset against German current account payments (interest payments, earnings on insurance, licence, and patent fees, etc.).

The worldwide depression of the 1930s, however, did impact severely on Swiss-German trade and financial interactions. Due to its chronic shortage of foreign exchange, in 1931 the German government proclaimed a moratorium on all foreign payments not explicitly permitted by a clearing agreement (the «standstill»)<sup>2</sup>. Official negotiations between Switzerland and Germany led in 1934 to the signing of such an agreement, which undertook to regulate nearly the entire spectrum of bilateral monetary transfers between the two states.

The result of the clearing system was that payments were no longer made directly between firms based in different countries, but rather between the Berlin clearing office, affiliated with the Reichsbank, and the Swiss clearing office, initially associated with the Swiss National Bank. These clearing offices periodically cancelled out debits against credits, thereby reducing cross-border monetary transfers. The balance remaining after the mutual cancellations – referred to as the «clearing peak» – was either carried forward or paid off, according to political and financial necessities.

To implement a payment order via the clearing office, it was necessary for the required funds to be available in the account which the one contractual country kept with the central bank of the other. The proper functioning of the system was dependent on an approximate equilibrium of mutual services and transactions between the two states. Imports and exports, as a result,

---

<sup>1</sup> While completing this Chapter, the Commission learned of the contents of a working paper by the SNB on the same subject. The Commission is grateful to its authors, Vincent Crettol and Patrick Halbeisen, for their valuable suggestions and comments.

<sup>2</sup> According to the standstill agreement of September 1931, creditor banks consented in principle to freeze credits granted in non-German currency to German banks as well as to commercial and industrial enterprises in non-German currency. The Reichsbank guaranteed the allocation of foreign exchange necessary for interest payments.

were limited in their quantities and values. The establishment of quotas was the subject of regular bilateral trade negotiations.

Outstanding accounts, both from commercial as well as from financial creditors, were to be settled by payments received from the clearing office. The creditors were very heterogeneous and included needy individuals as well as financial and industrial concerns operating on an international basis. The apportionment of clearing funds was marked by constant arguments between the various interest groups. Those of the financial sector, as opposed to those of the export-oriented commercial and industrial areas, and tourism, were not considered to be of primary importance by the Swiss government. This internal Swiss conflict was intensified by the Reichsbank's demand to have at its free disposal, in the form of a so-called foreign exchange peak, a credit of 11.8 percent in Swiss francs above the amount paid into the clearing.<sup>3</sup>

A resolution passed by the Federal government on 14 October 1933 outlined Swiss economic policy toward foreign countries and authorized the Confederation to enact measures for the protection of national production, the support of exports, and an equilibrium in the balance of payments, thereby laying the legal foundation for the Swiss clearing agreement. In view of its strong position as an export country for goods and capital, and with Germany's chronic shortage of foreign exchange, the Swiss participants saw in the clearing agreements a means of safeguarding a «minimum in payments»<sup>4</sup> from Germany. The clearing system, however, must be viewed as a deviation from Switzerland's traditional support of liberal trade policies.

From Germany's standpoint, the clearing agreement served not only as a tool of foreign exchange and trade policy, but also as a mechanism of advancing its broader political goals. German policy makers throughout the pre-war period had envisioned a «New European Order» in which a continental economic bloc could be established under German dominance. This project was supported by Nazi racist theories and vague concepts of large scale trade, and aimed at the «hegemonization» of Europe, transforming Germany's bilateral short-term trade agreements into a permanent multilateral clearing.

The realities of war proved otherwise. Rather than incorporating the separate states of Europe into a voluntary trading bloc, the conquered countries were systematically plundered and their economies were directed toward the sustenance of Germany's extensive war-time industrial growth. As a result, Germany rapidly fell behind in its settlement of outstanding clearing debts with Switzerland—though, as Swiss trade delegate Jean Hotz<sup>5</sup> later recalled, «obtained many more goods in terms of quantity and value from the Axis area than were delivered to it».<sup>6</sup>

---

<sup>3</sup> The foreign exchange peaks were also known as *freie Reichsbankspitze*. See also note 216.

<sup>4</sup> Jöhr 1938, p. 40, Jöhr was at the time the Member of the Executive Board of the Credit Suisse.

<sup>5</sup> For biographical information, see Appendix I.

<sup>6</sup> Hotz 1950, p. 65. See also SDD, vol. 15, pp. 20–26.

Switzerland repeatedly made clearing credits available to Nazi Germany. The Confederation granted a so-called transfer guarantee by which it committed itself to include overdue German funds in the clearing so that Swiss exporters could be spared long periods delayed payment for services already rendered. By the time the war had ended, credits granted in this way amounted to 1,119 million francs.<sup>7</sup>

In addition, Switzerland performed other favors for Germany outside of the clearing arrangement, such as the gold transactions. As already mentioned in Chapter 1, the sale of gold was one of the most important means by which Germany could meet its need for foreign exchange. The role of the SNB in these interactions and the goals Switzerland pursued with its gold policy are the subject of the following remarks.

### *Executive Bodies and Functions of the Swiss National Bank*

The Swiss National Bank began its operations in 1907 as a body incorporated according to private law and under the control of the Confederation. As a central bank, it was not regulated by statutes like an ordinary corporation but rather by the laws which determined its functions and its organization. Two-fifths of the share capital were reserved for the Swiss cantons, one-fifth for Switzerland's former issuing bank, and two-fifths were offered for public subscription. The Confederation exercised a constitutional supervisory obligation, especially with regard to the far-reaching competence of appointing the most important bank officials and executive management. Of the 40 members of the Bank Council, the Federal Council named 23, as well as the President and Vice-President who chaired the Bank Committee. In addition, upon the suggestion of the Bank Council, it also appointed the three-member Governing Board. To this were added other powers: yearly reports and annual balance sheets were subject to the approval of the Federal Council before being published and submitted to the shareholders' meeting.<sup>8</sup>

The legal basis for the commercial activities of the SNB was set by the National Bank laws of 1905 and 1921 as well as the Federal law on Mints of 3 June 1931. The latter determined the gold standard and decreed that the Swiss notes and coins in circulation must be covered by a gold collateral of at least 40 percent. At the same time, with the devaluation of the franc in 1936, bank notes became legal tender. The fixed gold parity was rescinded and replaced by a limited-spread parity which was 30 percent lower, so that the value of the franc now had a margin of fluctuation ranging between 190 and 215 milligrams of fine gold.<sup>9</sup>

---

<sup>7</sup> BAR E 7800/1, vol. 16, Friedrich Gyax, abridged report on the Swiss-German trade negotiations during the war, January 1946, p. 61; furtheron quoted as *Gyax, abridged report*. On the problem of the «clearing billions», see Tanner 1986.

<sup>8</sup> For the entire section: Schweizerische Nationalbank 1957, pp. 323–338; Handbook on the History of European Banks 1994, pp. 1032–1036; Fior 1997, pp. 17–22; Guex 1993, pp. 19–58.

<sup>9</sup> See AS 1906, 47; AS 1921, 581; AS 1931, 601; AS 1936, 741, as well as SDD, vol. 11, no. 297, pp. 861–868; BAR E 7800/1, vol. 66. The Federal Council requested the SNB in October 1938 to keep the parity within an even narrower range, corresponding to a devaluation of between 29.25% and 30.75%. SNB Archives, 2001, Memorandum for the meeting of the Governing Board on 13 October 1938.

The Bank Council, whose members represented the interests of various sectors of the economy and areas of the country, was the highest authority of the SNB. President and Vice- President of the Council were *ex-officio* members of the Bank Committee, which exercised close supervision and control over the business and management of the bank. The Bank Committee roughly corresponded to a corporation's board of directors but had less authority and at times, was unable to prevail in decisive questions against the unified opposition of the Governing Board.

At the time of World War II, the Bank Committee consisted of seven members. The Chairman was Gottlieb Bachmann, the previous Chairman of the Governing Board, with Léon Daguét, President of the Freiburg Cantonal Bank, serving as Vice-Chairman. The Governing Board consisted of the chairmen of the three Departments: Ernst Weber (at the same time Chairman of the Governing Board), Paul Rossy, and Fritz Schnorf. When Schnorf left the SNB in 1942, he was replaced by Alfred Hirs on the managing board of the Bank.<sup>10</sup>

## 2.2 Overview of Data

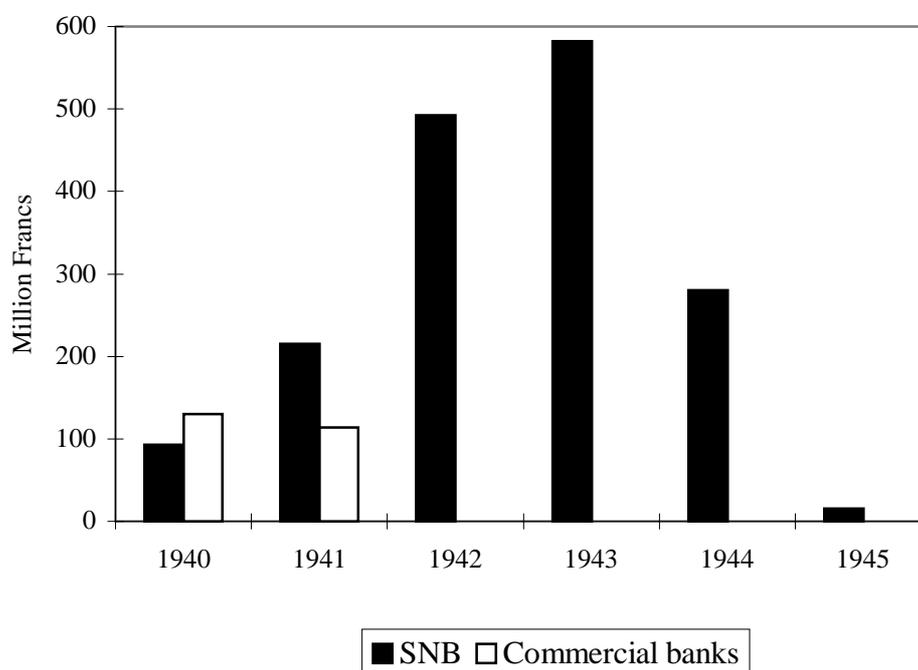
The statistical overview in Chapter 1 provides information on the dimensions of the gold transactions which the SNB undertook for the Reichsbank during the war. The following graph illustrates the gold transfers to the Swiss National Bank and the commercial banks chronologically. All in all, the Reichsbank shipped gold valued at 1,922 million francs, or 444 million dollars to Switzerland during the war. Of this, 1,679 million francs of gold went to the SNB and 244 million francs to the commercial banks. These figures relate to the value in francs of the gold shipments and not to the purchase sums.<sup>11</sup> Physical transfers to the Swiss National Bank usually went first to the gold deposit which the Reichsbank maintained at the SNB in Bern. In addition to the SNB, other European central banks also purchased gold from the Reichsbank via their accounts in Bern.

---

<sup>10</sup> See biographical notes in Appendix 1.

<sup>11</sup> Reichsbank Ledgers, US National Archives, RG 56, Entry 66-A-816; see also Chapter 1, note 71.

**Graph I: Gold consignments of the Reichsbank  
in Switzerland 1940–1945**

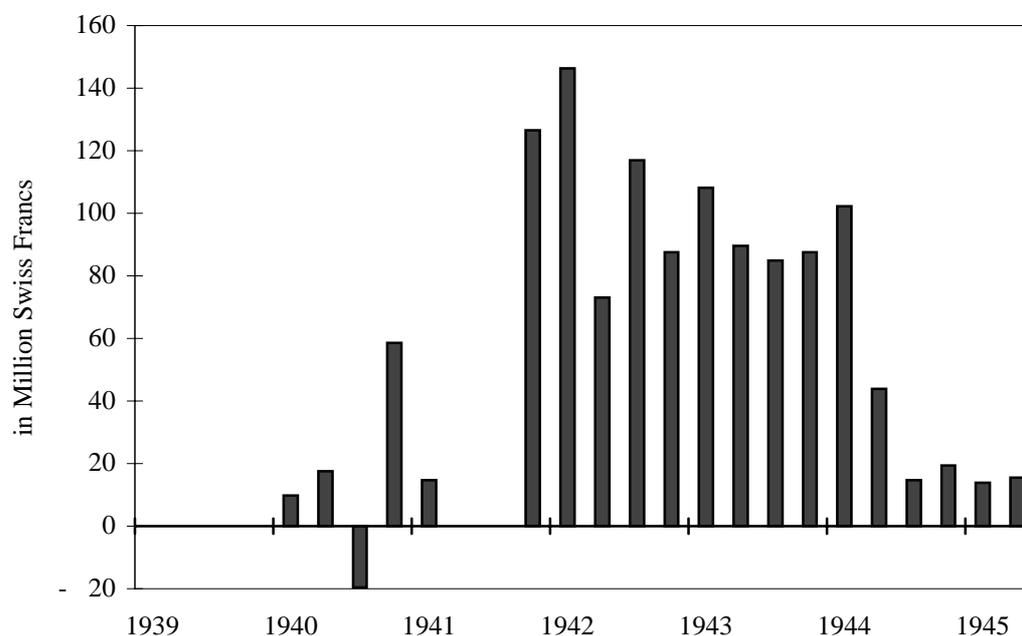


Comments: In the sources which were consulted, Reichsbank Ledgers, US National Archives, there is no documentation of shipments for 1939 and 1945.<sup>12</sup> Based on information in the SNB's stock records, the figure for 1945 has been amended (SNB Archives, Stock Records of Customer Gold Deposits 1939–1945, 4 March 1997).

The Graph includes gold consignments from the Reichsbank to Swiss commercial banks. Direct shipments of this kind took place until autumn of 1941, and were considerably smaller in size than those to the Swiss National Bank. At the beginning of the war, the Reichsbank preferred the services of commercial banks. How much of the gold which the Reichsbank shipped to commercial banks was acquired by the latter for their own accounts cannot be reliably determined in every case at present. On the other hand, the amounts which the SNB purchased from the Reichsbank during the course of the war are known. Graph II shows these figures on a quarterly basis.

<sup>12</sup> Comparison for the figures in Table II, Chapter 1.

**Graph II: Gold purchased by the SNB from the Reichsbank  
1939–1945 per quarter**



Comment: The descending bar refers to sales of the SNB to the Reichsbank in the third quarter of 1940. Source: SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

About three-fourths of the German gold consignments which were sent to the SNB during the war were bought on its own account. The remainder went to other central banks which were trading with the SNB, or remained for the time being in the deposit of the Reichsbank in Bern. In addition to the German central bank and the Bank for International Settlements (BIS), more than a dozen other central banks took advantage of the services of the SNB for their gold transactions.<sup>13</sup> Purchasers of gold shipped from Germany included the central banks of Portugal, Sweden, and Romania.<sup>14</sup>

### 2.3 Gold Transactions of the SNB with the Reichsbank: a Chronology

The gold and monetary policy of the Swiss National Bank during the war was characterized by numerous shifts that had their origin in changing military and political conditions. Reference to these general questions of Swiss war-time policy is necessary to place these transactions within their proper historical contexts.

Swiss economic policy evolved in several distinct phases. The first phase lasted from the outbreak of war until the German-French armistice and Italy's entry into the war in 1940. It

<sup>13</sup> Between 1 January 1939 and 30 June 1945, central banks of the following countries had at times one or more deposits with the SNB: Croatia, Czechoslovakia, France, Germany, Greece, Hungary, Italy, Lithuania, the Netherlands, Portugal, Romania, Slovakia, Spain, Sweden, Turkey and Yugoslavia. SNB Archives, Stock Records of Customer Gold Deposits 1939–1945, 4 March 1997.

<sup>14</sup> See Table IV: Gold Transactions of the Reichsbank via the SNB (gross) 1940–1945 in Chapter 1.

was followed by a second and longer period from mid-1940 until 1943, a phase in which the Third Reich expanded militarily and extended its sphere of economic influence on the European continent. In this period, Switzerland was surrounded by Axis countries. The transition to a third phase, with the defeat of the German Wehrmacht at Stalingrad at the beginning of 1943, was an important turning point. The inevitability of Germany's defeat began to be clear in the autumn of that year. Following the Normandy landings of the Allies in June 1944, American troops reached the Swiss border in August. The liberation of France put an end to the four year encirclement of Switzerland by the Axis and marked the beginning of a fourth phase which lasted until the German unconditional surrender in May 1945.

Parallel to the extension of German power from 1939 until the end of 1942, gold shipments from the Reichsbank to Switzerland rose dramatically at first and dropped after several months (see Graph I). Events on the military front alone cannot be put forward as an explanation for the chronological sequence of gold acceptances from Germany. The rhythm of gold acceptances, however, largely synchronous with the course of the war, suggests that decisions about the changing scope of transactions were not made independently of expectations of the war's outcome. In addition to the war, economic, and trade measures of the Axis powers as well as those of the Allies strongly affected the SNB's gold policy. The fact that the United States blocked the assets of neutral states in June 1941 was of primary importance. During the long phase between June 1940 and autumn 1943, the introduction of government controls on 7 December 1942 should be emphasized as an important rupture in the Swiss gold trade.

### 2.3.1 March 1939 until June 1940

The German invasion of Czechoslovakia in March 1939 demonstrated how rapidly Germany could take control of the gold of foreign central banks. A part of Czechoslovak reserves was transferred from the Czechoslovak deposit in Bern to that of the Reichsbank on 8 March, a week before the invasion. From Bern these reserves were shipped to Berlin within the month.<sup>15</sup> Various incidents strengthened the fears of the SNB over the security of its own gold holdings.<sup>16</sup> Long before the outbreak of war, it had begun to send a large part of its reserves to the United States and to Great Britain to evade possible German appropriation, as had many other continental European banks. It continued to do so until June 1940, so that by the end of

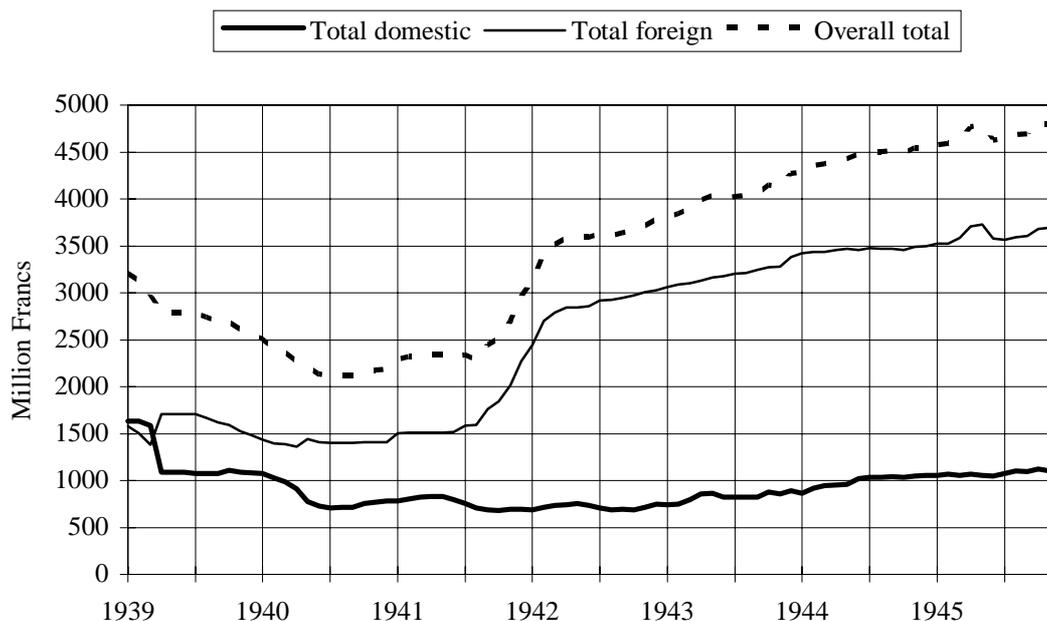
---

<sup>15</sup> It relates to 1,013 bars, with a value of 61.4 million francs, which were booked on the deposit account of the Reichsbank in Bern on 8 March. The gold left Bern in three consignments on 15, 20, and 21 March 1939. With the exception of this transaction with Czechoslovakian gold, no other incomings or outgoings were recorded on the deposit of the Reichsbank with the SNB. SNB Archives, Stock Records of Customer Gold Deposits 1939–1945, 4 March 1947; see also Rings 1996, p. 37. On the role of the BIS in connection with the Czechoslovakian gold in London, see Smith 1989, pp. 5–8 and Trepp 1993, pp. 29–30, as well as Chapter 1, Comments to Table I, paragraph I/5. With regard to reactions in Switzerland, see letter of 21 March 1939 from Walter Stucki, Swiss minister in Paris, to Federal Councillor Giuseppe Motta, SDD, vol. 13, no. 47. Germany's appropriation of the Czechoslovakian gold treasury was reported in the Swiss press. See BAR E 2001 (D) 2, vol. 197 with the NZZ article of 27 May 1939.

<sup>16</sup> See letter from Riccardo Motta (Director of Department II of the SNB) to the Federal Political Department of 16 May 1939 in: SDD, vol. 13, no. 87. The «Czechoslovakian crisis» led to considerable political tensions internationally and resulted in Switzerland to a withdrawal from francs into other foreign exchange. SDD, vol. 13, no. 49.

June gold holdings in Switzerland had dropped to a value of 730 million francs.<sup>17</sup> This corresponded to a third of the total gold reserves of the central bank. The other two-thirds were in New York and in London where, in case of Switzerland's occupation, they would have been protected from German expropriation and retained their convertibility into foreign exchange.<sup>18</sup>

**Graph III: Distribution of the SNB's gold holdings at home and abroad  
1939–1945**



Comment: Cash value until April 1940: SFr. 4,639.13, as of 31 May 1940: SFr. 4,869.80 per kilogram fine; Source: SNB Archives, 102.2, Gold holdings per end of the month, 30 September 1948.

As a component of the monetary reserves, the gold of the Swiss National Bank was of central importance for the strength of the Swiss franc. The SNB had to be able to exchange the francs which were offered to it against gold or gold currency (dollars) at any time, in spite of the fact that the legal obligation to redeem notes in gold had been abolished in 1936.<sup>19</sup> Only as long as the SNB had sufficient reserves at its disposal was it possible to maintain the convertibility of the franc and keep a stable exchange rate against gold. In addition, it was still obliged to prevent gold reserves from falling below the level of 40 percent of outstanding notes.<sup>20</sup> According to the law, this minimum ratio of gold had to be physically present in Switzerland. At the request of the Swiss National Bank, however, the Swiss Federal Council passed a secret

<sup>17</sup> At the end of January 1939, holdings in Switzerland still amounted to 1,632.6 million francs. SNB Archives, 102.2., gold holdings end of the month, 30 September 1948.

<sup>18</sup> See for instance SNB Archives, Minutes of the Governing Board, 30 May 1940, no. 457, p. 546; 5/6 June 1940, no. 489, p. 583. See also Durrer 1984, pp. 34–37.

<sup>19</sup> See Schweizerische Nationalbank 1957, pp. 82–84.

<sup>20</sup> The Federal law of 7 April 1921 regulating the Swiss National Bank, the Federal law on Minting of 3 June 1931, and the Federal Council's decree of 27 September 1936 were decisive. See BS 6, 12; see also SDD, vol. 11, no. 297.

decree on 17 May 1940 exempting the SNB from this proviso.<sup>21</sup> In consequence, gold reserves remaining in Switzerland continued to decline as they were systematically transferred to New York and London. Between 1942 and 1945, the ratio of gold cover in Switzerland amounted to little more than 30 percent (see Table VI).<sup>22</sup> In the middle of 1940, it was not yet foreseeable that the United States would eventually block Swiss assets, including the monetary reserves of the SNB, thereby preventing free access to them.<sup>23</sup> The allocation of gold holdings was based on a conflict between considerations of safety and the necessity of having access to them in Switzerland.

**Table VI: Percentage cover of SNB notes in circulation, annual average**

Year	Gold		Gold and convertible currencies	Total of reserve assets
	Total	Domestic		
1939	140.4	68.9	155.7	163.3
1940	103.0	40.3	127.8	141.5
1941	111.4	36.1	165.6	173.4
1942	150.6	31.7	158.1	163.8
1943	142.6	31.3	144.7	151.0
1944	144.9	32.5	147.5	151.3
1945	133.4	30.6	136.6	142.4

Source: Swiss National Bank (1957), p. 380, Table 13.

Not only the Swiss National Bank transferred its gold to New York. Until the middle of 1940, Switzerland experienced a substantial private capital outflow. To finance the exodus out of the franc, the Swiss National Bank had to resort to its monetary reserves.<sup>24</sup> The continuous outflow of gold and foreign exchange led Swiss monetary officials to seriously consider the introduction of foreign exchange controls, although they were basically opposed to such severe intervention in free money transfers.<sup>25</sup> In May 1940, the SNB contacted Ernst Wetter, the relevant Federal Councillor, and discussed various options for controlling the export of foreign

<sup>21</sup> See SDD, vol. 13, no. 280; see also SDD, vol. 14, no. 193, pp. 599–603, «Die schweizerische Wahrung in ihren Beziehungen zur Wirtschafts- und Finanzpolitik» (Swiss currency in relation to economic and finance policy).

<sup>22</sup> Total gold cover in May 1940 amounted to about 94%. During the war, on an annual average, the gold cover of notes in circulation was always more than 100%. The coverage with gold which was actually in Switzerland never dropped below 30%. Schweizerische Nationalbank 1957, p. 380, table 13. See also Fior 1997, p. 29.

<sup>23</sup> See Durrer 1984, p. 41.

<sup>24</sup> SNB Archives, Minutes of the Governing Board, 23/24 May 1940, no. 433, p. 523. See also the detailed letter from the SNB to Federal Councillor Wetter of 7 May 1940 on the problem of capital export, the deficit balance of trade and the resulting withdrawal of gold and foreign exchange from the SNB. See also SDD, vol. 13, no. 274.

<sup>25</sup> Fritz Schnorf, Head of Department III of the SNB, emphasized at a meeting of the Governing Board on 1 February: «A certain exodus out of the Swiss franc can no doubt be ascertained. Nevertheless, with the monetary reserves of the Bank which are still considerable, the introduction of foreign exchange controls is out of the question. At the present time, if Switzerland wants to maintain its place as a financial center, it must strive to assure freedom for the market». SNB Archives, Minutes of the Governing Board, 1 February 1940, no. 90, p. 93. In consideration of the continuous withdrawal of capital from Switzerland, members of Parliament and associations of commerce and industry proposed a change in monetary policy at the beginning of 1940. This led to an analysis of the country's financial situation by the SNB's Governing Board and to an opinion expressed to the Federal Council. In an exposé of 7 May 1940 written for this purpose, the management of the Swiss National Bank examined the various forms of capital export and came to the conclusion that control measures would create more problems than they would resolve. Letter of 7 May 1940 from the SNB to the Federal Finance and Customs Department (EFZD), in: SDD, vol. 13, no. 274.

exchange. For Ernst Weber, the Chairman of the SNB's Governing Board, there was «no longer a doubt that sooner or later we have to swallow the bitter pill and introduce foreign exchange controls».<sup>26</sup> For the time being, however, the Swiss National Bank's Governing Board merely instructed the commercial banks to limit dollar sales to Swiss residents, and waited before imposing legal restrictions on the export of foreign exchange.<sup>27</sup> Following the defeat of France in June 1940, the movement of capital rapidly reversed direction and the SNB's problem of foreign exchange outflow was resolved almost overnight.<sup>28</sup> Discussions of a comprehensive foreign exchange control lost their urgency.<sup>29</sup> In the second half of 1940, on the contrary, fear of a financial blockade in the United States led to extensive dollar liquidations.<sup>30</sup> The gold and foreign exchange reserves of the Swiss National Bank started to recover noticeably in the late summer of 1940.<sup>31</sup>

The special position of the franc, as a reserve currency and one which was coveted internationally because it was convertible, was clearly evident by the middle of 1940. Before the war, the US dollar and the British pound had indisputably assumed the roles of

---

<sup>26</sup> SNB Archives, Minutes of the Governing Board, 23/24 May 1940, no. 433, p. 433. See also SNB Archives, Minutes of the Bank Committee, 28 May 1940, p. 309. The discussion within the Governing Board was controversial. Rossey and Weber favored the introduction of controls whereas Schnorf was decidedly against them.

<sup>27</sup> See Schweizerische Nationalbank 1957, pp. 122–123; see also SDD, vol. 13, no. 296, p. 703, instructions of the SNB, 24 May 1940.

<sup>28</sup> The SNB's internal weekly report of 26 June remarked: «An armistice has been concluded between Germany, Italy and France. Within a month and a half, the German Wehrmacht has defeated the armies of Holland, Belgium and France. In all likelihood, there will now be a decisive battle with the British Empire. With this new situation, Switzerland has been entirely surrounded by the influence of the Axis states... Conditions on the gold and foreign exchange markets in Switzerland have changed completely. The initiative came from the foreign exchange market. In the last week of May and the first two weeks of June, withdrawals of foreign exchange had already declined by a modest amount... By the time France had requested an armistice, the turnaround was complete... There have been occasional changes in the attitude towards the dollar. The prospects for Switzerland are rising, as compared to the prospects for the United States. One becomes more strongly aware of the fact that we must have Swiss francs in order to live in Switzerland». SNB Archives, Minutes of the Governing Board, 26 June 1940, no. 578, pp. 690, 692.

<sup>29</sup> SNB Archives, Minutes of the Bank Committee, 21 November 1940. See Fior 1997, note 217. For a retrospective description of the situation in May 1940, see SDD, vol. 15, no. 371. Specific restrictions on the movement of capital were still being discussed by the SNB's Governing Board after the turning point in June 1940. Rossey did not favor the unlimited absorption of dollars against francs. He called attention to the resulting danger of inflation and in addition objected to allowing the speculative streams of capital to take their course: «In any case, it cannot be the task of the Swiss National Bank to function as an exchange office, and an owner of cash and foreign currency for financing capital, which soon changes over from Swiss francs to gold and dollars, and is then transformed back into our own currency according to circumstance and mood. This back and forth should be forbidden if possible». Rossey with his demands did not prevail upon the Governing Board. SNB Archives, Minutes of the Governing Board, 15 June 1940, no. 623, p. 755. For information concerning the resolution to forego strict controls, see *ibid.*, p. 757. In the discussion of controls which should have prevented the outflow of foreign exchange, it is necessary to distinguish between restrictions on unofficial foreign exchange transactions and money transfers which had to do with an oversupply of third party means of payment. For the control of dollars, see Chapter 3.

<sup>30</sup> A comprehensive account of capital transactions with the United States can be found in SDD, vol. 15, no. 371: «Rapport sur les relations financières avec les Etats-Unis d'Amérique» 20 February 1945. On the impending financial blockade see also Durrer 1984, pp. 42–43.

<sup>31</sup> In his weekly report on the money market and the situation with regard to foreign exchange, Schnorf, member of the SNB's Governing Board, laconically explained on 31 July: «The tendency which began on about 15 June, is continuing. The Swiss franc is standing on its ground. On balance, we are still reporting a modest influx. At any rate, it has not been sufficient until now to be able to replace the withdrawal of 4000 kg by the Reichsbank. If we once owned monetary reserves amounting to SFr. 2,753.7 million francs [sig], today they amount to 2,746 million. In New York, our franc is still strong». SNB Archives, Minutes of the Governing Board, 31 July 1940, no. 667, p. 818. The gold purchases of the Reichsbank mentioned in the quotation related to those 4 tons, valued at 19.5 million francs, which was the only gold sold by the SNB to the Reichsbank during the war. SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

international key currencies. The pound sterling lost this function with the outbreak of the war through the introduction of strict exchange control by Great Britain.<sup>32</sup> The dollar was able to maintain its position as «global currency».<sup>33</sup> Thus for the gold which the SNB shipped to it, the Reichsbank initially exchanged not only francs but also dollars.<sup>34</sup> With the intensification of economic warfare, and the United States entry into the conflict, the importance of the Swiss currency grew considerably throughout continental Europe during the subsequent years.<sup>35</sup>

The SNB's gold transactions with the Reichsbank were kept at a relatively modest level in the first half of 1940. Gold was purchased in March and May 1940 for a total of 27.3 million Swiss francs. In July – for the first and last time during the war – gold was sold by the SNB to the Reichsbank for a countervalue of 19.5 million francs.<sup>36</sup> When the first shipment of 162 bars arrived unannounced in Bern in March 1940, the SNB reimbursed the Reichsbank with the countervalue of about 9.8 million francs without objection. The Governing Board nevertheless found it necessary to request the Reichsbank to announce its gold shipments ahead of time in the future.<sup>37</sup> Apparently the Governing Board at first believed that the German gold transfers to the Swiss National Bank were of no special consequence for foreign policy, although it was fully aware of problematic aspects of such shipments: when the next Reichsbank shipment arrived from Berlin on 8 May 1940, the bank's management discussed whether the gold should be transferred to the United States within the context of its policy of maintaining reserves. Considering the fact that the Swiss National Bank was required to obtain a certificate of origin on each of its gold shipments to New York for the attention of the Allied blockade authorities, the members of the Governing Board decided that «the gold bars received from Germany were to be kept in Switzerland for the time being, in other words, not be dispatched».<sup>38</sup>

In any case, the larger part of the German gold transactions was initially made with commercial banks rather than with the Swiss National Bank (see Chapter 4). In the first half of 1940 alone, Swiss commercial banks accepted gold shipments from the Reichsbank with a total value of

---

<sup>32</sup> Report of the SNB on gold transactions with the Reichsbank (16 May 1946), SDD, vol. 15, no. 446, p. 118. See also Fior 1997, pp. 22–23.

<sup>33</sup> «Dem Dollar kommt heute der Charakter einer Weltwährung zu» [Today the dollar is vested with the character of a global currency]. SNB Archives, Minutes of the Bank Committee, 28 May 1940, p. 303. See also letter from Schnorf to Rooth, 22 July 1941, in: SDD, vol. 14, no. 81, pp. 246–248.

<sup>34</sup> It exchanged the francs, which it had acquired against gold, with the SNB or with Swiss commercial banks for dollars. In November 1940, the SNB's Bank Committee still recorded the following: «On each of three different occasions we bought 3000 kg of gold from the Reichsbank for delivery in Bern at the usual purchase price of 4,869.80 francs. Each time it accepted 1 ½ million dollars from us, in other words, for about half of the countervalue at the daily rate, by liquidating the remaining Swiss francs through continuous dollar purchases from the Swiss banks and occasionally from us». SNB Archives, Minutes of the Bank Committee, 21 November 1940, p. 688. See also SNB Archives, Minutes of the Governing Board, 31 October 1940, no. 912, p. 1130.

<sup>35</sup> See also Perrenoud 1987/88, pp. 52–53.

<sup>36</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

<sup>37</sup> «In addition, about 2000 kg have been received from the Reichsbank unannounced, which we have obligingly accepted at our purchase price of 4,869.80 francs. The Reichsbank, however, has been requested in the future to contact us before shipping gold». SNB Archives, Minutes of the Governing Board, 7 March 1940, no. 201, p. 221. See also the report of the SNB on gold transactions with the Reichsbank of 16 May 1946, in: SDD, vol. 15, no. 446, p. 1127.

<sup>38</sup> SNB Archives, Minutes of the Governing Board, 7 May 1940, no. 368, p. 440.

115.2 million francs.<sup>39</sup> On the whole, little is known about these transactions. As explained in Chapter 1 (see Comments to Table II), the shipments of gold bars from the Reichsbank to the Swiss commercial banks in the first half of 1940 included gold from the Soviet state bank.<sup>40</sup> This gold – or at least part of it – was used for transactions with the United States and passed through Switzerland in transit.<sup>41</sup>

By February 1940 the SNB had already been approached by the Swiss Federal Prosecutor's Department with regard to the acceptance of 5000 kg of Russian gold from Berlin by the Swiss Bank Corporation (SBC) in Le Locle. The Governing Board informed the commercial banks of the fact, stating that «such gold transactions are not favored».<sup>42</sup> As Ernst Weber, Chairman of the SNB Governing Board, learned from Armand Dreyfus, Vice-President of the Swiss Bank Corporation, it concerned

«... commerce in gold which had formerly been transacted in Holland. It in no way affects the currency situation of Switzerland because it will be concluded in dollars. Department I [Weber] is of the opinion that these transactions, although perhaps not particularly welcome from a political point of view, cannot be prohibited because the legal basis for this would be lacking. The matter, however, should be kept in mind».<sup>43</sup>

SNB management was concerned that the aforementioned gold movements through Switzerland could be a cause for mistrust in the United States. Between February and April of 1940, the American ambassador to Switzerland actually complained about the matter to Paul Rossy, Member of the SNB's Governing Board.<sup>44</sup> At the beginning of May 1940, the French

---

<sup>39</sup> See Table V/1 in Chapter 1.

<sup>40</sup> All consignments from the Reichsbank to the branch of the Swiss Bank Corporation in Le Locle during the war were of Soviet provenance. This can be determined from entries in the books of the Reichsbank. The transfers took place between January and April of 1940. US National Archives, RG 56, Entry 66-A-816, List of Gold Transports, Roll 62. Details on the transactions listed in the so-called Herzog Report of 1957 are incomplete with regard to the origin of gold from the Soviet Union. Historical Archives of the Deutsche Bundesbank in Frankfurt am Main, Herbert Herzog, Dokumentation über das im Kriege nach Deutschland verbrachte Münzgold Italiens (Documentation on the monetary gold of Italy which was brought to Germany during the war), Vienna 1957, Appendix III, pp. 83–84. See also Comments to Table II in Chapter 1. See also the explanation of Trepp on the resmelting of Russian gold at the Swiss Bank Corporation's gold refinery in Le Locle. Trepp 1993, p. 55.

<sup>41</sup> Transactions in «Russian gold» with the Schweizerische Bankgesellschaft (Union Bank of Switzerland) after the middle of 1940 mainly served to finance the export of Swiss goods to the Soviet Union. See Comments to Table V/1 and V/2 in Chapter 1.

<sup>42</sup> SNB Archives, Minutes of the Governing Board, 29 February/1 March 1940, no. 164, p. 171.

<sup>43</sup> SNB Archives, Minutes of the Governing Board, 7 March 1940, no. 191, p. 211.

<sup>44</sup> See Comments to Table II, Chapter 1 as well as the letter cited in it from Leland Harrison to the Secretary of State in Washington, Bern 30 April 1940, Morgenthau Diaries, Roosevelt Library, Hyde Park, N.Y., book 258: 270–275. Discussions within the SNB's Governing Board were focused on the transfers of gold abroad: «Departments II and III have called attention to the fact that due to these gold movements through Switzerland, Switzerland's gold exports to the United States are being increased, which is not advantageous for Switzerland, and can possibly even have detrimental consequences. Department I recognizes the justification of this objection. It will discuss the matter again at the next opportunity with Vice-President Dreyfus». SNB Archives, Minutes of the Governing Board, 7 March 1940, no. 191, p. 211. In his weekly report on the money market and the currency situation in Switzerland, Schnorf, Member of the SNB Governing Board, referred to the matter on the same day as follows: «America is constantly recording large inflows of gold, and from all countries. In terms of amounts, there are times when Switzerland is leading the countries which are shipping gold to America. Russian gold is undoubtedly playing some kind of a role which is certainly unwelcome». SNB Archives, Minutes of the Governing Board, 7.3.1940, no. 201, p. 223. Movements of Russian gold through the Swiss Bank Corporation became substantial, otherwise they would not have been crucial as an appreciable factor in the growth of Swiss gold transfers overseas. It must be added, however, that the SNB was also involved in exporting large amounts of gold to the US at the same time: «Department II has provided information on gold shipments to America which were to be implemented in the reporting period. On 4 and 8 March, consignments amounting to 10

Minister of Finance finally intervened in the matter by complaining to Switzerland's diplomatic representation in Paris about the transfers of Russian gold. Walter Stucki, Minister of the Swiss legation in Paris<sup>45</sup>, explained to Federal Councillor Ernst Wetter that «the Allies are determined to put an end to this trade with all possible means». Wetter in turn informed the SNB about the matter.<sup>46</sup> Neither the government nor the SNB at that time seriously considered intervening in the affairs of the Swiss Bank Corporation. A year later, however, it would resort to measures strictly regulating the gold trade in Switzerland.<sup>47</sup>

### 2.3.2 June 1940 until June 1943

At the beginning of the war, Switzerland and Turkey were the only countries in Europe which were not subject to far-reaching government restrictions on private gold trade. As a result, a lively private commerce in gold evolved. From the summer of 1940 onward, transactions by private banks were particularly lucrative, due to the rising price.<sup>48</sup> The SNB initially took second place, after the commercial banks, in trade with the Reichsbank. Following the gold transactions in March and May, the SNB next accepted gold from the Reichsbank only in October 1940.<sup>49</sup>

The political context of gold purchases, in the second period after mid-1940, was totally different from conditions prior to the defeat of France and Italy's entry into the war. Germany managed to bring vast parts of northern and western Europe under its control at a frightening pace. Among the military and political elite of Switzerland, voices were demanding a favorable place within the «new European order» controlled by Hitler. The Trade Agreement of

---

million francs each were dispatched from Bern. Consignments of the same amounts were carried out from London on 28 February and 6 March». SNB Archives, Minutes of the Governing Board, 7 March 1940, no. 191, p. 211.

<sup>45</sup> For details about Walter Stucki, see Appendix 1.17.

<sup>46</sup> SDD, vol. 13, no. 270, p. 652, see also *ibid.*, note 2.

<sup>47</sup> After April 1940, the Swiss Bank Corporation Le Locle undertook no further transfers of Russian gold with the Reichsbank. Almost one year later, in February 1941, the Swiss Bank Corporation sold 2.5 tons of gold with the «Russian control stamp» to the SNB. The Bank Corporation offered the Swiss National Bank to resmelt the gold: «For obvious reasons and in consideration of our previous experience, it indeed matters to us that no gold bars, with marks indicating their provenance, reach the free market or are shipped to another country». SNB Archives, 110, Letter from the SBC to the SNB of 24 February 1941. On 25 February 1941, Hein, an internal SNB official, noted the following with regard to the letter addressed to Department II. «This imposition seems to me to be somewhat strong. In any case, it is certainly not a matter of having gold bars in the cashier's department which we can only sell after the Swiss Bank Corporation has resmelted them. If such a resmelting would have taken place, then immediately and everything at the cost of the Swiss Bank Corporation. It almost appears that the Swiss Bank Corporation, probably with good profit, is also effecting «dubious transactions», but then does not want to name them. Qualms of conscience!». SNB Archives, 110, Memorandum of 25 February 1941. The SNB Governing Board finally accepted the offer of the SBC to exchange the 215 gold bars which it had delivered for other bars which were marketable, «without delay and free of charge for us». SNB Archives, Letter from the SNB to SBC management, 28 February 1941.

<sup>48</sup> The SNB's Governing Board determined at the end of July 1940 that: «Gold prices are tending to rise, which can be based on the fact that all central banks are buying gold and that occasionally an arbitrage had been possible, for instance with the Banque de France. Recently, gold was also bought from a Swiss bank (Leu & Co., A.G.) for the Reichsbank. Leu & Co. has informed us about it. With this, the above-mentioned bank is at present controlling the gold market». SNB Archives, Minutes of the Governing Board, 31 July 1940, no. 667, p. 819. See also Chapter 4 on the Gold Market and the Role of the Commercial Banks. The transactions of Bank Leu for the Reichsbank left their traces in the ledgers of the SNB. Between 29 July and 10 August, the deposit of the Reichsbank at the SNB in Bern recorded eight shipments from the Zurich-domiciled bank. Entries for the deposit comprised 62 gold bars valued at 3.8 million francs. SNB Archives, Stock Records of Customer Gold Deposits 1939–1945, 4 March 1997.

<sup>49</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997; see Graph II.

9 August granted Germany far-reaching economic concessions. At the same time, industry in the central part of Switzerland began to accommodate the needs of the German defense economy.<sup>50</sup> This willingness to adapt to the political and economic prerogatives of the Third Reich was highly controversial among the general public in Switzerland, and led to intense political debate.<sup>51</sup>

From an economic point of view, Switzerland's partial demobilization and the retreat into the «Réduit» allowed a reduction of troop levels, and urgently needed manpower could consequently be put at the disposal of the export-oriented Swiss economy.<sup>52</sup> Demobilization was also demanded by representatives of the Swiss National Bank in order to increase trade with Germany. On 13 August 1940, after the Trade Agreement with Germany had been signed, SNB Director Max Schwab explained in a confidential letter to Federal Councillor Marcel Pilet-Golz that a remark had been made from the German side to the effect that «maintaining our troops has now probably become unnecessary». Schwab tried to allay fears that a rapid reduction in the armed forces could aggravate unemployment. Instead, a «perceptible demobilization and reduction of the high military expenditures» would bring «reassurance and relief throughout the entire country, which would be very welcome in the interest of our national economy, the capital market, and the currency situation». The Director of the Swiss National Bank then spoke of Germany's «immense hunger for goods»:

«[Germany] has expressed the definite expectation that, on its part, having promised us shipments of coal, it can purchase the needed goods in Switzerland. It is imperative that those industrial plants which are being taken into consideration for supplying Germany, have the requisite manpower at their disposal, and that necessary arrangements are made for the workers who are needed, to the extent that they are still in military service, to be discharged upon the first request.»<sup>53</sup>

The new strategic situation and Switzerland's new trade policy with regard to Germany were also reflected in the gold policy of the SNB. The Swiss National Bank, after having initially tried to evacuate its gold from an impending German threat in the opening phases of the war, now chose another way. It bought more and more gold, which the Reichsbank shipped to it, for Swiss francs and other foreign exchange. To maintain trust in the currency and fulfill the commitment to stability which were necessary for these transactions, the SNB could not allow the slightest doubt with regard to the franc's strength. It was therefore necessary to adhere to

---

<sup>50</sup> See Bourgeois 1974, pp. 158–182.

<sup>51</sup> On the political crisis of 1940, see Bonjour, *Geschichte der schweizerischen Neutralität*, vol. IV, 1939–1945, pp. 115–137; Jost 1986, pp. 803–804; Chevallaz 1997; Kreis 1973; Bucher 1979; Favez 1990.

<sup>52</sup> Willi Gautschi wrote: «Verbal declarations (the army's absolute will to defend) contradict to a certain extent the simultaneous announcement of a partial demobilization». «Partial» is an understatement in this case. In fact, the main body of army troops had been demobilized since 6 June. Two thirds of the soldiers, or 300,000 men, returned to their families and jobs. Of 450,000 soldiers, only 150,000 remained. The numbers can be found in the report on active service 1939–1945 by the army's Chief of Staff, which appeared as a supplement to the report of General Guisan. Gautschi used the same information in 1989, p. 227. Higher figure, starting at 800,000 mobilized troops, include local defense groups and auxillary army units.

<sup>53</sup> SDD, vol. 13, no. 364, p. 890.

convertibility, and to safeguard the currency's external value. The larger the volume of francs in international circulation, the more important it was to maintain convertibility. A change in policy on the part of the SNB would have had serious consequences for the country as a financial center and for its economy.

By continuing to regard gold brought from the Reichsbank in the same way as gold from other central banks, the Swiss National Bank was rendering Germany a valuable service. In the process, the SNB's decision-makers quickly became aware of the political consequences of their conduct. Paul Rossy, member of the SNB Governing Board who was responsible for the management of gold reserves and in regular contact with the Federal Council and the Federal administration, reported to his colleagues at the end of October 1940 on a discussion in the Political Department regarding gold transactions with Germany. Rossy stated that the Political Department would «welcome» it if business dealings with the Reichsbank were «conducted smoothly»; on the other hand, however, the Department expressed certain doubts «with regard to the conduct of America».<sup>54</sup> At that time, the SNB was beginning to expect a possible financial blockade by the United States. For the time being, it saw no great danger for its reserves which were there:

«Department III [Fritz Schnorf, member of the Governing Board] emphasizes that America has not subjected German and Italian assets to a blockade. As long as this is not the case, America can hardly use the questionable gold transactions with the Reichsbank as an excuse to block Swiss assets, as we have to buy the dollars for the Reichsbank each time directly from American banks.»<sup>55</sup>

In November, Rossy, who was Member of the Governing Board, described the gold purchasing policy of the SNB to the Bank Committee and came to speak more closely about the special relationship with the Reichsbank: In principle, the Swiss National Bank for some time had only accepted gold which was offered to it in connection with a commercial transaction, and at a fixed purchasing price of Sfr 4,869.80 per kilogram of fine gold. These two conditions were in principle also valid for the central banks abroad. However, «in the case of the Reichsbank, an exception has been made» to the first point referring to acceptances for commercial transactions alone.<sup>56</sup> It «has sent gold on various occasions to Bern and then soon

---

<sup>54</sup> «Department II recently had the opportunity of discussing the Reichsbank gold transactions with the Political Department. In principle, the Political Department would appreciate it if the transactions with the Reichsbank were conducted smoothly in this respect. All the same, certain doubts were expressed with regard to the conduct of America and it was questioned if it would not be advisable for the Swiss National Bank to open a gold deposit account in South America, for instance in Buenos Aires, over which the Swiss National Bank could dispose in case America should decide to block Swiss assets». SNB Archives, Minutes of the Governing Board, 31 October 1940, no. 912, p. 1134. See also BAR E 2001 (D) 2, vol. 257 and SDD, vol. 13, nos. 422 and 424 («Switzerland's unique financial situation and its significance for the United States»); Fior 1997, p. 73. After hesitating for a long time, a gold deposit account was finally opened in Buenos Aires in summer 1941. SNB Archives, Minutes of the Governing Board, 31 January 1941, no. 100, pp. 107–113; SNB Archives, Minutes of the Bank Committee, 26 June 1941, pp. 379–380; 17 July 1941, p. 426.

<sup>55</sup> SNB Archives, Minutes of the Governing Board, 31 October 1940, no. 912, pp. 1134–1135. See also Perrenoud 1987/88, pp. 75 f.

<sup>56</sup> SNB Archives, Minutes of the Bank Committee, 21 November 1940, p. 692. Restricting gold acceptances to commercial transactions alone goes back to events in June and July 1940 when the Governing Board felt coerced to take measures against purely speculative gold and currency movements. SNB Archives, Minutes of the Governing Board, 26

thereafter has always offered to buy it from us. For a short time, the gold was even shipped to Bern without notification in advance», Rosy stressed.<sup>57</sup> The Governing Board then discussed whether the Reichsbank should not be accommodated even more. Instead of «letting the gold come here», the SNB could open a gold deposit account at the Reichsbank in Berlin. After a long discussion, the Bank Committee put off the decision. In fact, the SNB never opened such a depot.<sup>58</sup> Instead it later allowed gold to be shipped to Bern in ever greater quantities. This episode in the Bank Committee, nevertheless, is very illustrative. It demonstrates with absolute clarity the aims pursued by those responsible at the SNB.<sup>59</sup> Ernst Weber, Chairman of the Governing Board, left no doubt about the ulterior motives:

«The entire transaction would first of all be a gesture towards the Reichsbank. In addition, we are pursuing a secondary thought, the idea of giving new impetus to the use of gold for international payments in Germany as well.»

Carl Koechlin, Delegate of the Board of Directors of Geigy, the Basel chemical company, and member of the Bank Committee<sup>60</sup> was even more precise:

«We must be aware of the fact that Switzerland is economically one hundred percent dependent on Germany today. The attitude of England toward us is so negative that we are being driven into total dependency on Germany. If a small gesture toward Germany can help us to get over some of these difficulties, it would be incomprehensible not to realize the designated plan.»

Koechlin suggested discussing the questions with the appropriate representatives of the Swiss trade delegation (Jean Hotz, Director of the commercial department of the Federal Department of Economic Affairs, and Heinrich Homberger, Director of the Swiss Federation of Commerce and Industry). It is not known if such consultations actually took place. In trade negotiations with Germany, gold acceptances by the SNB from the Reichsbank were not used as an argument on the Swiss side until 1944.

Swiss monetary officials attached great importance to a good understanding with the Reichsbank. This emerged from the discussion with regard to opening a deposit in Berlin. Ernst Weber, Chairman of the Governing Board, apparently welcomed the fact that Germany was again using more gold as an international means of payment. The convertibility of the franc and its strong link to gold were the keystones of Swiss monetary policy. If gold also «gained new impetus in Germany» for international payments, as Weber expressed, then his convictions with regard to monetary policy would be confirmed. That support was welcome

---

June 1940, no. 571, p. 673; 15 July 1940, no. 623, p. 755, and 31 July 1940, no. 667, p. 820. See also SDD, vol. 13, no. 296, p. 703.

<sup>57</sup> SNB Archives, Minutes of the Bank Committee, 21 November 1940, p. 692. For the following quotation see *ibid.*, pp. 692–700.

<sup>58</sup> SNB report on gold transactions with the Reichsbank (16 May 1946), SDD, vol. 15, no. 446, p. 1127.

<sup>59</sup> Compare with a differing interpretation in Fior 1997, pp. 72–83.

<sup>60</sup> Carl E. Koechlin (1889–1969) was also president of the Basel Chamber of Commerce and Vice-President of the Swiss Federation of Commerce and Industry (Vorort) as well as head of the section for chemistry and pharmaceuticals of the Federal Office for Wartime Economy.

for him in this respect, is also verified by the events described in a November 1940 letter to Weber. It was sent by Per Jacobsson, economic advisor to the Bank for International Settlements (BIS), and has been much quoted in historical literature.<sup>61</sup> It mentions a remark which Reichsbank Vice President Emil Puhl made to Jacobsson referring to the eminent advantage of the Swiss currency for Germany. In private talks, Puhl agreed with Jacobsson that Switzerland must retain convertibility and not introduce exchange restrictions. As Puhl explained to the BIS economic advisor: «That the Swiss do not introduce exchange restrictions is important also from a political point of view for it constitutes a reason for leaving Switzerland free».<sup>62</sup> When Weber received a memorandum of Puhl's statement, he immediately forwarded copies of the letter to Federal Councillors Wetter and Pilet-Golaz, accompanied by a personal note in which he again emphasized the meaning of the franc as the only free currency in Europe:

«As you know, based on economic and monetary policy, the Swiss National Bank has always been against the introduction of exchange restrictions. The Swiss National Bank's position has been dependent solely on Swiss needs. There is no doubt, however, that the existence of a free currency, which is represented in Europe only by the Swiss franc, can also be of benefit for other countries on our continent.»<sup>63</sup>

Weber skillfully combined this profession of convertibility with the reference to the benefits for Germany in adhering to it. The casual remark by Puhl brought the welcome confirmation that it was in the interest of the country's independence, even within the changed political context, to maintain the usual principles of monetary policy. The extent of willingness to cooperate with militarily successful Germany was also expressed in a speech of Rossy, member of the SNB Governing Board, which he gave in July 1940 in his function as President of the Bern section of the Swiss Federation of Commerce and Industry. Rossy argued for not «limiting oneself to passive adjustment» but for «consciously seeking one's place in this new world».<sup>64</sup>

---

<sup>61</sup> For biographical information on Per Jacobsson and on his functions see Trepp 1993, pp. 45–47, as well as Appendix I.

<sup>62</sup> «In the course of the conversation we came to speak of the exchange restrictions in Sweden and also of the exchange position of Switzerland. I said that it was of a great importance to Europe that the Swiss currency should remain a free currency so that we would have on this continent one strong currency in which we could deal freely when the war was over. Herr Puhl immediately said that he agreed fully with this point of view and he added: «That the Swiss do not introduce exchange restrictions is important also from a political point of view for it constitutes a reason for leaving Switzerland free». SNB Archives 2224, Letter from Jacobsson to Weber, 25 November 1940; see also Perrenoud 1987/88, pp. 53–54; SDD, vol. 13, no. 419; Marguerat 1991, p. 113; Fior 1997, pp. 73–74.

<sup>63</sup> Quoted according to Perrenoud 1987/88, p. 53. See also Basel University Library, manuscript division, estate of Per Jacobsson, Diary, 27 November 1940.

<sup>64</sup> «The events of the last weeks have fully disrupted things in Europe and, as it appears to me, not only temporarily. The world, and naturally our country as well, is confronted with totally new conditions to which it must become accustomed. I am of the opinion that with habituation and accommodation alone, we will not reach our goal. Rather, our country will have to consciously seek its place in this new world and endeavor to play an active role in it. In no case should we limit ourselves to passive adaptation alone. I hardly believe that we can do justice to our task by trying to create a new ideology. Only through our work will we be able to assume the position which is to be ours... For this purpose, it will be necessary to prepare our participation in the circle to which we have been called to take part. The preparatory work seems all the more difficult because it is not dependent on us alone but mainly on the industrial, commercial and financial policies which will dominate the Europe of tomorrow. It is possible that these preparations will bring serious changes with them. Prior to the active preparation for our entry into the economic organization of a new Europe however, we will have to undergo a transition period of prevailing and major difficulties in which it will be a question of not losing courage. Let us not forget that we are being present at the creation of a new world, and it is well known that every birth is associated with pain. An initiative which is bold but wisely balanced was to be expected from the

Actually, German financial policy, which was originally aimed at a self-sufficient, large-area economy, fully detached itself from gold as a basis for currency.<sup>65</sup> Swiss monetary conditions, which strictly adhered to the linking of gold with the franc, had a place in the scheme. Because its currency system acted in a way complementary to the German, Switzerland instead was a preferred base for Germany's international transactions, especially when the borders of the German sphere of influence were crossed. Thus the German defense economy urgently depended on francs and other foreign currencies for the acquisition of raw materials and goods necessary to the war from neutral countries such as Portugal, Spain, Sweden, and even Switzerland.<sup>66</sup> The Reichsbank was able to obtain these means of payment only from Swiss banks.

The gold transfers from the Reichsbank to the SNB stayed within narrow limits until autumn 1941. The Reichsbank continued to conclude its gold transactions with the commercial banks, seldom taking advantage of the services of the Swiss National Bank. According to the calculations of the Commission, a total of 23 tons of gold, valued at 114 million francs, was received by the Swiss commercial banks between January and the beginning of October, whereas the Swiss National Bank received 12 tons (58 million francs).<sup>67</sup> At the beginning of June 1941, the SNB's Governing Board was still not unhappy about this situation. It was even critical of a single gold acceptance from the Reichsbank, as shown by the following quotation:

«On the gold market, a certain demand for gold still exists in Switzerland, especially from foreigners, and from foreign central banks with regard to bars. The Schweizerische Bankgesellschaft [Union Bank of Switzerland] is purchasing for the Romanian National Bank. The Reichsbank is selling through various banks, recently 1000 kilograms through the Swiss Bank Corporation [SBC]. It has made a request to us only once within six months. It is aware of the fact that we are not particularly in favor of these transactions.»<sup>68</sup>

In fact, between April and September 1941, the SNB did not accept a single bar of gold from the Reichsbank (see Graph II).<sup>69</sup> The extensive commerce in gold between these two central banks as of October 1941 can only be understood against the background of the American financial blockade, the escudo transactions of the Swiss banks and the SNB's heightened gold sales on the market. These three factors led to a strengthened decline in domestic gold

---

side of our officials and economic leaders. And not least of all, it will take a strong hand which is in a position to coordinate all of these efforts». Archives of the Bernese Federation of Commerce and Industry, Minutes of the General Meeting, 12 July 1940, pp. 2–3. The similarities between this speech and the well-known radio address of Federal Councillor Pilet-Golaz of 25 June 1940 are obvious. See SDD, vol. 13, no. 318, pp. 760–762. See also *Bonjour 1970–1976*, vol. IV, pp. 115–137.

<sup>65</sup> See Boelcke 1994, pp. 13–26.

<sup>66</sup> Boelcke 1994, pp. 129–141, 159–196, 174–181. Germany procured iron ore from Sweden, petroleum and agricultural products from Romania, manganese from Spain, tungsten from Portugal, chromium from Turkey, weapons and machine tools from Switzerland. Rings 1996, pp. 30–31.

<sup>67</sup> Calculations of the Independent Commission of Experts, Reichsbank Ledgers, US National Archives. See Chapter 1.

<sup>68</sup> SNB Archives, Minutes of the Governing Board, 5 June 1941, no. 449, p. 532.

<sup>69</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

reserves, which moved the SNB to actively make an effort to obtain gold from the Reichsbank for itself.

### *The Influence of the American Financial Blockade*

By blocking all European assets in the United States on 14 June 1941—except those owned by British subjects – the situation for the Swiss National Bank changed fundamentally. Following the American freezing, the Swiss National Bank could no longer freely dispose of its extensive gold reserves on the other side of the Atlantic.<sup>70</sup> Together with the Swiss government, the Swiss National Bank tried in the following weeks and months to regain the power of disposition over the frozen assets as rapidly as possible. It was not very successful in doing so. Although the general licenses designated by the United States provided for the conclusion of international money transfers within the dollar area, the Americans usually did not allow dollar transfer payments in favor of blocked European states and the shipment of gold to Europe.<sup>71</sup> This also concerned gold transfers of the SNB to central banks of other neutral countries such as Portugal and Spain and thus touched a sensitive nerve in Swiss monetary policy. In autumn 1941, US officials denied permission for the shipment of about 10 tons of the SNB's monetary gold from New York to Lisbon which had been designated for the payment of imports from Portugal to Switzerland and the settlement of freight charges on overseas trade. The American government did not even allow the same amount in gold to be transmitted within the United States between the SNB depot at the Federal Reserve Bank and the New York depot of the Banco de Portugal.<sup>72</sup> In doing so, American officials wanted to prevent such transactions indirectly benefiting the Germans. American and British agencies knew that the Reichsbank regularly bought Portuguese escudos against gold in Switzerland in order to pay for its extensive imports of tungsten from Portugal. As is still to be shown, these transactions were to have an important meaning for the relationship between the SNB and the Reichsbank.

With regard to the gold transfers of the SNB in New York which were discussed in autumn 1941, the Swiss National Bank defended itself against the US embargo with the argument that the requested transfer would not even suffice for the settlement of import surpluses between Portugal and Switzerland, and had nothing to do with German escudo transactions.<sup>73</sup> The

---

<sup>70</sup> See Chapter 3 on the Gold Acceptances from the Allies. For the exact wording of the Executive Order referring to the blockade and the General license no. 50 see SDD, vol. 14, no. 58.

<sup>71</sup> Durrer 1984, pp. 49–51, 88–99. A good general account of the efforts at deblocking by the federal government and the SNB is given by the SNB exposé of 14 January 1942 for the attention of Federal Councillor Pilet-Golaz, in: SDD, vol. 14, no. 443.

<sup>72</sup> Durrer 1984, p. 89; SNB Archives, Minutes of the Bank Committee, 13 November 1941, pp. 637–639; Fior 1997, p. 31. With an import value of 103.1 million francs, Portugal was in fifth place among the suppliers to Switzerland, preceded by Germany (import value in million francs: 656.2), Italy (244.5), the United States (151.3) and Argentina (109.1). Statistisches Jahrbuch der Schweiz 1945, pp. 316–317.

<sup>73</sup> In more detail, Durrer 1984, pp. 89–94. Switzerland's need for escudos was in fact considerable: «Based on bank reports, we have ascertained that since the freezing, 70 million escudos have been sold by us and the Swiss banks for Swiss account. They served to pay for the large Portuguese imports to Switzerland and for the large freight charges which, in the case of imports and especially in the case of exports, must in part be paid in escudos. 70 million francs are considerably more than the countervalue of the request to transfer gold in favor of Banco de Portugal pending in

Swiss appeal was rejected. The efforts of Switzerland to use blocked dollars for payments to Spain also met with initial resistance.<sup>74</sup>

The US embargo was a severe blow for the SNB and greatly restricted its capacity to act in monetary matters. About two-thirds of Swiss gold reserves were suddenly immobilized.<sup>75</sup> In addition, as a result of Swiss export surpluses in relation to the United States during the war, more and more blocked funds would accumulate on the other side of the Atlantic in the future while the already scarce reserves of the Swiss National Bank were put under increasing pressure at home (see Chapter 3). Ernst Weber, member of the SNB Governing Board, described the situation in September 1941 as follows:

«The present foreign exchange situation is extremely complicated. Dollar currency can no longer be freely used as it was before. Therefore we do not wish to further increase our monetary position in the United States. As can be inferred from the report on the money market, we in Switzerland have recorded continual losses of gold for quite some time. We must therefore be sure that our gold holdings in Switzerland do not dwindle more and more. At the moment, however, there is no immediate danger. On this occasion, retrospectively, it can certainly be emphasized that if we had shipped all of the gold out of the country at the time, it would have been extremely fatal; we are happy today to possess a considerable part in Switzerland itself.»<sup>76</sup>

### *The routes taken by German gold shipments*

There are many reasons why the volume of gold in Switzerland diminished. One of these was the selling of gold on the market, by which means the Swiss National Bank attempted to counter the observable increase in the price of gold in Switzerland observable at the time (see Graph IV and Graph V). These sales of gold in exchange for Swiss francs had become a necessity as gold trading in Switzerland was booming and large quantities of the metal, particularly coins, were hoarded or taken abroad privately.<sup>77</sup> As early as August 1941, the SNB's Governing Board seriously considered putting an end to gold speculation and imposing a ban on trading in Switzerland.<sup>78</sup> Discussions even went so far as to raise the issue of whether exchange controls should be introduced in Switzerland.<sup>79</sup> However, the SNB was not prepared to intervene to this extent in Switzerland's monetary system. In this regard, its stance had not

---

New York». SNB Archives, Minutes of the Bank Committee, 20/21 November 1941, p. 685. For the SNB's statement to the Federal Council, SDD, vol. 14, no. 146, Appendix, p. 444.

<sup>74</sup> Durrer 1984, pp. 94–98; SDD, vol. 14, no. 146, appendix, p. 444. In contrast to gold transfers to Portugal, dollar payments to Spain were finally approved. See also SNB Archives, Minutes of the Governing Board, 30 October 1941, no. 795, p. 975.

<sup>75</sup> Distribution of monetary reserves in August 1941: gold: 2.3 billion francs; dollars: 1.3 billion francs, of which 20.2% in Switzerland, 62.5% in the USA, 16.5% in England, 0.3% in Argentina, 0.5% in Sweden. SNB Archives, Minutes of the Bank Committee, 21 August 1941, p. 474.

<sup>76</sup> SNB Archives, Minutes of the Bank Committee, 18 September 1941, p. 563.

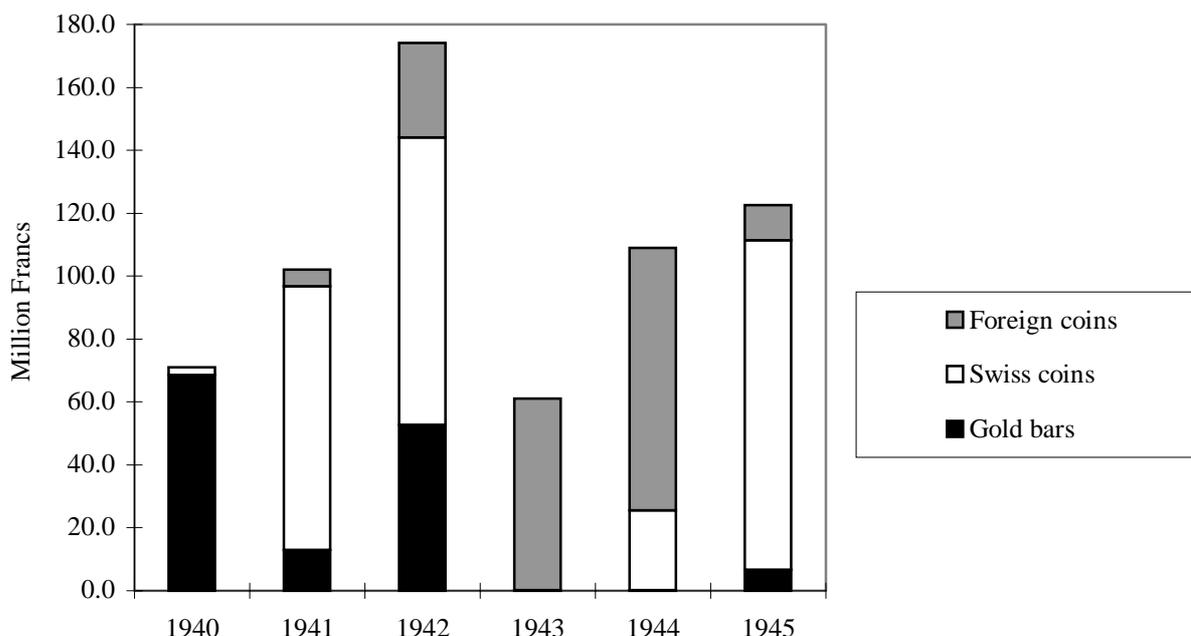
<sup>77</sup> See Fior 1997 for a more detailed description, pp. 31–36. See also Chapter 4 on the gold market and the commercial banks.

<sup>78</sup> Fior 1997, p. 33. «As current gold sales are being made almost solely for the purposes of hoarding, the best thing to do would be to ban gold transactions altogether». SNB Archives, Minutes of the Governing Board, 7 August 1941, no. 573, p. 694.

<sup>79</sup> SNB Archives, Minutes of the Governing Board, 13 August 1941, no. 585, pp. 709–710.

changed from the previous year when the subject of capital flight was topical – in the spring of 1940. Instead, it adhered to its stance thus far and sold increasing quantities of gold – especially Swiss *Vreneli* coins – on the market (see Graph IV).<sup>80</sup> It also sought «ways and means of bringing home some of our gold from America».<sup>81</sup>

**Graph IV: Gold sold by the SNB on the market  
1940–1945**



Comment: Annual values excluding gold sold by the SNB to industry; Source: Schweizerische Nationalbank 1957, p. 141.

When the gold sales did not have any real effect and prices for bars and coins continued to rise, in August 1942 the SNB temporarily ceased selling gold to the commercial banks. In early 1943 it was to resume selling on the market under different conditions.<sup>82</sup>

The growing demand for gold on the domestic market was, however, only one of the factors behind the worrying decline in Switzerland's reserves, which became apparent in the autumn of 1941 (see Graph III: Distribution of gold holdings). These market interventions cannot be considered the decisive reason for the increased SNB purchases of gold from Germany, which began in the following months. The trigger was a different one, namely the already-mentioned trading in escudos of Swiss commercial banks with the Reichsbank which – as the US authorities had correctly observed – had resulted in a much higher need for gold on the part of the Swiss National Bank.

<sup>80</sup> See Chapter 3 for information on the policy of gold sterilization.

<sup>81</sup> SNB Archives, Minutes of the Governing Board, 7 August 1941, no. 573, p. 694.

<sup>82</sup> Fior 1997, p. 36. See below for more information on the introduction of gold trading controls in December 1942.

The situation can be presented as follows (in somewhat simplified form): imports of Portuguese tungsten and other goods to Germany resulted in a flow of payments in the opposite direction to Portugal.

The means of payment included Swiss francs and large amounts of Portuguese escudos, which the Reichsbank preferred to obtain from Swiss commercial banks in exchange for gold. The gold shipped by the Reichsbank to Swiss banks travelled from Switzerland via various routes to other countries, e.g. France, or else was hoarded within Switzerland. The escudos which the Reichsbank wanted to obtain from the Swiss commercial banks had to be purchased in Portugal and paid for in Swiss francs. In this way, the Portuguese central bank accumulated Swiss francs over time which it eventually presented to the SNB in order to purchase gold.<sup>83</sup> With this in mind, SNB Member of the Governing Board Schnorf proposed the following to his colleagues in August 1941:<sup>84</sup>

«It will be appropriate to point out to the Reichsbank at the next opportunity that this business is no longer useful to us, as we do not have unlimited access to the reserves in New York. We will offer our services to the Reichsbank for escudos deliveries and also sell escudos in exchange for gold in Bern at a considerably lower rate, provided that it, for its part, undertakes to pay the transport costs for these bars to Lisbon.»<sup>85</sup>

A glance at the following Table VII shows that there was a substantial increase in the amount of gold sold by the Swiss National Bank to the Banco de Portugal in the second half of the year. Current research only allows rough estimates to be made of the portion of gold sales which can be attributed to escudos transactions in favour of the Reichsbank.

---

<sup>83</sup> For information on this quite schematic description see the retrospective explanations of the SNB from its report on gold transactions with the Reichsbank, 16 May 1946, in: SDD, vol. 15, no. 446, pp. 1127 f.; see also Fior 1997, p. 30.

<sup>84</sup> Description of the escudos conduit by Schnorf on 7 August 1941: «Yesterday the Banco de Portugal again purchased 2000 kg of gold from us. Part of this is the equivalent value of the escudos sold by Swiss banks to the Reichsbank. The Reichsbank pays in gold bars – its credit with us has fallen to the low sum of 1½ million – which it ships to the private banks. The private banks use them to make kilogram bars or use them for other central banks which in turn sell coins in Switzerland with a substantial surcharge and at great profit for Swiss intermediaries. The gold is thus hoarded. On the other hand, we must ship the gold in order to pay for the escudos purchased by our banks in Portugal». SNB Archives, Minutes of the Governing Board, 7 August 1941, no. 573, p. 689. The same month, Schnorf stated with a view to the market trend: «Prices have firmed again both for gold bars and for gold coins in particular. There are claims that the purchasers are all French. ... The Reichsbank is constantly shipping large amounts of gold bars to the Swiss banks. The current price is around SFr. 4970 per kilogram of fine gold. At the same time, it is purchasing escudos from the Swiss banks which obtain these directly from Lisbon». SNB Archives, Minutes of the Bank Committee, 21 August 1941, p. 474. One reason why the Reichsbank preferred the commercial banks as purchasers could well have been that the commercial banks were able to pay the above-mentioned price of 4,970 Swiss francs per kgf, which was well above the SNB's official purchase price of SFr. 4,869.80 per kgf. See also letter from Schnorf to Rooth, 22 July 1941, in: SDD, vol. 14, no. 81, pp. 246–248.

<sup>85</sup> «A further question», Schnorf continued in his considerations, «is whether the gold dealing, which has unwelcome side effects, should be permitted to continue at all. A large portion of the transactions conducted today involve smuggling». SNB Archives, Minutes of the Governing Board, 7 August 1941, no. 573, pp. 689–690. By smuggling, Schnorf was very likely referring to the transfer of gold across the border to France, which was probably the subject of renewed discussion in the SNB's Governing Board in 1942. See Fior 1997, p. 33; SNB Archives, Minutes of the Governing Board, 9 July 1942, no. 484, pp. 601–602. See also BAR E 6351 (F) 3, vol. 5, reports of the Swiss Customs Administration.

**Table VII: Gold transactions between the SNB and the Banco de Portugal 1939–1945 (in SFr. million)**

Year	Sales	Purchases	Net sales
1939	0	0	0
1940	0	0	0
1941	208	0	208
<i>of which 1st half 1941</i>	5	–	–
<i>of which 2nd half 1941</i>	203	–	–
1942	295	20	275
1943	24	26	–3
1944	10	39	–29
1945	0	0	0
1939–1945	537	85	452

Source: SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

Altogether, the net gold sales to Portugal came to 452 million Swiss francs. Portugal was thus the clear leader in terms of purchases of gold from the Swiss National Bank. As already mentioned, some of the gold sold to the Portuguese central bank was connected with the payment of transport costs in transatlantic trade and bilateral payments between Switzerland and Portugal. The importance of Portugal at that time as a supplier of goods to Switzerland can be seen in the fact that Portugal's export surplus versus Switzerland in both 1941 and 1942 came to around 90 million Swiss francs.<sup>86</sup> The escudos which Switzerland had to provide for transport costs in trade with countries in the western hemisphere via Portugal must be added to this amount. The overall need for escudos for Swiss purposes was thus considerably higher, but today's level of research cannot put a precise figure on it.

How large was the volume of escudos transactions conducted by the Swiss commercial banks with the Reichsbank? The following quote from the Minutes of the SNB's Governing Board from 2 October 1941 provides an insight into the scale of these transactions and also shows how the Swiss National Bank proceeded to combat the drop in domestic gold reserves:

«The escudos remained unchanged. We saw that large sales were made by the banks to the Reichsbank. We took advantage of the visit by the Vice-President of the Reichsbank, Mr Puhl, to point out to him that we would prefer it if the Reichsbank did not deliver gold to the banks but to us instead, whereas it could continue to conduct escudos transactions with the banks. We told him that we had lost 60 million Swiss francs in gold through these transactions. Mr Puhl guaranteed that this wish would be considered and also expressed his willingness to support our gold transports to Lisbon.»<sup>87</sup>

In October 1941 the Governing Board put the volume of conduit transactions with escudos in favour of the Reichsbank at 60 million Swiss francs. This figure can be placed in relation to the total gold shipments by the Reichsbank to Swiss commercial banks up to that point, which the

<sup>86</sup> Fior 1997, pp. 78–79.

<sup>87</sup> SNB Archives, Minutes of the Governing Board, 2 October 1941, no. 706, p. 876.

Independent Commission of Experts estimates at around 244 million Swiss francs.<sup>88</sup> Around a quarter of the gold transactions between the Swiss banks and the Reichsbank can be attributed to the trade in escudos, which indirectly served to supply the German wartime economy. Germany used the escudos not only to pay for tungsten from Portugal but also to pay for armaments from Latin America.<sup>89</sup>

The request made by the Governing Board to Emil Puhl that gold should in future no longer be shipped to the Swiss commercial banks but only to the Swiss National Bank, was not without effect. From then on, the Reichsbank shipped gold only to the SNB, and what is more, the quantities involved increased (see Graph I above). On 9 October 1941, the Governing Board remarked, concerning the trade with escudos, that the Reichsbank had already transferred «in accordance with the wish [of the SNB]» 2 tons of gold to the Swiss National Bank on two occasions.<sup>90</sup> This matter was presented as follows on 23 October 1941 to the Bank Committee:

«The matter of gold purchased by Switzerland has been settled with the Reichsbank as the balancing of escudos bought there on the occasion of Vice-President Puhl's visit. In the meantime, the Reichsbank has sold us 7000 kg of gold. The Banco de Portugal has bought similar quantities from us. In order to cover our escudo sales in Switzerland, we must sell 500 kg of gold each week to the Banco de Portugal. We did not have any gold sales to report recently, but we did have a few incoming amounts from France and Sweden, from where we have repatriated, so to speak, our entire holdings of gold.»<sup>91</sup>

The good contact between the SNB management and Puhl made it possible to place the gold trade between Germany and Switzerland on another level by means of a verbal agreement. From 1941 on, the Swiss National Bank's gold policy was firmly anchored in the Berlin-Bern-Lisbon triangle. Relations with the Banco de Portugal became more intensive, as can be seen in the fact that in 1941 the central bank opened four custody accounts with the SNB, via which the above-described conduit transactions with Germany were largely conducted without any uncontrollable decline in Swiss domestic gold reserves.<sup>92</sup>

It was not only the SNB which was involved in these transactions. The Basel-based Bank for International Settlements (BIS) settled a large portion of its international gold transactions

---

<sup>88</sup> See table V in Chapter 1.

<sup>89</sup> For information on the use of escudos in Latin America see Trepp 1993, p. 60 and the literature quoted there.

<sup>90</sup> SNB Archives, Minutes of the Governing Board, 9 October 1941, no. 739, p. 917.

<sup>91</sup> SNB Archives, Minutes of the Bank Committee, 23 October 1941, p. 612.

<sup>92</sup> Between 25 June and 23 December 1941 a total of 807 bars worth a good 49.3 million Swiss francs found their way into custody account A of the Banco de Portugal from the Bern gold holdings of the SNB. As of July 1941, 2609 bars worth 160.4 million Swiss francs arrived at the Banco de Portugal's custody account B in Bern, which also came from the SNB's holdings. In November, some of this gold (126 bars) was transferred to a third custody account of the Banco de Portugal in Bern, which was known as the «special account». Another portion (216 bars) arrived at one of twelve custody accounts held at the time by the Bank for International Settlements (BIS) with the SNB. Transactions between the BIS and the Portuguese central bank in the opposite direction were also conducted via Bern in 1941. For instance, a total of 129 bars found their way from the BIS custody account no. 11 to a fourth account of the Banco de Portugal in Bern known as «Custody account D». The gold only remained there for a few weeks and was transferred in three shipments by the BIS to Lisbon in October and November 1941. For information on the background of these and other BIS transactions and transports, see BIS 1997a, especially p. 11 on transactions with and transports to Portugal. See also BIS 1997b. See also Trepp 1996, p. 62.

physically via custody accounts at the SNB. As the «central banks' bank» the BIS conducted various gold transactions via Bern with the Reichsbank and also organized gold transports to Portugal.<sup>93</sup> The complicated interactions which took place between the gold deposits of numerous European central banks at the premises of the SNB in Bern will not be described in greater detail here. The purpose of this interim report is solely to show that the connections mentioned here were of fundamental importance for the policy of the gold accepted by Switzerland from Germany.

The increasing shipments of gold accepted by the SNB from Germany as of October 1941 had lasting consequences for the Swiss commercial banks. From then on they no longer (in principle) received any direct shipments of gold from the Reichsbank (see Chapter 4). Even after the shipments of gold from Germany had been concentrated and reoriented to the Swiss National Bank, however, the commercial banks continued to engage in escudos trading. The only new aspect was that the Reichsbank no longer paid with gold but with Swiss francs: the Bank Committee of the SNB was informed as follows in December 1941:

«Escudo trading, on the other hand, continues to be lively. Swiss escudo requirements are still large, and the Reichsbank is also still buying substantial amounts from the Swiss banks. ... Over the last few days, prices for gold bar have soared to almost 5000 Swiss francs per kilogram. We have recorded several large incoming deliveries, mainly from Berlin and Vichy, and sales to the Banco de Portugal. On balance, gold holdings in Switzerland have risen to 701 million Swiss francs, after a low of 679 million Swiss francs in early November, having fallen from 820 million Swiss francs on 15 June. Concerns about not having enough gold in Switzerland are thus somewhat less at the moment. If we look at our total reserves, there has been a drop of 80 million Swiss francs since 15 June.»<sup>94</sup>

The problem of declining gold reserves in Switzerland was less severe following the agreement with the Reichsbank. From the SNB's point of view, there was no longer a reason to worry about insufficient domestic gold cover for the Swiss franc. As escudo-trading volumes continued to increase, a dynamic equilibrium was achieved between the incoming gold from the Third Reich and transfers to countries such as Portugal, Spain or Romania. In the future, the SNB was to prove its willingness to act as a conduit for gold from the Reichsbank in several ways. This cooperation extended to receiving German third-party shipments, which it only kept in custody accounts, as well as operations in which the SNB acted as purchaser. In the last three months of 1941 alone, the Swiss National Bank purchased gold from the Reichsbank for a total of 126.5 million Swiss francs for its own account. In 1942 it bought no less than 424 million Swiss francs' worth of Reichsbank gold, thus yielding the highest annual figure during the war (see Graph II).<sup>95</sup>

<sup>93</sup> Trepp 1993, especially pp. 57–70; BIS 1997c and the detailed reports BIS 1997a, BIS 1997b.

<sup>94</sup> SNB Archives, Minutes of the Bank Committee, 11 December 1941, p. 756.

<sup>95</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

*The gold shipments at their peak*

In the course of 1942, more information was obtained which made the provenance of gold received from the Reichsbank increasingly clear: it was becoming more and more evident that a large portion did not come from German prewar reserves but rather from occupied territories looted and plundered by the Third Reich. As is illustrated in this Chapter, the Governing Board of the Swiss National Bank now began to consciously consider its suspicion of the unlawful origin of the gold bars which were sent to Bern as a risk. It even considered melting down gold from German shipments which it deemed suspicious.<sup>96</sup>

By assuming the risk of dealing with Reichsbank gold, the SNB performed a service to other central banks which were able to avoid direct business contact with the Third Reich's central bank. Portugal in particular refused to accept any gold directly from the Reichsbank until the summer of 1942. By June 1942 at the latest, the SNB management had learned the reason for this refusal. Apparently, the Portuguese were being «pressured by the British» and feared that the gold «could be stolen gold the further use of which at a later date could be called into question», as SNB Director Rudolf Pfenninger wrote from London in June 1942.<sup>97</sup> A few weeks later, Portugal modified its gold policy towards Germany, which was almost certainly due to a visit from Reichsbank Director Treue in Lisbon in the early summer of 1942. As shown by Willi A. Boelcke, after Treue's visit the Banco de Portugal declared its willingness to settle the surplus in the tungsten business with German gold which was to be delivered to the SNB in Bern.<sup>98</sup> The SNB Governing Board noted on 23 July 1942 that «The Reichsbank is now transferring gold directly to the Banco de Portugal, which deposits it into a new account known as «Custody Account C» in Bern».<sup>99</sup>

The first transfers from the Reichsbank to the Portuguese central bank via this new Custody Account C in Bern were made on 22 August. The plan was to process these gold transactions on a large scale via Bern the following year.<sup>100</sup> Following a visit to Lisbon in October 1942, SNB Director Victor Gautier reported in detail on the gold policy of the Banco de Portugal

---

<sup>96</sup> See section 2.4 of this Chapter and Fior 1997, pp. 48–58.

<sup>97</sup> Pfenninger participated in the trade agreement negotiations between Switzerland and Great Britain. Letter from SNB Director Rudolf Pfenninger to Member of the Governing Board Fritz Schnorf, London, 21 June 1942, SDD, vol. 14, no. 173, Annex, p. 547.

<sup>98</sup> «The Banco de Portugal has declared its willingness to settle the surplus in gold as part of the tungsten transactions. A basic price of Esc 28,131 would be used for a kilogram of fine gold on receipt of the gold at Portugal's Account C at the Swiss National Bank in Bern ... On the instructions of the Banco de Portugal, the Swiss National Bank would then send the gold to Lisbon and the costs would be paid in Swiss francs by the Reichsbank. The Banco de Portugal is prepared to accept the gold in Lisbon and to pay the same basic price of Esc 28,131 for a kilogram of fine gold, and to pay the unchanged prices of RM 10.15 or Esc 9,852 (average of 9,802 to 9,902) with an equivalent value of RM 2855.36». PA/AA Bonn, R 116815, report of Reichsbank Director Treue at the meeting of the Trade Policy Committee on 26 June 1942 on his visit to Portugal and Spain; Boelcke 1976, pp. 307–308.

<sup>99</sup> SNB Archives, Minutes of the Governing Board, 23 July 1942, no. 506, p. 623.

<sup>100</sup> See SNB Archives, stock records of customer gold deposits 1939–1945, 4 March 1997. In September 1942, the SNB changed its price policy towards the Banco de Portugal. «As part of a special concession» the SNB transferred the gold to the Banco de Portugal at a price of 4,895 Swiss francs per kilogram of fine gold. With effect as of 15 September 1942, it increased the price to that used for the other central banks of 4,920.63 Swiss francs/kgf. SNB Archives, Minutes of the Governing Board, 17 September 1942, no. 658, p. 825.

and reiterated the statement according to which the Portuguese claimed to refuse direct shipments of gold from Berlin. The route via Bern meant that political and legal objections to direct shipments could be circumvented which – as Gautier pointed out – would be a cause of concern for the Governing Board of the SNB.<sup>101</sup>

It is not our intention here to examine the background of Portuguese gold policy. What is important is the reference to the fact that the SNB was aware of its role as a hub for gold from the Third Reich. By mid-1942 the significance of gold in supplying the German wartime economy was well known beyond the narrow circle of political decision-makers and the Governing Board of the Swiss National Bank. Attentive citizens could read in the Swiss press about the origins of the gold which the Reichsbank was circulating. As Klaus Urner has shown, a newspaper article by Salomon Wolff which appeared in the *Neue Zürcher Zeitung* (NZZ) on 16 August 1942 stated that «for those who want to know, there can be no more illusions concerning the real situation of gold trade with Germany».<sup>102</sup>

While the Swiss-based international gold trade gathered momentum in the course of 1942, the domestic gold market, in which the commercial banks actively participated, was not idle either (see Chapter 4). Extensive premium transactions, especially with gold coins, resulted in the market overheating. This trend was very worrying for the managers of the SNB, as the strong upward pressure on prices would, in the long run, call the gold parity of the Swiss franc into question. Federal Councillor Walter Stampfli, Head of the Department of Economic Affairs, confirmed to the Governing Board of the SNB, «that the high price for gold coins could ultimately undermine the currency to a certain extent».<sup>103</sup> The Governing Board initially attempted to counter the price increases by selling its own coins. However, it lost control of the price trend. The massive excess demand was due less to hoarding of gold in Switzerland than to cross-border gold trade. The SNB learned more when it conducted a written survey of

---

<sup>101</sup> «Portugal is not purchasing gold directly from the Reichsbank, partly for political reasons, and partly, doubtlessly, for reasons of legal caution. But once this gold has passed through our hands, these objections cease to exist. It seems to me that this is cause for reflection as far as we are concerned». SNB Archives, 2125, report by Victor Gautier after his visit to Lisbon and Madrid on 12 to 26 October 1942; see also Bourgeois 1981, p. 61; Fior 1997, pp. 53–54; Marguerat 1991, p. 120, and the literature quoted there. Gautier's report also revealed that the Swiss commercial banks were continuing to buy large quantities of escudos in Portugal, not for gold, however, but for Swiss francs and other currencies: «As regards foreign currencies, the Banco de Portugal transfers all escudos intended for transactions against documents and also admits that 100 thousand escudos are made available for each bank each week against Swiss francs, dollars or Swedish crowns. For a certain period this level was reduced for the Swiss franc to 10 thousand escudos per week and per bank, as the Swiss commercial banks had all their branches and agencies purchase escudos up to the maximum limit. The limit has now been raised from 10 thousand to 100 thousand escudos, but each bank may purchase the permitted amount only once». SNB Archives, 2125, report by Victor Gautier after his visit to Lisbon and Madrid from 12 to 26 October 1942. See also SDD, vol. 14, no. 229, Annex II, pp. 748–750.

<sup>102</sup> Urner 1985a, p. 627. The article in the NZZ of August 1942 described in detail the various ways in which Germany acquired looted gold: «The gold reserves of the central banks in question were only partially saved from the German troops, after Germany had already appropriated the gold reserves of Austria and Czechoslovakia after annexing these two countries. Furthermore, the «Devisenschutzkommandos» [foreign exchange protection commandos] set up in all the occupied countries were in charge of ensuring that the foreign currency and gold holdings in the hands of the public were surrendered. This occurred in Holland, although in occupied France the Germans were initially content with taking over the holdings in the banks' safes. Germany thus acquired considerable quantities of gold from these various sources, which it was able to use for its wartime economy, as explained». Wolff 1942.

<sup>103</sup> SNB Archives, Minutes of the Governing Board, 27 August 1942, no. 624, p. 775.

four banks active in gold trading in mid-1942. The banks' answers revealed that a large portion of the gold coins which were so extraordinarily expensive in Switzerland ended up in the hands of French customers who either deposited the gold with banks in Switzerland or took it abroad.<sup>104</sup>

The SNB saw that there was a need to take action. Its own supply of gold coins minted in Switzerland had dwindled considerably as a result of selling them on the market, and the minting of new coins did not appear to be an option. In early August 1942, the Governing Board provisionally terminated sales in Switzerland – with the exception of gold for industrial use – and sought a dialogue with the banks.<sup>105</sup> In its opinion on the events in the gold market, the SNB complained to the representatives of the commercial banks of the loss of domestic gold holdings, which had resulted due to increased sales on the market:

«The Swiss National Bank can no longer justify making gold available for accumulation or arbitrage and running the risk of not having sufficient gold holdings to pay for essential imports.»<sup>106</sup>

Under a Gentlemen's Agreement, the banks declared their willingness not to trade gold bars above a maximum price of 4,970 Swiss francs per kilogram of fine gold. The corresponding circular letter of the Swiss Bankers Association also instructed the banks not to engage in the export of Swiss gold coins, directly or indirectly. Trade in coins minted in other countries was not prohibited but the Swiss Bankers Association deemed it «desirable that the export of these gold coins be avoided as far as possible».<sup>107</sup> These measures did not have the desired effect. Instead of a general ban on exports, the banks now sold even more foreign coins, and prices for the domestic *Vreneli* soared.<sup>108</sup> It soon became clear that greater intervention in the market was needed.<sup>109</sup> In August the SNB Governing Board began to think seriously about an import-export ban and contacted the relevant Federal authorities to discuss the introduction of legal maximum prices.<sup>110</sup> Meanwhile, the prices for coins continued to rise and reached surcharges of 30 – 40% versus gold parity, depending on the mint.<sup>111</sup>

---

<sup>104</sup> SNB Archives, Minutes of the Governing Board, 9 July 1942, no. 484, pp. 601–602. For greater detail, see Fior 1997, pp. 32–33. Valuable information on this subject can be found in the Minutes of the discussion between the SNB and bank representatives on the trading of gold of 5 August 1942, printed in: SDD, vol. 14, no. 229, Annex 1, pp. 743–748. See the following statements.

<sup>105</sup> SNB Archives, Minutes of the Governing Board, 23 July 1942, no. 527, pp. 649–650.

<sup>106</sup> The Minutes of the discussion between the SNB and bank representatives on gold trade of 5 August 1942, printed in: SDD, vol. 14, no. 229, Annex I, pp. 743–748, especially p. 745.

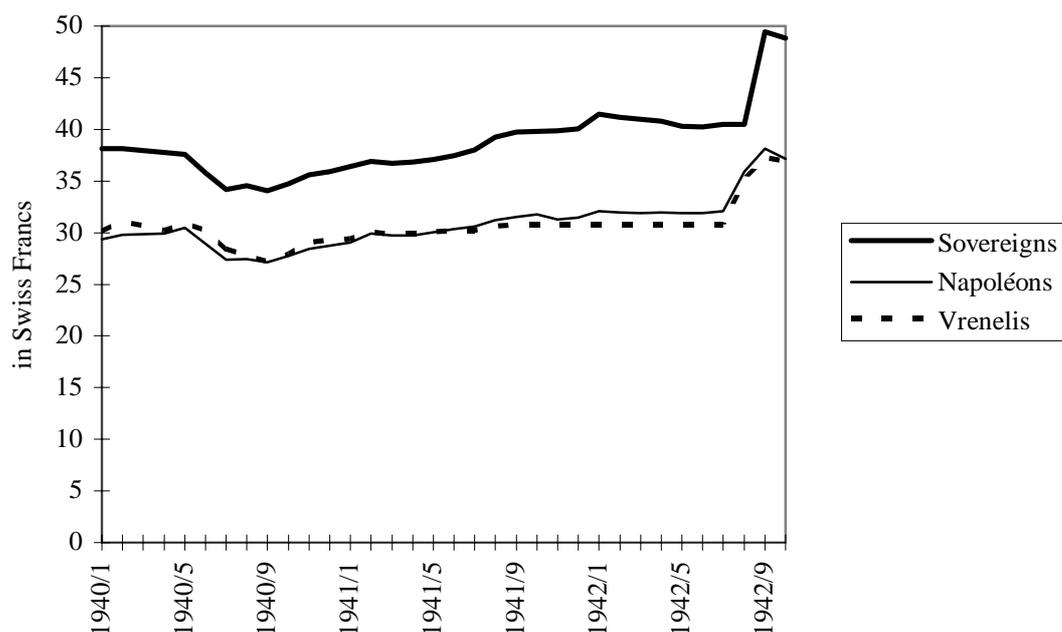
<sup>107</sup> SNB Archives, Minutes of the Governing Board, 13 August 1942, no. 564, pp. 686–688.

<sup>108</sup> SNB Archives, Minutes of the Governing Board, 13 August 1942, no. 569, p. 695.

<sup>109</sup> «The fact cannot be overlooked that we are cut off from the rest of the world. The gold which we have in Switzerland has acquired a rarity value because it is only available in limited quantities. Also, Switzerland is the last country to have imposed modest restrictions in the trading of gold. If we do not reach our goal with the voluntary agreements, the speaker [Weber] would not hesitate to impose an import and export ban for gold, and if this were not enough, we could consider introducing a requirement to surrender gold». SNB Archives, Minutes of the Governing Board, 13 August 1942, no. 569, p. 700.

<sup>110</sup> SNB Archives, Minutes of the Governing Board, 20 August 1942, no. 600, pp. 734–740.

<sup>111</sup> SNB Archives, Minutes of the Governing Board, 27 August 1942, no. 624, p. 774.

**Graph V: Price trend for gold coins in Switzerland**

Comment: Sovereigns GBP 1= 7.32238 g fine gold; Napoléons FF 20 = 5.80644 g fine gold; *Vreneli* SFr. 20 = 5.80644 g fine gold; Source: Swiss Bank Corporation, report no.3/1942, Basel 1942.

In September 1942, the situation on the gold market appeared to ease somewhat when Credit Suisse sold large quantities of Napoléons which it had acquired from the Banque de France.<sup>112</sup>

«As long as Credit Suisse can provide the market with gold coins in its execution of the order of the Banque de France, prices for gold coins will remain relatively stable. As soon as these purchase orders have been completed, however, major fluctuations are to be expected again.»<sup>113</sup>

As expected, the easing on the market was not of a lasting nature. After hesitating for some time and after consulting the Federal authorities, the Federal Council, at the wish of the Swiss National Bank, finally decided legally regulate gold prices.<sup>114</sup> The Federal Council's Decree on gold trading of 7 December 1942 made it necessary to obtain a license for gold trading, maximum prices were set for coins and bars, and the import and export of gold was subject to

<sup>112</sup> «Apparently Credit Suisse still has goods to sell for the Banque de France. So far it has only credited us with 3.3 million francs for the Banque de France. Most banks are adhering to the recommendations of the Swiss Bankers Association, not to support the shipment of gold coins abroad. The only exporters are currently Credit Suisse, American Express Company in Basel and Banca della Svizzera Italiana in Zurich. There is currently no trading whatsoever in bars, and no major transactions appear to be taking place on the black market. Illegal trade always becomes insignificant when the banks do not cooperate; this would also apply to trading in coins if we were to implement maximum prices». SNB Archives, Minutes of the Governing Board, 9 September 1942, no. 642, pp. 804–805. The inventory accounting reveals that the Banque de France (Clermont-Ferrand) deposited coins worth 18.4 million francs in nominal terms at its account in Bern between July and November 1942 and sold an amount worth 15.64 million in nominal terms to various banks in Switzerland. From 31 August to 17 October, Credit Suisse, Zurich, accepted coins totalling 7 million francs in nominal terms. See also BAR E 2001 (E) 2, vol. 560, SNB letter, 11 May 1945 with enclosure: «Memorandum concerning gold operations between the Banque de France and the Swiss National Bank since 1 September 1939».

<sup>113</sup> SNB Archives, Minutes of the Governing Board, 17 September 1942, no. 655, p. 820.

<sup>114</sup> «We are not eager to relinquish the freedom of gold trading, which we are the only country to enjoy» announced SNB Governing Board Chairman Weber in October 1942. SNB Archives, Minutes of the Governing Board, 14 October 1942, no. 710, p. 891.

approval by the Swiss National Bank.<sup>115</sup> This legislation resulted in almost total centralization in the SNB of cross-border gold trading (see Chapter 4). As regards the SNB's monetary policy, prices for monetary gold in Switzerland were now fixed at a price within the parity framework laid down in 1936.<sup>116</sup> The problem of rising gold prices, which would have called the stability of the Swiss franc into question in the long term, was thus solved. In the months following the introduction of the supervision of gold trading it was almost inevitable that a black market for coins would arise, as demand for the purposes of hoarding and smuggling continued to exist. Such activities took place at modest levels, at least initially, as the SNB's Governing Board determined in January 1943 to its own satisfaction.<sup>117</sup>

Having imposed regulation of gold trading, the SNB recommenced sales of coins on the domestic market in 1943. As of the second quarter of that year it sold almost only foreign gold coins which it acquired from the Reichsbank in exchange for Swiss francs. These were mainly the so-called Lator coins (see Graph IV: Gold sales on the market).<sup>118</sup> These coins came from the Latin Monetary Union, which ceased to exist in 1926, to which Switzerland and France had belonged.<sup>119</sup> When the sources at the time mention «Lator» this usually did not mean Swiss *Vreneli* and French Napoléons, although these were also included in the Lator coins. Instead, *Vreneli* and Napoléons – which were especially well-known and popular – were not classed under the collective term for the Union coins and were listed separately.

Lator coins did not arrive at the Reichsbank's coin custody account at the SNB in Bern until the end of January 1943. The SNB bought the lion's share of these gold coins from the Reichsbank and sold them to domestic banks in the subsequent weeks and months.<sup>120</sup> The revenue thus earned was welcomed by the SNB but does not appear to have been the main motive behind selling the coins.<sup>121</sup> For the SNB's Governing Board it was more important to

---

<sup>115</sup> Federal Council's Decree on the supervision of trading in gold and the import and export of gold. AS 1942, 1132; decree of the Federal Department of Finance and Customs on the supervision of trading in gold and the import and export of gold, AS 1942, 1141. See also Schweizerische Nationalbank 1957, pp. 159–161; Fior 1997, p. 35. The maximum price for monetary gold for bars was: 4,970 francs per kilogram fine gold; for 20 franc gold coins (*Vreneli*): SFr. 30.50. See SDD, vol. 14, no. 275, pp. 909–913.

<sup>116</sup> See Schweizerische Nationalbank 1957, p. 160. See also the interpretation in Fior 1997, p. 36, and Marguerat 1997.

<sup>117</sup> «The gold coin business is virtually non-existent and it does not appear to be the case that many transactions are taking place on the black market». SNB Archives, Minutes of the Governing Board, 7/8 January 1943, no. 16, p. 16.

<sup>118</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

<sup>119</sup> The Latin Monetary Union (Union Monétaire Latine) was based on an international agreement dating from 1865 between Belgium, France, Italy, and Switzerland (Greece joined in 1868). The convention governed the fine content, weight, shape and permissible error limits in gold and silver coins and obliged the member states to accept each other's coins. The Union was dissolved in 1926 when Belgium withdrew. The «Lator» coins remained in circulation. The coins minted in the different countries were distinct from one another. The Lator coins also included French Napoléons and Swiss 10 and 20-franc gold coins, the so-called *Vreneli*. These two terms were used separately in the sources, while the term «Lator» was used to describe the other Union coins. As of 1931 the Swiss currency was not a gold specie standard but rather a gold bar standard (gold exchange standard). As a rule, banknotes and other means of payment were used for payment purposes rather than gold coins. See Weissenrieder 1950, pp. 38–44; Handbuch des Geld-, Bank- und Börsenwesens 1947, quoted here according to the 1964 edition, pp. 301–302, 411, 461–463, 601–602; Schweizerische Nationalbank 1957, pp. 74–82.

<sup>120</sup> SNB Archives, stock records of customer gold deposits 1939–1945, 4 March 1997; SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

<sup>121</sup> In the course of the war, sales of coins assumed considerable significance for the SNB's earnings situation. As a central bank, the SNB basically did not orient its transactions on the profit principle. See also Fior 1997, pp. 88–89;

increase the supply of coins on the domestic market and thus reduce the appeal of black market dealings.<sup>122</sup> Finally, selling coins was also an instrument of monetary policy with which to siphon off liquidity and «counter the symptoms of inflation».<sup>123</sup> However, the sale of gold coins as an instrument of monetary policy of the SNB should not be overestimated. Inflation during the war was initially a result of the shortage of goods and less of monetary origin.<sup>124</sup> As the war progressed, the gold accepted by the SNB began to exert an expansionary effect on money supply, and was largely offset by the government's «sterilization» policy.<sup>125</sup> The sale of coins on the market supported the fight against inflation but cannot be considered the main means of controlling the money supply used by the Swiss National Bank.

Overall, the Swiss National Bank purchased 5,033,000 Lator coins from the Reichsbank between February 1943 and April 1944 for around 101 million Swiss francs (nominal) for its own account. At a purchase price of 28.10 francs per 20-franc coin, this corresponded to a total of 141 million Swiss francs which the SNB paid to the Reichsbank. It became clear after the War that all these Lator coins were taken from Belgium's central bank vaults, which had been appropriated by Germany.<sup>126</sup> It was not possible for the Swiss National Bank to tell the coins' provenance by their appearance. Nevertheless, those responsible at the SNB should have realized that only a small part of the Lator coins could have come from Germany's prewar reserves.

It is reasonable to assume that the Governing Board was indeed eager to be able to pass the foreign gold coins onto the market so as to relieve itself of these dubious holdings as quickly as possible. This incentive became ever clearer in discussions held in the course of 1943. In September, the Minutes stated that in Geneva «rumours were circulating according to which the Swiss National Bank had only sold gold because it had bought too much from Germany and was therefore keen to get rid of this gold again».<sup>127</sup> The struggle against the prevalent

---

Schweizerische Nationalbank 1957, p. 389.

<sup>122</sup> SNB Member of the Governing Board Rossy commented in August 1943 «that the sales of gold coins have resulted in complete disorganization of the <black> market for gold, since, as we have seen, the price on the black market for the 20-franc coin, which had fluctuated between 40–50 francs for some time, has now dropped to 36 francs offering price». SNB Archives, Minutes of the Governing Board, 26 August 1943, no. 818, p. 869. As was seen later, the Governing Board of the SNB was not satisfied with all the results of the coin sales. The fight against the black market was more or less successful, but the sales by the banks meant a certain degree of upheaval on the market. The SNB had suggested that the banks «hold these coins in reserve in order to sell them to their customers as needed without causing any fuss. Despite our recommendations, the banks were understandably interested in selling the greatest possible quantities as quickly as possible. They approached their customers and thus unsettled the market, which they really should have been trying to calm». SNB Archives, Minutes of the Bank Committee, 25/26 November 1943, p. 375.

<sup>123</sup> SNB Archives, Minutes of the Bank Committee, 25/26 November 1943, p. 375.

<sup>124</sup> See Schweizerische Nationalbank 1957, pp. 102–103.

<sup>125</sup> See Chapter 3. See also Tanner 1986, pp. 243–257.

<sup>126</sup> SNB Archives, 117.1, Gold operations between the Swiss National Bank and the Reichsbank during the war, 6 April 1946. See also Fior 1997, p. 89.

<sup>127</sup> «Since the beginning of this year, the Swiss National Bank has sold gold coins on the market in order to counter the hoarding of banknotes to a certain degree. In Geneva, rumours are circulating according to which the Swiss National Bank only sold this gold because it had purchased too much from Germany and was thus eager to get rid of it. The desire to sell gold coins is increasing. The Eidg. Bank AG would be in a position to sell gold coins for a few million Swiss francs. Credit Suisse and Swiss Bank Corporation would each like to have gold coins for 5–10 million Swiss francs for this very purpose; but the private banks, including Geneva as a financial center, are complaining that the

tendency at that time to hoard banknotes was certainly a concern of monetary policy for which purpose the sale of the Lator coins could be used. In addition, the SNB achieved a considerable portion of its annual earnings through coin sales, while other sources of income had almost completely dried up.<sup>128</sup> However, the aspect of wishing to get rid of «hot goods» by selling these coins should not be overlooked. As will be explained in greater detail in the following sections dealing with the SNB's gold policy towards the end of the war, the management of the SNB developed a genuine defense strategy in the course of 1943 which it used to defend itself against the growing criticism of the Allies of its gold operations with Germany. Member of the Governing Board Rossy introduced an unusual consideration into the internal bank discussion:

«The British and American threat of investigating the provenance of neutral gold holdings at the end of the war is perhaps a certain risk for anyone buying gold today. The danger is more of a theoretical nature. In reality, it hardly exists at all, as it is virtually impossible to identify gold coins so as to hold their owners responsible. Unlike banknotes, coins, which are not numbered, disappear in the overall circulation like drops of water in a river.»<sup>129</sup>

The Governing Board knew that the Lator coins it had bought might have been looted by Germany; there is no other explanation for the above-quoted remark by Rossy. Furthermore, Rossy's forecast proved incorrect, as the «risk» proved to be only too real after the war. It was discovered that not only the Lator coins but numerous gold bars also came from Belgium's gold holdings. The Reichsbank had these gold bars resmelted by the Prussian Mint and, once they had been provided with a German prewar date, shipped them onward to the SNB as of January 1943.<sup>130</sup> Bars of this provenance totalling 378.1 million Swiss francs were shipped to Bern. Of these, the Swiss National Bank bought an amount worth 237.2 million Swiss francs.

---

trading of gold is being concentrated in the hands of the big banks. Department II [Rossy] wonders whether it would not be possible to discreetly inform the banks that the Swiss National Bank would be prepared to sell an additional quantity of foreign gold coins, if they would be used to release banknotes kept in the banks' safes». SNB Archives, Minutes of the Governing Board, 2 September 1943, no. 860, p. 920.

<sup>128</sup> The SNB's activities were not focused on earning a profit. It achieved its income primarily in the discount and Lombard business as well as with gold and forex transactions. Other income was earned on the investment of foreign currency holdings abroad. The distribution of profits of this bank, organized as a public limited company, occurred in line with the national banking laws of 1905 and 1921 according to a fixed schedule. During the war, income from gold and forex transactions constituted a particularly important portion of gross earnings. It rose from 49% in 1939 to 67% in 1942 and amounted to around 55% on average from 1939 to 1945. The sale of coins on the domestic market was an attractive business for the SNB as a considerable margin was earned on the difference between the purchase and sale prices. Schweizerische Nationalbank 1957, pp. 348–349, 389, Table 21; Fior 1997, p. 88. On the discussion on the significance of earnings from gold trading, see also the note by Eberhard Reinhardt of 4 June 1946. As Reinhardt, Director of the Federal Finance Administration, pointed out, statements by SNB Member of the Governing Board Hirs gave rise to the impression among the Swiss delegation at the negotiations in Washington in 1946 «that the gold sales were a very attractive line of business and that this consideration was not entirely insignificant. He [Hirs] spoke of 50 million Swiss francs which were earned in this way». SDD, vol. 15, no. 447, p. 1138, remark 1. See Chapter 2.5.

<sup>129</sup> SNB Archives, Minutes of the Bank Committee, 25/26 November 1943, p. 378.

<sup>130</sup> For the procedure concerning the appropriation of Belgian gold by Germany see Rings 1996, pp. 21–29; Smith 1989, pp. 11–25; Boelcke 1976, p. 305; Vogler 1997b, p. 4; Fior 1997, pp. 38–39. An exact list of the deliveries of Belgian gold can be found in the SNB Archives, 117.1, the gold operations between the Swiss National Bank and the Reichsbank during the war, 6 April 1946. In January 1946 the SNB received a list from the Banque de Belgique with the numbers of the gold bars, shipped by the Reichsbank to the SNB and which were originally Belgian gold. The Prussian Mint had melted down the bars in 1943. Vogler 1997b, p. 4, remark 8. See also BAR E 2801 1968/84, vol. 96; BAR E 2800 1967/61, vol. 76; BAR E 6100 (A) 25, vol. 2327; see also Chapter 4 on the further use of some of the gold.

The literature reveals that the Reichsbank sold gold taken from the Dutch central bank via Switzerland in addition to looted Belgian gold.<sup>131</sup> 562 million Swiss francs' worth of gold was shipped from these holdings to the Reichsbank's Bern account beginning in the autumn of 1941. Of this, the SNB purchased an amount worth 400 million Swiss francs.<sup>132</sup>

We will not trace the route taken by Belgian and Dutch gold in greater detail here. Regarding the chronology of gold accepted by the Swiss National Bank from Germany, it is sufficient to point out that in 1943 the first coins from Belgian holdings arrived in Bern and that the question of the provenance of German shipments became an increasingly delicate issue for the SNB too.

It was not possible to tell by looking at the coins whether they had been acquired lawfully by the Reichsbank or whether they were stolen. However, by 1943 Switzerland must have perceived that there was a very low probability that Germany still possessed sizable pre-war stocks of Lator coins.

### 2.3.3 July 1943 to July 1944

At the beginning of 1943, the focus of the war shifted to different battlegrounds in Europe. In early February a German army surrendered at Stalingrad. Shortly earlier, Churchill and Roosevelt held a conference in Casablanca during which it had been agreed that the Allies would land in Sicily and had issued a demand for Germany's unconditional surrender.

The Allied advance in Italy led to the fall of Mussolini in mid-July and the formation of a new government under Marshal Pietro Badoglio. When the latter concluded a ceasefire with the Allies, the Germans implemented the counter-measures planned for such a case: northern and central Italy down to just south of Rome were occupied by the German Wehrmacht. This constituted a renewed and greater military threat for Switzerland: combined with the German and Italian invasion of Vichy France in November 1942, Switzerland found itself completely surrounded by the Axis powers.

The SNB's gold policy towards Germany did not significantly change at first. Purchases reached a volume of 424 million Swiss francs in 1942, but fell to 370 million Swiss francs the next year. At the end of the first quarter of 1944, the SNB limited its gold dealings with the Third Reich even more, but until the end of the war continued to make its services available to the Reichsbank (see Graph 1). The monetary policy aspect, which had greatly shaped the Governing Board's actions in the first years of the war, took second place to the economic-political reasons for continuing to accept gold. The quantitative reduction did not solve the problem of looted gold, however, on the contrary: Allied demands gave rise to a new

---

<sup>131</sup> See Table XVI in Chapter 4; see also Smith 1989, pp. 10, 37–39, 62; Rings 1996, pp. 41–45, 196; Fior 1997, pp. 38–41, 95–96, 144–145; Maissen 1997a and Maissen 1997b.

<sup>132</sup> See Table XXIII in Appendix 2; Fior 1997, p. 41.

dimension which put Switzerland's policy towards Germany – which was determined by concrete economic interests – to the test.

Switzerland had been directly exposed to growing Allied pressure since the beginning of 1943. This pressure was reflected in a series of increasingly more insistent statements and resolutions, which culminated in the demand for a complete break-off in relations with Germany in early 1945. These warnings came against the backdrop of extraordinarily extensive gold transactions between the Reichsbank and the SNB in 1942 and 1943. Whereas in 1942 it was only the SNB's support for the Reichsbank in purchasing foreign currency which was criticized, the Allies' declaration concerning looted assets from the Nazi-dominated territories of 5 January 1943 constituted the first real warning. This warning was aimed especially at the neutral countries but was not acted upon by the Swiss.

The Declaration on Gold Purchases published by the Allies on 22 February 1944<sup>133</sup> spoke out clearly against neutral countries accepting looted gold. Whereas previous warnings were of a more legal nature, the declaration of 22 February 1944 was clearly part of the system of economic warfare, as its goal was to block the use of gold as one of the last means the Axis powers had of purchasing goods abroad.<sup>134</sup> There was no immediate reaction to the Allies' declaration by the SNB. Only on 17 May did the Governing Board repeat the

«previously expressed wish ... that the Reichsbank should limit its gold shipments to the Swiss National Bank as far as possible with respect to the extent that they are not based on business transactions with Switzerland, and in consideration of the constant expectations and statements addressed to the neutral countries by the Allied governments.»<sup>135</sup>

The Allied warnings were thus not completely without effect within the SNB. The decisive view, however, was still that the Swiss National Bank could not, in principle, refuse to accept gold from the Reichsbank.

#### *Discussions within the Swiss National Bank*

One consequence of the Allies' warnings was that the SNB felt obliged to carefully examine the gold it accepted from the Reichsbank as an Allied victory entailed the risk of having to give gold back or pay material compensation. A member of the government also expected this as early as May 1943.

On 1 May 1943, following a conversation with a Swiss citizen who had returned from the United States, Federal Councillor Wetter wrote in his diary:

---

<sup>133</sup> A British note with virtually identical wording arrived on 23 February 1944, BAR E 2001 (E) 1967/113, vol. 437; SNB Archives, B3/117.8 I, Enclosure 2, on the note regarding the gold operations of the Swiss National Bank regarding Allied statements on the trading of gold with Axis powers by the SNB's legal office on 5 April 1944.

<sup>134</sup> BAR E 2001 (E) 2, vol. 555, memo «Allied policy with regard to allegedly looted property» of 2 February 1945, p. 3.

<sup>135</sup> SNB Archives, B3/117.8 I, Minutes of the Governing Board, 17 May 1944, no. 519.

«Outlook ... not favourable, neither for our assets nor our gold after the war. We may be required to pay for it too.»<sup>136</sup>

We know today that the decision-makers at the SNB at the time knew that the gold shipments from the Reichsbank contained looted Belgian gold. Hirs was forced to admit this at the Washington negotiations. In answer to the question whether he had «really had no idea» that he had accepted Belgian gold, Hirs replied: «Of course we knew».<sup>137</sup> This knowledge was not an obstacle to the SNB continuing to accept gold from Germany.<sup>138</sup>

Only as of mid-1943, when the topic had been seized upon by the media,<sup>139</sup> and when shortly afterwards the governor of the Banque de France, Yves de Boisanger, on the occasion of his visit in the summer of 1943, referred to the SNB's responsibility in accepting Belgian gold from the Reichsbank, was the looted gold issue taken up by the senior management of the SNB and discussed in detail. The decisive discussion as to whether to continue or cease accepting gold from the Reichsbank took place at the two committee meetings of the Bank Council in late July and August 1943. It deserves to be presented in detail, as it illustrates the different positions most clearly.

The President of the Bank Council, Bachmann, first raised the question of whether the Federal Council should be consulted with a view to gold transactions with the Reichsbank, in order to «adhere more closely to the Anglo-American views» like Sweden. Without hesitation, he then stated on the record that he could not «share the view of Mr Weber, who claimed that Switzerland, with its gold currency, was obliged to accept gold from other countries». This question «is of a political nature today more than ever. The Federal Council should therefore express its opinion on how the SNB should act regarding these gold transfers».<sup>140</sup> The efforts to restrict gold operations with the Reichsbank were supported to some extent; overall, however, the position of the Governing Board remained uncontested also in the Bank Council Committee. In particular, it was pointed out that «from the Allied side everything has been blocked» while «from the German side ... some shipments are still being made». Swiss neutrality was also an argument against a unilateral measure, as Koechlin argued, and one could «take the view in good faith» that such a step would violate this neutrality. Finally, Weber emphasized that the reference to the obligation to accept gold for Switzerland, as a gold currency country, remained «valid» and that besides, it was not possible to determine where the gold shipped by the Reichsbank originally came from: «Who can prove to us that the gold is stolen, as the British claim?»<sup>141</sup>

---

<sup>136</sup> Diary of Wetter 1943, p. 152, privately owned.

<sup>137</sup> BAR E 6100 (A) 25, vol. 2326, letter from Pfenninger to Weber of 22 June 1946, p. 2.

<sup>138</sup> Fior 1997, pp. 50 ff.

<sup>139</sup> See Einzig 1943 and SNB Archives, Minutes of the Bank Committee, 22/23 July 1943, p. 182, concerning warnings in British radio broadcasts.

<sup>140</sup> Ibid., p. 187.

<sup>141</sup> Ibid., p. 189. Weber nevertheless agreed that the Federal Council should be informed of the matter. Furthermore, Federal Councillor Wetter had «been informed about all the gold shipments from the Reichsbank in the previous

At the next meeting Weber took up the issue again and reiterated his standpoint. Although he agreed that «the question had taken on a political dimension, this did nothing to alter the fact that we, because and as long as we have a gold currency, are obliged to accept gold from other countries». Bachmann again pointed out that the SNB «could not simply invoke good faith here» but could indeed refuse to «accept gold without renouncing its position as a gold currency country». <sup>142</sup> Bachmann then made the decisive differentiation:

«The Chairman notes that there are two different questions to be resolved here. Firstly, the objective question whether we want to accept gold or not, and the subjective question whether we may accept gold which is offered to us <sight unseen>, even if we suspect that it may be gold obtained in an unlawful manner.»

In *objective* terms, Bachmann continued, a national law does not constitute an international obligation to purchase gold, and there are precedents for this: «For instance, during the First World War, Sweden and Holland generally refused to accept gold as payment, in order to counter excessive credit expansion». Bachmann recognized the scope of the problem which went beyond the purely legal aspect: «The *subjective* side of this question is where the political dimension comes into play which obliges us to be particularly vigilant ...». <sup>143</sup> Rossy agreed with Bachmann's views «in principle» but added that «the Swiss National Bank has so far not been informed by any party that the Germans have stolen gold. *The requisition of gold is a right to which the occupying power is entitled under the provisions of international law*». <sup>144</sup>

Rossy explained that Yves de Boisanger had told him that «private gold had so far not been confiscated by the Germans». He, Boisanger, had «handed the Belgian gold to the Germans from free holdings». <sup>145</sup> This objection was incorrect, given the level of knowledge at the time, and also caused Rossy's own justification into question. Bachmann recognized how untenable this argument was and countered that the Reichsbank had not reported any gold for some years prior to the war; however, it had always been claimed that «it had an abundance of gold ...». Anyway, «later and during the war ... it then acquired gold thanks to measures taken by the Reich versus foreign central banks. We can only hope that the Swiss National Bank will not suffer any adverse consequences from gold transactions with the Reichsbank».

Vice-Chairman Daguet engaged in manoeuvring. The fact «that the robbed party is not pressing charges» does not waive the need for «caution at all times», as these operations were «always carried out more or less under pressure from the occupying power». The issue here is primarily that of the extent, not the illegality of the business. And as long as the gold shipments

---

discussions».

<sup>142</sup> SNB Archives, Minutes of the Bank Committee, 26/27 August 1943, p. 240.

The Allies' warnings have been addressed on several occasions, e.g., in Rings 1996, pp. 71–80; Fior 1997, pp. 50–70; Durrer 1984, pp. 135 ff.

<sup>143</sup> SNB Archives, Minutes of the Bank Committee, 26/27 August 1943, p. 240.

<sup>144</sup> Ibid., p. 240 (Commission's italics).

<sup>145</sup> Ibid., pp. 241 f.

from the Reichsbank remained on a normal level, the policy of the Governing Board was to agree to them, as there was «no cause ... to create difficulties».<sup>146</sup>

Despite the concerns of Bank Council President Bachmann, there was no change in the SNB's policy. The attempt at bringing the SNB's gold policy in line, perhaps not at an early stage, but at least still «in time», with the position of the Allies – who did not want to tolerate any further gold shipments as a matter of principle – thus failed. Rather, the opinion prevailed that the SNB could act with «a clear conscience» in terms of the gold accepted from the Reichsbank.<sup>147</sup> In September and October of that year alone, the SNB purchased bars and coins worth around 70 million Swiss francs from the Reichsbank. The Federal Council and the Swiss National Bank agreed, regardless of the British-American declaration on 21 September 1943 concerning the non-recognition of transfers of enemy assets from Italy to neutral countries, that there were no legal objections to be raised to the acceptance of gold from the Reichsbank, but that this should be conducted on «a more modest level»<sup>148</sup> in the future. At a meeting of the SNB Governing Board with representatives of the authorities, the purpose of which was to brief the Swiss delegates for the economic negotiations which took place in 1944 with the Allies in London, Weber argued that the purchase of gold from the Reichsbank in exchange for Swiss francs could not be refused for reasons of neutrality.<sup>149</sup> The Allies would certainly not be satisfied with this argument, and in particular, an explanation would have to be provided for the increase in gold purchases between 1940 and 1943 and their claim that the German gold was gold stolen from the occupied countries, would have to be countered. Robert Kohli, the head of the section for legal affairs and private asset interests abroad at the Political Department<sup>150</sup> was convinced that two arguments would suffice to justify the SNB's gold policy, namely the obligation imposed by neutrality to accept gold regardless of who was offering it, from which Germany had benefited as a neighbor of Switzerland, and the power relations, which made the provision of certain services to the Third Reich a matter of survival for Switzerland.<sup>151</sup> Weber continued to uphold the view that Germany held large prewar gold reserves.<sup>152</sup>

The changed situation of the war and especially the political and economic pressure exerted by the Allies, who were gaining the upper hand, resulted in the SNB having to prepare a justification based on political and legal aspects. As regards the legal concerns, it issued two

---

<sup>146</sup> Ibid., p. 241.

<sup>147</sup> Ibid., p. 241.

<sup>148</sup> SNB Archives, B3/117.8 III, letter from Wetter to the SNB of 19 November 1943, p. 2, and SNB Archives B3/105.7, letter from the SNB (Weber, Hirs) to Wetter of 9 October 1943. See also BAR E 6100 (A) 25, vol. 2326 and SDD, vol. 15, no. 15, pp. 36–43.

<sup>149</sup> BAR E 2001 (E) 1, vol. 131, Conference at the Swiss National Bank (present: Weber, Rossy, Hirs, Gautier, Keller, Rezzonico, Kohli, Reichenau, Junod) on 27 January 1944; see also SDD, vol. 15, no. 75, pp. 210–212.

<sup>150</sup> See Annex 1 for information on Robert Kohli, biographical information.

<sup>151</sup> BAR E 2001 (E) 1, vol. 131, Conference at the Swiss National Bank (present: Weber, Rossy, Hirs, Gautier, Keller, Rezzonico, Kohli, Reichenau, Junod) on 27 January 1944; see also SDD, vol. 15, no. 75, p. 210.

<sup>152</sup> Ibid., p. 210. See also Perrenoud 1987/1988, p. 80.

opinions to clarify the announcements and especially the question concerning the legality of acquiring gold «which the Axis powers have confiscated and taken from the territories occupied by them».<sup>153</sup> The «note concerning the gold operations of the Swiss National Bank» stated immediately that the legal authority of the occupying power to take possession of gold holdings of the respective central banks, to the extent that these had private status, was unclear.<sup>154</sup> The issue of acquisitions made in good faith was thus of central importance for the legality and possible consequences of these gold transactions.<sup>155</sup> If the SNB intended to continue its gold operations with the Reichsbank, the legal office recommended, in view of the risks connected with such transactions, that it «obtain a binding, general written statement by the Reichsbank concerning its undisputed – and if necessary documentable – ownership of gold to be shipped to the Swiss National Bank. In addition, the Swiss National Bank should also «substantially» limit any further purchases and only purchase German bars «with a German stamp and specification statement».<sup>156</sup> The external legal opinion by the Zurich professor of international law Dietrich Schindler also stated that the appropriation of gold according to the Hague Land Warfare Convention of 1907<sup>157</sup> was only possible within narrowly defined legal limits, but that the fulfillment of these preconditions was dubious in this case.<sup>158</sup> Unlike the Swiss experts, the lawyers at the Reichsbank clearly considered «requisition of the gold based on the Hague Land Warfare Convention» ... to be impermissible.<sup>159</sup> Like the internal opinion, Schindler stated that for the SNB «good faith was of key importance». In order to protect itself against the accusation of acquisitions not made in good faith, he advised the SNB to demand «an explicit statement» when accepting gold from the Reichsbank to prove that «the gold was not acquired by means which contradict principles of international law» and «which show that the gold comes from a source which cannot be contested under international law (e.g. from prewar holdings of the Reichsbank)».<sup>160</sup>

It became increasingly necessary to insist on such statements as the immediate effect of the Allies' warnings was to destroy the objection of having acted in good faith put forward by the

---

<sup>153</sup> SNB Archives B3/117.8 I, note on the gold operations of the Swiss National Bank with a view to the declaration by the Allies concerning the trading of gold with Axis, by the legal office of the SNB of 5 April 1944.

<sup>154</sup> Ibid., pp. 9–11, 30.

<sup>155</sup> Ibid., p. 16: The «good faith of a purchaser of an object takes on a decisive role, as Art. 936 [of the Civil Code] states in general terms that anyone who has not purchased an object in good faith can be required by the former owner to return the said object at any time. For the acquisition of ownership it is thus necessary that the purchaser acted in good faith, i.e., that he was not aware or could not have been known, given the circumstances, that the seller was not authorized to transfer ownership. ... Good faith on the part of the purchaser exists when he acts in the sincere belief that the acquisition does not violate any right; it does not exist if the purchaser is aware of the lack of authority of the seller to dispose of the object, and if he should have recognized this lack as part of the caution required by common practice (Federal Court Decision XXI, p. 836). The purchaser is not expressly required to seek further information. A more recent ruling [BGE of 7 October 1943], however, states that ... there where special circumstances give rise to suspicion of the seller's right to ownership, the purchaser can be required to examine the legitimacy of the seller».

<sup>156</sup> Ibid., pp. 31 f.

<sup>157</sup> Art. 42 ff. of the Appendix to the Hague Convention of 18 October 1907 concerning the laws and practices in land warfare («Land Warfare Convention»).

<sup>158</sup> SNB Archives, B3/117.8 I, expert's opinion of Prof. Dietrich Schindler of 22 July 1944, pp. 5–10, 16, 22.

<sup>159</sup> «Special Archives» Moscow, Four-Year Plan files 700-1-70, letter from Kadgien to Görnert of 5 September 1942.

<sup>160</sup> SNB Archives, B3/117.8 I, expert's opinion of Prof. Dietrich Schindler of 22 July 1944, p. 22.

neutral countries with regard to the acquisition of gold from the Reichsbank.<sup>161</sup> Although the two opinions clearly underlined the risks connected with the purchase of gold from the Reichsbank, they also showed a way for the SNB to continue purchasing such gold and maintain its argument of acting in good faith.<sup>162</sup> The SNB subsequently concentrated on building up the argument of good faith to protect itself. Although it knew better, as we know today, it based its argument on the assurances of Puhl that the Reichsbank gold did not come from the occupied countries, that the Reichsbank held considerable gold reserves prior to the War and that it had paid for the gold it had acquired in the meantime, and that the Belgian gold «was still deposited in its entirety with the court».<sup>163</sup> By the summer of 1943, however, the SNB was aware that it would not be able to use the argument of having acted in good faith with regard to the gold accepted from the Reichsbank.<sup>164</sup>

The Allied demands which were soon to call for «a ban on any gold operations with the Axis powers»<sup>165</sup> constituted a good opportunity for the SNB to make the gold issue a primarily political problem and to thus relieve itself of any responsibility.<sup>166</sup> This responsibility would be borne in future by the Federal Council:

«We must realize that the earlier <warning> of the British and American governments concerning gold operations of neutral countries with the Axis powers, which only concerned looted gold, cannot be equated with the latest demand by the Allies. The <warnings> ... referred to the fact that we could not use the argument of <good faith> with regard to the gold looted by the Germans. This was thus a measure of legal significance for our gold operations. The latest demand by the Allies is, by contrast, a blocking measure, and is thus purely an act of war by the Allies. *Whether we should concur with this demand or not is a political matter for the government.*»<sup>167</sup>

A considerable degree of uncertainty now spread through the Bank Committee.<sup>168</sup> But Weber did not give in. He stubbornly stuck to the argument that Vice President Puhl of the Reichsbank had «explained to him in conversation, that the gold shipped to Switzerland did not come from other [i.e. from Nazi-occupied] countries. Germany held considerable amounts of its own gold prior to the war». Consequently, Puhl's statements indicated that the Swiss National Bank had «always acquired its gold in a legal manner», i.e. «that it had always acted

---

<sup>161</sup> Ibid., p. 24. See also BAR E 2001 (E) 2, vol. 560.

<sup>162</sup> SNB Archives, Minutes of the Governing Board, 3 August 1944, no. 866, p. 964.

<sup>163</sup> SNB Archives, B3/117.8 I, Minutes of the Bank Committee of 31 August/1 September 1944, p. 283. Puhl's statement is incorrect to the extent that it was not the Belgian gold but its equivalent in RM which was deposited.

<sup>164</sup> SNB Archives, B3/117.8 III, letter from Wetter to the SNB of 19 November 1943; see also SDD, vol. 15, p. 43.

<sup>165</sup> SNB Archives, B3/117.8 I (Bachmann), Minutes of the Bank Committee, 20 July 1944, p. 247.

<sup>166</sup> See also the discussion at the two Bank Committee meetings of 22/23 July 1943 and 26/27 August 1943. This stance was shared by the President of the Bank Council Bachmann, who also advocated a change in the gold policy. SNB Archives, Minutes of the Bank Committee, 22/23 July 1943 and 26/27 August 1943.

<sup>167</sup> SNB Archives, B3/117.8 I (Bachmann), Minutes of the Bank Committee, 20 July 1944, p. 247 (Commission's italics). For information on the demands raised in London see SNB Archives, B3/117.8 I, letter from the Political Department to the SNB of 28 June 1944. See also SNB Archives, Minutes of the Bank Committee of 26/27 October 1944, p. 342.

<sup>168</sup> For information on the discussion of the Schindler opinion see SNB Archives, B3/117.8 I, Minutes of the Bank Committee, 31 August/1 September 1944, pp. 279 ff. Bachmann concluded that the repeated statements by the Governing Board showed that «the bank had largely heeded the Allies <warnings>». Ibid., p. 287.

in good faith».<sup>169</sup> Rossy's statements concerning the Belgian and French gold supported this view. Hirs anyway considered it

«futile to want to worry in retrospect about the earlier gold transactions with the Axis powers. We must not be too fearful. We acted in full awareness of our responsibility at the time. We never had the impression that we were facilitating the sale of stolen gold. If the Allies want to judge us, they will hold the services we provided to Germany as part of international financial operations against us, even if our business was irreproachable from a legal point of view.»<sup>170</sup>

Another member of the Bank Council, who represented agricultural interests, Ernst Laur, read Schindler's opinion «not without concern» and would have preferred to «not have asked too many legal questions»; he advocated «not analysing the legal question any further at this point ... as long as no charges have been brought against us». Vice-Chairman Léon Daguét agreed with this view; he warned against «losing one's head» on account of «mere inferences in the press and [the] steps taken so far by the Americans». He also considered it to be «rather unfortunate to make a case in the matter of German gold before a case is even brought against us».<sup>171</sup>

Following the suggestion contained in the SNB's internal opinion, the question was raised with Puhl, as an additional precautionary measure, whether it would not be possible for the Reichsbank to deliver its gold in the form of 20-mark coins in future. Puhl replied that the Reichsbank had, to his knowledge, «a still considerable quantity of such gold coins» but that he hoped the SNB would continue to accept gold bars for some of the transactions and «also expressed his fervent wish that the Swiss National Bank would meet the Reichsbank half way in obtaining Swiss francs in exchange for gold, to the extent that this was possible».<sup>172</sup> In early April 1944 the SNB accepted a final shipment of Lator coins from the Reichsbank worth 5 million Swiss francs; after that it only bought coins minted in Germany.<sup>173</sup>

### *Stalling policy and delaying tactics*

It soon became apparent that the problems could not be glossed over in this manner. The memorandum of 23 August 1944 and the Bretton Woods declaration constituted additional clear warnings to Switzerland. Three days before the Allied troops reached the western border of Switzerland, Switzerland was requested «in its own interest» to henceforth desist from all

---

<sup>169</sup> A written statement by the Reichsbank was not requested – possibly intentionally, as Rossy later confirmed: by requesting a written certificate of non-objection «it [the SNB] would have admitted at that time that it did not trust the Germans' statements». SNB Archives, B3/117.8 III, excerpt from Minutes of the Bank Committee, 23/24 May 1946, p. 157; SNB Archives, B3/117.8 II, excerpt from Minutes of the Bank Council meeting of 16 June 1944, Weber's report.

<sup>170</sup> SNB Archives, B3/117.8 I, Minutes of the Bank Committee, 31 August/1 September 1944, pp. 283 f.

<sup>171</sup> Ibid., p. 284.

<sup>172</sup> SNB Archives, B3/117.8 I, Minutes of the Governing Board, 17 May 1944, no. 519. The Governing Board further indicated «that at the very least, no more <Lator> coins should be shipped since such shipments lead to unpleasant discussions not only with respect to the Western powers, but also within the country as well».

<sup>173</sup> Fior 1997, p. 89; SNB Archives, without call number, Quaterly Reports on Gold Transactions 1939–1945.

further gold operations with Germany and Germany's Allies.<sup>174</sup> In this warning, reference was specifically made to the economic negotiations which Switzerland was simultaneously carrying out in London with Great Britain and the United States. The Bretton Woods agreements recommended in Resolution VI that the neutral nations take concrete actions – i.e., freezing, certification, restitution – against the possession or transfer of gold, foreign currency, objects of art and other assets robbed by the enemy powers.<sup>175</sup> The Governing Board of the SNB stated that part of these wishes had «already been met» and that it did not wish to respond to the remaining items, which it felt were largely political.<sup>176</sup> The Federal Political Department did not respond until early 1945.

In response to these demands, the SNB decided to send the Federal Political Department a new petition containing recommendations for responding to the Allied «request»: The Bank Committee began by noting that «it is certain that the Allies are overestimating the significance of the German gold exports»;<sup>177</sup> direct transfers to the Swiss National Bank were, the Governing Board stated, «insignificant» in the past two and a half months, amounting to 30 million francs. Moreover, the Swiss National Bank «could not identify any asset transfers from Germany to Switzerland». The Bank went on to state that it had considered a general ban on the importation of gold as a means of fighting inflation, but that this idea was «dropped, since such a step would have made it substantially more difficult to carry out transfers of funds with the Allies». In addition, the Swiss National Bank indicated that it had established stricter rules for approving gold assignments and had requested the Reichsbank «on repeated occasions if possible not to process its foreign payments traffic through Switzerland, to sharply curtail transfers of gold to Switzerland, and to state a reason in advance for any other gold transport which would prove necessary». It was further stated that two years earlier the Swiss banks had been «urgently advised to limit foreign currency procurement for Germany or to stop it completely», and that a «similar recommendation» had been sent to the commercial banks with regard to the issuance of letters of credit. However, the Bank noted that «the goal sought by the Allies ... could not be attained by completely banning further gold transfers from the Reichsbank», since the Reichsbank had other channels through which it could obtain francs, and that it occasionally received «rather large payments from foreign countries (Hungary, Spain)». The Allied demands therefore had to be rejected, since accepting them would, the Bank claimed, violate Swiss neutrality and would completely prevent any trade with Germany, which had been sharply reduced anyway. «The economic consequences for our country would be unforeseeable. Moreover, the current situation in which Switzerland finds

---

<sup>174</sup> SNB Archives, B3/117.8 I, Memorandum on obtaining enemy gold through Switzerland, 23 August 1944; See also SDD, vol. 15, pp. 587 ff., 1026 ff.

<sup>175</sup> SNB Archives, B3/117.8 I, note from the US Embassy of 2 October 1944. See also SDD, vol. 15, pp. 401–406.

<sup>176</sup> SNB Archives, Minutes of Governing Board, 19 October 1944, no. 1094, pp. 1214–1215.

<sup>177</sup> SNB Archives, B3/117.8 I, Minutes of Bank Committee, 31 August/1 September 1944, p. 282.

itself does not permit it to take an action with respect to Germany which is clearly in violation of our neutrality». <sup>178</sup>

The German blockade had already been broken by this time and it was clear that the Reich was no longer a serious military threat. Likewise, the economic consequences were doubtless over-estimated. The Swiss National Bank did not deny that the issue was primarily a matter of principle and not an economic or military exigency, but stated that «although gold transactions with the Reichsbank were no longer occurring in significant amounts for the indicated reasons [stricter approval practices at the SNB, reduced need for francs at the Reichsbank]», it was «prepared to honor the American wishes to some extent» and thus demonstrate Switzerland's «good will». <sup>179</sup>

Already on 25 August 1944 the Political Department took a position on the matter in a memorandum «Allied Demands Regarding Swiss Gold Operations with Germany» and decided to pursue a policy of stalling, even though the Department was aware of the risks associated with following such a course: «Of course, we shall need to be careful not to give the impression that we are dragging our feet. It is difficult to imagine, though, that our stance with respect to the gold issue will cause us to lose our food quota. On the other hand, violent attacks in the press are not outside the realm of possibility». <sup>180</sup> The SNB and the representatives of the Swiss delegation to the economic negotiations with the Allies in London agreed in their meeting of 17 November 1944 not to answer the August memorandum, since it was virtually assured that the planned response would not satisfy the Allies. <sup>181</sup> The SNB decided to take this action even though Resolution VI of the Bretton Woods Agreement, which addressed the problem of Axis power gold dealings with the neutral nations, had been conveyed to the Swiss government on 2 October.

In the meantime, the SNB had used Puhl's presence in Switzerland as an opportunity to discuss Switzerland's difficult situation, to address the necessity of proceeding cautiously in the matter of gold transactions, and in order to once again assure itself that the German gold shipments were legal. In a meeting on 18 September 1944, Puhl declared to the SNB that the German central bank currently had funds in Switzerland which would suffice for a relatively long period, but that in October, however, it planned as a precautionary measure to convert a portion of the Reichsbank's SNB deposits in Bern – «since the Reichsbank ... expected to

---

<sup>178</sup> SNB Archives, B3/117.8 I, Excerpt from Minutes of Governing Board, no. 930, dated 31 August 1944.

<sup>179</sup> Ibid. The accommodating stance on the part of Switzerland was to consist of the SNB asking the Reichsbank whether the gold could be supplied «for purely Swiss purposes only», and no longer for payments abroad. In addition, assurance was to be given of coming out in favor of a «rapid implementation of the ban on trading in foreign notes», and consideration given to determining the use to which franc payments were being put as well as putting a ban on «issuing letters of credit for German accounts». See also SDD, vol. 15, no. 393.

<sup>180</sup> BAR E 2001 (E) 2, vol. 560, Memorandum on Allied demands regarding Swiss gold operations with Germany, 25 August 1944.

<sup>181</sup> BAR E 2001 (E) 1967/113, vol. 443.

once again have control of its currency reserves located in Switzerland in the postwar period». <sup>182</sup> Hirs assured him:

«that we will not cause any problems in this regard, but that for obvious reasons we hope that these transfers will be kept to a minimum in the future and that the value will be used to meet urgent Swiss deeds. In response to his express question, I assured Mr. Puhl that we were not unwilling to accept new gold shipments and would permit conversion at a modest level.» <sup>183</sup>

Puhl took the opportunity,

«to once again stress that the Reichsbank did not possess any stolen gold and that it never transferred such gold to the Swiss National Bank. If its gold was obtained from central banks, this gold was conveyed to Berlin by personnel of the given central bank, transferred and weighed there, and placed there in an account in marks, with the given amount being credited to the depositor!» <sup>184</sup>

This statement was the literal truth, but is of no practical significance, since Nazi Germany never intended to make these remuneration payments itself. In an internal memo written by the Four-Year Plan authorities, it is stated that the payment of «all these accounts» should be made the responsibility of the occupied countries; therefore «such a credit means next to nothing [:] In the final analysis we have decided that the gold will certainly not be paid by us». <sup>185</sup>

The Swiss National Bank was faced with an internal dilemma: on the one hand, there was the Reichsbank's desire to continue to execute gold transactions and to keep a certain reserve in the Bern depository – for the postwar period as well; on the other hand, the Bank felt uncomfortable about the Allied warnings despite Puhl's assurances. Bachmann was well aware that as regards the Reichsbank's claim that it did not possess any stolen gold, «the credibility and legality of the acquisition of the gold by the Reichsbank could not be proven. The measures taken in Sweden clearly demonstrate efforts to prevent such gold remittances there». <sup>186</sup> Regardless of the fact that the refusal of the Swedish Riksbank to accept gold from the German Reichsbank, <sup>187</sup> which the SNB became aware of in July 1943, was based on a false report, <sup>188</sup> this example showed the SNB that there were other behavioral alternatives and options. Even though the Bank Committee clearly warned of the risks of accepting additional gold from Germany, the SNB Governing Board failed to draw the appropriate consequences. <sup>189</sup>

---

<sup>182</sup> SNB Archives, B3/117.8, Excerpt from Minutes of Governing Board, 22 September 1944, no. 995.

<sup>183</sup> SNB Archives, B3/105.7, File memorandum regarding the visit by Vice-President E. Puhl, 18 September 1944, p. 3.

<sup>184</sup> Ibid.

<sup>185</sup> Center for the preservation of historical-documentary collections, «Special Archives», Moscow, 700-1-70, Four-Year Plan documents, letter from Kadgien to Görnert, 5 September 1942.

<sup>186</sup> SNB Archives, B3/117.8 I, Excerpt from Minutes of Bank Committee, 23/24 November 1944, p. 369.

<sup>187</sup> Fior 1997, p. 61.

<sup>188</sup> SNB Archives, Minutes of the Bank Committee, 23/24 September 1943, p. 305, as well as Sveriges Riksbank 1997, Summary p. 26.

<sup>189</sup> See for example SNB Archives, Minutes of Governing Board, 14/15 December 1944, no. 1318, p. 1465, in which the request for renewed gold shipments from the Reichsbank is granted.

*The basic economic and political conditions change*

The situation changed dramatically in mid-1944, due to warnings from the Allies and incipient changes in trade policy. As the Allied troops advanced towards the border with Western Switzerland at the end of August 1944, the counter-blockade began to weaken (though this did not apply to goods shipped via German territory). Indeed the Germans were forced to admit they could no longer make reliable commitments concerning shipments of coal, iron and fuel. Thus the system of transfer quotas, which was based on mutual interdependence, began to fall apart, because

«the basis for the exchange of goods with Germany throughout the war started to crumble. The once-powerful system through which Germany and Switzerland exchanged goods quickly fell apart.»<sup>190</sup>

The Allies now pushed for a complete halt to gold transfers from the Reichsbank. At the same time, transfers of the German central bank's gold were now of even greater significance for trade relations with Germany. Since the system was starting to crumble and money in transfer funds was rapidly disappearing, shipments of Reichsbank gold were the key factor in determining whether the system could be sustained. At the beginning of June, when negotiations were resumed, «it was becoming clear that Germany would soon no longer be in a position to supply goods».<sup>191</sup>

«For Switzerland this meant the outlook was discouraging in terms of supplies. On the other hand, it also meant Swiss intermediate traders now had the necessary leverage to scale back their deliveries to Germany within the reciprocal relationship. This was the only way for Switzerland to proceed as an independent and neutral country if it hoped to loosen its economic ties with Germany and create closer ties with the Allies.»<sup>192</sup>

This negotiating stance was in keeping with the statements made by the Federal Council at the beginning of the year concerning its own position. President Stampfli had stated quite explicitly:

«Switzerland does not in any sense believe that it's all over with Germany or that it need no longer pay heed to Germany. On the contrary, the Federal Council believes it is vital to maintain good relations with Germany, both economically and politically ... *This has been true in the past and will continue to be true in the future, regardless of what happens to Germany. We will not let the Allies force us to deviate from neutrality. The Federal Council's policies are not in any way linked with success or failure in the war.*»<sup>193</sup>

As a result, the Swiss delegation merely modified export contingent levels based on German supplies. Noting that «Switzerland's efforts to supply Germany with materials for the war have been excessive, and we have been supplying Germany with materials for the war in a one-sided

---

<sup>190</sup> Gygax, abridged report, p. 56 (see note 7, Chapter 2). See also BAR E 7110 1967/32, vol. 1745.

<sup>191</sup> Ibid.

<sup>192</sup> Hotz 1950, p. 50. See also SDD, vol. 15, nos. 156, 174, and 183.

<sup>193</sup> 20 January 1944 meeting with President of the Confederation Stampfli in Bern: Hans Koenig's meeting notes of 21 January 1944, in: SDD, vol. 15, p. 197 (Commission's italics).

manner for far too long», it scaled back its export contingents of materials for the war and similar materials.<sup>194</sup> Thus in the first six months of 1944 exports based on transfer guarantees fell from 31 million Swiss francs/month to 23 million Swiss francs/month.<sup>195</sup> Transfer guarantees were of particular significance to these agreements,<sup>196</sup> since during the negotiations «the exchange of goods with Germany would have come to a halt if Federal guarantees had not been provided, even though the relationship was purely reciprocal».<sup>197</sup> Nevertheless, the Federal Council's desire to maintain the system of shipments, justified on the basis of neutrality, was not the only driving force behind its continued provision of transfer guarantees. The guarantees were also important to Switzerland because they helped ensure that the transfer fund, which was used to settle payments involving *invisibles*,<sup>198</sup> was adequately supplied with funds: «We would not have to offer Germany a loan were it not for these receivables from invisible exports. Switzerland is more concerned than most other countries about income from invisible exports [of about 200 million Swiss francs/year (our estimate)]. ... Germany, on the other hand, has no interest in invisible exports».<sup>199</sup> The Germans made no change to their stipulations concerning supplies of coal, iron, and agricultural products, and the easing of the counter-blockade. The only new element in the agreement was a clause added by the Swiss allowing them to withdraw from the agreement early if circumstances changed.

In retrospect, Switzerland failed to exploit its scope for negotiation to the full. Hitler and his foreign minister had instructed the German delegation to «conduct the negotiations such that we maintain the relationship and thus avoid an economic war».<sup>200</sup> Indeed Germany's Ministry for Equipment and War Production had stated: «We will forego imports from Switzerland or other supplies if the political situation makes this necessary». Moreover, it was prepared to honor a trading agreement based on political considerations «even if this leaves us in a worse position in terms of goods than no agreement at all».<sup>201</sup> Thus the instructions sent to the head of the German negotiating team, Ambassador Karl Schnurre, were crystal-clear:

«For economic reasons it is very important that we reach an accord with Switzerland concerning the new goods agreement. ... the delegation is hereby authorized to agree to reduce the volume by the necessary amount ... *How these reductions break down in terms of*

---

<sup>194</sup> Gygax, abridged report, p. 54. Swiss exports to Germany of goods Germany considered important for the war rose from 47 million francs in 1937 to 425 million in 1943. Exports of such goods to «Germany's enemies» fell from 80 to 18 million francs during the same period. See also SDD, vol. 15, pp. 1078–1085.

<sup>195</sup> These were target figures and were never reached in the following month. For example, average German exports to Switzerland in the first five months of 1944 amounted to just 24 million francs/month rather than the 31 million francs/month stipulated. PA/AA Bonn, R 108101 Ha Pol II b: Switzerland 13A, vol. 6, Minutes of the 1st meeting of the German/Swiss economic delegation, 9 June 1944, p. 1.

<sup>196</sup> See section 2.1 of this Chapter for more about transfer guarantees.

<sup>197</sup> Homberger 1997, p. 111.

<sup>198</sup> Invisible payments fell into the following categories: Standstill interest, funding bonds, new loans, franc mortgage interest, and insurance payments. Hotz 1950, p. 83. See BAR E 2001 (E) 2, vol. 575, note, 20 June 1944, Payments from Germany to Switzerland, not including clearing operations (debiting of Reichsbank allocations), 1935–1944.

<sup>199</sup> BAR E 7110 1973/135, vol. 42, Minutes of 5 January 1944 meeting of the «joint commission» SDD, vol. 15, p. 172.

<sup>200</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, note from Schnurre to the attention of the Foreign Ministry, 2 June 1944, p. 3.

<sup>201</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, letter to the Foreign Ministry, 4 July 1944.

*different categories of goods is unimportant. We therefore do not require Berlin to make a decision on this matter.»*<sup>202</sup>

Clearly Switzerland overestimated how important exports of materials for the war were to Germany. Indeed at this point, Germany would have been prepared to forego goods categorized as materials for the war. From our current perspective, we should ask: did the Swiss stress their neutrality to ensure that the transfer fund was adequately supplied with funds, that the system of supplying coal and iron remained intact, and that trade with Germany was as extensive as possible?

The Germans' interests in the negotiations lay in areas that were less important to the Swiss delegation: transit to and from Italy, the available Reichsbank surplus,<sup>203</sup> and traffic in gold and currency. In this last matter, the Germans were particularly concerned «with upholding the favorable resolution just obtained by Vice-President Puhl concerning pressure exerted on Switzerland by enemy states».<sup>204</sup> Reichsbank gold transactions were the only issue on which the Swiss were showing a change of heart in this round of negotiations. Although the Germans saw no link between the goods agreement and the possibility of gold transactions, and saw the scope for gold/ currency transactions as unlimited time-wise,<sup>205</sup> Homberger, who just a few months earlier «had cited Switzerland's desire to maintain its free gold market as the main reason for authorizing Reichsbank gold transactions, and had refused to make these transactions dependent on issues regarding the Allies», now intimated to the German delegation that «Switzerland considers its assistance in this area ... one of the key ways ... it can help us, and is continuing to provide assistance for our benefit only, even though it would prefer not to».<sup>206</sup>

Switzerland terminated the June agreement early mainly because of the collapse of the counter-blockade. As a result, it found itself in a strong position at the 20 – 29 September negotiations in Bern,<sup>207</sup> as the Germans were forced to reluctantly admit. The Germans therefore did not insist that Swiss export levels should match the previous levels. Their objective was to «avoid jeopardizing» issues which they considered «of significance to the war», i.e., «our ability to trade gold, the ... Reichsbank surplus, transit and other matters».<sup>208</sup> As Confederation transfer guarantees would expire at the end of September, and the effective clearing debt was in excess

---

<sup>202</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, cable from Ripken to Schnurre, 19 June 1944. (Commission's italics).

<sup>203</sup> See footnote 216.

<sup>204</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, note from Schnurre to the attention of the Foreign Ministry, 2 June 1944, p. 2. PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, letter to President Kehrl, Ministry for Equipment and War Production, 18 June 1944.

<sup>205</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, cable from Ripken to Schnurre, 19 June 1944.

<sup>206</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, Schnurre cable no. 10, 19 June 1944.

<sup>207</sup> See BAR E 1004.1 1, vol. 450, Minutes of 3 October 1944 Federal Council meeting: Negotiations with Germany. See also SDD, vol. 15, pp. 642 ff.

<sup>208</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 6, letter from Chief of Special Staff HWK to AA, 6 September 1944.

of 1 billion francs («still a good price for a friendship»),<sup>209</sup> new quotas were now only provided retroactively, i.e., based on imports actually carried out.<sup>210</sup> This provision in the agreement was fairly significant: German exports to Switzerland were falling dramatically (towards the end of the year the amount of coal shipped fell to less than 10% of the agreed amount), so available clearing amounts were now almost entirely assigned to invisible payments (carried out within the realm of clearing operations).<sup>211</sup>

### 2.3.4 August 1944 to April 1945

The liberation of France between June and August 1944, the piercing of the Axis envelope surrounding Switzerland and the July 1944 Bretton Woods conference marked the beginning of a fourth phase, during which the Nazis' sphere of influence began to shrink rapidly.

When the aforementioned 29 September 1944 agreement was signed, the Federal Council felt it was the right moment in terms of its neutrality policy to pass a motion forbidding all export of war materiel, i.e., to the Allies as well.<sup>212</sup> It cited *political* considerations as the reason for sustaining at least a minimal reciprocal trade agreement with Germany. According to the official version, «from a purely economic standpoint, halting the exchange of goods and payments would do little damage to Switzerland».<sup>213</sup> Nevertheless, economic motives did play a role. Since there were substantial debts outstanding, Switzerland needed «to obtain as many goods [and financial credits (our addendum)] from Germany as possible».<sup>214</sup> In retrospect, Switzerland's somewhat selfish negotiating stance benefited the Germans considerably in certain decisive areas:

«When conducting negotiations, we bore in mind that the enemy has put heavy pressure on the Swiss government to break off economic ties with us, or at least to scale them back so that it does not perform any war-related services for us. The enemy has exerted equal pressure in the following areas: exchange of goods, financial ties, and transit. Switzerland has fought off the pressure in all areas and is still committed to upholding the agreement with us. ... Altogether, the agreement will ensure that the following German interests are upheld in the future: Reichsbank gold and currency transactions ... transit to and from Italy, ... power transmission ... and exports of Swiss industrial and agricultural goods.»<sup>215</sup>

In December 1944, negotiations were resumed in Bern: the German and Swiss delegations now discussed extending the economic agreement beyond 31 December 1944. As German

---

<sup>209</sup> SNB Archives, Minutes of Bank Committee, 23/24 November 1944, p. 12.

<sup>210</sup> At the end of each month the total value of goods imported by Switzerland from Germany was added up, and incidental expenses, interest, etc. deducted. New transfer quotas were sent based on remaining amounts (if any). In November 1944, the amount remaining was 5.4 million francs; in December, it was just 1.2 million. Gygax, abridged report, p. 57. See also Perrenoud 1987/88, p. 80.

<sup>211</sup> The goods account was drawn upon excessively as a result. However, this evidently did not hamper the exchange of goods with Germany. SNB Archives, Minutes of Bank Committee, 23/24 November 1944, p. 12.

<sup>212</sup> 29 September 1944 resolution, in : SDD, vol. 15, no. 240, pp. 630–632.

<sup>213</sup> Hotz 1950, p. 78.

<sup>214</sup> Gygax, abridged report, p. 57.

<sup>215</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 7, Köcher cable dated 1 October 1944.

shipments of coal had more or less ceased, the Swiss demanded that, retroactively from 1 January 1945, Germany's frequent coal shipments through Switzerland to Italy must not exceed shipments to Switzerland itself. Germany basically accepted this proposal, but the delegations were unable to reach full agreement on coal shipments, as Germany had already run up shortfalls and was not prepared to make them up. Switzerland therefore put a halt to all coal shipments from Germany to Italy until levels were balanced, and stopped supplying Germany with power for the same reason. It also scaled transit traffic through Switzerland back to prewar levels.

The future of the Reichsbank's available currency surplus was another hot topic.<sup>216</sup> This issue was linked with the question of German exports to Switzerland, and was now up for discussion since Germany could not sustain export levels. It also took on additional significance, since it was seen as a reflection of Germany's ability to pay (technically this was incorrect, but it was a key factor psychologically). As explained in the Chapter on insurance operations, Swiss insurance companies (and the two franc-denominated mortgage creditors among the banks, namely Schweizerische Bodenkreditanstalt and Bank Leu) were the first creditor groups directly affected by the issue of whether funds would be pumped into the transfer fund via further sales of Reichsbank gold. The question of interest payments on franc mortgage charges<sup>217</sup> was very important in terms of negotiating tactics. Some of these mortgage charges were on real estate destroyed in the war and were more than 4 million francs in arrears. The Germans refused to accept that they were obliged to pay under German war damage laws. Nevertheless, they were prepared to negotiate, so as to avoid jeopardizing the system of free gold and currency transactions with Switzerland (there were rumors afoot in December 1944 that certain limitations were to be placed on these transactions).<sup>218</sup> The Swiss delegation stated «explicitly» in response that

«it was not going to yield to Allied pressure and remove this freedom [by limiting transfer of capital through the establishment of currency restrictions] ... and would not intervene in the SNB's autonomous bank policy of purchasing gold from Germany in exchange for currency». Homberger added: «This of course presupposes that all existing economic ties will be maintained.»<sup>219</sup>

---

<sup>216</sup> The Reichsbank's free currency surplus was a special account for paying Swiss creditors (owed standstill and franc mortgage interest and insurance-related sums), via payments carried out beyond the realm of German/Swiss clearing operations. The Reichsbank also used the account to provide free cover for its currency requirements vis-à-vis other countries. It supplied the currency surplus (also called *Reichsbankspitze*/foreign exchange peaks) with funds by taking 11.8% of every Swiss payment to the clearing office. Homberger 1997, p. 53, and BAR E 7110 1973/135, vol. 42, Compte-rendu de la séance du 5 janvier 1944 de la «Commission mixte» (Minutes of 5 January 1944 meeting of the «joint commission») SDD, vol. 15, p. 173. See also SDD, vol. 14, p. 256; BAR E 2001 (E) 2, vol. 575, note concerning evolution in the Reichsbank surplus 1940–1944, 18 November 1944; see also note 3.

<sup>217</sup> For a definition, see Chapter 5, note 2.

<sup>218</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 7, Bruns' note concerning Swiss gold mortgages, 19 December 1944. The question of franc mortgage change interest on war-damaged or destroyed real estate is an interesting one, as it reflects how doggedly Switzerland fought for every franc in Germany.

<sup>219</sup> PA/AA Bonn, R 108101 Ha Pol IIb: Switzerland 13A, vol. 7, Seyboth telegram dated 17 December 1944.

This explains why Germany was so keen to keep a minimal agreement in place, despite Switzerland's efforts to scale it back: the German delegation was ready to make major concessions, especially in the area of financial transactions, to prevent Switzerland from severing the vital gold and currency relationship.

Reaching an agreement was important to Swiss financial creditors too.<sup>220</sup> German shipments of goods were collapsing, and the resulting Reichsbank surplus was starting to create a difficult situation. At the beginning of 1944 the transfer funds had been in surplus, but by the end of the year this had evaporated, with no new inflows in sight. In January 1945, only 1.4 million Swiss francs/month was flowing into the transfer account, instead of the required minimum of 3 million/month. It was therefore important to obtain the necessary funds by other means.<sup>221</sup> This was evidently easier than originally believed: the German delegation was in fact prepared to inject «certain free currency to settle interest claims of financial creditors» so as to maintain its credit. In addition, it agreed to forego 11.8% of the clearing volume associated with the Reichsbank's currency surplus. The Germany Committee of the Swiss Bankers Association probably knew this currency would probably come from selling gold to Switzerland, but was not asked. On the contrary, when the Committee was asked how Germany would obtain this additional currency, Peter Vieli, Member of the Executive Board of Credit Suisse, answered that «the Germans will probably take it from the free capital available to them in Switzerland».<sup>222</sup>

This remark was probably not a true reflection of what he actually knew. Indeed everyone knew the planned opening of the transfer fund would involve further sales of German gold. As explained in Chapter 5, Germany's willingness to fulfil the agreement explicitly depended on Switzerland's willingness to accept further gold transfers. Clearly the Germans had no intention of using German capital held in Switzerland, and in fact the two sides' interests coincided on this issue. Swiss financial creditors wanted to avoid settling the claims using German capital in Switzerland, because they hoped to hold these funds in reserve against the collapse of the Third Reich. The representatives of banks and insurance companies which were owed money, definitely knew that Germany's willingness to pay was bound up with the issue of further gold transfers, and individuals at the SNB had known for a long time about this connection.<sup>223</sup>

---

<sup>220</sup> Payments to financial creditors were partly taken from the Reichsbank surplus and partly from the transfer account. The latter had 12% of the clearing volume at its disposal. Moreover, if this 12% was less than 4.1 million francs, the shortfall was made up from the goods account. SBA Archives, serial no. 203, location no. F17, document no. 20II 1936–56, 58. Meeting of the Germany Committee of the Swiss Bankers Association, 14 February 1945, pp. 2 f.

<sup>221</sup> Ibid.

<sup>222</sup> Ibid., p. 6.

<sup>223</sup> When visiting the SNB in mid-September 1944, Puhl had requested that the bank ask the Swiss economic delegation to maintain the current clearing surplus, «as this would allow the Reichsbank to limit the amount of gold it sent». SNB Archives, B3/105.7, «visit of Vice-President E. Puhl» file memorandum, 18 September 1944.

However, in mid-December 1944, when a member of the SNB Bank Council insisted that «the SNB should not be allowed to refuse gold in such cases», his proposal was rejected, on the grounds that «the SNB can only accept more gold if Switzerland receives goods».<sup>224</sup> This was a new linkage, and had major implications: it undermined the SNB's pledge to «if possible ... avoid linking currency policy with trade policy».<sup>225</sup> Indeed the SNB was now «ready to compromise», and was prepared to

«tell Puhl informally that if the system of Reichsbank gold transfers and payments was to be maintained, the system for exchanging goods must also be maintained, and in a manner acceptable to the Swiss, i.e., the SNB Governing Board is prepared to accept the anticipated shipment of 6,000 kilograms of gold, provided Germany does not block efforts to step up shipments of goods to Switzerland.»<sup>226</sup>

Moreover, President Stampfli considered it «a good idea to link Germany's wish to maintain the system of payments with Switzerland's wishes concerning shipments of goods. The SNB will therefore be able to defend its decision to accept gold from the Reichsbank against attacks from third parties, on the grounds that it is creating jobs and earnings for the country by accepting these gold transfers».<sup>227</sup>

The question of transit (not including coal) was another hot topic for the German delegation. The Swiss delegation was aware of the importance of this issue, and indeed the Allies had exerted tremendous pressure in this area.<sup>228</sup> However, the Swiss delegation did not play this trump card.<sup>229</sup>

### *Economic negotiations in the final months of the war*

When a further warning was received from the Allies in early 1945, an official response to the American note of August 1944 still had not been received from the Federal Council – to the regret of the SNB.<sup>230</sup> The bluntly worded memorandum of 31 January 1945 criticized the failure of the Swiss government to provide this response and stated that Switzerland must now «immediately» introduce a gold policy in line with the memorandum of August of the preceding year (ban on further acceptance of gold from or providing of foreign exchange to the

---

<sup>224</sup> SNB Archives, Minutes of Governing Board, 14/15 December 1944, no. 1818, p. 1466.

<sup>225</sup> SNB Archives, B3/117.8, Governing Board report, p. 42.

<sup>226</sup> SNB Archives, Minutes of Governing Board, 14/15 December 1944, no. 1818, p. 1467.

<sup>227</sup> *Ibid.*, p. 1468.

<sup>228</sup> On 7 December 1944 already, at an informal lunch, representatives of the Allies had told the Swiss delegates that transit was the key issue, saying «these transits are immoral and incomprehensible in every sense». «We were told to undertake something risky for once! We answered that we were abandoning our neutrality policy. *We were told that we'd delayed in the past, and not to do so this time.* ... We said we could not resolve the problem within the space of a single day». BAR E 2001 (E) 2, vol. 575, file note of 8 December 1944 internal meeting concerning the issue of Italy/Germany transit (Commission's italics).

<sup>229</sup> See BAR E 2001 (E) 2, vol. 575, file note concerning 8 December 1944 internal meeting: «Puhl is particularly keen to ensure that Switzerland does not react to German countermeasures [to Swiss actions concerning transit] by blocking credits».

<sup>230</sup> SNB Archives, B3/117.8 I, Excerpt from the Minutes of the Bank Committee, 26/27 October 1944, p. 342. It was not until 26 January 1945 that the SNB received the draft of a letter of response from the Federal Political Department; however the new warning rendered this letter obsolete.

Nazi controlled territories) and «must insure that it is carried out». «Transactions in stolen gold» which had already taken place were not acceptable to the United States, even with a reorientation of Swiss gold policy.<sup>231</sup> Since in the opinion of the SNB's Governing Board any additional transfers of gold were «no longer merely a monetary policy issue, but an eminently political issue», the political authorities within the Confederation now had to make a decision.<sup>232</sup> On 8 February 1945 the Governing Board therefore forwarded the request received from Reichsbank Vice-President Puhl for «approval of a gold remittance of approximately 6,000 kg gold in the amount of approximately 30 million francs» to Federal Councillor Nobs, Chairman of the Federal Department of Finance, and Customs. These funds were largely to be used for payments which had previously been financed using the Reichsbank surplus. The SNB itself was of the opinion that «payments in gold for legitimate transactions and, above all, to settle Swiss receivables should be permitted as much as possible in the national interest, provided that it is assured that the gold in question is not stolen property». An additional remark worthy of note is that there was a need to determine whether the Allies should be informed accordingly.<sup>233</sup> In this regard, the SNB was in an unpleasant situation insofar as it had basically agreed to accept certain amounts of gold and the Reichsbank was already planning on this. In light of the «eminently political nature» of the issue, Department I of the SNB and Bank Council President Bachmann were not willing to reach a decision without approval from the Federal Council, while Departments II and III were in favor of carrying out the transaction, though in a number of smaller installments:

«What is important here is the question of extent. ... Moreover, the gold transfers tend to weaken Germany, and it is not clear why the gold from the Reichsbank cannot be accepted for the stated purposes.»<sup>234</sup>

The Federal Council decided that it «cannot currently agree to accept the gold from the Reichsbank», but it did not reject further transfers out of hand upon conclusion of the negotiations with the Allied economic delegation.<sup>235</sup>

### *The freeze on German assets*

In the Federal Council's Decree of 16 February 1945 regarding the freezing of German assets in Switzerland, the Federal Council decided for the first time to rule against German financial interests, thus complying with an important Allied demand. Even though the Federal authorities had been discussing this step for some time,<sup>236</sup> the fact that the step was taken at

---

<sup>231</sup> BAR E 7110-01 (-) 1973/134, vol. 3; Aide-mémoire Acquisition by Switzerland of Enemy Gold, 31 January 1945, as well as SNB Archives, B3/117.8 II, Minutes of Governing Board, 8 February 1945, no. 198, pp. 189 f.

<sup>232</sup> Ibid., p. 191.

<sup>233</sup> SNB Archives, B3/117.8 II and BAR E 6100 (B) 1981/96, vol. 15, Letter from SNB to Federal Councillor Nobs, 8 February 1945. According to Puhl, this gold was exclusively from the German Reichsbank's own prewar reserves.

<sup>234</sup> SNB Archives, Minutes of Governing Board, 1/2 February 1945, no. 164, pp. 153 f.

<sup>235</sup> SNB Archives, Minutes of Governing Board, 15 February 1945, no. 228, p. 231.

<sup>236</sup> Based on the Federal Decree on Economic Measures with Respect to Other Nations, 14 October 1933, the Federal

this time was a direct consequence of the Bretton Woods agreements on stopping the flow of German flight capital.<sup>237</sup> Stucki<sup>238</sup> explained to the head of the German delegation Schnurre that the Allies were now expecting «that Switzerland would once and for all (in the final hour) prove to the world on which side it was on, and that economically and morally it would opt for the Allied side».<sup>239</sup> However, the Swiss mainly appeared to be motivated by the idea of holding a hostage in the event of the then imminent collapse of the Third Reich – «This would ensure that Switzerland would have first grabs at the German assets!»<sup>240</sup> – for the no longer transferable Swiss assets in Germany.<sup>241</sup>

«Aside from the assets which were proven to be obtained through illegal means, Switzerland reserves the right, if possible, to use the identified German assets to compensate in any form for the Swiss assets in Germany.»<sup>242</sup>

The fact that Switzerland in principle reserved for itself the right to engage in compensation transactions should have made the decision to freeze German assets somewhat more acceptable in business circles – especially among the banks.<sup>243</sup> The freeze must also have been an unwanted development for the SNB – which was always concerned about the monetary angle – since the freeze worked against the «monetary policy dictate that every possible import option be used». But as with the embargo of the Hungarian, Croatian, and Slovakian assets in Switzerland at the end of 1944, here too the SBN «had to subjugate its concerns to political considerations».<sup>244</sup>

This toppled the German-Swiss economic agreement. And Switzerland appeared to be extremely satisfied with this outcome.

«The conscious goal with respect to Germany has been achieved: no new economic agreement – which would have been intolerable to the other side [the Allies] without the rupture of diplomatic relations, which would have had to be accepted in the bargain. Quite the contrary:

---

Council had the authority to take such action.

<sup>237</sup> For the Confederation, the «decisive criterion for determining whether something was a threat to the interests of Swiss creditors» in the case of Germany – which according to the Federal Decree of 14 October 1933 permitted the unilateral freezing of assets – had not yet been met at that time. BAR E 2001 (E) 2, vol. 575, Request from the Commercial Department of the Federal Department of Economic Affairs to the Federal Council, 4 December 1944. See also SDD, vol. 15, no. 309, pp. 763–769.

<sup>238</sup> Stucki was at that time head of the commercial department of the Federal Department of Economic Affairs.

<sup>239</sup> BAR E 2801 1967/77, vol. 4, *Compte-rendu d'un entretien du Chef de la Division des Affaires étrangères du Département politique* (Report on a meeting by the head of the Foreign Affairs Division of the Federal Political Department] W. Stucki; SDD, vol. 15, p. 913. Schnurre «did not appear to have been immoderately surprised» by the actions announced by Stucki, including the freezing of assets. «... the mood was melancholic, not tempestuous». *Ibid.*, p. 916.

<sup>240</sup> BAR E 2801 1967/77, vol. 5, Nussbaumer, 16 February 1945; SDD, vol. 15, p. 911.

<sup>241</sup> See Hotz 1950, p. 79

<sup>242</sup> BAR E 2001 (E) 2, vol. 348, Report on the status of negotiations, W. Stucki, 22 February 1945; and SDD, vol. 15, p. 947.

<sup>243</sup> The freeze on assets, which some representatives of the bank had already desired at an earlier date, was not considered by the SBA to be a concession to the Allies, «since it was considered here to be, among other things, a measure to protect Swiss interests ...». Minutes of the 87th meeting of the SBA Committee, 5 March 1945, p. 6. See also *ibid.*, p. 14, and SDD, vol. 15, pp. 910–912.

<sup>244</sup> BAR E 2001 (E) 2, vol. 575, Request from Commercial Department of the Federal Department of Economic Affairs to the Federal Council, 4 December 1944, pp. 4 f. See also SDD, vol. 15, pp. 767–768.

the German delegation ... has expressed the desire to set up a «modus vivendi» and, for the time being, postponed its announced departure.»<sup>245</sup>

The extent to which the Germans were interested in reaching an understanding with the Swiss is indicated by the fact that even after the freezing of German assets, contacts with the German delegation were «not only correct, but quite cordial».<sup>246</sup> The Swiss delegation had expected a much sharper response from the Germans to the collapse of negotiations, possibly even a termination of diplomatic relations by the Reich. From today's perspective, such fears seem greatly exaggerated, and in light of the extensive informal contacts between the parties, hard to comprehend:

«Mr Schnurre told me that he and his colleagues had reacted much more vehemently and were more offended by the ban on the Furtwängler concert in Zurich than by the freezing of German assets and our demands regarding coal deliveries. Naturally, these measures and requests were extremely unpleasant, but they could quite well understand our position.»<sup>247</sup>

Since mid-February 1945 the status quo was maintained de facto as part of a *modus vivendi*, but without the Reichsbank surplus. In addition, the Confederation quickly resumed negotiations on issues specifically relating to the handling of payments of financial creditors, to which, however, no direct representatives of the interested parties (Germany Protective Committee SBA) were invited.<sup>248</sup>

#### *Gold as the subject of the Currie negotiations*

The dispatching of a negotiating delegation in February 1945 headed by US Special Presidential Envoy Lauchlin Currie, clearly exceeded the scope of previous Allied delegations and démarches. The purpose was to apply pressure to Switzerland and to bring it into the postwar order envisioned by the victorious powers. Consequently, the negotiations with Currie were extremely difficult. Switzerland reiterated that it was bound to observe neutrality, and it referred to the measures which it had implemented in its economic and financial intercourse with Germany. The Allies, however, demanded much more far-reaching steps, insisting that Switzerland make a clear moral commitment to the cause of the victorious countries. In the Currie Agreement of 8 March 1945, Switzerland agreed with the Allied governments that it would not purchase any more gold from the Reichsbank aside from that used for the expenses of the Reich's diplomatic missions in Switzerland, for prisoners of war, and for contributions to the International Committee of the Red Cross. The discontinuation of the practice of accepting gold was «extremely painful» for Switzerland and «definitely would not have

---

<sup>245</sup> BAR E 2001 (E) 2, vol. 348, Report on the status of negotiations, W. Stucki, 22 February 1945; see also SDD, vol. 15, p. 948.

<sup>246</sup> SDD, vol. 15, p. 947.

<sup>247</sup> BAR E 2001 (E) 2, vol. 348, Report on the status of negotiations, W. Stucki, 22 February 1945; see also SDD, vol. 15, p. 947. See also BAR E 2001 (E) 2, vol. 555.

<sup>248</sup> SBA Archives, serial no. 203, location no. F17, document no. 20II 1936–56, Minutes of the 59th meeting of the Germany Committee of the SBA, 26 June 1945, p. 3.

occurred ... without strong pressure from the Allies»,<sup>249</sup> since «recently Germany has still made significant payments to us: interest, mortgages, insurance premiums, auxiliary costs, support money for repatriates, etc.». In addition, Germany had declared that «it still intended to make certain large payments to us», provided that Switzerland accept gold as the vehicle of payment. However, the Allied negotiators explained that this was precisely what they would not accept «under any circumstances», since they could «not allow Germany to use this stolen gold to appear in the guise of a good debtor».<sup>250</sup> Since the Allies did not back off on this point, Switzerland ultimately had to give in:

«This was an extremely tough situation for the Federal Council. Just imagine: here we have a Swiss creditor (repatriate, insurance policy holder, etc.). The debtor wants to pay him. And now the Federal Council has to prevent this. We are talking about 10 – 15 million per month. It is very difficult for a government to prevent its citizens from getting such payments.»<sup>251</sup>

The fact that looted gold may have been used for these payments was not mentioned.

The issue of the gold transfers from the Reichsbank was the most difficult hurdle in the negotiations with Currie. The Swiss delegation responded to the various warnings the Allies gave to the Swiss regarding the nature of the German gold by stating that the Swiss National Bank needed to be able to engage in free trade in gold in order to perform its legal mandate in the area of monetary policy, and the delegation further pointed out that in recent years the SNB had purchased more gold from the Bank of England and the Federal Reserve Bank than it had from the Reichsbank during the entire duration of the war. If the SNB had refused to accept gold from the Reichsbank, «it would have simply risked a situation in which the German gold ... would have been sent to the central banks of other countries».<sup>252</sup> The monetary policy of the Swiss National Bank was of no business to the English and Americans,<sup>253</sup> who, in

---

<sup>249</sup> «The Federal authorities and the Swiss National Bank were being forced by circumstances to prohibit the import of gold from Germany». SNB Archives, B3/117.8 III, Letter from SNB to National Councillor Huber, 30 April 1946, p. 13. See also BAR E 6100 (A) 25, vol. 2328. However, Stucki's statements at the press conference on 9 March 1945 attempted to erase precisely this impression: «what is more important is the purely Swiss interest that we do not want to be cast in the role of a receiver of stolen goods before the eyes of the world. This is a Swiss interest; we don't need any foreign pressure here whatsoever». This statement illustrates the slippery nature of the arguments being put forth by the political actors. For example, Stucki's claim that the freeze on German assets was not a violation of neutrality leads to another important issue: if «the Federal Council already froze the assets of any number of countries in Switzerland in 1940», did not the fact that the German assets were *not* blocked itself break Swiss neutrality by violating the principle of equal treatment? See the agreements with the Allied economic delegations in 1945.

Puhl's comment – which must be viewed with a certain skepticism – is revealing. Puhl appears to be disappointed with the progress of negotiations «since the highest [Swiss] authorities have decided to pursue a policy of licking English and American boots. Their fear of the Russians must be the essential, decisive factor behind this policy. They are looking to the English and the Americans for help. It is also interesting that the public knows nothing about the numerous urgent requests in the political and military arenas that have been directed at Switzerland by our opponents». BAR E 2801 1967/77, vol. 9. Letter from Puhl to Funk, 19 March 1945.

<sup>250</sup> BAR E 2801 1967/77, vol. 8, Report on the meeting of 7 March 1945 by the Commission on Foreign Affairs of the National Council; SDD, vol. 15, p. 984.

<sup>251</sup> Ibid. The Committee of the Swiss Bankers Association (Nussbaumer) expressed similar sentiments. SBA Archives, Minutes of the 87th meeting of the SBA committee on 5 March 1945, p. 7. Also noteworthy is a remark by Gautier (SNB), who belittled the action with the observation that «from a practical standpoint, it must be noted that these payments would doubtlessly have soon stopped from here». Ibid. p. 11.

<sup>252</sup> SNB Archives, B3/117.8 II, Excerpt from Minutes of Bank Committee, 30–31 August 1945, p. 280.

<sup>253</sup> BAR E 7110 1973/135, vol. 14, Report by Political Department on the financial negotiations with the Allied delegation, 28 March 1945; see also SDD, vol. 15, p. 1027.

preventing free trade, likewise could no longer use Swiss francs obtained with gold to cover debts. The objection raised by the Allied side that the gold it was offering was fundamentally different from that offered by the Reichsbank since all the gold held by the Reichsbank was either looted or robbed, was rejected as a «typical legally ignorant argument».<sup>254</sup> The necessary compromise with the Allies was reached, but not without giving the whole game away:

«In the end, the Swiss won out in principle, and the Allies won out in form ... Through this compromise, the Swiss were able to protect the essential and fundamental principle of being able to continue buying gold from Germany.»<sup>255</sup>

By this time, though, the final transfer of gold in April 1945 from the Reichsbank to the SNB had occurred.

### *The 28 February and 11 April 1945 agreements*

Since the Swiss authorities were stressing neutrality, they could not, on grounds of principle, sever all economic ties with Germany in the manner the Allies demanded. This was the case right up until the end of the war. The Federal Council's strategy was therefore as follows: the trading relationship with Germany would probably soon come to an end, if not *de jure* then at least *de facto*, as Germany was increasingly unable to supply goods. Switzerland would thus be able to meet the Allies demands without taking any action.<sup>256</sup> It therefore made two further economic agreements with Germany in the last few months of the war. The first, the 28 February 1945 Final Protocol, established the *modus vivendi* for the period starting 15 February 1945, when the previous economic agreement had expired. The second, the 11 April 1945 so-called Puhl Agreement, essentially terminated Germany's obligations shortly before the Reich finally collapsed. Under the terms of the 28 February agreement, Germany had to provide 10 million francs in shipments every month, whereas Switzerland had virtually no exports. Under the terms of the Puhl Agreement, payments for invisible Swiss exports, which had fallen into arrears, were scaled back.<sup>257</sup>

A few days after the Allied mission departed, Switzerland resumed negotiations with representatives of the Reichsbank, who had arrived to remove the block on the Reichsbank's account at the SNB and to clear the way for further gold sales («to fill up our account at the SNB in case it gets drained»)<sup>258</sup> Puhl, who was known from previous negotiations for his «matter-of-fact and positive attitude towards Switzerland», stressed that «Germany would be mystified if it were to find itself unable to meet its commitments due to Switzerland's freezing of assets and its refusal to accept gold». His words hit home, especially as the SNB felt «that

---

<sup>254</sup> SDD, vol. 15, p. 1027.

<sup>255</sup> Ibid., pp. 1027 f.

<sup>256</sup> See BAR E 2801 1967/77, vol. 8, Minutes of 7 March 1945 meeting of the Commission for Foreign Affairs of the National Council; see also SDD, vol. 15, pp. 977 f.

<sup>257</sup> BAR E 2001 (E) 2, vol. 576; Hotz 1950, p. 79; Homberger 1997, p. 127.

<sup>258</sup> BAR E 2801 1967/77, vol. 9, letter from Puhl to Funk, dated 19 March 1945.

Swiss institutions will find themselves in a dangerous situation if payments such as standstill or franc mortgage interest payments are not made», (though it had to admit that «this danger is bound to become reality sooner or later»)<sup>259</sup>. Indeed the Reichsbank's offer to cover its franc requirements in the first six months of 1945 using roughly 17 million francs<sup>260</sup> in gold was well received:

«The Governing Board said it was prepared to accept about 3,000 kg of gold worth about 15 million francs, currently held in Constance, to enable the Reichsbank to make this payment, provided the gold is from old inventories only.»<sup>261</sup>

Shortly afterwards, the SNB once again asked the Federal Council to authorize the gold purchase,<sup>262</sup> and at its 28 March meeting the Federal Council gave the green light to import 3,100 kg of gold from Constance. As part of the Puhl Agreement, the clearing office informed the SNB in an 11 April 1945 letter that «the required amounts for the above payments ... would no longer be subject to the authorization requirement for payments set forth in the Federal Council's 16 February 1945 resolution».<sup>263</sup> Thus as of 13 April the SNB received 132 gold bars and 20-mark gold pieces in the amount of 7.8 million, i.e., a total of 15.6 million Swiss francs, from the Reichsbank.

To avoid openly circumventing the Currie Agreement, it was agreed that existing Reichsbank franc credits in Switzerland should be used to cover the aforementioned payments. Meanwhile the recent shipment of gold should be used to pay for certain diplomatic and humanitarian items originally to have been paid for with the franc credits. As Puhl put it succinctly, this «procedure was simply another way to describe» a normal gold purchase:<sup>264</sup>

«The goal of this stipulation is to ensure that the German/Swiss system of payments is maintained in a satisfactory manner, at least for a few months more. This system is likely to die of natural causes fairly soon, as the SNB is no longer in a position to provide the Reichsbank with franc credits in exchange for gold transfers.»<sup>265</sup>

This trick could only be sustained until the Reichsbank's franc credits of about 26 million were exhausted. Nevertheless, the solution to which Puhl agreed «so as to use up the remaining funds»,<sup>266</sup> was essentially an openly acknowledged ruse. Indeed it violated the Currie

---

<sup>259</sup> SNB Archives, B3/117.8 II, memorandum concerning Reichsbank gold and payments transactions (Department I), dated 5 April 1945.

<sup>260</sup> This amount included the following items: tasks relating to Switzerland's role as a protector nation: 10.0 million; embassy and consular costs: 3.6 million; internee and POW operations: 1.0 million; payments to the International Red Cross: 2.0 million. Total: 16.6 million francs. SNB Archives, 2 September, note concerning American accusations against Switzerland, dated 28 February 1946, p. 12.

<sup>261</sup> SNB Archives, Minutes of Governing Board, 21 March 1945, no. 390, p. 405.

<sup>262</sup> SNB Archives, B3/105.7, letter to Federal Councillor Nobs, dated 21 March 1945. Interestingly, the Swiss were in great haste to complete the transaction: «We would be grateful if the Federal Council could reach a decision on this during tomorrow's session. This will allow us to make arrangements immediately for the gold to be shipped to Bern». See also BAR E 6100 (B) 1981/96, vol. 15.

<sup>263</sup> BAR K1 940/1, Puhl Agreement dated 11 April 1945; see also BAR E 2001 (E) 2, vol. 576.

<sup>264</sup> BAR E 2801 1967/77, vol. 9, letter from Puhl to Funk dated 23 March 1945.

<sup>265</sup> SNB Archives, Minutes of Governing Board, 21 March 1945, no. 390, p. 405

<sup>266</sup> SBA Archives, serial no. 203, location no. F17, document no. 20II 1936-56, Minutes of the 59th meeting of the Germany Committee of the Swiss Bankers Association, 26 June 1945.

Agreement in spirit, though perhaps not in letter. Furthermore, as explained in Chapter 5, it was essentially an officially sanctioned way to sidestep the block on German assets.

In his final letter to Funk, Puhl said he was very satisfied with the outcome of the negotiations, and confidently deemed them a victory over the Allies' efforts in Switzerland:

«Our success in, as it were, breaking through the enemy payment blockade ... means we can keep numerous German/Swiss public and private contracts intact ... I was also able to win over the SNB for further gold purchases. I also aimed to fulfil Germany's obligation to Switzerland, which functions as a protector of prisoners-of-war, internees and representatives of the Red Cross and the Reich.»<sup>267</sup>

Many leading Swiss financial creditors, on the other hand, were disappointed by the Puhl Agreement, as only 7 million francs flowed into the transfer fund as a result. They therefore accused Confederation authorities of «narrow-mindedness», of «acting against the interests of Swiss creditors», and of «being unwilling to exploit the opportunities opened up by the 11 April 1945 correspondence ... In particular we cannot see why the authorities refused to recognize the new proposals signed by Reichsbank Councillor Hinz after 8 May 1945». They also considered it «incomprehensible that the authorities are insisting on formalities and are doing everything they can to prevent these payments from being made».<sup>268</sup> A number of creditors, including several major banks,<sup>269</sup> actually suggested resuscitating the German state for a while so that they could settle financial claims! Kohli responded by saying the Puhl Agreement was not a license to liquidate the 30 million Swiss francs in Reichsbank assets held in Switzerland. After all, he went on, Puhl had asserted that «Reichsbank assets are not a stag to be butchered by the Swiss authorities». Instead, the agreement was a reflection of Switzerland's readiness to lift the block on assets in the case of specific Reichsbank payments.<sup>270</sup>

The SNB was soon forced to admit the agreement with the Reichsbank «was not very usable. Already certain parties are expressing reservations about receiving gold, and saying the SNB

---

<sup>267</sup> BAR E 2801 1967/77, vol. 9, letter from Puhl to Funk, dated 6 April 1945. See also Guex/Perrenoud 1995, pp. 59–60.

<sup>268</sup> SBA Archives, serial no. 203, location no. F17, document no. 20II 1936–56, Minutes of the 59th meeting of the Germany Committee of the Swiss Bankers Association, 26 June 1945. pp.11, 16 (Diggelmann, Türlér votes). Hinz stayed on in Bern after the Third Reich collapsed and on behalf of the Reichsbank issued various release orders pending during the last two months of the war in Germany. See also BAR E 2001 (E), 1, vol. 345.

<sup>269</sup> The question of standstill creditors is a particularly interesting one. It became clear that for technical reasons Reichsbank payments were no longer reaching Switzerland. Therefore three representatives of Bank Leu, Basler Handelsbank and Eidgenössische Bank, who were at that time in Samaden, and Reichsbank director Bodo von Wedel and Reichsbank advisor Hinz set up a further agreement on 3 May 1945. A global solution was reached that did not involve advance payments in Reichsmark in Germany. A flat payment of this kind had already been requested by Swiss insurance companies with interests in Germany and rejected outright by Puhl (see Chapter 5). It clearly contravened the procedures set forth in the Puhl Agreement dated 11 April 1945. Moreover, it did not take into account «that German debtors would thus be in a position to fulfil their old commitments abroad without the knowledge or co-operation of the occupying powers». Thus considerable sums evaded the asset block. BAR E 2001 (E) 2, vol. 576, memorandum concerning transfer of standstill interest, dated 17 May 1945 and *ibid.*; letter from bank delegation to SNB, 23 May 1945; and memorandum concerning payment of standstill interest from Germany, 26 October 1945.

<sup>270</sup> SBA Archives, serial no. 203, location no. F17, document no. 20II 1936–56, Minutes of the 59th meeting of the Germany Committee of the Swiss Bankers Association, 26 June 1945. pp.13 f.

has accepted too much gold from the Reichsbank». <sup>271</sup> Contrary to the wishes of the SNB, Current Account II, to which 15.6 million francs had been posted as payment for the gold received, remained untouched until mid-November 1946. The Allies reacted quickly and heatedly. The Federal Council therefore rejected all requests for payments until that time for political reasons. <sup>272</sup> The Allies felt there had been no need for the transfer of gold. They also felt there had been no place for the aforementioned diplomatic and humanitarian considerations, in light of which Switzerland was to have drawn on blocked Reichsbank funds at the SNB (initially the Federal Political Department had tried to deny to the Americans that these funds existed). <sup>273</sup> As explained above, the Swiss had in fact intended to use these 26 million francs to settle German debts owed to Swiss creditors. <sup>274</sup>

To sum up, it is clear that the Federal Council and the SNB yielded little ground in the matter of Reichsbank gold and trade with Germany, despite the increased pressure exerted on Switzerland by the Allies after the summer 1944 Bretton Woods conference. Evidently they were willing to modify their policies to meet changing economic conditions, but were unwilling to reassess their position, as they had remained steadfastly anchored in neutrality since the war had begun. Moreover, their actions were based on the principle of fulfilling contracts. This was considered irreconcilable with «willingly limiting or breaking off economic ties with any partner due to external pressure, provided the partner is willing and in a position to supply goods». <sup>275</sup> Although circumstances would have permitted otherwise, Switzerland preferred to fulfil its obligations to Germany until the very last day of the war, though by this time their obligations were virtually theoretical. Moreover, «despite major reservations», the Swiss authorities felt that Germany was «in a position to fulfill agreements» <sup>276</sup> right up until the end. They were pushed into this position by industry, which clearly had interests in maintaining economic ties, by the need to repatriate credits, and by their concerns regarding the new postwar situation. <sup>277</sup>

As their economic negotiations with Germany demonstrated, neutrality was a strong position from which to pursue economic self-interest. Moreover, it allowed them to reject demands for sanctions, and meant they did not have to push negotiations to the limit:

---

<sup>271</sup> SNB Archives, B3/105.7, Minutes of Governing Board, 3/4 May 1945, no. 540.

<sup>272</sup> In mid-July 1946, the Allied delegation in Washington approved payment of an initial installment of 5 million francs to the operating fund of the representatives of German interests in Switzerland. BAR E 2801 1968/84, vol. 108, letter from Fontanel to Daniel John Reagan, dated 22 July 1946.

<sup>273</sup> SNB Archives, B3/117.8 II, letter from Section for legal affairs and private assets abroad (Kohli) to the SNB, dated 12 April 1945.

<sup>274</sup> BAR E 2001 (E) 2, vol. 560, letter from Section for legal affairs and private assets abroad of the Federal Political Department to the Swiss legations in London, Washington and Paris, dated 9 May 1945. See also SNB Archives, B3/117.8 II, letter from Section for legal affairs and private assets abroad (Kohli) to the SNB, dated 4 May 1945: «Moreover, this would have been asking a lot of us to allocate to the expenditure of the German government in Switzerland sums deposited there for the purpose of assuring the service of purely Swiss financial interest».

<sup>275</sup> Hotz 1950, pp. 61 f.

<sup>276</sup> SBA Archives, serial no. 203, location no. F17, document no. 20II 1936–56, Minutes of the 59th meeting of the Germany Committee of the Swiss Bankers Association, 26 June 1945, p. 13.

<sup>277</sup> See Chapter 5.

«Switzerland generated an import surplus of 500 million francs with Germany alone during the war. Those who suggested severing economic ties with Germany on the grounds they were preventing Switzerland from normalizing relations with the Allies were considered short-sighted.»<sup>278</sup>

Thus there was regret rather than satisfaction when contractual obligations to Germany finally came to an end, as it meant there was no basis for a new economic agreement. This «cast a long shadow over the Swiss economy».<sup>279</sup>

The Swiss never made an unequivocal economic and political break with the Nazi regime. Instead of strengthening their ties with the Allies, who were to shape the future, they looked backwards at «realizable profits». In the last few months of the war, their main concern was to «take care of Swiss interests as quickly as possible»<sup>280</sup> with the support of German representatives. It is clear from Switzerland's attitude to coal transit at the beginning of 1945 that it could have pushed Germany harder during negotiations. Moreover, legal positions were reversible if the proposal no longer made economic sense to Switzerland:

*«Legal hair-splitting notwithstanding, it is simply intolerable that German coal trains should roll through the Gotthard Tunnel day and night while our gas works, our industries and our homes no longer receive coal.»*<sup>281</sup>

Significantly, rhetoric of this kind was only uttered when Switzerland was faced with material disadvantages. During earlier rounds of negotiations and talks concerning Reichsbank gold transfers there was never any mention of something being «intolerable for Switzerland». Indeed the Federal Political Department would soon consider the question inconsequential, given the situation in Germany: «The entire debate boils down to interpretation. Indeed in view of recent changes in the situation in Germany, this issue is essentially academic».<sup>282</sup>

## 2.4 What the SNB Knew and its Rationale

During the course of the war, the SNB came under increased pressure to justify its gold policy. As the above analysis reveals, the top executives of the Swiss central bank felt pressured to come up with an arsenal of defensive arguments to ward off accusations made by the Allies. To this end, the Governing Board constructed its own, internally consistent, after-the-fact version of the gold operations carried out with the Reichsbank. A key document in this regard is the SNB's report to the Swiss Federal Council of 16 May 1946, in which the management of the bank described this traffic in gold after the war and justified its actions to Swiss authorities.<sup>283</sup>

---

<sup>278</sup> Homberger 1997, pp. 116 f.

<sup>279</sup> Homberger 1997, p. 116.

<sup>280</sup> Swiss Life Archives, 234.71/1, «Thoughts on how to use Reichsbank funds in Switzerland», Max Karrer, 24 March 1945.

<sup>281</sup> See BAR E 2801 1967/77, vol. 8, Minutes of 7 March 1945 meeting of the Committee for Foreign Affairs of the National Council; see also SDD, vol. 15, pp. 978 f (Commission's italics).

<sup>282</sup> Letter from Federal Political Department to Swiss legations in Paris, London and Washington, dated 9 May 1945, BAR E 2001 (E) 2, vol. 560.

<sup>283</sup> Report of the Governing Board of the SNB on Trade in Gold by the SNB with the German Reichsbank during the war

In its statement of position, the Governing Board stressed that it was not until the beginning of 1943 that the Allies made the accusation that gold purchased from Germany had been stolen.<sup>284</sup> The SNB described its subsequent actions as follows. Once it had been warned that it would have to return the gold received from the Reichsbank, the senior management of the bank took precautionary measures in order to refute the announced claims for restitution of stolen gold. The SNB claimed that in meetings with the Reichsbank it had stated that it was planning to limit the transfers of gold from Germany in the future and insisted that «only gold from prewar reserves» be shipped. The SNB claimed that the issue of limiting trade in gold with the Reichsbank was of extreme «political significance ... with respect to Swiss neutrality and the military situation at the time». The SNB claimed that it had therefore «reached agreement with the Federal authorities» and had consulted with the Federal Council before taking further action.<sup>285</sup> The basic elements of the arguments used by the SNB were as follows:

- a) Purchase of gold from Reichsbank prewar reserves had been in good faith
- b) The transactions accorded with the principles of Swiss neutrality
- c) Switzerland was threatened militarily
- d) Coordination with the state government

*a) The «Good Faith» Explanation*

The crux of the justification provided by the Governing Board of the SNB was the argument of good faith.<sup>286</sup> The management of the SNB claimed that it based its gold operations with the Reichsbank on the assumption that the Reichsbank was not supplying any stolen gold. This argument was not based on the assumption that the Third Reich had obtained the gold through legal means or that its acquisition was generally in compliance with the Hague Land Warfare Convention of 1907. Initially, this had been indeed the line of thinking. However, under the given circumstances, a study by the in-house legal department at SNB, as well as an outside opinion by Zurich professor Dietrich Schindler, advised the bank not to claim that the Warfare Convention gave Germany the right to seize central bank gold in occupied territories,<sup>287</sup> since the two opinions doubted the legality of the Germans' use of the gold. However, in order to refute the charges made by the Allies, another approach was to argue that good faith was being exercised when the gold was purchased. In this way, attention was drawn to the question of

---

1939–45 (16 May 1946). BAR E 2800 1967/61, vol. 79, excerpts printed in: SDD, vol. 15, no. 446.

<sup>284</sup> SNB Archives, Report of the Governing Board, 16 May 1946, p. 24. The statement refers to the Allied memorandum of 5 January 1943. See BAR E 2001 (E) 1967/113, vol. 428.

<sup>285</sup> SNB Archives, Report of the Governing Board, 16 May 1946, pp. 26–27.

<sup>286</sup> At this point, the Commission is not judging whether the responsible decision-makers at the Swiss central bank acted in good faith in the legal sense of the term when they engaged in gold transactions with the Reichsbank during the war. At a later date, it plans to obtain a legal opinion concerning the issues relating to the gold purchases.

<sup>287</sup> SNB Archives, B3/117.8 I, Memorandum regarding gold operations of the SNB in light of statements made by the Allies regarding trade in gold with the Axis powers, issued by the Legal Department of the SNB, 5 April 1944; SNB Archives, B3/117.8 I, expert's opinion by Prof. Dietrich Schindler, 22 July 1944. See also BAR E 2001 (E) 2, vol. 560, BAR E 7160-01 (-) 1968/223, vol. 179.

whether it was possible and credible that all the gold that the SNB had purchased from the Reichsbank had been supplied from the Reichsbank prewar reserves or been legally obtained. The May 1946 SNB report answered this question strongly in the affirmative:

«In the negotiations carried out in October 1943 with Reichsbank Vice-President Puhl, Mr. Puhl declared that the German Reichsbank had always been keeping larger reserves of gold which had not been reported. This claim was confirmed by information from other sources. In general, it was estimated that the actual gold holdings in the Reichsbank were 1-1/2 billion francs at the outbreak of the war. Through representatives of a major Swiss bank, the Governing Board became aware in 1944 of a calculation made by an Allied diplomat in Lisbon who in fact estimated the prewar gold holdings of the Reichsbank, including the gold from the Austrian and Czech national banks, at 1.8 billion francs.»<sup>288</sup>

Moreover, the Governing Board verbally «demanded again and again»<sup>289</sup> that Puhl only provide prewar gold to the SNB, thus meeting the requirement for the Governing Board to be acting in good faith. In this way, the SNB covered itself by relying upon a dubious individual's statements. Puhl's later proved extremely unreliable. Thus, following the war, Puhl made the following statements when questioned by the Allies:

«Q: ... You are telling us that the Swiss understood that your assurances as to prewar or German origin of the gold being sent to them in no way prevented some of the gold coming to them from being actual physical gold taken from the Belgians?

A: Yes.

...

Q: It is your position that the Swiss knew of this value calculation theory of prewar gold and they accepted it?

A: Yes.

Q: Who knew about it in Switzerland? What officials?

A: The second man after Weber. I will give the name to you later.

Q: Who else knew about it?

A: He alone knew about it. And Weber. He is president.»<sup>290</sup>

The fact that the good faith exercised by the SNB was a retroactive construct used to justify its own actions becomes further apparent when one considers how the top management of the Swiss central bank was well aware of the means used in the Third Reich to procure gold, and how they were aware of this long before they began to pay for large shipments of gold from Berlin using Swiss francs. There is no longer any doubt: the Governing Board of the National Bank was informed early that gold from the central banks of occupied nations was being held by the Reichsbank. The SNB was also aware of the other methods used by the Germans to confiscate gold from private individuals before and after the outbreak of the war. As

---

<sup>288</sup> SNB Archives, Report of the Governing Board, 16 May 1946, p. 26; see also BAR E 2801 1968/84, vol. 96, memorandum «General remarks concerning the SNB's gold transactions with the Reichsbank», 6 April 1946.

<sup>289</sup> SNB Archives, Report of the Governing Board, 16 May 1946, p. 26.

<sup>290</sup> SNB Archives, B/3 117.8, Extract from Interrogation of Emil Puhl, 10 August 1945, 10:30 a.m. See also BAR E 2001 (E) 1, vol. 294; BAR E 2800 1967/61, vol. 76; BAR E 6100 (A) 25, vol. 2326. In April 1946 the SNB received a copy of the written record of the hearing through the Swiss delegation in Washington.

Michel Fior shows in his study of this issue, the SNB knew from the beginning of 1941 «that the Reichsbank was in the possession of a substantial amount of illegally obtained gold.»<sup>291</sup>

One clear indication that such transactions were taking place was the circumstance surrounding the gold reserves of the Belgian central bank – which the Swiss central bankers followed with great attentiveness. Belgium had entrusted a portion of its currency reserves to the Banque de France, which arranged for the gold to be transported to Dakar in West Africa shortly before the German invasion. After the cease-fire with the Reich took effect, Vichy France delivered the Belgian gold to the Reichsbank in response to pressure from Germany.<sup>292</sup> In February 1941 Schnorf, a member of the SNB Governing Board, informed the Bank Committee that «a sum of 260 million dollars in Belgium gold, in other words more than one billion Swiss francs» had been transported from Dakar (where it had been moved for reasons of safety) back to Belgium.<sup>293</sup>

According to the account given by Werner Rings, who described in detail the odyssey taken by the Belgian central bank treasury from Dakar via Timbuktu and Algiers, the return transport of the gold began in the autumn of 1940. The gold first travelled to Marseilles. The first shipment arrived there in November 1940 and was turned over to the German authorities. It took a good 18 months for the gold to be moved completely to Berlin.<sup>294</sup> In September 1942 Germany officially took over Belgian gold, offering Reichsmarks in lieu of payment in order to preserve the appearance of legality. However, the Belgian central bank refused from the very beginning to accept a payment from Germany. In an effort to avoid appearances of illegality, Germany had tried to compensate the Belgians with internationally inexchangeable Reichsmarks. Belgium continued to maintain that the French central bank alone was responsible for the gold entrusted to it.<sup>295</sup> The Belgian exile government located in London therefore filed a lawsuit in the United States against the Banque de France, demanding that the bank pay damages to Belgium using gold held in New York. The court proceedings were publicized in the world press; beginning in the summer of 1941, the Swiss press also began to report on this subject.<sup>296</sup>

In addition to following the fate of Belgian gold, the SNB also monitored rather closely the events involving gold from the Dutch central bank. The SNB was apparently informed about the details, but not adequately. In September 1941 the Governing Board still assumed that the Dutch exile government in London had «almost all of the gold reserves of the Dutch Bank

---

<sup>291</sup> Fior 1997, p. 48.

<sup>292</sup> The historical background concerning the Belgian central bank's gold is explored in other literature and is only presented here in brief and simplified form. For a detailed description, see Smith 1989, pp. 11–25, 36–37; Rings 1996, pp. 20–30; Fior 1997, pp. 45–46.

<sup>293</sup> SNB Archives, Minutes of Bank Committee, 27 February 1941, p. 111. See Fior 1997, p. 46.

<sup>294</sup> Rings 1996, pp. 24–28. Of the 4,944 crates in which the Belgian gold was packed, at the end of May 1942, 4,854 crates were located in a depository set up especially for them at the Reichsbank in Berlin. Smith 1989, pp. 14, 21.

<sup>295</sup> Smith 1989, p. 36.

<sup>296</sup> Rings 1996, pp. 29–30; see also *ibid.*, note 34. The Governing Board did not inform the SNB Bank Committee of the trial until March 1942. Fior 1997, p. 46. See also SDD, vol. 15, p. 1129.

under its control».<sup>297</sup> In the months prior to this, the SNB managers had already observed that the gold holdings of the Dutch central bank were growing smaller and smaller following the Wehrmacht's occupation of Amsterdam, despite new gold coming in from seizures. «What has become of the gold is not yet known».<sup>298</sup> The fact that gold was being seized in the occupied territories was not a secret at that time. A detailed article on this topic, which is still located in the archives of the SNB, appeared in October 1940.<sup>299</sup> In incredibly dry language, Schnorf reported in his notes of July 1940 that because of the new foreign currency regulations, the private gold holdings in Holland would be forced to be turned over and that in this way the Reichsbank «hoped to obtain sufficient room for maneuvering».<sup>300</sup> «As in Holland, private individuals in Belgium had to state their monetary and foreign currency holdings», the Bank Committee was informed in September.<sup>301</sup> Therefore, there can be no doubt that the executive management of the SNB knew about the gold procurement practices in the territories controlled by Germany long before the SNB began to seek active sales of gold from the Reichsbank in October 1941. At that time, SNB executives required no guarantees, either verbally or in writing, that the gold came from prewar reserves.<sup>302</sup>

As the number of gold bars coming in from Berlin grew, so did knowledge concerning the origin of the metal from Germany's plundering of the occupied territories. From today's vantage point, it is shocking to see how the SNB responded to the problem in the summer of 1942. For the bank, the only risk was that its control over the gold it received might be restricted. Specifically, the bank was afraid that «the central banks that had escaped being occupied by moving their headquarters might set up so-called black lists, and that the result would be that these bars could no longer be considered good gold shipments».<sup>303</sup> The Governing Board therefore looked for a way to disguise the identity of the shipped bars and considered melting them down at its own expense. However, upon closer examination this process was found to be impractical. Most of the gold in Bern had already been moved into the depositories of other central banks, and the numbers of the bars of this gold had been communicated to the purchasers using the customary procedure. Since it was not possible simply to exchange the bars held by the new owners with different bars without their permission, the Governing Board eventually decided that it would be advisable to drop the

---

<sup>297</sup> SNB Archives, Minutes of the Bank Committee, 18 September 1941, p. 542. See also Fior 1997, p. 46.

<sup>298</sup> SNB Archives, Minutes of the Bank Committee, 15 May 1941, p. 273.

<sup>299</sup> SNB Archives, 2245, «En marge de la crise monétaire» [On the Brink of Monetary Crisis], manuscript by Philippe Blaser, October 1940. For a more detailed discussion, see Fior 1997, p. 47.

<sup>300</sup> SNB Archives, Minutes of Governing Board, 25 July 1940, no. 653, p. 796.

<sup>301</sup> SNB Archives, Minutes of the Bank Committee, 5 September 1940, p. 506.

<sup>302</sup> See Fior 1997, pp. 50, 65.

<sup>303</sup> SNB Archives, Minutes of Governing Board, 18 June 1942, no. 450, pp. 563–564. The Belgian and Dutch central banks moved their headquarters to London while in exile. See Fior 1997, pp. 55–58 for the full passage on the resmelting plan; Balzli 1997a, pp. 154–157; Ziegler 1998.

resmelting plan, «as long as no complaints result», as the Minutes of the Governing Board state.<sup>304</sup>

In mid-1943 the SNB began to develop a strategy for justifying its good-faith. The fact that the German shipments could contain not only gold from central banks but also gold plundered from private individuals appeared to present a particularly troublesome problem to the good-faith argument. The director of the legal department of the SNB, Max Schwab, described the situation as follows:

«It is known that assets held by private individuals were also confiscated in the occupied territories (for example, from deported Jews or from persons affected by sanctions, etc.). Whether in this regard or in other instances gold was also taken from private individuals is not known; however, this is within the realm of possibility.»<sup>305</sup>

It is thus manifestly apparent that the SNB was also aware of the fate of the robbed victims. Was there any way to eliminate the possibility that the SNB – by far the most important Reichsbank intermediary – had not received any looted gold? The answer to this question was already obvious even before the responsible parties at the SNB addressed the Reichsbank for the first time. It was not until the warnings from the Allies raised the spectre of possible restitution claims that the SNB even attempted to obtain assurances that the gold delivered from Berlin originated from German prewar holdings. In the first four years of the war until mid-1943, the SNB did not ask Puhl a single time where the money arriving in Bern came from, as Michel Fior has demonstrated.<sup>306</sup>

Thus, the SNB did not use the argument of good faith to justify its actions until it had already lost its good faith. From today's perspective, the responsible parties were confirming in an almost self-hypnotic ritual that what dare not be true, must not be true:

«We do not know where the gold came from. Therefore, we cannot believe that we have done anything wrong by accepting gold from the Reichsbank. Rather, we are of the opinion that we should be allowed to receive gold from Germany at the same level as previously received in order to satisfy Germany's requirements for Swiss francs. Any other position would be equivalent to confessing to having done something wrong in the past.»<sup>307</sup>

Nearly three years later, in its meetings on 23 – 24 May 1946 when the Bank Committee was discussing the report of the Governing Board already sent to the Federal Council and was making final changes, Bank Council Chairman Bachmann permitted himself «to suggest a somewhat different wording» for the concluding portion of the report. Bachmann was once

---

<sup>304</sup> SNB Archives, Minutes of Governing Board, 18 June 1942, no. 450, p. 564. This strategy seemed to work from the point of view of the SNB. At first, none of the central banks hesitated to accept gold from the SNB. In December 1942, the Reichsbank asked the SNB whether it would be willing to resmelt the bars which it had already received from Germany and place the Swiss stamp on them. The SNB refused. For greater detail, see Fior 1997, p. 52.

<sup>305</sup> SNB Archives, excerpts from the Minutes of the Director's Conference, 2 December 1943, p. 17.

<sup>306</sup> The first time the SNB asked about the source of the gold was in October 1943 during one of Puhl's trips to Switzerland. In addition, the Governing Board asked Rossy, a member of its board, «to report on the source of the bars (stamps, etc.) in the event of future gold purchases». SNB Archives, Minutes of Governing Board, 21 October 1943, no. 1003, p. 1092. See also Fior 1997, pp. 59, 65.

<sup>307</sup> SNB Archives, Minutes of the Bank Committee, 22/23 July 1943, p. 182.

again of the opinion «that in the concluding remarks more emphasis should be placed on the economic reasons for our monetary policy and less on the question of good faith». Weber, Chairman of the Governing Board, countered «that in light of the Allied demands, we must justify our actions based on our good faith».<sup>308</sup> After long deliberations, the Bank Committee voted in favor of the language suggested by the Governing Board. Once the SNB set out on the path of justification based on the argument of good faith, there was no turning back without the bank losing its credibility. It was caught up in its own arguments.

A dispute developed within the SNB Governing Board between two of its members. In 1946 after Hirs, a member of the Governing Board, was sharply criticized by other representatives of the Swiss delegation because of his behavior at the Washington negotiations (see Chapter 6). In addition, the Federal Council accused the SNB of inadequately informing the Washington delegation of its gold transactions with the Reichsbank.<sup>309</sup> In order to be better prepared for any legal claims from the Allies, on 26 April 1946, prior to the conclusion of the Washington negotiations the Federal Council ordered that testimony be taken from the members of the Governing Board by the Swiss Federal Court.<sup>310</sup> The subject matter of this discovery included, among other things, the consultations between the SNB and Reichsbank Vice-President Puhl during the war, when the issue of the delivery of stolen gold to the SNB was discussed.

In June 1946 two members of the Governing Board, Rossy, and Hirs accused each other of having known about the origin of the gold accepted from the Germans that had originally been under Belgium's ownership. Rossy stated that it would be impossible to work together any longer with Hirs and threatened to submit his resignation.

«As I told you, it is no longer possible to envisage working together with Mr. Hirs beyond the end of the year because of his general attitude in Washington and in particular because of the fact that in 1943 and 1944 he purchased stolen Belgium gold from the Reichsbank, knowing full well the source and nature of this gold. I do not believe that the Federal Council will tolerate having Mr. Hirs remain in the management of the Bank after having conducted himself in this manner.»<sup>311</sup>

Hirs countered that it was not he, but Rossy, who was responsible for handling the purchases of gold by the SNB.<sup>312</sup> Without going into the personal backgrounds and the specifics of the dispute, we shall merely note its outcome here: the Bank Committee established an investigatory commission, and an oral hearing was held, which resulted in a settlement between

---

<sup>308</sup> SNB Archives, Minutes of the Bank Committee, 23/24 May 1946, pp. 161–162; see also SDD, vol. 15, no. 447, pp. 1138–1141.

<sup>309</sup> For greater detail, see Vogler 1997b, pp. 9–12, and Castelmur 1997, pp. 61–65; Durrer 1984.

<sup>310</sup> See also BAR E 1004.1 1, vol. 468, Federal Council's Decree no. 1085, 26 April 1946; BAR E 2001 (E) 1, vol. 294; BAR E 2800 1967/61, vol. 76; BAR E 6100 (A) 25, vol. 2326; SNB Archives, Minutes of the Bank Committee, 23/24 May 1946, p. 156; Vogler 1997b, p. 10.

<sup>311</sup> Letter from Rossy to the director of the Eidg. Finanzverwaltung [Swiss Federal Financial Administration], E. Reinhardt, 19 June 1946, in SDD, vol. 16, no. 79, pp. 242–243.

<sup>312</sup> SNB Archives, Minutes of the Bank Committee, no. 10, 17 June 1946, p. 236; 27 June 1946, p. 242.

the hostile members of the Governing Board. All three members of the Governing Board remained in office.<sup>313</sup>

The dispute within the executive body of the SNB reveals two things: in retrospect, the responsible decision-makers in the SNB each argued that the other had accepted looted gold from Germany in good faith for the period beginning in 1943; in addition, each party attempted to deflect the accusations leveled at them personally onto their colleagues on the Governing Board.

*b) The neutrality argument*

The SNB used the neutrality argument as well as the good faith argument to justify its actions. Here we discuss how it used the neutrality argument during the war but do not address specific legal issues: we will be publishing a further report focusing on legal issues in the future.<sup>314</sup> Below we discuss how the SNB used neutrality to justify its actions.

In 1946, when discussing gold purchased during the war, SNB decision-makers said they had always consciously adopted «an absolutely neutral stance».<sup>315</sup> As a result, they

«were required to treat both parties in the war equally, and therefore had virtually no choice but to accept gold ... from both parties. It would have been unthinkable to accept gold from the Allies (gold which was in fact blocked) while refusing gold from Germany (gold which was delivered to the SNB and was thus fully at their disposal).»<sup>316</sup>

Their portrayal of the situation did not accurately reflect reality. Moreover, they hid the fact that since mid-1943 the SNB had been discussing in detail the extent to which neutral Switzerland was permitted to reject shipments of gold from Germany. They also neglected to mention that there had been an arrangement with the administrative offices responsible, who supported the SNB's position. As early as 1943 they had acknowledged the importance of neutrality as an argument for justifying their actions: «We can say in good faith we would be compromising our neutrality if we were to accept gold only from one group of countries».<sup>317</sup> Bank Council Chairman Bachmann, however, said that even if the currency authorities were legally obliged to purchase the gold, «there is no *international* obligation for the country or central bank in question to purchase gold». He also stressed that there were certain precedents for rejecting further transfers of gold.<sup>318</sup> Directly after the war, Eberhard Reinhardt, Director of the Federal Finance Administration, took exactly this position: «Neutrality and gold mechanisms alone do not oblige a central bank to accept gold from both sides if it is concerned

---

<sup>313</sup> SNB Archives, Minutes of the Bank Committee, no. 3, 6 February 1947, p. 87. Weber was retired in 1947.

<sup>314</sup> As mentioned in the introduction, this interim report does not deal with legal issues of a general nature relating to historical questions and which arise out of the Commission's mandate.

<sup>315</sup> SNB Archives, B3/117.8, report of the Governing Board, dated 16 May 1946, p. 58.

<sup>316</sup> *Ibid.*; see also SNB Archives, B3/117.8, Minutes of Bank Committee, 26/27 August 1943, p. 239. See also SDD, vol. 15, p. 42.

<sup>317</sup> SNB Archives, B3/117.8, Minutes of Bank Committee, 22/23 July 1943, p. 191. See also SDD, vol. 15, pp. 41–42.

<sup>318</sup> SNB Archives, B3/117.8, Minutes of Bank Committee, 26/27 August 1943, p. 240 (italics in original).

that the gold may be stolen and could be reclaimed».<sup>319</sup> The SNB, however, did not want to «skate on thin ice in this matter» and consciously decided not to take any countermeasures: «We had the means to rid ourselves of the undesired gold ...», but «it would have been dangerous had we intended to take protective measures».<sup>320</sup>

The SNB's 1946 account is also unconvincing because just two years before, it had explicitly refused to link the issue of gold shipments from Germany to «political considerations».<sup>321</sup> The case of Sweden, which had rejected gold transfers from Germany after August 1944, was also relevant. Sweden had declared itself ready to respect Allied recommendations made at the Bretton Woods conference, and at the end of October 1944 it imposed an official ban on gold imports and introduced other tough currency restrictions.<sup>322</sup> The Governing Board of the SNB was well aware of this and discussed it internally.<sup>323</sup> However, it made no mention of this in its May 1946 report to the Federal Council.<sup>324</sup>

By 1943 it was no longer politically tenable to justify gold transfers from Germany to the SNB by citing alleged neutrality obligations. Nevertheless, the SNB stuck to this argument after 1945. This was a reflection of its desire to defend its wartime policies despite growing criticism.

### *c) The dissuasion argument*

The term «dissuasion» (deterrence) is commonly used to refer to defensive measures involving military action. Dissuasion involves preventing one's enemy from attacking and is thus distinct from a country's capacity to conduct a war. Today, dissuasion is considered part of a comprehensive security policy and generally involves economic as well as military factors. We therefore need to ask whether and to what extent Switzerland's economic co-operation with the Third Reich helped it to stay out of military conflicts during the war and to reduce the risk of German military attack. It is fair to assume that Germany, as a potential aggressor, assessed the importance and benefits of Switzerland's financial markets as both a gold market hub and a supplier of convertible currency. Studies oriented to the economics of war would consider it plausible that Germany carried out a cost/benefit analysis of this kind. Thus, for example, as the economic historian Willi A. Boelcke has asserted, Berlin was well aware that ruining the Swiss franc would hit Germany's defense economy hard. «As Switzerland played a vital role in the «liquidation» (conversion) of German gold, we should ask: was Switzerland preserved from

---

<sup>319</sup> BAR E 6100 (A) 25, vol. 2328; SDD, vol. 15, p. 1138.

<sup>320</sup> SNB Archives, B3/117.8, Minutes of Bank Committee, 26/27 August 1943, p. 241.

<sup>321</sup> SNB Archives, B3/117.8, Minutes of Bank Committee, 26/27 October 1944, p. 342.

<sup>322</sup> See Sveriges Riksbank 1997, p. 8.

<sup>323</sup> SNB Archives, B3/117.8, Minutes of Bank Committee, 23/24 November 1944, p. 369: «The measures taken in Sweden show that the Swedes are defending themselves against such gold remittances».

<sup>324</sup> SNB Archives, B3/117.8, Governing Board report dated 16 May 1946.

attack during the war thanks to its preparations to defend itself militarily, or because its banks gave top priority to processing Reichsbank gold and currency transactions?»<sup>325</sup>

The argument that the franc helped dissuade the Nazis from attacking and thus kept Swiss territory intact has two weaknesses. First, Germany's attack on the Soviet Union in June 1941 shows that Hitler's *Blitzkrieg* was not primarily driven by economic expedience. After all, Stalin lost his bet that he could keep the Soviet Union safe by fostering close economic ties with the Third Reich. Second, the Swiss used the dissuasion argument to justify their actions, and misleadingly claimed their economic flexibility and co-operation with the Axis powers, which was in fact profit-driven, was part of a national defense action and thus morally more acceptable.

This leaves historians with a problem of interpretation. The fact that Switzerland was not attacked militarily can be incorporated into various dissuasion hypotheses. Regardless of whether one is presenting a military- or economic-oriented hypothesis, one is faced with the following problem: are there any conclusive links between the dissuasion argument and tangible consequences of dissuasion? Furthermore, «consequences» are in fact the products of interpretation. For dissuasion to have any actual impact, the decision-makers involved have to understand the relative importance of economic factors and military dissuasion tactics. As it turned out, Switzerland's view of itself differed considerably from Germany's view: the 29 September 1944 weapons exports ban shows that the Swiss view that these shipments were of great significance for the Third Reich was not necessarily shared by the Germans.

In principle, it is possible that the Swiss franc was extremely useful to the Third Reich, that it thus had a dissuasive effect, but that this was not a topic for debate within Switzerland. Conversely, it is also possible that this type of dissuasive effect was put forward by the Swiss in order to legitimize problematic issues, but that such a dissuasive effect cannot be proven. The use of deterrence for the purpose of later justifying relevant gold and foreign exchange transactions should also be considered.

In view of these complex problems of interpretation, we can see that the argument that gold purchases were motivated by dissuasion was not raised in the years when the volume of these purchases was the greatest: the sources left behind by the decision-making process within the SNB make no reference to this. Michel Fior relativizes these findings in his study: «There are no traces of this type of strategy, which does not mean, however, that such a strategy did not exist.»<sup>326</sup> The above statements by Emil J. Puhl to Bank of International Settlements (BIS) advisor Per Jacobsson in November 1940, indicate that this line of thought was considered, as these comments were addressed to or forwarded through the SNB.<sup>327</sup> Already in June 1940 the

---

<sup>325</sup> Boelcke 1976, pp. 308 f.

<sup>326</sup> Fior 1997, p. 84.

<sup>327</sup> See Chapter 2.3.2.

German Minister of Economics of the Third Reich had drawn attention to the BIS and stated that this institution was too valuable to be destroyed.<sup>328</sup> Within the Swiss government, Marcel Pilet-Golaz and Ernst Wetter emphasized the importance of Switzerland's financial market and a strong economy,<sup>329</sup> in connection with the retreat of the army into the *Réduit*, [central alpine redoubt]. At the end of 1942 the head of the Federal Department of Economic Affairs, Federal Councillor Walter Stampfli, said that the Third Reich was not behaving in a hostile manner towards Switzerland out of economic considerations. «Germany demonstrates great interest in the Swiss currency, which is the only one to enjoy a certain amount of freedom in international terms. This does not point towards an imminent invasion of Switzerland.»<sup>330</sup> It is not possible to reconstruct from available sources the extent to which these views were shared within the SNB's Governing Board. This point was very clearly emphasized retrospectively in the report of the SNB Governing Board of 16 May 1946. Dissuasion is defined here in three ways: firstly, «in those years when Germany made the permanent threat of its military might felt», the aim had been not to provoke the opponent. «It was absolutely inconceivable to think of refusing to accept gold from Germany.» The refusal to accept German gold would have «easily resulted in a conflict of considerable dimension, possibly even war».<sup>331</sup> In addition it was pointed out, albeit very cautiously, that «gold as a means of making international payments» was becoming increasingly important the longer the war went on. In this context, the advantage that Germany gained from selling gold to Switzerland is never mentioned exclusively, but a symmetry is always established: «The need for Swiss francs by both warring parties thus continued to grow.»<sup>332</sup> Finally, in a broader context, the relevance of gold purchases for supplies and for the maintenance of the Swiss defense mechanisms was emphasized: «It was only thanks to the fact that Switzerland succeeded in keeping import and export channels open on all sides, despite the difficulties involved, that we were ultimately able to maintain moral and military resistance, so as to survive the storm of the war.»<sup>333</sup>

The discrepancy between the arguments of the SNB during the war and its position after the war allows us to conclude that the dissuasion argument was exploited to justify the gold policy towards the Nazi regime. Thus, it can be assumed that the usefulness of the gold conduit was so great as to exert a dissuasive effect in German-Swiss relations. Important representatives of the Third Reich as well as neutral observers mentioned again and again the substantial significance of the Swiss franc for the German armaments industry. Major Gäfgen, head of the German industry commission in Bern, stated in a document dated 1 April 1944, under

---

<sup>328</sup> According to a note by von Weizsäcker of 24 June 1940, quoted according to Bourgeois 1974, p. 120.

<sup>329</sup> Letter from Pilet-Golaz to Minger of 16 July 1940, BAR E 27/15067. See also SDD, vol. 14, pp. 825-826, 865. See also Perrenoud 1990, p. 379.

<sup>330</sup> SDD, vol. 14, no. 282, p. 942. See also Gautschi 1989, pp. 433, 229.

<sup>331</sup> SDD, vol. 15, p. 1123.

<sup>332</sup> Ibid., p. 1118.

<sup>333</sup> Ibid., p. 1122.

«Services Provided by Switzerland to Germany»: «The unique, international value of the Swiss franc means that the Reich is in a position to purchase raw materials for its war effort in third countries, e.g., tungsten in Spain and Portugal.» He then mentions «Switzerland's willingness to continue purchasing gold from the Third Reich».<sup>334</sup> According to Karl Clodius, the Third Reich's Minister of Economics, Funk stated in June 1943 that he «could not continue even for two months without carrying out foreign exchange transactions in Switzerland».<sup>335</sup>

Summing up, it can be said that the SNB Governing Board integrated arguments into its justifications *ex post facto* which certainly corresponded with real events. Nevertheless, the function of these statements changed in the context of the postwar years under Allied criticism of Switzerland, and the SNB Governing Board thus became part of an exculpatory strategy.

#### *d) Coordination with the Federal Government*

The relations between the SNB and federal officials during World War II presents a contradictory picture. On the one hand, they are characterized by close cooperation. On the other hand, in May 1946 the Federal Department of Finance raised the accusation that the SNB had withheld important information on gold transactions with the Reichsbank from the federal government and that this had had an adverse effect on the course of negotiations in Washington.<sup>336</sup> While the Federal Council covered for the SNB, in the Bank Council it was openly stated that «the necessary relationship based on trust» between the highest authorities of the state and the central bank needed to be restored.<sup>337</sup> In addition, the Federal Council expressed in no uncertain terms that it was unwilling to pay for any damages incurred by the central bank because of its purchases of gold. The SNB tossed this criticism back to the Federal Council claiming that in 1943 the Department of Finance had already been warned by the Allies about the gold operations with Germany. The department head at that time, Federal Councillor Ernst Wetter, had «always strictly avoided giving any instructions to the Swiss National Bank».<sup>338</sup>

The institutional framework was one of the reasons for these tensions. The SNB had been founded as an independent central banking institution. It looked upon protecting the Swiss franc as its true function, a function which it had to perform even if this meant «going against its own government».<sup>339</sup>

---

<sup>334</sup> This document was published for the first time and commented on by Bourgeois in 1982, p. 569.

<sup>335</sup> Files on German foreign policy, vol. VII, pp. 130 ff.; see Favez 1970, p. 173; Bourgeois 1974, pp. 182–183, 368.

<sup>336</sup> Thus, despite numerous requests, the SNB did not provide a relatively complete summary of the gold transactions with Germany to the Federal Department of Finance until *after* the conclusion of the negotiations in Washington. Regarding this point, Ernst Wetter, head of the Federal Department of Finance until 1943, stated the following after the war: «The Swiss National Bank did not continuously inform the Department of Finance about the shipments of gold from the German Reichsbank, but only occasionally mentioned in meetings that these gold shipments were continuing». Former Federal Councillor Wetter to Federal Councillor Nobs, 10 May 1946, BAR E 6100 (A) 25, vol. 2326.

<sup>337</sup> Cited according to Vogler 1997b, p. 11.

<sup>338</sup> SNB Archives, Minutes of Bank Committee, 14 May 1946, p. 136.

<sup>339</sup> According to an article on the occasion of the 70th birthday of Gottlieb Bachmann which appeared in the NZZ. Wetter

In the economic environment of World War II, this position unavoidably led to conflicts with the needs of the Swiss wartime economy, whose management was the responsibility of federal officials. When a controversy arose between the SNB and the Political Department due to an agreement by a head of the Swiss Legation in Washington to provide gold to the United States in exchange for francs, SNB Governing Board member Rossy stated in a meeting with Federal Councillor Nobs that «it was high time that people in the Federal Assembly stop meddling in monetary affairs and leave them up to the central bank».<sup>340</sup> Rossy's strong statement must not, however, lead us to assume that the SNB consistently tried to avoid consulting with the political authorities. The SNB was well aware of the importance of the entire political for its monetary policy. Thus, in 1940 as the creation of a depository at the Reichsbank in Berlin was being discussed, the SNB considered making a «political gesture» in the form of actively adapting to the new European order.<sup>341</sup> There is no evidence, however, that the bank later on its own initiative became proactively involved in the construction of the new world order in the postwar.<sup>342</sup> or attempted to distance itself from Germany. The SNB was increasingly on the defensive. Even toward the end of the war, the bank could not bring itself to reject Puhl's offer of further gold sales. Instead, it decided to leave this decision to the Federal Council.<sup>343</sup>

In addition, the SNB was not routinely involved in the domestic political process of developing and implementing foreign trade policy. For example, the SNB did not have representation on the Commission for the Wartime Economy of the Federal Department of Economic Affairs until 1942,<sup>344</sup> and it was only involved in the affairs of the influential Permanent Delegation for Conducting Economic Negotiations with Other Countries<sup>345</sup> on a case-by-case basis, as was the case when the clearing credit was granted to Germany in 1941.<sup>346</sup> Sometimes the SNB was not consulted at all.<sup>347</sup> The idea of taking advantage of the central bank's willingness to accept further transfers of gold from the Reichsbank as a negotiable item in economic negotiations with Germany – which in retrospect was the obvious thing to do – did not manifest itself until

---

1944. See also Arlettaz 1982.

<sup>340</sup> SDD, vol. 15, p. 277.

<sup>341</sup> See section 2.3.2 of this Chapter.

<sup>342</sup> At the Bretton Woods conference in summer 1944, the British delegates described the SNB's response to the restructuring of the monetary order in the postwar period as «stubborn, petty incomprehension». Quoted according to Herren 1997, p. 643. See SDD, vol. 15, no. 144, pp. 394–406. See also Perrenoud 1990, pp. 388–389.

<sup>343</sup> «The Swiss National Bank must not consider political ramifications. If we no longer want to accept gold from Germany for political reasons, then that's a decision for the Confederation, and the Confederation will also have to bear the responsibility for it». Statement by Gottlieb Bachmann in the SNB Bank Committee, 26/27 October 1944. SNB Archives, Minutes of Bank Committee, 26/27 October 1944, p. 342.

<sup>344</sup> Commission for Wartime Economy of the Federal Department of Economic Affairs. Summary Minutes of the 123rd meeting of Wednesday, 18 November 1942. BAR E 7110 1967/32, vol. 63.

<sup>345</sup> See Perrenoud 1987/1988, pp. 58, 117, and Perrenoud 1990, p. 377.

<sup>346</sup> The SNB had considerable reservations about the granting of this loan of 850 million Swiss francs. See also SDD, vol. 14, pp. 124 ff., 638 ff.

<sup>347</sup> «The delegation has always been committed to basing its actions on the proven authority of the Swiss National Bank and to consulting with same whenever issues involving Swiss monetary policy came up for discussion in the economic negotiations. The negotiating delegation intends to hold to this commitment in the future as well». Letter from the Permanent Delegation to the SNB, 11 January 1944, BAR E 2001 (E) 2, vol. 575, and BAR E 7110 1967/32, vol. 1742, letter from SNB, 30 December 1943.

just before the end of the war.<sup>348</sup> Based on our current knowledge, it is not possible to conclude why such ideas were not proposed sooner. One conceivable answer is that the SNB and the federal authorities avoided intense coordination since this would have cut into their decision-making autonomy.

The SNB's idea that returning to «business as usual» would see the bank through proved illusory. Rather, this position increasingly hampered the bank's ability to develop alternatives and thus limited its own range of action. The SNB now truly became a subject of political conflicts. This process culminated in the negotiations in Washington, where the SNB's actions made it into a political football, so that the SNB lost initiative at these negotiations.<sup>349</sup>

### *Conclusion*

In summary, the SNB presented an array of arguments in the report of 16 May 1946 justifying its actions. At the time, the report seemed to possess a high degree of coherency and was suitable for supporting the defensive position of Switzerland vis-à-vis the Allies' demands. Viewed retrospectively, taking the results of recent research into account, the SNB's arguments appear much weaker:

1. At the time the gold was transferred from the Reichsbank, the SNB could not assume that it was only receiving monetary metal from German prewar holdings.
2. In terms of the policy of neutrality, it was not obliged to carry out these operations.

As far as the following two items are concerned, the SNB argumentation must be subjected to a fairly differentiated analysis.

3. The gold transactions benefited Switzerland and, to a great extent, Germany. Even though this factor is difficult to assess, it might be assumed that it reduced the probability of a German attack on Switzerland. Prior to the beginning of 1943, i.e., up to the time at which the SNB saw itself forced to rein in its gold purchases in light of the threatened demands for restitution by the Allies, it is difficult to document that the SNB management was consciously considering the effect of the gold transactions.
4. The Governing Board of the SNB kept up routine contacts with the political leadership in government. However, the bank preferred to keep its understandings with the Federal Council regarding its monetary policy within narrow limits in order to preserve its autonomy. Not until it was subjected to massive pressure from outside did it attempt to gain more solid support from the government, which for its part supported the monetary policy of the SNB through «gold sterilizations» (see Chapter 3).

---

<sup>348</sup> See section 2.3.4 of this Chapter.

<sup>349</sup> See Chapter 6.

## 2.5 Gold Purchases and SNB Profits

In discussing the SNB's gold transactions with the Reichsbank, the question arises as to how much the SNB earned through the services it provided to the Reichsbank.<sup>350</sup> As a monetary institution supervised by the government, the SNB is, of course, not oriented towards making a profit; but as a privately organised public limited company, it seeks to make a profit. During World War II, revenues from gold and foreign currency transactions contributed substantially to the bank's being able to report any earnings at all. The contribution of such transactions to gross income rose from 49% in 1939 to 67% in 1942, and amounted to around 55% on average from 1939 to 1945.<sup>351</sup>

The SNB generated high profits during the war years by selling gold coins on the domestic market. In 1943 and 1944 most of the coins used by the Bank for such sales were foreign coins that it had acquired from the Reichsbank, and the majority of them, as we now know, had been stolen (see Chapter 2.3.2).<sup>352</sup>

If we take into consideration the period covered by the war years, we find that the gross earnings of the SNB, according to the annual reports, amounted to a total of SFr. 86.1 million.<sup>353</sup> Gold and foreign currency transactions contributed to about 56% of this figure, i.e., SFr. 48.2 million. It is impossible, however, to calculate on the basis of the annual reports what portion of this sum represented the proceeds of trade in gold and what part was accrued from foreign currency transactions. Judging by the figures in its gold journals, the SNB booked a profit of approx. SFr. 18.4 million (\$4.3 million) on the trade in gold delivered from the Reichsbank during the war<sup>354</sup>.

In the polemic which arose immediately following the war with respect to the conduct of the SNB, the argument concerning the total earnings in gold and foreign currency transactions played a major role. The corresponding figure of SFr. 48.2 million which emerges from the annual reports is very close to the calculation of profit cited by the Swiss negotiating delegation in Washington in 1946. At that time, SNB member of the Governing Board Alfred Hirs spoke of «50 million francs that had been earned in this manner».<sup>355</sup> The figure provided orally by Hirs could well have been based on data in the bank's annual statements; the 1946 source quoted by Hirs seems ambiguous. It is equally possible that Hirs was referring to an internal source, the so-called quarterly reports, which show earnings of about 51 million Swiss

---

<sup>350</sup> See for the whole Paragraph also Table XXI and comments on Appendix 2.

<sup>351</sup> Schweizerische Nationalbank 1957, p. 389, Table 21.

<sup>352</sup> See also Fior 1997, p. 88.

<sup>353</sup> Schweizerische Nationalbank 1957, p. 389, Table 21.

<sup>354</sup> This emerged from an internal SNB examination carried out in 1996. SNB Archives, «Estimation of the profits made by the SNB in its gold transactions with Germany during World War II», note dated 21 January 1997. The Commission has verified the accuracy of the study and confirmed its results. The figure of 18.4 million Swiss francs is in relation to a period of examination running from 1 July 1939 to 30 June 1945. It is based on a subsequent analysis of the Quarterly Reports on SNB gold transactions during the war years.

<sup>355</sup> See SDD, vol. 15, no. 447, p. 1138, remark 1, note of Eberhard Reinhardt, Director of the Federal Finance Administration, 4 June 1946.

francs of gold trade alone if the extraordinary book profits for 1939/40 are deducted and only the period from mid-1939 to mid-1945 is considered (see comments on Table XXI in Appendix 2).

Turning a profit cannot be viewed as a primary motive for the SNB's acquisition of gold from Germany. The profit which was made on selling the gold on the market, and in particular on the sale of gold coins, did, however, play a role.

### 3. SNB Gold Purchases from the Allies

The SNB not only accepted gold from the Third Reich, but it also made large purchases from the Allies. The table below shows annually the extent to which Switzerland purchased gold for the US, Canada, and Great Britain. The US was by far the largest source of monetary gold among these countries.

**Table VIII: SNB gold purchases and sales with the Allies, 1939–1945**

*1 September 1939 to 30 June 1945 (in 1000 SFr.)*

	United States		Great Britain		Canada		Total	
	Purchases	Sales	Purchases	Sales	Purchases	Sales	Purchases	Sales
1939	–	216,394	–	–	–	–	–	216,394
1940	–	497,861	262	–	–	–	262	497,861
1941	831,237	–	65	–	–	–	831,302	–
1942	669,111	–	111,148	–	11,027	–	791,287	–
1943	168,357	–	163,986	–	15,431	–	347,774	–
1944	340,992	–	206,399	–	25,117	–	572,508	–
I/1945	233,219	–	186,718	–	13,708	–	433,645	–

Source: SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

#### 3.1 Defining the Problem

This chapter discusses the causes, mechanisms, and effects of these gold transactions that were carried out by a complex network of institutions (including the Swiss Confederation). As noted in the introduction, these transactions took place under different circumstances and in response to different factors than those carried out with the German Reichsbank.

With regard to the Anglo-Saxon countries, it is important to analyze the deposit policy of the SNB. The extent to which the SNB could fully control its gold holdings according to monetary policy factors depended on where this gold was physically deposited. The goal of Allied economic warfare was to control the use of resources based on strategic considerations and to secure access to the assets of the Axis powers. After Swiss assets in the US were frozen on 14 June 1941, the SNB – and later the Confederation – was no longer able to control its currency reserves freely, despite the fact that these reserves had been legally obtained and that title to their ownership was not disputed. The Allies wanted to prevent these assets from being used to strengthen the military power of the Axis, either directly or indirectly. Thus, the major disputes between Switzerland and the US did not address the legitimacy of the SNB's extensive purchases of gold from the western Allies, but rather revolved around the question of who was to control the use of three-quarters of «Swiss» monetary gold. The next section focuses on the acquisition of this gold, the SNB deposit policy, and the geographic distribution of SNB's foreign currency reserves.

Gold transactions between Switzerland and the Western Allies were closely linked to transnational movements in foreign exchange markets. Unlike Germany, which had frozen Swiss

foreign property assets in the 1930's, assets in Anglo-Saxon nations were initially freely accessible, which enabled massive transatlantic capital flight.<sup>1</sup> For the duration of the war, the traffic in goods between the Allies and Switzerland – unlike that between Switzerland and Germany – was not controlled by a clearing agreement. The Swiss delivered export goods to the United States and the United Kingdom, and these two countries paid for the shipments in dollars and pounds-sterling. Such trade was permitted by the War Trade Agreement of 1940 signed with the Allies and a letter-of-transit agreement signed with Germany and Italy. The unregulated foreign trade with these countries had affected the Swiss balance of payments at various levels (e.g. commercial balance of trade, income, and capital) and was thus a major factor in determining the liquidity of the capital market and money supply in Switzerland.<sup>2</sup>

Foreign exchange regulations vis-à-vis the dollar were introduced three months after the freezing to prevent free dollars from being rapidly exchanged for francs, with accompanying inflationary pressures. It is important to understand that Swiss exchange restrictions were manifestly the result of Allied economic warfare policies, not of Switzerland's autonomous monetary policy. Swiss authorities were quite unwilling to sell Swiss francs – against gold dollars – when the francs were not to be used for purchases in Switzerland itself.

The need to control the growth of the money supply, which arose from holding dollars, arose from the asymmetrical structure of the Swiss wartime economy and the conflicts inherent in this structure. The decision not to introduce exchange control made in the first half of 1940 (see Chapter 2) resulted in tensions between employment and trade policy requirements (policies pertaining to raw materials, employment, and prices) on the one hand, and the interests of Swiss creditors and the Allies' need for Swiss francs on the other.<sup>3</sup> The highly regulated commercial and financial trade with Germany was actually managed in a more flexible way than the traffic with the western Allies, which in theory was not subject to such institutional controls. There was a growing sense that a restrictive system accompanied by open practices (in relation to Axis powers) was operating parallel to an open system with restrictive practices (in relation to the Allies). Switzerland had to defend itself against the charge that it was giving preferential treatment to Germany over the Allies.<sup>4</sup> In a study published in 1959, Oskar Kaech noted that Switzerland's «generous manner of treating Germany» in trade relations contrasted with the restrictions applied to dollar-based countries.<sup>5</sup> Switzerland was willing to use government credits to cover clearing imbalances with Germany

---

<sup>1</sup> The SNB and the Swiss commercial banks concluded a gentlemen's agreement in mid-November 1937 to stop the flight of funds into Swiss francs (which had been devalued by 30 percent in September 1936) and in combat the unwanted accumulation of currency. See for example Schweizerische Nationalbank 1957, pp. 121, 187, 241. Of course, such measures are unrelated to a clearing system and are fundamentally different from the managed holding of foreign currency. See BAR E 2001 (D) 2, vol. 267.

<sup>2</sup> For foreign trade statistics, see Eidgenössische Zentralstelle für Kriegswirtschaft 1950.

<sup>3</sup> Tanner 1986, pp. 243 ff.

<sup>4</sup> Durrer 1984, pp. 85, 111, 114 f.

<sup>5</sup> Kaech 1959, p. 26.

but resisted the demands of the Allies for a greater volume of francs, despite the Allies' willingness to pay for these francs with gold and currency. Moreover, investment earnings of Swiss owners of foreign assets were also treated better in the integrated clearing process with the Axis than were similar earnings of investors who had holdings in the United States. Thus, attempts made by this latter group to convince the Confederation to accept dollars failed.

Military developments of early 1943 altered Switzerland's geopolitical position. The Allies intensified their pressure on Switzerland, while the Axis lost negotiating power. The United States and Britain now pushed harder to obtain sufficient amounts of Swiss currency, which was internationally valuable. The Allies sought to provide deliveries of food and animal feed in exchange for Swiss willingness to supply an adequate volume of francs and to stop providing clearing credits to Germany.<sup>6</sup> A satisfactory solution was ultimately found: the conflict between the goals of preventing inflation and supporting the Allied governments by making freely convertible francs available to them was resolved when the Confederation interceded to provide extensive «gold sterilization».

These matters go well beyond the specific problem of gold. As in the preceding chapter, we must conclude that gold purchases made in exchange for dollars and pounds-sterling are associated with issues that cannot be fully addressed in this interim report. The following section describes some important circumstances which led to the extensive gold purchases in the United States, Canada, and Britain during the war.

### **3.2 Swiss Holdings of Gold and Capital in the Allied Countries**

The freezing of Swiss assets in the United States in June 1941 affected Swiss private investors as well as the SNB and the Confederation.

For decades, Swiss investors had built up considerable net assets in the Anglo-Saxon countries by exporting capital. These assets augmented the Swiss investment income balance and made a substantial contribution to financing the deficit in the traditionally negative balance of trade. Starting in the 1930's, an increasingly large volume of volatile, speculative capital, which was referred to at the time as «hot money», was added to these long-term capital investments. This «hot money» was internationally mobile; it chased after potential short-term profits, and its movement was motivated by security concerns.<sup>7</sup> Official American reports pegged the value of Swiss private assets in the United States in the summer of 1941 at

---

<sup>6</sup> British Ministry of Economic Warfare to Bern, 18 August 1943; Switzerland Trade Negotiations, 22 June 1943, PRO London, FO 837, vol. 985.

<sup>7</sup> According to the Handbuch des Bank-, Geld- und Börsenwesens, «hot money» was «a new expression for funds of a volatile, unstable nature that quickly moved from place to place seeking investments». «Hot money» investors do not intend to keep such funds tied down for long. Hot money contributes to the «inflation of bank balances». It was hot money that necessitated the first gentlemen's agreement of 1937. Handbuch des Geld-, Bank- und Börsenwesens 1947, p. 272. See also Blumenfeld 1941.

about \$1,484 million (SFr. 6,242 million).<sup>8</sup> These were extremely high figures in international terms.<sup>9</sup>

This short-term capital caused problems for the Swiss market and Swiss currency authorities in the form of erratic movements and a high degree of uncertainty. For example, fears that Switzerland could be pulled into the war despite its neutrality had already led to a large outflow of private investments to the United States before the outbreak of the war. After the US embargo in 1940 blocking assets of German-occupied countries in the United States, the US State and Treasury Departments considered extending this measure to all remaining continental European nations. It was assumed that the neutrals might be used by economically isolated Axis powers for financial transactions. The Americans were also worried that the German army might occupy neutral territories.

Until the US embargo on foreign assets in 1941, the influx of flight money from the United States into Switzerland – in particular beginning in the summer of 1940 – caused the currency reserves of the SNB to mushroom. The authorities were well aware of these sudden massive capital movements.

«Our monetary and financial markets were favorably affected, as this constituted a significant easing in the situation. ... Whereas the dollar had been in demand for some time, the situation suddenly changed in favor of the Swiss franc».<sup>10</sup>

In March 1941 the SNB stated

«that the development of the war has given new impetus to international capital movements during the past year. Switzerland has again been greatly affected by these events. ... First and foremost, these movements affected the Swiss National Bank in the form of a substantial reduction in gold and foreign exchange holdings. ... A sudden turnaround occurred in foreign currency movements in the second half of June 1940. The outflow was followed by an inflow of over 700 million Swiss francs which continued almost uninterruptedly until the end of the year. ... If we look at this in terms of the broad phenomenon of capital repatriation, the gold reserves and foreign currency holdings of the National Bank represent, to a large extent, the equivalent value of certain portions of Switzerland's national assets invested formerly in other countries, whether in the form of circulating capital or in any other type of placement».<sup>11</sup>

---

<sup>8</sup> These figures also included foreign flight capital that had been transferred under Swiss names to the United States via Switzerland.

<sup>9</sup> Reichenau, «Transfer der Erträge schweizerischer Guthaben in den Vereinigten Staaten von Amerika nach der Schweiz», (Transfer of Income from Swiss Assets in the United States of America to Switzerland) December 1942, BAR E 2001 (D) 2, vol. 253; note that after the end of the war the Swiss Clearing Office could only certify the amount of SFr. 4.6 billion as Swiss assets: «Bericht der Schweizerischen Verrechnungsstelle über die Zertifizierung», (Report of Swiss Clearing Office on Certification) April 1949, p. 15, quoted per Perrenoud 1990, p. 374; see also Perrenoud 1987/88, pp. 7–128.

<sup>10</sup> Federal Political Department confidential memorandum of 28 July 1940, drafted by the offices of the SNB, BAR E 2001 (D) 2, vol. 29.

<sup>11</sup> SNB, Monatsbulletin, no. 3, 15 March 1941.

The influx of capital from the United States continued in subsequent months. As a consequence, the SNB bought foreign currency, mainly dollars, which flowed into Switzerland following the defeat of France in 1940 and the subsequent stabilization of the military situation. As the Wehrmacht rolled across Europe, the liquidity of the capital market in Switzerland – which had thus far escaped the ravages of war – grew.

Because of the massive growth in the SNB's dollar reserves in the period from 1940 to June 1941 as a consequence of the repatriation of dollar assets to Switzerland, the SNB's foreign exchange holdings increased by more than one billion francs. This sum was converted to gold following the embargo on assets, mainly in the period from the autumn of 1941 to the spring of 1942.<sup>12</sup> The following table was constructed by evaluating various sources<sup>13</sup> which help to derive estimates of capital movements between Switzerland and the United States.

**Table IX: Movements of capital between Switzerland and the United States (1939–1945)**  
(in million SFr.)

Gold purchases by the SNB in the United States (1 September 1939 – 30 June 1945):	2,243
Conversion of dollars into gold (capital return by end of 1940)	–1,000
Conversion of dollars into gold (capital return by end of 1940 to 4 June 1941)	–200
<b>Total</b>	<b>1,043</b>

According to this estimate, more than half of the gold purchased by the SNB in the United States valued at SFr. 2.2 billion was attributable to these capital flight movements.

In addition to the question of how much gold the Allies were able to sell to Switzerland and at what price they obtained the francs in return for the gold, another interesting question arises, namely the geographic distribution of the rapidly increasing SNB foreign currency reserves. Table X shows that the SNB also had transferred a considerable portion of its gold holdings to Britain and other overseas locations. In 1943, the Confederation started to take possession of a considerable portion of this gold.

<sup>12</sup> Fior 1997, pp. 28–29; see also Kaech 1959. SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997, SNB Archives, 105.0, «Gold- und Devisenbestand (6.1.1945)» [Gold and Foreign Currency Holdings (6 January 1945)]. See also SDD, vol. 15, no. 443; Statistisches Jahrbuch der Schweiz 1945, pp. 317, 331.

<sup>13</sup> SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997; SNB Archives, 105.0, «Gold- und Devisenbestand (6.1.1945)» [Gold and Foreign Currency Holdings (6 January 1945)]. See also SDD, vol. 15, no. 443; Statistisches Jahrbuch der Schweiz 1945, pp. 317, 331; Schweizerische Nationalbank 1939–1945.

**Table X: Geographic distribution of the currency reserves in gold (1940–1945)**  
(in million SFr.)

	Switzerland	Great Britain	Canada	United States	Total
16 April 1940	935.0	700.0	0	735.0	2,370.0
14 June 1941	820.1	605.1	0	2,290.1	3,715.3
31 December 1942	751.5	605.1	102.6	2,382.3	3,841.5
30 June 1943	823.6	605.1	170.7	2,451.1	4,050.5
4 September 1945					
– SNB gold	1,050.3	725.3	245.7	2,577.5	4,626.3
– Confed. gold	0	272.8	65.5	480.3	818.6

Source: Perrenoud 1987/88, p. 43. The table is based on the figures cited by Durrer in 1984, p. 41, and those contained in the letter from the SNB to E. Wetter, head of the Federal Department of Finance and Customs, dated 13 July 1943 (BAR E 2001 (E) 2/629) and the tables contained in the letter from the SNB delivered to the American Legation in Bern on 14 September (BAR E 6100 (A) 25/2326). In order to simplify the appearance of the data, an additional column was not included for the SNB depository in Buenos Aires. As of September 1945, these deposits amounted to SFr. 27.5 million.

In contrast to the movement of flight capital, which again changed direction beginning in mid-June 1940, Swiss holdings of gold in Great Britain and in the United States increased significantly again in 1940–1941. There were two reasons for this shift: first, having a depository of gold abroad allowed Switzerland to finance its vital imports smoothly during the war<sup>14</sup>; second, it was considered necessary to protect Swiss gold reserves from a possible attack by Germany or Italy. Before the war began, the SNB had moved approximately one-third of all Swiss gold reserves overseas. As a consequence, the domestic gold backing for Swiss francs became increasingly thin. In 1940 the reserve ratio was barely over the 40 percent legally required.

On 17 May 1940 the Federal Council passed a secret resolution stating that the central bank was freed from this obligation.<sup>15</sup> Thereupon, SNB deposits in New York, which had stood at SFr. 701 million in September 1938 and SFr. 735 million in April 1940, tripled to SFr. 2290 million by 14 June 1941.<sup>16</sup> The franc was backed by just over 30 percent of domestically accessible gold and remained at this level until 1946.<sup>17</sup>

Table XI shows the overall changes in holdings of Swiss monetary gold and its geographic distribution throughout the entire period of World War II. While total holdings (the difference between all purchases and sales) increased by nearly two-thirds during this seven-year period, holdings abroad tripled. Deposits in New York increased by more than a factor of ten.

<sup>14</sup> See BAR E 6100 (A) 20, vol. 1636 («Konferenz zur Besprechung der Frage der Umwandlung von Gold in Waren» [Conference to Discuss the Issue of Conversion of Gold to Goods] 5 May 1941).

<sup>15</sup> See Decree of the Federal Council, 17.5.1940, in SDD, vol. 13, pp. 673–674; Schweizerische Nationalbank 1957, Table 13, p. 380.

<sup>16</sup> See Table X of this Chapter.

<sup>17</sup> Schweizerische Nationalbank 1957, p. 380, Table 13; Table VI of Chapter 2.

**Table XI: Gold holdings of the SNB and the Swiss Confederation (1939–1945)**  
(in SFr.)

	1 January 1939	31 December 1945
<b>SNB accounts</b>		
Domestic:		
<i>Total domestic</i>	1,654,096,481	1,127,592,202
Foreign:		
Paris	11,932,959	–
London	976,650,052	789,848,960
New York	246,743,545	2,561,652,429
Buenos Aires		37,906,791
Ottawa		260,039,615
<i>Total foreign</i>	1,235,326,556	3,649,447,795
<i>Total SNB</i>	2,889,423,037	4,777,039,997
<b>Confederation accounts</b>		
London	104,981	317,440,010
New York		638,448,809
Ottawa		74,416,906
<i>Total Confederation accounts</i>	104,981	1,030,305,725

Source: SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997. Gold prices for 1939: SFr. 4,639.13 per kilogram fine gold. For 1939 the currency settlement fund of SFr. 430 million (based on the new gold price in effect since 1940) was not taken into account (SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997). Tables XI and XIII are not directly comparable.

### 3.3 The Freezing of Swiss Currency Reserves, the Management of Dollar Holdings, and the Financial Dollar Market

On 14 June 1941 the United States froze all continental European assets, including those of neutral nations.<sup>18</sup> This action stopped the flow of capital from the United States back into Switzerland. For the SNB, the advantage that the bank had hoped to obtain from the physical transfer of gold holdings – mainly to New York – had become a disadvantage. The bank no longer had full control of its monetary gold and could neither sell the gold freely nor transfer it physically.<sup>19</sup> The Swiss unsuccessfully tried to have the American embargo eased. In fact, the US subsequently intensified control measures.

The embargo on the SNB's large foreign currency and gold holdings did not prevent transfers between Switzerland and the United States from growing rapidly. The SNB saw itself confronted with a flood of dollars. The associated monetary expansion was looked upon as a problem for several reasons: 1) the increase in the amount of frozen currency reserves in the

<sup>18</sup> «The President's Executive Order on Seizure of Foreign Assets», facsimile copy from New York Times, 15 June 1941. A copy is located in the Swiss Federal Archives in Bern, BAR E 2001 (D) 2, vol. 252.

<sup>19</sup> Hence, the attempt in October 1941 to ship 10,000 kg (SFr. 50 million) of Swiss gold back into Switzerland was prohibited. BAR E 2001 (D) 2, vol. 231; for example, the SNB could not undertake any gold transactions with Portugal using the gold it had deposited in the United States. Federal Political Department memorandum dated 24 November 1941, BAR E 2001 (E) 2, vol. 252; Kaech 1959, pp. 10–11.

United States, 2) the increasing liquidity of the money market and 3) the pressure on interest rates and price increases. While SNB representatives rejected a narrow version of the quantity theory of money, currency, and political authorities were assuming that a monetary policy governed by the needs of foreign trade could seriously threaten some of the major goals of the Swiss wartime economy.<sup>20</sup> For this reason, the SNB modified its foreign exchange policy. The prewar dollar exchange rate of SFr. 4.30 was retained, but the SNB was no longer prepared to accept all dollars flowing into its coffers. This resulted in an excess supply of dollars, and a free foreign exchange market developed, mainly in New York. Because of the declining price of the US dollar, this market soon took on black market characteristics. Trading sometimes produced very low prices, which caused problems, primarily for foreign trade. Exporters tended to handle their dollar receipts through the SNB at the official exchange rate, while importers tended to exploit the weaknesses of the dollar in the unofficial market.

The management of dollar holdings was the cornerstone of countermeasures. This approach began on 24 September 1941 with a gentleman's agreement between the SNB and the SBA, which represented the commercial banks.<sup>21</sup> This so-called «Convention X» established two different dollar categories: the «goods dollar»<sup>22</sup> and the «financial dollar». The «goods dollars» obtained their name through the «*Dollarspitzen*» [dollars used to pay for Swiss goods] which originated in the export business. As early as May 1940 the SNB, with the support of Swiss federal officials, requested that the banks only provide foreign currency for foreign trade needs and for services. The gentleman's agreement sanctioned this policy through an informal understanding typical of the Swiss political system.<sup>23</sup> In its calculations, the SNB assumed that the supply of export dollars and the demand for import dollars would be nearly equal.<sup>24</sup> In this way, the bank's involvement resulting from the «*Dollarspitzen*» would be kept within narrow boundaries. In return, the agreement with the banks, which was supported by the import/export section of the Department of Economic Affairs, sought to prevent importers from engaging in transactions in violation of their licenses. The idea was to force importers to use only those dollars in their payment transactions which they had obtained from commercial banks at the official exchange rate set forth in Convention X.

The «goods dollars» also included the dollars which the SNB had converted to francs at the official exchange rate for the purpose of paying diplomatic missions in Switzerland, supporting humanitarian services and charitable purposes, and making insurance payments. For this

---

<sup>20</sup> Pahud 1950; Feisst 1950.

<sup>21</sup> See Halbeisen 1998.

<sup>22</sup> The «goods dollars» were also referred to as «commercial dollars» and «export dollars».

<sup>23</sup> Schweizerische Nationalbank 1957, p. 240.

<sup>24</sup> According to the official annual statistics, the Swiss/US import/export ratio was SFr. 235,245 million to SFr. 102,233 million in 1942; already SFr. 56,412 million to SFr. 152,803 million in 1943; and SFr. 21,184 million to SFr. 140,824 million in 1944. Swiss Bank Corporation 1945, pp. 72 f. Beginning in winter 1944–45, purchases of goods (mainly medical supplies) for Allied troops fighting in the vicinity of the Swiss border were added to the normal exports of goods; see binder «Frankenabgabe an die amerikanische Regierung und Dollartransfer, 1944–45» (Transfer of Francs to the US Government and Dollar Transfer, 1944–45), BAR E 7110 1973/135, vol. 31; see also SDD, vol. 15, p. 930.

reason, the suggestion was also made to refer to these dollars as «official dollars». By contrast, the «financial dollars» represented a residual category relating to all dollar assets in Swiss hands which, «barring unusual circumstances»,<sup>25</sup> could not be converted at the SNB at the preferred official exchange rate. These dollars resulted from the transfer of capital, interest, income on assets, dividends, licenses, patent royalties, and the insurance business. In order to prevent the *de facto* devaluation of the dollar from going too far, the gentlemen's agreement stipulated that the banks must stay within an exchange rate which was not to fall below 4.23 when dealing in financial dollars.<sup>26</sup> Because of this requirement, a market for dollars soon developed outside the commercial banking area. Here, exchange rates were sometimes far below this limit. This development was considered problematic for three reasons: first, there were political concerns, since a policy of this type would be met with criticism in the United States; second, the overvaluation of the franc, as a consequence of increased prices for products, would adversely affect the export industry; and third, the result would be disadvantageous for Swiss capital investments in dollar territories.

The SBA and directly involved financial creditors initially assumed that the availability of a reduced exchange rate was temporary,<sup>27</sup> and they demanded that the SNB continue to accept dollars at the official rate. In a letter to its client banks, the SBA explained that «we shall do everything in our power to ensure that the National Bank accepts dollars for the payment of interest earned in the United States and for other investment income for credit to natural and legal persons of Swiss nationality domiciled in Switzerland».<sup>28</sup>

Such a change did not take place. On the contrary, the commercial banks were soon confronted with a growing and volatile mass of financial dollars which they were not able to exchange at the official rate on an ongoing basis as stipulated in Convention X. In December 1942 the SBA demanded that the commercial banks stop accepting financial dollars for their own account.<sup>29</sup> This order caused the expansion of free-floating market for financial dollars, which was being conducted outside the banks at the New York Stock Exchange. This exchange typically had a lower rate.<sup>30</sup> The purchasers of these cheap dollars on the money market were, among others, Swiss importers who were not observing established regulations.<sup>31</sup>

---

<sup>25</sup> Gentlemen's agreement zwischen der Schweizerischen Nationalbank und den Schweizer Banken [Gentlemen's Agreement between the SNB and the Swiss Banks], attachment to letter from Robert la Roche, A. Cafilisch to SBA member banks, Basel 24 September 1941, BAR E 2001 (D) 2, vol. 253.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> Durrer 1984, p. 80.

<sup>30</sup> See Mächler 1952, pp. 33 ff.; Bürgi 1948, pp. 72 ff.; this exchange rate was generally at least one franc below the official rate; at its lowest, this corresponded to a ratio of one dollar to 2.273 francs. See BAR E 2001 (D) 2, vol. 252, Direktion des Departements IV der SBV (Nussbaumer), 11 May 1942; see also BAR E 2001 (E) 2, vol. 555, Federal Political Department, report «Dollarübernahmen durch den Bund» [Dollars Acquired by the Confederation], 12 February 1945.

<sup>31</sup> In many cases the importers bought their dollars on the open market with the aid of trustees and financial institutions that were not a party to the gentleman's agreement, and they financed their payments to the dollar countries at least in part with «cheap» financial dollars; see Hochuli 1967, pp. 37 ff.

The SNB, however, lacked the legal authority to take direct action to curtail these license violations.

### 3.4 Structure and Reasons for the Allies' Need for Francs

The data on how the western Allies actually used Swiss francs is incomplete. The SNB stated in December 1946 that the francs deposited in New York after 1941, and obtained by the Allies in return for SFr. 810.2 million of gold paid to the Confederation, were used mainly to finance exports, to meet the needs of the United States government, and to support humanitarian and cultural efforts, cultural programs, diplomacy, and press affairs. The SNB compiled the following table:<sup>32</sup>

**Table XII: Francs needed by the Allies**  
(in SFr. million)

Exports in the United States	467.2
comprising: – Watch/clock industry (1)	348.8
– Other (2)	118.4
US government (3)	208.9
Humanitarian and cultural purposes, diplomacy, press, etc.	106.2
Other (4)	27.9
<b>Total</b>	<b>810.2</b>

1) Including old assets (57.2) and francs obtained outside the quota (43.0).

2) Including some exports to dollar and non-dollar countries.

3) Including the gold obtained from the soldiers' leave program (20.6) in which several thousand members of the US military forces went on leave to Switzerland beginning in the summer of 1945 and required francs for this purpose, as well as from damages paid for the bombing of Schaffhausen (17.1).

4) Licenses (23.9), taxes (3.2), PTT [post office], SBB [Swiss Federal Railways], etc. (0.8).

These figures apply only to gold purchased by the Confederation. It would also be interesting to know how the Allies used the francs which they obtained through the gold purchased by the SNB. The data about this question is still incomplete and will need to be supplemented by additional research, mainly in US and British archives. However, the data shows that the Swiss franc, as the only freely negotiable currency on the European continent, played a key role beyond the financing of trade in goods.

The franc was used by the Allied representatives for their humanitarian activities and espionage operations in Switzerland<sup>33</sup> as well as in most other countries.<sup>34</sup> Throughout the war, a total of about SFr. 190 million was spent by Great Britain and SFr. 75 million by the United States to

<sup>32</sup> See BAR E 6100 (B) 1972/96, vol. 35, memorandum from Rossy, Member of the Governing Board of the SNB, «Goldübernahme durch den Bund» [Gold Acquired by the Confederation], 4 December 1946.

<sup>33</sup> US National Archives, War Report, Office of Strategic Services, vol. 2, pp. 105 f., 148.

<sup>34</sup> Compare for example the request by the US Legation in Bern for Switzerland to accept \$31,000 for payment of operating supplies for the US Legation in Rome. Letter from Pilet-Golaz of 6 December 1941, BAR E 2001 (D) 2, vol. 252. According to information from the Federal Political Department in 1945, francs had also been used to finance the French Resistance. See SDD, vol. 15, p. 1034.

protect and support Allied persons and institutions physically located within the zone of Axis control and to provide financial assistance to prisoners of war.<sup>35</sup> These funds were conveyed via Swiss diplomatic missions.<sup>36</sup>

In addition, francs were needed so that the Allies could pass them on to other states, in particular the Holy See.<sup>37</sup> Since the franc was the only remaining convertible currency, the Allies also insisted that the other neutral nations supply francs in return for embargoed dollars. As the surplus of frozen dollars began to grow, the central banks of Spain, Portugal, and other countries began to refuse to supply additional francs. As a consequence, the Allies found that they were forced to cover virtually all of their need for francs directly in Switzerland. Another complicating factor for Switzerland was the fact that Spain and Portugal demanded that Switzerland only accept to pay in francs for imports, but these same countries were only willing to pay for their imports from Switzerland in dollars.

Over the course of 1943, the Allies demanded francs with increasing tenacity. They criticized Switzerland, arguing that Switzerland was being much more accommodating to Germany in financial matters than it was to the Allies since it was willing to supply francs to the Third Reich merely in lieu of a promise to pay, whereas the United States and Great Britain were not able to obtain a sufficient quantity of francs even after coming up with the real dollar and gold values.

However, as the Allies advanced and the geopolitical situation changed, Switzerland was soon ready to make concessions. At the financial negotiations in London in 1942–1943, the SNB was unwilling to give into the Allied demand for a greater supply of francs, since this demand contradicted «both the intent and spirit of the Bank Law as well as the fundamental principles of sound monetary policy».<sup>38</sup> However, other bank representatives emphasized the postwar perspective, believing that it made more sense to accede to the wishes of the Allies despite inflation-related concerns. Anticipating the Allied victory, Member of the Executive Board of SBC A. C. Nussbaumer recommended:

«It is my firm conviction that our stance must mainly be governed by the national interest in light of the postwar period. A policy of intentionally restraining the supply of francs required by the Allies for payments in Switzerland can have undesirable consequences for our country at the close of the war and in the postwar period. The best protection for the enormous Swiss capital interests in the Axis countries and in territories occupied or controlled by them –

---

<sup>35</sup> Report on activities of the External Affairs Department of the Federal Political Department for the period from September 1939 to the beginning of 1946, BAR E 2001 (D) 11, vol. 1, Appendix V.

<sup>36</sup> Huddle (Chargé d'Affaires in Switzerland) to Secretary of State Hull, 25 February 1942, cited in Foreign Relations of the United States 1942, vol. 1, pp. 272 f.; Huddle to Hull, 23 January 1942, *ibid.*, p. 253; Report on activities of the Foreign Affairs Department of the Federal Political Department for the period from September 1939 to early 1946, BAR E 2001 (D) 11 vol. 1, Annex V, p. 11; beginning in 1942 the International Committee of the Red Cross was involved in providing these services.

<sup>37</sup> Annually, about 1 million dollars worth of francs. See memorandum from Kohlis, 26 November 1941, BAR E 2001 (D) 2, vol. 252.

<sup>38</sup> See memorandum from Reichenau to Pilet-Golaz, 26 March 1943, BAR E 2001 (D) 2, vol. 253, p. 2; letter from SNB Governing Board to Federal Councillor Wetter, 13 July 1943, BAR E 2001 (E) 2, vol. 629, p. 4.

interests which have grown significantly during the war – is, in my opinion, for Switzerland to assume a sympathetic position with respect to the Allies during the war».<sup>39</sup>

This position won out eventually, which led to an uneasy division of labor between the Confederation and the SNB. The SNB's held that accepting embargoed dollars or embargoed gold beyond the needs required for export and humanitarian and diplomatic purposes was not in the interest of Swiss monetary policy.<sup>40</sup> Thus, the Swiss Confederation had to serve as the recipient for gold.

In March 1943 the United States achieved an initial breakthrough, which one year later (24 and 27 March 1944) was implemented in a more generous agreement. The Swiss federal treasury initially agreed to accept SFr. 750,000 in gold per month,<sup>41</sup> but this amount was then increased to SFr. 8.25 million<sup>42</sup> – close to the amount the Americans had requested at the close of 1943.<sup>43</sup> Following initial negotiations with Britain in December 1942, a definitive agreement was finally reached one year later in December 1943.<sup>44</sup> From that point on, Britain had «access to virtually unlimited quantities of francs».<sup>45</sup> In the final analysis, it was the deterioration of relations between Switzerland and the Allies coupled with Germany's clearing credit of SFr. 850 million which would soon be exceeded, which moved the Federal Political Department to request that the Confederation agree to Allied demands.<sup>46</sup>

### 3.5 Inflation Fears and Countermeasures by the National Bank

Now that the Confederation had entered into the business of supplying francs to the Allied governments, the SNB was able to hold to its principles of monetary policy. However, the SNB was increasingly concerned about an inflationary stimulus. As a general principle, the acquisition of gold and the purchase of currency by a central bank increase the volume of money in circulation and therefore had an inflationary effect. There were fears that the polarization in the domestic political scene which had taken place during World War I would

---

<sup>39</sup> Letter from Nussbaumer to the attention of Federal Councillor Wetter, 3 February 1943, BAR E 2001 (D) 2, vol. 252; SDD, vol. 14, pp. 985–988.

<sup>40</sup> Federal Council protocol, 23 March 1943, «Übernahme von USA-Dollars durch den Bund» (Acceptance of US dollars by the Confederation), BAR E 1004.1 1, vol. 431.

<sup>41</sup> Federal Council Decree, 23 March 1943, Federal Council protocol, BAR E 1004.1 1, vol. 431.

<sup>42</sup> See cable from Bruggmann to Political Affairs Department, 14 December 1943, BAR E 2001 (E) 2, vol. 645.

<sup>43</sup> See Federal Council protocol, 24/27 March 1944, BRB no. 540 and 544, BAR E 1004.1 1, vol. 443.

<sup>44</sup> On 5 January 1944 an agreement was signed by the SNB and the Bank of England in which it was decided that the Bank of England would supply gold to Switzerland at a fixed franc price. Memorandum of Agreement between the Bank of England and the National Bank of Switzerland, London 18 December 1943, SDD, vol. 15, p. 147. See also Durrer 1984, pp. 110–115. The Swiss purchases of gold from the Bank of England (the gold was being held in Ottawa), which amounted to about 164 million francs in 1943, are mentioned in SNB Archives, gold transactions for its own account, 4 March 1997.

<sup>45</sup> Durrer 1984, p. 110.

<sup>46</sup> Memorandum «Finanzverhandlungen mit den USA» (Financial negotiations with the United States), 24 March 1944, BAR E 2001 (E) 2, vol. 645; Swiss Legation in Washington to Federal Political Department, 29 December 1943, BAR E 2001 (E) 2, vol. 645; Kohli to Swiss Legation in Washington, 14 March 1944, *ibid.*

reoccur. The magnitude of concerns about inflation was reflected in a letter dated 13 July 1943 from the SNB Governing Board warning Federal Councillor Wetter that:

«The continued acceptance of frozen currency and gold holdings by the National Bank will keep pumping new money into the market in the form of liquid francs, and over time this can have a deleterious effect with regard to monetary, money-market and price policy. Even though new purchasing power is not created to the same extent by the acceptance of frozen currency and gold holdings and by supplying francs, and even if one takes into account the fact that rationing and price controls work to combat an inflationary price rise, there is still a possibility, particularly with the decreasing inventory of goods, that the increase in the money supply may ultimately lead to higher prices. In our opinion, the disadvantages, which the growing imbalance between the volume of disposable francs and the *available* currency reserves can have for our country in terms of monetary policy would be even more significant if the flow of funds changes direction again, if the demand for foreign currencies exceeds the inflow of foreign currency, and if the National Bank then is not able to access, either fully or partially, its currency reserves situated abroad».<sup>47</sup>

There were many causes for the increasing discrepancy between the supply and demand for dollars and the unexpectedly high volumes of dollars, which accumulated as a result of the existing arrangements, among which are on increased export activity and the cancellation of imports due to the requirement that such imports be paid with expensive «goods dollars». Given the associated inflation risk, the SNB saw itself caught in a dilemma between, on the one hand, supporting the economy, protecting the labor market, and maintaining the raw materials supply policy, and, on the other hand, maintaining price stability. By being as generous as possible in accepting dollars from export businesses, the bank wanted to circumvent damage to the Swiss economy, specifically the watch and clock industry, which since 1942 had done more than 70 percent of its export business in Allied countries.<sup>48</sup> By being prepared to buy dollars from commercial transactions at the official exchange rate, the SNB was also able to prevent a steeper decline in the US dollar, which would have not only hurt Swiss creditors but would have also made exports more expensive and indirectly harmed the domestic employment situation. On the other hand, the flourishing export activity was increasingly adding to the SNB's currency reserves, fostering inflationary tendencies in the domestic economy.

Basically, the SNB had two options for controlling this problem. As a first option, it could decide to sell gold. This would involve the absorption of excess cash balances. Selling gold on the market has a twofold stabilizing effect: it reduces the asset items in the SNB balance sheet and results in a corresponding reduction in capital and liabilities – i.e. money in circulation; but it also has an indirect impact on the gold sales on the marketplace. When the SNB sells gold in the form of coins and bars through commercial banks, it can keep the price of gold from climbing too rapidly and from causing a permanent disparity between the market price and the officially fixed price of gold. Such a disparity in turn would have exerted pressure to devalue

---

<sup>47</sup> Letter from SNB Governing Board to Federal Councillor Wetter, 13 July 1943, BAR E 2001 (E) 2, vol. 629.

<sup>48</sup> See SDD, vol. 15, nos. 23, 27.

the franc, and the consequence would have been an inflationary increase in prices for imported products.<sup>49</sup>

As a second option, it was possible to prevent balance sheet expansion by refusing to accept gold or foreign currency. Such countermeasures were linked to refugee policy and were closely synchronized with the policies of the Confederation, which in August 1942 closed the Swiss border. Thus, in April 1942 the SNB began to refuse to accept embargoed dollars at the official «goods dollar» exchange rate for refugee aid coming from America.<sup>50</sup> For example, it declared that it was no longer prepared to accept \$90,000 in American contributions to the Swiss Federation of Jewish Communities, in order to prevent additional transfers of francs for dollars embargoed in America. The transfer of this aid money could not be resumed until November 1943. And even when it did resume, it did so at an exchange rate which was nearly 50 percent below the official rate.<sup>51</sup>

Beginning 1 August 1943 timepiece and country quotas for franc sales were introduced,<sup>52</sup> placing ceilings on exports to the Allies. In March 1944 these limits had to be increased from SFr. 8.5 million to SFr. 16 million per month. In order to reduce the impact of this increase on the money supply, blocked accounts were set up and price controls on imported goods were tightened.<sup>53</sup> These steps were necessitated, in particular, by domestic political priorities relating to the intensifying discussions regarding postwar planning. More than ever before, there was a need to prevent monetary inflation and to help bring real wages up to the 1939 level through appropriately restrictive monetary policy.

The gentleman's agreement of 1941 remained in effect after the end of the war. In 1947, when this agreement was terminated by the SBA, a money market for financial dollars developed within the banking industry. This market continued to operate until September 1949 when the SNB lowered the final barriers to accepting dollars and the relative share of foreign exchange in its currency reserves increased once again. This ended the phase of the split dollar exchange

---

<sup>49</sup> See, for example, Fior 1997, p. 32.

<sup>50</sup> Picard 1994, pp. 384 f.

<sup>51</sup> American Jewish Joint Distribution Committee (JDC), SM-7, written notes of Mayer dated 1 April to 11 August 1942; JDC, no. 4, Mayer to Federal Political Department, 18 November and 30 December 1943; Leavitt to Bruggmann, 30 December 1943; Federal Political Department to Mayer, 7 November 1944; JDC, no. 974–975, Schwartz to JDC, 17 March 1944; Financial reports 1943–1944; Schweizerischer Israelitischer Gemeindebund (Swiss Federation of Jewish Communities), «Joint» dossier, Braunschweig to Bruggmann on 2 July 1943. See also the fact that Jewish refugees in Switzerland generally were not allowed to convert the dollar notes in their possession into francs. It was not until the summer of 1945 that a monthly allowance of one hundred dollars per person was permitted for the payment of living expenses. Main Corporate Archives, CSG Central Archives, Schweizerische Volksbank, memo to file 4 June 1945; CSG Central Archives, memo to file 8 November 1944.

<sup>52</sup> In addition to controls on exports to the dollar countries, there were also country controls in non-dollar countries (Near East). Detailed information will not be provided at this point. In addition, the issue as to which products the «watch and clock industry» supplied to the Allies requires further investigation.

<sup>53</sup> The dollar amount paid directly to exporters was not changed by this provision since it was only fifty percent. Forty percent of receivable dollars were paid into blocked account I for three years without being subject to interest. However, since this component was covered by a federal guarantee, the corresponding receivable dollars could be discounted at commercial banks. The remaining 10 percent was placed in blocked account II. See, for example, Durrer 1984, pp. 74 f.; Mächler 1952.

rate and thus put an end to three-way transactions and the «free rides» that sellers of francs had been enjoying.<sup>54</sup>

### 3.6 Magnitude and Reasons for Gold Purchases by the Confederation

The gold purchases by the SNB and the «gold sterilization operations» carried out by the Confederation must be viewed in this context. As early as spring 1942 the Confederation had been asked to intercede on behalf of Swiss creditors. The issue was discussed among the SNB, the American Committee of the SBA, and the Confederation. Since the inception of the freeze, the commercial banks had been redeeming coupons from US securities in francs for their own accounts. In the spring of 1942 they declared that they would no longer be able to do this in the future. The SNB in turn indicated that it was no longer willing to allow its currency reserves in the United States to increase further.<sup>55</sup> The SBA then submitted a proposal to the Federal Council suggesting that the Confederation buy financial dollars from the commercial banks. In contrast to private investors, the Confederation was permitted to convert embargoed dollars to gold, which would have made it possible to reduce the currency risks of private Swiss investors in the United States, while preventing a further devaluation of capital invested in the US. In May 1942 the SBA estimated that the total funds to be taken over amounted to approximately SFr. 32 million annually, and in December this estimate was increased to about 50 million.<sup>56</sup> In mid-May the SBA and Federal Councillor Pilet-Golaz met to discuss the matter.<sup>57</sup> However, no agreements were reached. Despite having had a long series of discussions, neither the Confederation nor the SNB agreed to accept financial dollars from such sources.

In the meantime, however, the Confederation had begun (as described in section 3.3) to accept embargoed gold as part of the transfer of francs to the United States and Britain. The basic intent was to provide francs to the Allies without violating the basic monetary policy of the SNB. In principle, these francs could also have been exchanged for corresponding dollar

---

<sup>54</sup> See Mächler 1952. The three-way transactions and «free rides» were based on use of exchange rate arbitrage resulting from the difference in the foreign exchange rates between commercial and financial dollars. For example, Swiss dealers could make international goods transactions between the dollar and non-dollar territories and cover their obligations with cheap dollars obtained on the open market, while the transactions were paid for with dollars obtained at the normal rate. This mechanism also played a role in tourism, since American tourists had to exchange considerable dollar amounts at the official (commercial) dollar exchange rates upon entry into Switzerland and then received cheap financial dollars upon departing from Switzerland.

<sup>55</sup> Memorandum «Sperrung der schweizerischen Guthaben in den USA» [Freezing Swiss Assets in the United States], 16 March 1942, BAR E 2001 (D) 2, vol. 253; Reichenau, «Transfer der Erträge schweizerischer Guthaben in den Vereinigten Staaten von Amerika nach der Schweiz» [Transfer of Income from Swiss Assets from the United States of America to Switzerland], December 1942, BAR E 2001 (D) 2, vol. 253.

<sup>56</sup> Initial estimate: Memorandum «Schweizerische Guthaben in den USA» [Swiss Assets in the United States], 8 May 1942, BAR E 2001 (D) 2, vol. 253; second estimate: comprising licenses: about 10 million francs; income from equity holdings in industrial operations 3 million francs; coupons from securities about 32 million francs; individual accounts from Finanzgesellschaft Reichenau about 4 million francs, «Transfer der Erträge schweizerischer Guthaben in den Vereinigten Staaten von Amerika nach der Schweiz» [Transfer of Income from Swiss Assets from the United States of America to Switzerland], December 1942, BAR E 2001 (D) 2, vol. 253.

<sup>57</sup> «Dollartitel: Einlösung der Coupons» (Dollar-Denominated Securities: Redeeming Coupons), meeting with Federal Councillor Pilet-Golaz on 15 May 1942, BAR E 2001 (D) 2, vol. 253.

amounts. Both the SNB and the Confederation pushed for payment in gold, for two reasons. First, foreign currency – and dollar holdings in particular, which can be used to intervene in money markets in a more flexible way than gold – lost this specific function following the embargo of Swiss assets in the United States. Second, as the war continued, the intent was to prevent the assets in the SNB or the Confederation's balance sheet from being reduced by a decline in the value of the dollar. In particular, in light of the wartime conditions, gold was looked upon as a more reliable vehicle for preserving value. Thus, the percentage of covered foreign currency in the currency reserves held by the National Bank decreased from 33 percent in 1941 to 3.1 percent the following year and remained at this level until 1948.<sup>58</sup>

The gold acquired by the Confederation was also used to fight inflation. In this way, government debt was pressed into service to «destroy money». The most important factor here was the mobilization of francs for war efforts of the Allied governments. The changes in total gold deposits developed as follows:

**Table XIII: Confederation gold deposits (1943–1945)**

(in SFr. million on 31 December)

	United States	Britain	Canada	Total
1943	11.6	–	–	11.6
1944	266.4	195.3	–	461.7
1945	636.3	379.8	11.9	1,027.9

Source: Eidg. Finanzverwaltung, Kassen- und Rechnungswesen, Zusammenzug der Auslandguthaben, Anfang 1946 [Federal Revenue Office, Cashier and Accounting, Consolidated Statement of Credit Balances Situated Abroad, beginning of 1946], BAR E 6100 (B) 1972/96 241, vol. 37.

### 3.7 Summary

Immediately after the end of the war the SNB began to compile statistics on its gold purchases and sales.<sup>59</sup> The SNB claimed that they purchased gold from Germany because a large portion of its currency reserves was frozen overseas. The SNB also argued that the ability to have access to gold in order to sell it to other central banks or to sell it in the domestic market was essential to the survival of Switzerland.<sup>60</sup> The SNB tried to gather statistics to show how valuable the various services of the Swiss financial center had been to countless persons and institutions in Switzerland and abroad. In actual fact, the Swiss franc, as a freely convertible currency, was also indispensable to the Allies for all payments which the Allies had previously made in their own currencies, as well as for purposes associated with the war, such as

<sup>58</sup> Schweizerische Nationalbank 1957, p. 158; Kaech 1959, chart in appendix; The rate of 33 percent corresponded exactly to a standard rule. In November 1940 the following was noted in the Minutes of the Bank Committee of the SNB: «The ratio of foreign currency to gold of 1:2 is therefore not quite met ...» Beginning in the summer 1941, additional foreign currency was converted to gold, so that this foreign currency/gold target ratio was never met from then on. SNB Archives, Minutes of the Bank Committee, 21 November 1940, p. 688.

<sup>59</sup> See above tables in the report dated 16 May 1946, in: SDD, vol. 15, pp. 1117 ff.

<sup>60</sup> See «Bericht der Schweizerischen Nationalbank an die Delegation des Ausschusses der nationalrätlichen Vollmachtenkommission, 28.1.1946» (Report from SNB to the delegation of the Commission of the Plenipotentiary Committee of the National Council, 28 January 1946), BAR E 6100 (A) 26, vol. 2152.

espionage activities, the financing of Swiss diplomacy as a protective force, or humanitarian aid for refugees and war victims. The SNB held that its financial services had, for the most part, been evenly distributed between the two sides. It also emphasized that the magnitude of gold purchases suggests that in the final analysis such purchases had been more beneficial to the Allies than to the Axis powers.<sup>61</sup>

However, the purchases of gold from the Allies are not directly comparable to the purchases from Germany. This is not merely due to the differences in the origin of the gold. One also sees a highly asymmetrical pattern in the use of the francs obtained for the gold. Of the SFr. 2.2 billion in gold which the SNB sold in the United States during the entirety of the war, more than half was used to reduce the immense dollar reserves resulting from movements of flight capital. At most, one billion francs can be considered as a payment to the United States.<sup>62</sup> While the Axis powers were able to finance their imports without using foreign currency, thanks to the clearing procedure, and thereby obtain substantial leeway for financing purchases of military goods from Switzerland through the so-called «clearing billion», the Allies had to pay with francs whose acceptance was handled in a comparatively restrictive manner. It was in this context that the British Foreign Office wrote to Bern on 21 October 1943: «The Swiss are the most backward among the European neutrals in realizing that the present military situation enables them to take a stiffer line with the Germans».<sup>63</sup>

Swiss business interests, however, insisted that commercial ties with Britain and the United States be maintained along with ties to other nations (mainly with Latin America and the Middle East). Such concerns became increasingly important as the war continued and growing competition from American and British industry in the global marketplace began to be seen as a threat. Thus, the authorities within the Swiss government were experiencing pressure from groups paid in francs who wanted to transfer credit balances. The Allied governments, foreign diplomats, Swiss industrialists and representatives of financial creditors used various arguments, but they all criticized the restrictions being imposed by the SNB for monetary and stabilization policy reasons.

The gold sterilization policies of the Confederation were the most important response to this pressure. In order to maintain normal relations with the Allies while guaranteeing the economic prosperity and political and monetary stability of the country, the federal authorities were prepared to purchase gold and thus to acquire a substantial portion of Swiss currency reserves. To finance these gold purchases, the Confederation issued public bonds, the sale of which reduced the money supply in Switzerland. This financing of the gold purchases came at

---

<sup>61</sup> See statistics in the letter from the SNB of 6 February 1945, SDD, vol. 15, pp. 889–891. See also the SNB report dated 15 June 1944, «Die Leistungen der Schweiz zu Gunsten der beiden kriegführenden Parteien» (Services Rendered by Switzerland to Both the Allies and the Axis), *ibid.*, pp. 397–399.

<sup>62</sup> See SDD, vol. 15, pp. 1108–1116.

<sup>63</sup> PRO Kew, Ministry of Economic Warfare, FO 837, vol. 988.

considerable expense to the Confederation.<sup>64</sup> The federal officials justified the policy in the name of national defense, by which they not only meant military measures but also measures to support foreign trade relations and the Swiss financial center and at the same time to support the wartime economy through monetary policy.<sup>65</sup>

In this regard, the question arises regarding the extent to which the acquisition of dollars and gold by the Confederation provided a greater latitude for gold purchases from the Reichsbank.<sup>66</sup> The gold operations with the Allies and with the Axis are not directly comparable. The purchases were based on different economic transactions. Moreover, on the one hand these purchases involved legally obtained gold and, on the other hand, gold which had been stolen. However, in terms of the money creation mechanism, there was no fundamental difference between purchases of foreign currency and gold from the Allies or the Axis powers. The Confederation assisted in the purchase of gold holdings which were frozen in the United States. The SNB worked to counter the monetarily induced inflationary tendencies in Switzerland. In this way, the SNB was able to continue its purchases of gold from Germany until 1945 without worrying about monetary policy considerations. This was true, even though in the second half of the war gold purchases from the Reichsbank were no longer significantly offset by the SNB's sales of gold to neutral countries such as Portugal and Spain. In the first phase of the war, three-way transactions between Germany, Switzerland and net purchasers of gold from the SNB (Portugal, Spain, Romania) resulted in a decrease of domestically available gold (see Chapter 2).<sup>67</sup> Once this revolving-door effect no longer came into play, the SNB's purchases of gold from Germany tended to push up inflation in Switzerland whenever they were not compensated by sales of gold on the marketplace. In addition to domestic sales, gold sterilization also lifted some of the burden from the SNB balance sheet and helped to prevent it from growing at an excessive rate.

---

<sup>64</sup> See Tanner 1986, pp. 248–257.

<sup>65</sup> See paper by Prof. Ed. Kellenberger «Der Goldschatz des Bundes», [The Gold Holdings of the Swiss Confederation] 27 March 1946, BAR E 6100 (B) 1972/96 241, vol. 37. This high official in the financial area added the sum of one billion francs used for gold laundering to the seven billion francs, which was used for the military defense of the Swiss territory.

<sup>66</sup> See Durrer 1984, p. 69.

<sup>67</sup> See also the chronology of net gold sales by the SNB to Portugal, Spain, Sweden and Romania in Appendix 2, Table XX.

## 4. The Gold Market and the Role of the Commercial Banks

### 4.1 Introduction

This chapter examines Switzerland's gold market in the period between 1939 and 1945. It focuses on the gold transactions of the major commercial banks which, in addition to the SNB, played important roles.<sup>1</sup> Switzerland must be recognized as a financial center with a complex structure: in addition to the commercial banks and other private financial institutions, it included a multitude of other participants such as insurance companies, asset managers, trustees, lawyers, and notaries, as well as numerous people who were operating on their own account and maintaining business contacts with established firms.<sup>2</sup>

It would also be restrictive to consider only the domestic market. Traditionally, the major banks were extensively involved in international commerce through the establishment of representatives and subsidiaries in countries such as the United States, Great Britain, and Argentina.

The gold processing industry should also be taken into account as one of the participants in the gold market. The Commission has excluded problems related to industrial gold from the present report, because they only indirectly relate to its subject matter. For the time being, trade in gold jewelry, smuggling, and black market dealings have been largely disregarded. Nevertheless, certain interesting information concerning the black market can be inferred from sources analyzed and cited here.

The following remarks concentrate on specific aspects of gold transactions undertaken by the major banks during the war and treat them as examples. Special attention is given to the question of the nature and extent of transactions with Nazi Germany, in particular those with the German Reichsbank. Microfilms of the Reichsbank books available in the United States have provided new insight on shipments to Swiss banks, which was published by the Commission in its annotated statistical overview of December 1997 (see Chapter 1). The evaluation of the Reichsbank's records will not be examined more extensively in the following text. Attention will focus instead on the preliminary results of the Commission's research in the archives of the Swiss banks.

---

<sup>1</sup> Important complementary information on the major banks can be found in Chapters 1, 2, and 3. Archival research for the present chapter was concluded at the end of 1997.

<sup>2</sup> On the role of the insurance companies, see Chapter 5.

## 4.2 The Gold Market and its Participants

The legal framework for the Swiss gold transactions changed during the course of World War II. The most important turning point was the government's introduction of market controls on 7 December 1942. From this date onwards, the previously largely uncontrolled trade in gold required a license and was subject to numerous other conditions (maximum price, import and export authorization, etc.).<sup>3</sup> The list of Swiss licensees for the period after December 1942 includes more than 100 names and lists companies from many different sectors of the economy. These companies, in one form or another, appeared in the gold market.<sup>4</sup> In addition to banking institutions and gold refineries, there were numerous smaller and medium-sized companies, which dealt primarily in gold jewelry and gold coins. Currently, very little is known about the large number of licensees and their commerce in gold during World War II. Transactions by coin dealers, jewelry stores and other smaller licensees are therefore still obscure.

Following the introduction of market controls and maximum prices at the end of 1942, activities on the domestic black market intensified with the increased demand for gold. Trade in gold coins was of primary importance (see Chapter 2.3.2). It can generally be assumed that transactions on the non-controlled Swiss gold market increased rather than decreased during the war. The fact that the black market flourished at the time reflects a familiar rule from economic handbooks: when regulations restricting legal transactions are strengthened, the incentive to switch to illegality escalates, especially when demand does not diminish. There are clear indications that the Swiss banks and the SNB were involved in these activities during the war.<sup>5</sup> In December 1944, for instance, the internal supervisors of the Swiss Volksbank reported that the bank's branch in Tramelan had undertaken extensive sales of gold coins at prices above the legal maximum.<sup>6</sup> The coins were purchased by the CS in Geneva and re-sold to third parties.

Transactions on the black market were also cause for discussion between the SNB and the country's largest commercial bank of the time, the Swiss Bank Corporation (SBC). In a memorandum of 7 October 1942, Maurice Golay, President of the Executive Board of the SBC, encouraged the approval by SNB Member of the Governing Board Rossy of gold transactions on the black market with which the SBC wanted to cover its needs. The SNB was apparently prepared to tolerate this illicit transactions to a certain extent, but the reasons for

---

<sup>3</sup> Schweizerische Nationalbank 1957, pp. 159–161; Federal Council Decree of 7 December 1942 regarding the supervision of gold transactions and the import, and export of gold (AS 1942, 1137) as well as the accompanying decrees and export regulations (AS 1942, 1139; AS 1942, 1141; AS 1942, 1144). See also SDD, vol. 14, no. 275.

<sup>4</sup> SBC Historical Archives, Federal Customs Administration, Central Office for Precious Metals Control, List of holders of trade licenses (1943), 1 December 1943.

<sup>5</sup> On the attempts to control the black market see for instance: Referat von Herrn Dr. Stöcklin, Prokurist der Schweizerischen Nationalbank, Bern, gehalten an der Konferenz der Leiter der kantonalen Fahndungsstelle zur Bekämpfung des Schwarzhandels des Kreises III in Romanshorn [Speech given by Mr. Stöcklin, Officer of the SNB in Bern, at the conference of the heads of the cantonal search operations office for combating black-market trade in District III in Romanshorn] 16 December 1944, BAR E 7391-1, vol. 33; see also BAR E 6100 (A) 21, vol. 1779; BAR E 6351 (F) 3, vol. 5; BAR 6351 (F) 4, vol. 8; BAR E 7160-07 1968/54, vol. 1109.

<sup>6</sup> CSG central archives, SVB inventory, special report on gold transactions, Tramelan, 30 December 1944.

the SNB's willingness can only be presumed. It is conceivable that the situation remained easy to handle, and through good personal contacts, the SNB could follow the market closely. Golay explained:

«Based on our information, I am informing M. Rossy that the Banco de España still has 35 million dollars worth of eagles at its disposal. It would be very important for us to be able to make sure of exchanging these coins and, in order to do so, we should remain in contact with the Banco de España and offer it exchange from time to time. However, we no longer want to diminish our stock of ingots because we consider it to be in the interest of Switzerland to keep a certain quantity.

We have found one of our friends, a broker for precious metals, who would be willing to sell gold ingots to us for a price of SFr. 4,970.– per kilo. We are certain that the broker would obtain the ingots on the black market at a price of x for which we would have to acknowledge it in another form in the transactions for joint account that we could undertake with him.

I should add that there is little chance of these transactions becoming known to the Swiss National Bank because they would probably not exceed 500 kg.

I have thus asked M. Rossy, in the interest of our relations with the Banco de España, to look the other ways if the matter comes to his attention. And for my part, I promise not to negotiate with this broker for more than 500 kg.

M. Rossy has expressed his agreement».<sup>7</sup>

By far the largest part of Swiss gold transactions during the war was negotiated legally at the official maximum price. The SNB was the preeminent participant, dominating the border-crossing trade in gold bars and coins by the end of 1942 at the latest. The major banks were of special consequence for the market, as were some of the large cantonal banks for domestic business.

The structure of the Swiss financial center and the varied functions of the individual bank groups cannot be described in detail here.<sup>8</sup> Clarifying certain terms is necessary to understand subsequent sections of this chapter. Customarily, the term «commercial bank» in this text refers to all banks except the SNB. The SNB, as a central monetary institution, had no commercial purpose.<sup>9</sup> The sector of Switzerland's commercial banks can be subdivided into four large groups: the major banks, the cantonal banks, the private banks, and other institutions (local banks, savings banks, etc.). The following table illustrates the relative assets of Swiss banks in 1940 and is based on official SNB statistics of the same year.<sup>10</sup>

---

<sup>7</sup> SBC Historical Archives, records of Maurice Golay, Memorandum from Maurice Golay, President of SBC's Executive Board, Commerce de l'or, Visite à Monsieur Rossy le 5 Octobre 1942 [Trade in gold, visit to Mr. Rossy on 5 October 1942], 7 October 1942.

<sup>8</sup> For an overview: Ritzmann 1973; Cassis 1995a; Körner 1993; see also Perrenoud 1987/88, pp. 65–67.

<sup>9</sup> Handbuch des Geld-, Bank- und Börsenwesens 1947, 1964 edition, p. 289.

<sup>10</sup> The groupings and figures concur with official bank statistics of the SNB: Das schweizerische Bankwesen 1941, Table 1.

**Table XIV: Balance sheets of the Swiss banks in 1940 (excluding private banks)**

	Number of banks	Total assets in Swiss franc million
Cantonal banks	27	7,890.3
Major banks	7	4,392.0
Other banks*	335	5,480.6
<b>Total</b>	<b>369</b>	<b>17,762.9</b>

\* Local banks, small and medium-sized banks, Raiffeisenkassen [rural banking cooperatives], savings banks (excluding private banks); Source: Das schweizerische Bankwesen 1941.

As measured in total assets, the cantonal banks accounted for the largest banking group, and the Zürcher Kantonalbank alone reported a total of SFr. 1.4 billion.<sup>11</sup> Until now, the Commission has not examined the activities of the cantonal banks more closely because these institutions, most of which were guaranteed by the state, were primarily active in the management of smaller savings assets and in granting domestic mortgage loans. Their significance for gold transactions, especially on the international level, can be considered negligible.<sup>12</sup> The same holds true for the large number of other banks which appeared only occasionally on the gold market. It should also be mentioned that the balance sheet figures for the more than 80 private banks active in Switzerland at the time were not included in the SNB's published statistics, and thus this group is lacking in the above survey.<sup>13</sup>

Of the Swiss commercial banks, attention is mainly focused on the major banks due to their far-reaching involvement in gold commerce during the war. As a simplified guideline, total assets of the seven major banks in 1940 are listed in the following table.<sup>14</sup>

**Table XV: Switzerland's major banks in 1940**

	Domicile	1940 total assets in SFr. thousands
Swiss Bank Corporation (SBC)	Basel	1,366,071
Credit Suisse (CS)	Zurich	1,189,563
Swiss Volksbank (SVB)	Bern	629,721
Union Bank of Switzerland (UBS)	Zurich	583,901
Eidgenössische Bank (EIBA)*	Zurich	303,261
Aktiengesellschaft Leu & Co. (Bank Leu)	Zurich	168,114
Basler Handelsbank (BHB)**	Basel	151,415

\* Taken over by the UBS in 1945 \*\*taken over by the SBC in 1945; Source: SNB, 1940.

<sup>11</sup> 1940 assets of the three largest cantonal banks in decreasing order: Zürcher Kantonalbank SFr. 1,418.6 million, Hypothekarkasse des Kantons Bern SFr. 651.5 million, Crédit Foncier Vaudois SFr. 599.9 million. Of the remaining cantonal banks, 17 reported assets between SFr. 100 and 500 million, and 7 reported assets of less than SFr. 100 million. Information according to Das schweizerische Bankwesen 1941, Table 7 and pp. 129–130.

<sup>12</sup> The Bern Kantonalbank played a special role in the SNB's sale of gold to industry. Gold for industrial purposes, however, will not be further addressed here.

<sup>13</sup> The question of activities of the Swiss private bankers on the gold market during the war has also been excluded from this interim report.

<sup>14</sup> Source: Das schweizerische Bankwesen 1941.

### 4.3 The Commercial Banks in the Gold Market

Previous research has paid little attention to the gold transactions of the Swiss commercial banks during World War II. Although it was regularly pointed out in relevant literature that this commerce was of considerable importance for Switzerland's position as an international financial center, investigation has usually focused on the role of the SNB and only marginally referred to the activities of the commercial banks. No study has systematically examined private gold transactions or even provided a survey of market activities. Company reports and commemorative publications of the major banks have largely remained silent on matters referring to gold.<sup>15</sup> Admittedly, dealings in gold tended to occur as a sideline to regular transactions and were not among the main activities of the financial institutions. In addition, prior to World War II, Switzerland was not particularly internationally significant as a gold center. Only after 1945, and then very rapidly, Zurich rose in competition with London to become an internationally important gold market.<sup>16</sup> Considering the subordinate function of gold for banking, it can be questioned if the gold trade should even constitute a genuine field of investigation. Commerce in gold becomes important and maintains its economic and political relevance in historical terms only in terms of Switzerland's wartime position as a hub for foreign currency transactions.

The difficulty in obtaining primary sources is one reason that historiography has addressed private gold dealings only peripherally. In contrast to transactions of the SNB, domestic private trade has not been recorded statistically. Of the banks' purchases and sales during the war, only the cross-border transactions can be reconstructed using public archives – and then not in their entirety and only for the period subsequent to the introduction of official market controls of gold trade at the end of 1942.

### 4.4 Access and Source Material in Bank Archives

Since the beginning of its inquiries in the archives of private banks in June 1997, the Commission has partly examined and evaluated documents of the three major banks.<sup>17</sup> Two basic remarks are necessary in this respect. First of all, in the case of the three major banks, there is still no complete inventory of historical documents. Efforts in this respect are still in progress. Secondly, the banks' present methods of taking inventory are not always adequate for historical research. The archival work of the CSG is the most advanced. The group's centralized company archives, which has custody of all of the documents of the banking institutions taken over by the group since 1945, submitted its inventory to the Commission in

---

<sup>15</sup> If at all, trading in precious metals was mentioned only marginally and in connection with other transactions: Jöhr 1956, p. 472; Schweizerische Bankgesellschaft 1962, p. 160; Bauer 1972, pp. 349–351. On the operation of the SBC's gold smelting plant in Le Locle: Bauer 1972, pp. 312, 313.

<sup>16</sup> Iklé 1970, p. 114; Handbuch des Bank-, Geld- und Börsenwesens 1947, 1964 edition, pp. 298–299.

<sup>17</sup> CSG, UBS, SBC.

August 1997. According to information from CSG, it is being continuously revised.<sup>18</sup> The inventory is marked by its high quality and its usefulness for research. At the beginning of October 1997, the Commission received a comprehensive list of historical documents from the UBS.<sup>19</sup> The SBC has provided the Commission with a general account of the holdings which have long been in the historical archives of this financial group head-quartered in Basel. A complete assessment of the SBC inventory relevant for the Commission was still in progress at the time this chapter was written, but has in the meantime been concluded.<sup>20</sup>

None of the bank archives contains documents which allow an unbroken reconstruction of the banks' gold purchases and sales during World War II. Statistical surveys and accounting records relating to gold which can still be found are incomplete or concern only a part of the gold transactions. General accounting also reveals little about the gold trade. Earnings on precious metals were amalgamated into other earnings figures for quarterly, semi-annual and annual reports, so we have no information on the amount actually earned on gold transactions alone. Furthermore, there is only sparse information in management records. It is possible that additional material may emerge and change the picture sketched here

There is certainly no possibility of completely reconstructing a bank's gold transactions, based solely on its own archival sources. For instance, we know from the Minutes of the SNB's Governing Board that in July 1940 Bank Leu purchased large amounts of gold on the Swiss gold market on behalf of the Reichsbank. The SNB records of 31 July state that «with this course of action, the Bank is presently dominating the gold market».<sup>21</sup> One would think that such an important step would have been discussed by the management of the comparatively small Bank Leu, but there is no evidence of the subject in the bank's Minutes.

#### 4.5 From a Free to a Controlled Gold Market

At the beginning of World War II, Switzerland and Turkey were the only countries in Europe in which gold traffic was not subject to far-reaching regulations.<sup>22</sup> The banks were well aware of the particular freedom of the Swiss market. They made use of the opportunities offered by this freedom to become actively involved in gold arbitrage. The difference between buying and selling prices promised attractive profits for those trading in large amounts of bar and monetary gold. Transactions with gold bars of Russian provenance, which the UBS and the SBC undertook between 1940 and 1941, should be viewed within this context.<sup>23</sup> Gold bars

---

<sup>18</sup> The archives of the CSG include documents of the CS, the SVB and Bank Leu.

<sup>19</sup> The documentation includes a list of the extant sources of the Eidgenössische Bank (EIBA), which was acquired by UBS in 1945.

<sup>20</sup> This also refers to historical documents of the Basler Handelsbank (BHB), which was acquired by SBC in 1945.

<sup>21</sup> SNB Archives, Minutes of the Governing Board, 31 July 1940, no. 667, p. 819.

<sup>22</sup> Schweizerische Nationalbank 1957, p. 141; Durrer 1984, p. 99; SDD, vol. 14, no. 229 with Appendix, pp. 743–744.

<sup>23</sup> See also Comments to Tables II and V/1 through V/3 in Chapter 1, and Chapter 2.3.1. See also Trepp 1993, p. 55.

marked with «Russian stamps» were resmelted in the SBC's own foundry in Le Locle as the general management feared they could not be sold in their original form.<sup>24</sup>

The speculative gold operations of the commercial banks, which were pushing prices upwards and triggering inflation, were not favored by the SNB. The SNB realized that the rise in gold prices after the outbreak of the war was only in small part due to the domestic demand for stockpiling. The larger part of gold sold on the market went to France, as revealed by a survey of the four commercial banks which were especially active in dealing in gold coins.<sup>25</sup> The 1942 Annual Report of the UBS explained the situation as a «tendency from abroad partially to convert credit balances in Switzerland into gold which, in connection with the SNB's understandable reticence about selling gold, led to an increase of prices both for bar and for coins».<sup>26</sup>

The SNB at first tried to avoid legally regulating gold transactions and to resolve the problem instead through consultation with the banks. A gentlemen's agreement of August 1942 reflecting this attempt, which should have put an end to the rise in prices and the movement of gold abroad. Rather, it disappointed the expectations associated with it because certain banks did not abide by the recommendations of the SBA.<sup>27</sup> The sale of coins was too profitable for the banks voluntarily to renounce it. At times, Swiss gold *Vrenelis* which could be purchased from the SNB for a good 30 francs, were being sold to the public for prices of more than 40 francs.<sup>28</sup>

At the instigation of the central bank, the Federal Council passed a resolution on 7 December 1942 establishing maximum prices for gold bars and coins, declared that gold transactions required a license, and made each import and export dependent on authorization issued by the SNB.<sup>29</sup> The banks in turn found the regulation to be a serious interference in their affairs. In its annual report of 1942, the SBC remarked that «it is regrettable to resort to measures which are further obstructing the freedom of trade, and it is hoped that it will soon be possible to curtail the rules».<sup>30</sup> In fact, government controls were only repealed several years after the war under a changed monetary policy.<sup>31</sup>

---

<sup>24</sup> SNB Archives, 117.0, letter from the SBC General Management to the SNB of 24 February 1941.

<sup>25</sup> See Chapter 2.3.2 for more detailed information; Fior 1997, p. 32; SDD, vol. 14, pp. 745–746.

<sup>26</sup> Schweizerische Bankgesellschaft 1942, p. 9 (Geschäftsbericht).

<sup>27</sup> Schweizerische Nationalbank 1957, p. 159.

<sup>28</sup> Schweizerische Nationalbank 1957, p. 141 mentions a market price of more than 50 francs for Swiss gold *Vreneli*; the same is true in *Handbuch des Bank-, Geld- und Börsenwesens* 1947, 1964 edition, p. 300. A graph of coin prices, published for the year 1942 by the EIBA, and now in the archives of the SBC, indicates that between August and the beginning of December 1942 prices for the most important gold coins on the market (*Vreneli*, double eagle, Sovereign, Napoléon) were 30 percent to 40 percent higher than those in the first half of the year and were fluctuating strongly. See also Fior 1997, pp. 32–35.

<sup>29</sup> Schweizerische Nationalbank 1957, pp. 159–161.

<sup>30</sup> Swiss Bank Corporation 1942, p. 13 (Geschäftsbericht).

<sup>31</sup> With a Decree of 29 December 1948, the Federal Council declared that gold transit (transit trade) was also subject to authorization. In 1951 and 1952, controls were gradually abolished; see BAR E 6100 (B) 1972/96, vols. 35–37.

## 4.6 The Banks Seek Alternatives Abroad

Under the new regime, the larger Swiss financial institutions found ways of avoiding the disadvantages of price controls. The CS, for instance, had already opened a gold deposit in Argentina in the spring of 1942. It could use this deposit for transactions without any control by the SNB. By December 1942, the largest part, or some SFr. 11.75 million, of CS's total gold reserves of SFr. 12.5 million, was already in Argentina, and CS was concluding major transactions with the Argentinean state bank at this time.<sup>32</sup> Following the introduction of supervisory regulations in Switzerland, CS was asked if these regulations would affect gold commerce, especially in Argentina. The legal department of the company's headquarters in Zurich answered that these regulations would have no effect. CS's legal advisors decided that, based on the December 1942 decree of the Federal Price Control Office, «the maximum price only applies to gold which is actually in Switzerland as well as to gold which is to be imported or exported».<sup>33</sup> An agreement on the matter had also been reached with SNB Vice-President Paul Rossy. He believed that transactions with gold deposited abroad were not subject to registration.<sup>34</sup> Gold transactions concluded outside Switzerland remained exempt from state regulations, and the price was not determined by Swiss law. It was possible for CS to exchange its monetary gold for pesos in Argentina at a rate higher than the Swiss maximum. An internal appraisal by CS's legal department concluded that it made no difference whether the buyer or seller of gold lived abroad or was domiciled in Switzerland.<sup>35</sup>

The SNB had no objections to international gold transactions of the Swiss banks as long as they were concluded beyond the country's borders. From the point of view of monetary policy, there was nothing to criticize because such transactions had no influence on the stability of the Swiss franc's monetary value. At the same time, these transactions offered an earnings potential which was of interest to the Swiss banks. The SNB Member of the Governing Board Paul Rossy agreed with the banks in this respect. His opinion emerged in a personal memorandum from Maurice Golay, Member of the Executive Board of the SBC.<sup>36</sup> On 16 March 1944 Golay paid a visit to the head of the SNB's Department II and spoke with him about the gold trade being planned with the Deutsche Orientbank in Istanbul.<sup>37</sup> The Orientbank

---

<sup>32</sup> CSG Central Archives, Minutes of the Finance Commission, CS Board of Directors, 30 April 1942, p. 87 and Minutes of the CS Board of Directors, 17 December 1942, p. 93. Immediately after the war, CS quantified its gold purchases from Argentina alone as of 1942 at SFr. 27 million: «In view of normally functioning money transfers with Argentina, CS has done everything possible in recent years to facilitate it, and for this purpose it has successively accepted SFr. 27 million in gold in Buenos Aires since 1942». Memorandum from Jules Grandjean, Member of the Executive Board of CS, to Federal Councilor Nobs referring to present difficulties with the Swiss-Argentinean money transfers, 20 June 1945, BAR E 6100 (A) 1972/96, vol. 35.

<sup>33</sup> CSG Central Archives, Memorandum of the CS legal department of 12 March 1943.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> For information on Maurice Golay, see Appendix 1, Biographical Information.

<sup>37</sup> The Deutsche Orientbank, with headquarters in Berlin, was founded in 1905 with the substantial participation of the Dresdner Bank. In 1924 it established a branch in Istanbul, in 1925 in Izmir, and in 1926 in Cairo and Alexandria. In 1933 it merged with the Dresdner Bank, which continued to manage the foreign branch offices until their liquidation after World War II. Dresdner Bank 1972, p. 282.

had approached the SBC expressing its interest for trade in gold in Turkey on joint account. The question was whether the SNB had reservations of a legal nature about the transactions:<sup>38</sup>

«I asked Monsieur Rossy if he thought such transactions would be contrary to the banking law. Personally I consider them to be perfectly correct because we would sell at the official price on joint account, and subsequent deals would take place entirely abroad. After having thought for a brief moment, Monsieur Rossy told me that he was entirely of my opinion and that we could undertake these deals without any further thought».

The fact that the SBC could team up with the Deutsche Orientbank in this matter was never examined critically. The Orientbank was functioning at the time as a base for the Dresdner Bank in Turkey and was thus strongly involved in the financing of the Third Reich.<sup>39</sup> The CS also maintained close contact with the German banks in Turkey, another location for shipments of the Reich's gold. Rossy reported back to Golay in a telephone conversation, occasioned by a visit from Adnan M. Birgi,<sup>40</sup> director of the Turkish central bank, to SNB Vice President Rossy. Golay subsequently noted:<sup>41</sup>

«Mr. Birghi [sic] has informed Mr. Rossy that he has absolutely nothing against the gold transactions in Turkey, although two German banks are monopolizing these affairs. In general, they are dealing for Swiss francs and primarily working together with the Swiss Bank Corporation and the Crédit Suisse Bank».

Common gold transactions by Swiss and German banks in Turkey were no exception. The 1946–47 inquiry by US military officials in Germany (OMGUS) confirmed that the Turkish branch office of the Deutsche Bank was very active in gold dealings during the war, dealing mainly with CS.<sup>42</sup> CS's gold transactions with the Deutsche Bank in Istanbul are discussed in the following section.

## 4.7 Latitude for Private Gold Imports into Switzerland

After the supervision of cross-border trade was introduced in Switzerland, private Swiss banks imported very little gold directly from Germany. By the end of the war, the SNB had authorized private imports from Germany amounting to only SFr. 2.7 million.<sup>43</sup> SNB documents help to reconstruct the authorization procedure for individual cases as of 1943.<sup>44</sup>

---

<sup>38</sup> SBC Historical Archives, records of Golay, memorandum of 18 March 1944 «Commerce de l'or, Visite à Monsieur Rossy du 16 mars 1944» [Trade in gold, visit to Mr. Rossy on 16 March 1944].

<sup>39</sup> OMGUS 1986, especially XXXVIII, pp. 9, 35. For a critical evaluation of the OMGUS report: Kopper 1995, pp. 10–11. For the relations between the Berlin big banks and the National Socialist powers, and especially the close relationship between the Dresdner Bank and the SS: Koch 1987 and James 1995, especially pp. 371, 378.

<sup>40</sup> Birgi acted as petitioner for gold exports from Switzerland to Turkey. SNB Archives, 103.1, extract from the Minutes of the Governing Board, 26 August 1943, no. 820 (request no. 808).

<sup>41</sup> SBC Historical Archives, records of Golay, memorandum of 18 March 1944, «Affaire de l'or, Téléphone de M. Rossy, Directeur Général de la Banque Nationale Suisse du 18 mars 1944» [Gold business, phone call from Mr. Rossy, Director of the Swiss National Bank, on 18 March 1944].

<sup>42</sup> OMGUS 1985, pp. 403–405.

<sup>43</sup> SNB Archives, 117.1, gold transactions between the SNB and the Reichsbank during the war, 2 (6 April 1946), descriptions of details in the French original: «Or allemand importé en Suisse par des maisons privées au bénéfice d'une autorisation d'importation» [German gold imported to Switzerland by private companies with import authorization].

<sup>44</sup> One reservation must be noted here. Department II of the SNB granted certain authorizations on its own accord and

Most of the authorizations did not concern applications from commercial banks but rather those from others holding licenses for gold transactions.<sup>45</sup>

Because the banks generally exercised restraint in applying for import licenses, several requests from CS in 1943 stand out. The most important facts in this respect are already known from the literature.<sup>46</sup> In the spring and summer of 1943, the SNB repeatedly approved small deliveries from Germany to CS that were problematic in several respects. The SNB was also becoming increasingly restrictive with its conditions relating to the use of gold. The Governing Board approved CS's 7 May 1943 application for the import of 4000 Napoléons and 5000 Dutch gold coins on the condition that the imported gold would be «kept under a certain surveillance» in the CS depot.<sup>47</sup> In September 1943 the Governing Board temporarily refused its consent for a similar consignment from the Reichsbank for the deposit account of the Istanbul branch of the Deutsche Bank. The SNB obviously feared that the French and Dutch coins imported into Switzerland could be offered for sale, with possible political consequences. The coins in question were in all likelihood looted gold which had been confiscated in occupied areas by German currency control squads.<sup>48</sup> The Istanbul branch of the Deutsche Bank, as the customer of CS, on whose account the transaction was to be made, was equally suspect. Its director was Hans Weidtmann, who had already made himself known in Switzerland for «unwelcome gold dealings». For this reason, in April 1943 the SNB had repeatedly advised the Aliens' Registration Office against granting Weidtmann permission to enter Switzerland.<sup>49</sup>

As already mentioned, Maurice Golay, Chairman of the SBC's Governing Board, was still able in March 1944 to obtain authorization from the SNB for joint transactions with the Deutsche Orientbank in Istanbul. Long after the summer of 1943, there were apparently ways of continuing the gold trade with German banks. How should these procedures be evaluated? Moral considerations or politically motivated precautionary measures on the part of the Swiss commercial banks cannot be ascertained from the sources thus far examined. The fact that transactions were carried out with the knowledge of those responsible at the SNB is not satisfactory as a potential justification. Since it concerned only relatively small amounts and the origin of the gold was obviously problematic, the question arises as to the motivation for those

---

submitted only the larger and more problematic cases to its Governing Board. Fior 1997, p. 84 and note 245.

<sup>45</sup> As a rule, these transactions did not involve gold imports but rather exports of small amounts, as can be seen from the Minutes of the SNB's Governing Board.

<sup>46</sup> Balzli 1997a, pp. 162–164; Fior 1997, pp. 84–85.

<sup>47</sup> SNB Archives, Minutes of the Governing Board, 7 May 1943, no. 436, p. 426.

<sup>48</sup> SNB Archives, Minutes of the Governing Board, 23 September 1942, no. 898, p. 985, request of 22 September 1943; Fior 1997, pp. 85–89.

<sup>49</sup> SNB Archives, Minutes of the Governing Board, 16 April 1943, no. 369, p. 371: «The Swiss Aliens' Registration Office reports that Mr. Hans Weidtmann, Director of the Deutsche Bank in Istanbul, has again requested permission to enter the country. Because he is a person already known for unwelcome gold dealings, the SNB's Governing Board has decided to recommend denying the request». See also Balzli 1997a, p. 163.

responsible at the Swiss banks in continuing the gold trade, especially after the summer of 1943.

Starting in 1942, the SNB largely monopolized direct gold shipments of the Reichsbank to Switzerland. To a limited extent, the commercial banks had the option of accepting gold from Berlin, if not directly from the Reichsbank. An interesting case in point is the Romanian central bank's gold deposit account at the UBS by which various German shipments within the Swiss borders were carried out.<sup>50</sup> It was known that during the war, central banks abroad could send gold to the SNB and from there have it forwarded to other foreign central banks. Gold assignments from the Reichsbank to central banks in Portugal, Spain, Sweden, and as of May 1944 to the Romanian National Bank, took this detour via the Bern deposit account.<sup>51</sup> In contrast to other national banks, the Romanian central bank not only had a gold account with the SNB but also one, rather unusually, with the UBS.<sup>52</sup> In the months following April 1941, the Romanian National Bank bought bar on the Swiss market with the full knowledge of the SNB.<sup>53</sup> The transactions of the UBS on behalf of Romania three years later are of special interest. Between May and August 1944, the bank accepted three consignments of gold bars and coins with a total value of 51 million francs from the Bern SNB depot of the Reichsbank to its own depot on account of the Romanian National Bank.<sup>54</sup> In all probability, these transactions have been related to the German-Romanian Trade Agreement of 9 February 1944, which provided for deliveries of Romanian grain to Germany against payment in Swiss francs.<sup>55</sup> Another possible link may have been the efforts of the Romanian National Bank to transfer extensive gold holdings to Switzerland as of early 1943.<sup>56</sup> Developments related to the wartime economy and trade policy, which may have been the reason for the UBS's gold purchases, are not addressed here. Probably, such a connection existed, that the above-mentioned transactions of the UBS should be more closely analyzed within this context. The 1944 shipments from the Bern deposit of the Reichsbank to the UBS included looted gold. As

---

<sup>50</sup> Further research is urgently needed to illuminate the dimension as well as the economic and commercial background of the gold transactions over Switzerland to Romania. As a military ally and a supplier of raw materials (mainly petroleum), Romania played an important role for the wartime economy of the Third Reich. Romania was also an important trading partner for Switzerland. On the role of Romania: Boelcke 1976, especially p. 306; Boelcke 1994, pp. 106–111, 158–166; see also Fior 1997, p. 79.

<sup>51</sup> For a tabulated overview see: Fior 1997, pp. 136–137.

<sup>52</sup> For movements on the Romanian National Bank's depot at the SNB see: SNB Archives, stock records of customer gold deposits 1939–1945, 4 March 1997; Fior 1997, Tables pp. 136–137. On the Romanian depot at the UBS see SNB Archives, 117.0, letter to the General Management of the UBS, Bern, 15 August 1941; as well as the SNB's survey of the major banks in November 1941: SNB Archives, Minutes of the Governing Board, 27 November 1941, no. 877, pp. 1099–1100.

<sup>53</sup> SNB Archives, Minutes of the Governing Board, 9 April 1941, no. 307, p. 370.

<sup>54</sup> 663 bars valued at SFr. 38,782,148 as well as later coins with a cash value of SFr. 12,167,000 (nominal: SFr. 8,660,000). SNB Archives, stock records of customer gold deposits 1939–1945, 4 March 1997; SNB Archives, without call number, quarterly reports on gold transactions 1944; see also SNB Archives, 117.1, «Goldverkehr des Reichsbankdirektoriums Berlin mit der Schweizerischen Nationalbank», 7 February 1945, p. 3.

<sup>55</sup> SDD, vol. 15, no. 89, letter of the SNB to the Political Department dated 24 February 1944; BAR 2001 (E) 2, vol. 617.

<sup>56</sup> In the Swiss Federal Archives, see the correspondence between the SNB and the Political Department as well as the related diplomatic correspondence with the Swiss legation in Bucharest and Allied representations in Bern, BAR E 2001 (E) 2, vol. 617; see also SDD, vol. 15, no. 145.

has emerged in postwar SNB documents, it was proved that coins valued at SFr. 12.2 million were part of the gold seized by Germany from the Belgian central bank.<sup>57</sup> There is no indication in available wartime sources that the UBS took any precautionary measures with regard to the gold's origin, even though it was known then that the Reichsbank was in possession of looted gold from Belgium. After the gold shipped by the Reichsbank had moved through the SNB deposit in Bern, further concerns on the part of purchasers in Zurich were never voiced.

#### 4.8 Profits from the Gold Trade and the Consequences of Market Controls

Based on current sources and literature, no reliable statement can be made about the banks' profits from gold commerce,. On the other hand, conclusions may be drawn regarding the effect of the Federal Council's Decree of 7 December 1942, which established maximum prices and other conditions on the earnings of commercial banks. As an example and without claim to completeness, a number of interim findings from the archives of the CSG can be cited. A remark made to the Finance Commission of CS, classified as strictly confidential, indicates that the bank attained a profit (presumably gross) of SFr. 1.63 million on gold transactions between 1939 and 1941, corresponding to about 1.7 percent of total gross profits for this period.<sup>58</sup> When the SNB tried to enforce a gentlemen's agreement to stem the gold trade which was driving prices upwards, CS's management feared that the «very attractive profit» from recent gold transactions could be endangered.<sup>59</sup> Available bank documents do not reveal the extent of earnings in the months prior to the introduction of controls by the Federal Council.<sup>60</sup>

---

<sup>57</sup> SNB Archives, 117.1, «Les opérations d'or entre la Banque nationale suisse et la Reichsbank durant la guerre: B. Or <belge>, Indications fondées sur la liste reprise par M. le Gouverneur Frère, le 1er février 1946» [gold operations between the SNB and the Reichsbank during the war: B gold «Belgian». Based on the list recovered by Mr. Frère, the governor, on 1 February 1946]. See also BAR E 6100 (A) 25, vol. 2327, note from the main cashier's office of the SNB «Goldverkehr mit nachfolgenden Ländern [Poland, Bulgaria, Romania, Hungary, Italy] während des Krieges», 8 June 1946.

<sup>58</sup> CSG Central Archives, Minutes of the Finance Commission of the CS Board of Directors, 27 August 1942, p. 107.

<sup>59</sup> CSG Central Archives, Minutes of the CS Board of Directors, 27 August 1942, p. 200.

<sup>60</sup> The CSG Central Archives contain a statistical overview of the gold bars and coins purchased and sold by CS for each of the war years. Annual gold turnover (purchases and sales) of CS headquarters and individual branches can be inferred. CSG, statistics folder Cb. The statistics contain neither information on the identity of the trading partner nor on earnings from gold transactions. In the CSG archives, there is a survey of the CS' gold turnover for the second half of 1940. Both buyers and purchasers are named (including the Reichsbank). Records exist for only a few semi-annual periods. These documents also do not provide information on profit attained by CS from gold transactions.

CS' internal profit and loss account, the files on which are today part of the inventory of the CSG Central Archives (statistics folder Cb), lists the effective earnings on gold transactions and bank notes credited to the foreign bank note account under the heading of «various». The share of book profit from gold transactions alone is not clear. In addition, it cannot be completely excluded that in this case only the earnings on transactions were booked in the «bank note account» and not on the «cash account». The CS' internal profit and loss account for each of the war years indicates the following amounts:

Figures for earnings on gold by the SVB, whose records today are in the CSG archives, are equally fragmentary. Nevertheless, it can be calculated that the SVB's exchange profit from trading in bar and coins amounted to SFr. 37,668 in 1942 and dropped sharply thereafter. A mere SFr. 3,994 was earned in 1943. In the two following years, the profit amounted to SFr. 8,422 (1944) and SFr. 8,402 (1945).<sup>61</sup> The extent to which the Federal Council's Decree of 7 December 1942 affected earnings on gold transactions for the SVB is shown by the figures. When the 1943 profit and loss account was discussed by the Board of Directors, the noticeably-reduced profit from gold transactions was explicitly blamed on «official restrictions on the gold trade».<sup>62</sup> Following the establishment of maximum prices, gold dealings were obviously no longer an important business for the Volksbank. The remaining opportunities for earnings were naturally still used. When the SNB sold large amounts of gold coins to private banks in 1944, it was favored by a committee of the SVB's Board of Directors as a «certain substitute in Swiss business».<sup>63</sup> The resale of lator coins to customers led to «gratifying revenues» for some of the branch offices<sup>64</sup> (see Chapter 2.3.2).

#### 4.9 Gold Purchases from the SNB by the Major Banks

During the war, the SNB sold large amounts of gold on the domestic market, usually by arrangement with the banks, for reasons of monetary policy.<sup>65</sup> An analysis of SNB ledgers, which the SNB published in the spring of 1997, shows that gold sales on the market during the war reached a net SFr. 547 million.<sup>66</sup> The larger part of this sum was derived from sales of gold coins totaling SFr. 456 million net.<sup>67</sup> The data was compiled on the basis of the gross value of bar and coins sold to the seven major banks between the beginning of 1939 and the end of 1945.<sup>68</sup> In their entirety, these sales amounted to about SFr. 590.4 million, of which

---

##### CS gross earnings from the foreign bank note account, 1939–1945 (in SFr. thousands)

Year	Gross earnings from «bank note» account	Total gross earnings
1939	1,136	47,773
1940	832	41,640
1941	589	44,333
1942	1,082	48,211
1943	1,347	47,699
1944	1,281	48,046
1945	230	50,976

Source: CS Profit and Loss Account, effective figures, CSG Central Archives, statistics folder Cb.

It can be seen from the figures that CS earnings on transactions with «foreign bank note account», and gold fluctuated between 1 percent, and 3 percent of total gross profit.

<sup>61</sup> CSG Central Archives, SVB Balance Sheet, Profit and Loss Account 1942–1946.

<sup>62</sup> CSG Central Archives, Minutes of the SVB Board of Directors, 4 February 1944, p. 8.

<sup>63</sup> CSG Central Archives, Minutes of the Committee of the SVB Board of Directors, 13 October 1944, p. 443.

<sup>64</sup> CSG Central Archives, Minutes of the Committee of the SVB Board of Directors, 6 July 1944, p. 283.

<sup>65</sup> Schweizerische Nationalbank 1957, pp. 140–141.

<sup>66</sup> This was followed by sales to industry amounting to a net SFr. 80 million: Schweizerische Nationalbank 1997.

<sup>67</sup> Schweizerische Nationalbank 1997, p. 2.

<sup>68</sup> According to SNB stock records. For the definition and delimitation of the so-called major banks, as opposed to the other groups of banks, see Schneider 1959; the annual bank statistics published by the SNB (Das Schweizerische Bankwesen) and the exposition above.

coins accounting for SFr. 424.5 million were sold to the major banks.<sup>69</sup> The net value of transactions with the major banks (sales minus purchases of the SNB) amounted to SFr. 514.5 million.<sup>70</sup>

In terms of value, coins comprised the largest part of the value of gold transactions as of 1941. By selling gold, the SNB tried to limit the attractiveness of the black market and inflationary pressure resulting from the rise in the price of gold.<sup>71</sup> The SNB also hoped for additional revenues from coin sales. While purchasing gold from the Deutsche Reichsbank, the SNB had acquired a large amount of monetary gold which it could sell in Switzerland at a profit.<sup>72</sup> The profit motive was undoubtedly important to the commercial banks. As already mentioned, gold coins were very popular with the public. The largest part of coins sold to the banks presumably went into the savings of private customers both at home and abroad.

#### 4.10 Tracing Belgian and Dutch Looted Gold

By now we know that a substantial part of the coins sold to the public were appropriated from the Belgian central bank by the Reichsbank, through the intermediary of the Vichy Government, and subsequently shipped to Bern.<sup>73</sup> The following table lists all shipments of Belgian gold to Bern, their components, and the amounts acquired by the SNB for its own account. The source for the compilation is a document of 6 April 1946. Details are based on information which was made available to the SNB in its entirety only after the war (see Table XXIII).<sup>74</sup>

**Table XVI: Purchases of Belgian looted gold by the SNB**  
(in SFr. million)

	Bars	Coins	Total
Shipments to the SNB	378.1	153.6	531.7
Purchases by the SNB	237.2	141.4	378.6

Source: SNB Archives, 117.1, «Les opérations d'or entre la Banque nationale suisse et la Reichsbank durant la guerre: B. Or «belge», Indications fondées sur la liste reprise par M. le Gouverneur Frère, le 1er février 1946» [gold operations between the SNB and the Reichsbank during the war: B gold «Belgian». Based on the list recovered by Mr. Frère, the governor, on 1 February 1946].

<sup>69</sup> See Appendix 2, Table XIX.

<sup>70</sup> Between 1939 and 1945, the SNB did not buy any coins from the seven major banks. The purchase of gold bars amounted to 75.9 million francs.

<sup>71</sup> See the entire section Chapter 2.3.2 as well as Marguerat 1991, pp. 139–140.

<sup>72</sup> A retrospective remark on the SNB's gold policy of 1946 by E. Reinhardt, Director of the Federal Finance Administration, goes in the same direction. SDD, vol. 15, no. 447.

<sup>73</sup> On the tracing of gold from the Belgian central bank: Smith 1989, pp. 11–25, 36 f.; Rings 1996, pp. 8–17; Fior 1997, pp. 39–41. 532 million was shipped to the Bern deposit account. Of this, 379 million was purchased by the SNB.

<sup>74</sup> SNB Archives, 117.1, «Les opérations d'or entre la Banque nationale suisse et la Reichsbank durant la guerre: B. Or «belge» Indications fondées sur la liste reprise par M. le Gouverneur Frère, le 1er février 1946» [gold operations between the SNB and the Reichsbank during the war: B. «Belgian» gold. Based on the list recovered by Mr. Frère, the governor, on 1 February 1946].

The coins purchased comprised 5,033,000 lators which the SNB assessed at SFr. 28.10 each.<sup>75</sup> The first of these consignments arrived in Bern at the beginning of 1943. In the quarterly reports, SNB purchases were booked for each three-month period. They also listed the purchasers to whom the coins received from Berlin were resold. The description of the coins in the quarterly reports, however, was not always consistent. Therefore, it cannot be said which of the SNB's Swiss and foreign customers acquired what part of looted gold from Belgium in the form of lator coins. At present it can only be determined that a very large amount of monetary gold sold on the domestic market was of Belgian origin. The quarterly reports also indicate that at the beginning of 1943, the SNB had no so-called «foreign coins» in stock, including lators, and that all foreign coins of this kind had been cleared out by the end of 1944. Obviously the SNB rapidly distanced itself from the Belgian gold coins, which could not be clearly distinguished as German plunder. Based on another SNB source, the value of the original Belgian lator coins, which had been delivered from the Third Reich to Bern and from there been resold to Swiss banks, was estimated at SFr. 133.2 million, or 94 percent of the SNB's total acquisition of SFr. 141.4 million.<sup>76</sup>

In the weekly reports of its own gold transactions prepared for its Governing Board, the SNB meticulously recorded its coin sales on the domestic market. The coins which were originally in Belgian possession reappeared in these reports. For instance, in the week of 15– 21 June 1943, the SNB sold «foreign coins» totaling SFr. 1,220,000 to the SVB for a price of SFr. 30.50 each.<sup>77</sup> It is not possible to reconstruct what the SVB did with the coins in individual cases. It is likely that it sold the gold coins, as did other banks, to customers in Switzerland.

In contrast to Belgian gold, the whereabouts of the Dutch looted gold is much easier to reconstruct. There were three channels through which Dutch gold flowed into the vaults of the Swiss banks:

1. Direct consignment from the Reichsbank to the major Swiss banks.
2. Consignments to the Bern deposit of the Reichsbank and from there to the UBS for the account of the Romanian National Bank.
3. Consignments to the Bern deposit of the Reichsbank, followed by purchases of the SNB and re-sale to various Swiss banks.

---

<sup>75</sup> Ibid., p. 3.

<sup>76</sup> SNB Archives, 117.1 «Goldverkehr des Reichsbankdirektoriums mit der Schweizerischen Nationalbank», 7 February 1945. In comparison with the sources cited above, there is a small discrepancy. In this document, the lator coins purchased by the SNB from the Reichsbank were also estimated at SFr. 141.4 million. According to the list, however, in February 1945, there was still a remaining stock of lator coins of this provenance, valued at SFr. 660,000 in the holdings of the SNB's main strong box in Bern. Sales to Swiss banks before 6 February were stated to be SFr. 133,209,000. Other purchasers were: Hungarian National Bank (SFr. 3,090,000), Institut International d'Agriculture, Rome (SFr. 141,000 francs), Swiss Red Cross (SFr. 253,000), Swiss Precious Metals Control (SFr. 3,596,000), dentistry (SFr. 478,000). In concurrence with other documents, the amount of the lator coins which went directly to the UBS in Zurich for the account of the Romanian National Bank without having been first acquired by the SNB was also estimated at SFr. 12,167,000.

<sup>77</sup> SNB Archives, Minutes of the Governing Board, 22 July 1943, no. 711, p. 740.

The extent and recipients of these direct consignments are known. A total of 185 gold bars were sold in 1941 to the Basler Handelsbank (97 bars), the SBC (56 bars), CS (13 bars), and Bank Leu (19 bars). The consignments had a total value of 11,216,413 francs.<sup>78</sup> The second channel exclusively concerned the UBS, which maintained a deposit for the Romanian National Bank during the war. 415 bars of looted Dutch gold with a total cash value of SFr. 23,947,214.65 were deposited there.<sup>79</sup> The special role of the Romanian depot at the UBS has already been mentioned. The third channel which brought Netherlands gold into Switzerland was occasioned by purchases of the SNB. Of the 6,864 gold bars of Dutch provenance which the SNB had acquired from the Reichsbank for a cash value of SFr. 399,902,839.70 million, a small part, or 245 bars valued at SFr. 14,150,532.75, was transferred to various Swiss banks. Sources presently available do not reveal the names of the recipient domestic banks.<sup>80</sup> By far the largest part of Dutch gold went on to foreign central banks.

It must be emphasized that the movement mentioned above refers to the physical transfer of gold. The statement of accounts for which the transactions were booked cannot be reliably determined in every case and must be left open. It should also be taken into account that the information which formed the basis for reconstructing the traces of Dutch gold became known only after the war.<sup>81</sup> An evaluation of the transactions requires more information. One of the most difficult questions to answer is whether the commercial banks were aware of the gold's origin.

#### 4.11 Summary and Outlook

The sources available until now allow only a rough sketch of the wartime gold transactions of the commercial banks. Little is known, especially, about activities prior to the introduction of controls in December 1942. In the meantime, the banks had been making substantial profits on gold arbitrage. After the SNB had largely claimed gold purchasing from abroad for itself and margins were diminished in Switzerland by price controls, the Swiss commercial banks were left with little latitude for profitable gold transactions. Some of the major banks sought alternatives abroad and were active outside of Switzerland in a number of ways. All in all, the gold trade was considered as a sideline of the banking business. Transactions in gold were certainly not its core activity. Books of the Reichsbank newly evaluated by the Commission provide information on the gold assignments of the German Reichsbank to private banks in Switzerland. It is not known how much gold was acquired by the banks through purchase. It is

---

<sup>78</sup> SNB Archives, no number (C), Report on Netherlands Monetary Gold looted by Germany and subsequently shipped to Switzerland, and related documents; see, with slight deviation, Fior 1997, p. 145.

<sup>79</sup> SNB Archives, no number (C), Shipment of the German Reichsbank, Berlin for its depot with the SNB, Table 2.

<sup>80</sup> SNB Archives, no number (C), Shipment of the German Reichsbank, Berlin for its depot with the SNB, Table 3.

<sup>81</sup> Eizenstat 1997, pp. 63–72, 183–185; Castelmur 1997; Maissen 1997b, p. 29; see also comments to table XXIII in Appendix 2.

also not known to what extent the commercial banks voluntarily imposed restrictions regarding the origin of the gold being bought from Germany.

There are many gaps in the research which cannot be filled on the basis of the source material presently available. They include the question of the amount actually earned on gold transactions by the individual commercial banks during the war. As already mentioned, future investigations should pay more attention to the large number of non-bank participants in the wartime gold trade. Whereas purchases of large quantities of foreign gold were centralized by the SNB during the war, other participants found new niches, be it in international dealings beyond Swiss borders or on the black market. It should also be mentioned here that the commercial banks, even after October 1941 when the SNB requested the Reichsbank to restrict its shipments of gold to the Swiss central bank alone, still continued their escudo transactions with the Reichsbank (see Chapter 2.3.2).

In the course of its inquiry, the Commission has found a great deal of new material and references to further documentation that will be evaluated. It is striking that the political and moral dimensions of commercial dealings hardly appear in these documents. To a certain extent, this can be explained by the origins of these records. The authors were often more concerned with simply recording decisions than with describing the context and the process by which they were made. Beyond that, the lack of information about the political and moral implications of these decisions raises further questions: did misgivings simply not exist for the decision-makers, or were they expressed without being recorded? Were such statements part of discourses which were consciously not set down in writing? In order to answer these and similar questions, future research must seek out other sources such as personal notes and correspondence, hand-written documents, and papers found in the estates of the period's decision-makers. With more evidence in hand, it may be possible to reconstruct, understand and evaluate the ethical norms and motives of the participants.



## 5. The Role Played by Swiss Insurance Companies in Accepting Gold from Germany in March and April 1945

### 5.1 Introduction

As already mentioned in Chapter 2 of this interim report, the Swiss authorities were willing to accept gold from Germany as late as several weeks before the end of the war. This behavior, which is hard to imagine from today's point of view, was driven by the specific interests of groups of creditors<sup>1</sup> who were pushing for settlement of their claims against German borrowers. The Swiss insurance industry, one of the largest holders of mortgages in Swiss francs, was also a major player among the group of creditors.<sup>2</sup> Of the funds paid into the Swiss Clearing Office by the Reichsbank, a certain percentage was made available in Switzerland in the form of foreign exchange peaks [*freie Reichsbankspitze*]. Shortly before the end of the war, German payments to Swiss insurance companies collapsed. The insurance industry, recognizing the gravity of the situation, began intensive eleventh-hour attempts to salvage some part of their assets from the financial wreckage of Germany and to lay the groundwork or post-war operations.<sup>3</sup> To enable the Third Reich to meet its accrued contractual obligations in insurance payments (SFr. 13 million), these companies were prepared to accept gold and to circumvent binding agreements in international treaties. This chapter describes the claims and goals of these insurance companies, as well as the ways and means they used during these final months of the war to transfer their blocked assets from Germany to Switzerland.

### 5.2 Archival Material

The following statements are based extensively on historical sources of Swiss insurance companies. The archival material of the companies contacted by the Commission in June 1997 varied greatly. In general, it can be said that the sources are much more complete than the Commission originally assumed. However, it should also be pointed out that archival research is currently being hindered to a considerable extent, partly by a lack of organization of the archives and partly by a lack of inventories. Schweizerische Rückversicherungs-Gesellschaft [Swiss Re] is the only company to have made a complete inventory of its historical documents. Excellent partial inventories are available from Swiss Life, and «Zurich»; the latter, in addition to Basler, Union Rückversicherungs-Gesellschaft [Union Re] (which has since been integrated

---

<sup>1</sup> The Commission uses the term «groups of creditors» to describe players (individuals, companies) acting as direct investors or contractual partners in Germany entitled to financial income.

<sup>2</sup> Land charges in Swiss francs (also known as gold mortgages) were mortgages granted primarily by Swiss banks and insurance companies on German real estate prior to the outbreak of World War I and linked to the gold Mark. The revocation of the gold clause, the hyperinflation of the 1920's and the related inability of German borrowers to pay led to a series of agreements between the governments of Germany and Switzerland, which laid down more precise conditions concerning interest and amortization.

<sup>3</sup> See Chapter 2, note 216.

into Swiss Re) and Winterthur are still in the process of compiling inventories. Efforts of this kind have so far not been considered necessary by either the «National» or the Swiss Insurance Association (SIA). Only «Zurich» has a professionally organized archives; Swiss Life and Swiss Re have well organized archives, but they cover only a limited historical period; the situation of archives in the other companies and of the SIA leaves something to be desired.

Several companies have examined their inventories on their own initiative and some of them have made extensive investigations; once again, we would like to mention «Zurich» in particular, which has submitted its findings to the Commission. Other companies, including Swiss Re, are also conducting their own research, and Swiss Re's findings are also being used by the Commission. The companies were, to varying degrees, willing to respond to the Commission's queries, which mainly involve investigations of subsidiaries abroad. Swiss Life has proved especially helpful in this regard. For the sake of completeness, it should be pointed out that the archives of a number of other Swiss insurance companies will also be important for further investigations but that these have not yet been dealt with by the Commission and are thus not included in this interim report.

### **5.3 The International Position of Swiss Insurance Companies and the Significance of Business in Germany**

Beginning in the early 1920's, the economic importance of Swiss insurance increased dramatically. In Switzerland, Swiss insurance companies succeeded in greatly reducing the market share of the foreign companies which had dominated the market prior to World War I. At the same time, the development of the insurance business as a major export product had a positive impact on Switzerland's balance of payments in the difficult trading years between 1930 and 1945. Reinsurance in particular underwent an extraordinary development. Swiss Re became the worldwide market leader in reinsurance in 1923; furthermore, it was number one not only in Switzerland but also in Britain during the war years and played a leading role in the United States.

From the outset, the Swiss insurance business was internationally oriented. By the end of the war, sixteen, or half of all Swiss direct insurance companies, as well as a number of other companies, were operating in Germany in the field of reinsurance. «Over a period of decades, and in some cases since the middle of the previous century, these companies built up a costly but outstanding organization and a considerable business in Germany encompassing all aspects of insurance». According to the Swiss Federal Insurance Office, their investments in Germany totaled around RM 570 million (SFr. 983.25 million) at the end of 1944.<sup>4</sup>

---

<sup>4</sup> Archives of the SIA, File 52A, Association of licensed Swiss insurance companies: submitted to the Federal Council on 5 December 1945; see also BAR E 6100 (A) 25, vol. 2331; Swiss Life Archives, 234.1/I, Association of licensed Swiss insurance companies, Appendix I on the essay concerning the situation of Swiss insurance companies in Germany, Winterthur 2 April 1996, p. 1.

The German market held considerable significance for the insurance companies. In 1943, Swiss insurers earned just over two-thirds of their foreign premiums in Germany, corresponding to 27 percent of their total premium income. Germany, where around 90 percent of foreign premium income was regularly achieved, also made a major contribution to the reinsurance business: Swiss Re (which accounted for over 90 percent of the premium volume earned by Swiss companies) earned on average at least a fifth of its total premium volume and slightly more than a quarter of its profit in this market from 1939 to 1943.<sup>5</sup> The situation for property insurers was rather different. In 1943, foreign business accounted for 59 percent; the share of premiums from Germany was 20 percent, while 40 percent of foreign premium income was earned in America. As the following table shows, the foreign markets retained their fundamental importance for the Swiss insurance business even during the war, contributing around 55 percent to premium income.<sup>6</sup>

**Table XVII: Development of gross premium income of Swiss insurance companies, 1939–1945**

*in SFr. million*

	1939		1943		1945	
	Total	Foreign business (%)	Total	Foreign business (%)	Total	Foreign business (%)
Accident and damage insurance	356	61	383	59	404	53
Life insurance	345	25	407	27	370	8
Reinsurance	411	approx. 90	572	approx. 90	504	approx. 90
<b>Total</b>	<b>1,112</b>	<b>58</b>	<b>1,362</b>	<b>58</b>	<b>1,278</b>	<b>50</b>

Source: Eidgenössisches Versicherungsamt 1939 ff.

In no other country in the world did the foreign business of insurance and reinsurance companies account for such a high share compared with domestic business; in absolute figures too, Swiss insurance had one of the largest foreign portfolios.

The strong presence of Swiss insurance companies in Germany immediately after the end of the war reflects the great importance of German business for Swiss insurance before and during World War II: of the sixteen foreign companies listed in Berlin, no fewer than eleven were head-quartered in Switzerland.<sup>7</sup>

Table XVIII shows that five insurance groups accounted for the lion's share of the premiums earned in Germany, with the four operating in life insurance being the clear leaders. There was also a considerable reinsurance business not accounted for in this table.

<sup>5</sup> Swiss Re Archives, Minutes of the meeting of the Board of Directors of 28 March 1945, p. 173.

<sup>6</sup> See Gasser 1949, pp. 134–152, and his additional statements in the Swiss Re Archives, FA 7.7-01.

<sup>7</sup> Swiss Life Archives, 234.1, list of foreign insurance companies represented in Berlin.

**Table XVIII: Premium income of Swiss insurance groups from German business operations, 1943 (excl. reinsurance business)**

Insurance group /Company	1943 premium income in RM
Basler	25,003,321
Swiss Life	15,834,217
Winterthur	13,690,171
«Zurich»	12,663,435
Helvetia	8,522,305
Eidgenössische	1,266,586
Alpina	327,545
«Schweiz»	221,203
Schweizer Union	94,689
«National»	72,371
La Neuchâteloise	55,815
<b>Total</b>	<b>77,751,658</b>

Source: SIA archives, File 52A, Swiss Federal Insurance Office: Distribution schedule of reimbursement shares for the second half of 1944 for companies involved in direct insurance business in Germany, Bern 26 February 1945.

#### 5.4 The Position of Insurance in German-Swiss Clearing

German-Swiss insurance and reinsurance payments and interest on mortgages in Swiss francs (excluding surpluses deriving from business operations) had always been expressly excluded from general German-Swiss clearing transactions.<sup>8</sup> This meant that these transfers during the war years could be settled «in a manner most convenient for us».<sup>9</sup>

«You can see this in the fact that in the period from *1 July 1937 to 30 June 1944* ... the net transfer from Germany to Switzerland ... was just over 100 million Swiss francs. I am very pleased to inform you of this considerable sum, which is a welcome boost for our economy and once again proof that Switzerland's long-standing efforts in these two sectors of the economy have not been entirely in vain».<sup>10</sup>

<sup>8</sup> This exclusion always took place at the proposal of the insurance companies, initially by decree of the Federal Council, and later «in order to avoid negative publicity» by order of the clearing office. The insurance companies argued that these exemptions were necessary «with a view to the international character of the insurance business and in order not to endanger the prestige of Swiss insurance companies which is based on prompt payment, unhindered by foreign exchange regulations». Swiss Life Archives, 234.71/1, note on the discussion of 20 February 1945 at Swiss Life, Dr. Max Karrer, 21 February 1945. Furthermore, reference was made to the «decisive» importance of insurance transfers in reducing the deficit in Switzerland's balance of trade: this was calculated at around 10 percent of the premium income, i.e. SFr. 40–60 million per year. BAR E 2001 (E) 1968/78, vol. 389, Association of licensed Swiss insurance companies to the Swiss Federal Council, Zurich 21 November 1941.

<sup>9</sup> The technical settlement of transfers operated as follows: the German borrowers (branches, original insurers, reinsurers or real estate owners) had to apply for authorization of the transfer at the responsible offices in Germany. The applications were examined by the Reich Ministry of Economic Affairs in Berlin. Once the foreign exchange authorization had been granted, the amount in question was to be deposited in Reichsmarks with the German Reichsbank. The Reichsbank then instructed the SNB to pay the equivalent value of the deposited amount in Reichsmarks, converted into Swiss francs at the official conversion rate, to the beneficiary Swiss insurance or reinsurance company and to debit the amount from the Reichsbank's Swiss franc account with the SNB. Insurance payments were made from the assets of the Reichsbank (foreign exchange peaks known as *freie Reichsbankspitze*) or from interest on German capital investments in Switzerland. Swiss Life, Swiss franc mortgages file: internal memo from Max Karrer dated 5 February 1952; Swiss Life Archives, 234.71/1, Minutes of the discussion held on 14 March at Swiss Life between representatives of the insurance companies, the clearing office and the Swiss Federal Insurance Office, Zurich 17 March 1945.

<sup>10</sup> Swiss Life Archives, Management Committee files 1944 III, note for the Committee meeting on 7 September 1944, pp. 1 f. (Italics in original). Interest on mortgages in Swiss francs accounted for SFr. 36 million of the SFr. 100 million total. See also SIA Archives, Minutes of the meeting of the management of the Association of licensed Swiss insurance

At the same time, it was pointed out to the Swiss Federal Political Department that the «transfer possibilities of Swiss insurers ... had become severely restricted due to the war» in order to obtain a higher share of the moneys to be distributed for the insurance sector.<sup>11</sup> Of course, the situation was not as rosy for all companies as it was for Swiss Re. As in the previous war years, in 1944 the latter once again succeeded in achieving foreign exchange earnings of around SFr. 20 million, «of which the larger part by far came from Germany and the Protectorate». However, this transfer collapsed in the first quarter of 1945, and only SFr. 380,000 worth of Reichsmarks were transferred. The previous five years had by no means been lean ones for Swiss Re:

«This is thus the end of the German-Swiss reinsurance agreement, concluded exactly 5 years ago in March 1940 and shaped to a considerable degree by our company. It enabled us to earn around 40 million Swiss francs in Reichsmarks, in addition to a further 4 million from the Protectorate, for which a separate agreement existed. *This transfer of almost 100% from Germany enabled us to bring the substantial technical profits earned in Germany during the war years to Switzerland. In addition, it enabled us to maintain a sustained and considerable negative Reichsmark currency balance, which now means that we will achieve a very sizable currency gain with the presumed depreciation of the Reichsmark ...*».<sup>12</sup>

The freezing of German assets in Switzerland according to the Federal Council's Decree of 16 February 1945 also included insurance payments, as Switzerland «did not want to let itself be forced into the role of *receiver of stolen goods*», as Walter Stucki emphasized.<sup>13</sup> The companies debated whether to apply for exemption of these payments but rejected the idea «as an application for exemption at the current time could result in political side effects which would be highly undesirable for the Swiss insurance companies vis-à-vis the Allies». It was important not to create the impression in the Allies' eyes that Switzerland «was attempting to maintain relations with Germany via a back door and to break through the barrier established for German flight capital».<sup>14</sup>

At the same time, Hans Koenig<sup>15</sup> warned against creating the impression that «we are not interested in negotiating with Germany ... Relations with Germany must not be broken off; our authorities also share this opinion».<sup>16</sup>

---

companies, meeting held on 24 October 1944.

<sup>11</sup> Swiss Re Archives, OF A-0281, submitted by the Association of licensed Swiss insurance companies to the Swiss Federal Political Department on 5 October 1944, p. 3.

<sup>12</sup> Swiss Re Archives, Minutes of the meeting of the Board of Directors of 28 March 1945, pp. 175 f. (Commission's italics). In July 1945 the conversion rate had already dropped from 172.5 to 43.

<sup>13</sup> Swiss Life Archives, 234.71/1, speech by Dr. Max Karrer on 14 March 1945 (at the meeting of representatives of the Federal authorities and interested Swiss insurance companies at the offices of Swiss Life in Zurich), drawn up on 3 March 1945, p. 3 (italics in original).

<sup>14</sup> Swiss Life Archives, 234.71/1, note on the discussion of 20 February 1945 at Swiss Life offices, Dr. Max Karrer, 21 February 1945, pp. 2 f.

<sup>15</sup> Koenig, as head of the special delegation for insurance negotiations, conducted the discussions with the representatives of the German delegation on behalf of the Association of licensed Swiss insurance companies and in agreement with the Swiss Federal Insurance Office. For information on Hans Koenig, see section 5.7 and Appendix 1.

<sup>16</sup> SBA Archives, serial no. 203, location no. F17, doc. no. 20II 1936-56, 58. Meeting of the SBA's Committee for Germany, 14 February 1945, p. 9.

## 5.5 Escalation of the Situation in March and April 1945

Insurance payments became increasingly onerous for Germany during the war years. The agreements resulted in a «steady increase in foreign exchange payments by Germany to Switzerland ...».<sup>17</sup> In 1944, Germany's net foreign exchange burden was around SFr. 18 million, while there was an overall decline in German-Swiss trade and commerce. Restrictions of transfer payments in the insurance field were therefore inevitable; the Germans had already announced such a reduction in foreign exchange on several occasions in the course of 1944.<sup>18</sup> Instead of approving the duly submitted transfer applications amounting to SFr. 9 million plus interest on Swiss franc mortgages, a delegation of the Reich Ministry of Economic Affairs under Minister Karl Schnurre, and a special delegation for insurance matters under Hans Storck, Ministerial Councillor [*Ministerialrat*] at the Reich Ministry of Economic Affairs, traveled to Switzerland for negotiations in December 1944 and January 1945. In negotiations with Koenig, they attempted to achieve both a deferral and a reduction in the insurance transfer payments, which had earlier been agreed upon. Vice-President Puhl of the Reichsbank pointed out to Koenig that «as a result of the drop in trade with Germany, the *Reichsbankspitze* had been greatly reduced, so that the Reichsbank was barely able to make payments to the same extent as previously, as for example, for gold mortgages, insurance transactions, etc.»; some compromise was required to preserve Germany's foreign exchange holdings for 1945. Koenig countered this observation with the argument that these payments were based on liabilities entered into beyond the scope of the settlement agreement. These transfers – which accounted for around SFr. 20 million per year – were therefore «very closely» connected with the gold sales to the SNB planned by the Reichsbank for mid-December 1944 and mid-January 1945.<sup>19</sup> Once the German-Swiss economic agreement finally expired in mid-February 1945, there were no more doubts as to the source of the transfer payments agreed in the Final Protocol of 28 February 1945: «Whether they [the Germans] are actually in a position» to pay Swiss insurance claims amounting to SFr. 13 million, of which SFr. 9 million is due immediately, «depends on whether they can acquire this foreign currency by selling gold to the Swiss National Bank».<sup>20</sup>

The Swiss were prepared to make only limited concessions, and it was agreed that the (net) transfer payments in 1945 would be restricted to SFr. 13 million. The 1944 outstanding amount of SFr. 9 million in interest on mortgages in Swiss francs and payments from insurance transactions was to be paid immediately, while the remainder of SFr. 4 million would be due at the end of the year. The agreement was initialed on 1 February 1945 and came into force on

---

<sup>17</sup> SIA Archives, file 52A, Minutes of the meeting of representatives of the Federal authorities and interested Swiss insurance companies at Swiss Life offices in Zurich on 14 March 1945, p. 4.

<sup>18</sup> Ibid.; see also BAR E 2001 (E) 2, vol. 575, letter from Koenig to Hotz, Homberger, and Kohli, 24 January 1945.

<sup>19</sup> SNB Archives, Minutes of the Governing Board, 14/15 December 1944, p. 1466. See also *ibid.*, pp. 1467 f.

<sup>20</sup> SNB Archives, Minutes of the Governing Board, 15 March 1945, p. 346. See also *Nachlese zum Girokonto I 1954*.

28 February as «Annex 2 to the German-Swiss Final Protocol» of that same day;<sup>21</sup> it formed the basis for the negotiations conducted with various German delegations from the end of February to mid-April 1945. In some cases, these negotiations were conducted parallel to discussions held by banks and various federal offices. At the same time, the insurance companies attempted to reach an agreement on their own, in part because only an extremely rapid agreement would produce results, given developments in Germany, and also because the insurance companies hoped that their cordial relations with Germany would result in a more advantageous solution.

Contrary to initial statements, at the instigation of the life insurers and Koenig,<sup>22</sup> attempts were made very quickly to exempt insurance payments from the payment freeze. Officially, there was no talk of a general exemption, as had previously been the case. Instead, one spoke of «incentives» «to guarantee the continuation of normal business operations»,<sup>23</sup> which ultimately came to the same thing in material terms. That this was merely cosmetic word-play can be seen in Koenig's first discussion with Minister Schnurre, on which he reported as follows: «I am announcing my efforts [to obtain] exemption for insurance ... I am announcing that this demand has been rejected, as it is not politically acceptable». Koenig's efforts were not entirely unsuccessful, however:

«On the other hand, they [the federal authorities] are prepared to grant insurance a special position in practical and de facto terms, [and] to instruct the clearing office that it should a) handle insurance payments very freely in practice and b) contact me immediately in cases of doubt. This measure will, as envisaged, result in the virtual exemption for insurance, and I will work towards seeing that the matter is implemented without objection and without difficulties».<sup>24</sup>

Attention was then turned to interest about Swiss franc denominated mortgages. Schnurre confirmed Germany's willingness to continue payments according to the agreement, i.e. without restrictions, and emphasized that «implementation of the willingness to fulfill these requirements depends entirely on Switzerland's willingness» to accept gold from Germany as payment for German liabilities. Koenig had already presented the matter to Robert Kohli, head of the Swiss Federal Political Department's section for legal matters and private assets abroad, who commented as follows:

---

<sup>21</sup> SIA Archives, file 52A, Minutes of the meeting of the representatives of the Federal authorities and interested Swiss insurance companies at Swiss Life offices in Zurich on 14 March 1945, pp. 5 f. Due to the extraordinary circumstances in Germany, the Reich Ministry of Economic Affairs did not immediately acknowledge the Minutes; the claims for 1944 were not transferred and the transfer applications submitted were not approved. See also BAR E 2001 (E) 2, vol. 565.

<sup>22</sup> Swiss Re in particular seemed modest as regards its claims and prepared to accept the decision to freeze assets, in principle. Swiss Life Archives, 234.71/1, note on the discussion of 20.2.1945 at Swiss Life, Dr. Max Karrer, 21 February 1945; Guggenbühl's opinion on the draft letter to the clearing office, 7 March 1945.

<sup>23</sup> Swiss Life Archives, 234.71/1, speech by Dr Max Karrer on 14 March 1945 (at the meeting of the representatives of the Federal authorities and interested Swiss insurance companies at the Swiss Life offices in Zurich), drawn up on 3 March 1945, p. 6.

<sup>24</sup> Swiss Life Archives, 234.71/1, Minutes of the discussion with Minister Schnurre in Bern on 24 February 1945.

«It is difficult to accept gold as one does not know where it comes from and one cannot tell by smelling whether it was stolen or looted. He, Kohli, however, hoped that the Allies would agree that it was better for Germany to use this gold to pay Switzerland for its obligations instead of the money disappearing altogether. The Swiss delegation, and Minister Stucki in particular, would deal with this issue».<sup>25</sup>

The insurance industry was informed about the controversy surrounding deliveries of looted German gold. It would still have been prepared to accept payments financed by transfers of German gold to the SNB.<sup>26</sup> This attitude is all the more remarkable as it did not change even after the end of the war or after the conclusion of the Washington Accord. In its report to the Federal Council at the end of 1948, the insurance representatives expressed their regret that it had not been possible to accept gold as payment for the German transfer debt:

«Initially, the Germans offered gold in lieu of payment. It was impossible to accept this offer, at the instruction of Minister Stucki and Councillor Kohli, with a view to the Allied warnings regarding looted gold and the negotiations taking place at the same time with the Currie Mission».<sup>27</sup>

As part of the negotiations conducted between Switzerland and the Allies within the framework of the Currie Mission, the final protocol on economic relations with Germany was signed on 28 February. This was, according to the official version, not a new agreement but merely a formal confirmation of the fact that no agreement existed. A clever move made it possible to avoid initialing the provisions on insurance contained in the agreement, and they were added to the final protocol more or less as an annex without any signatures. According to Koenig, this was an attempt to «avoid severing ties with Germany and to save whatever could be saved». The discomfort of the politicians can be seen in a strictly confidential communication, which referred to the trouble Switzerland could expect if the Allies learned of this protocol.<sup>28</sup> Contrary to statements stipulating otherwise, the Allies were not informed of Switzerland's negotiations with Germany in matters of insurance.<sup>29</sup> The Federal Council accepted the final protocol during its meeting of 9 March 1945. It is not clear, however, when the protocol was actually implemented by the council.<sup>30</sup> Once again, the insurance industry had

---

<sup>25</sup> Ibid. Under the heading «Konto Karla» [the Karla account], Koenig talked with Schnurre about a gift for Schnurre's daughter Karla and about household items which Mrs. Schnurre might need. Koenig vowed «to provide everything via the Consul General Rüter in Säckingen [where Schnurre had rented a shelter for his family] ...» *ibid.*, p. 3.

<sup>26</sup> Swiss Life Archives, 234.71/1, Considerations regarding use of the Reichsbank's assets in Switzerland, Dr. Max Karrer, 24 March 1945.

<sup>27</sup> SIA Archives, file 52B, Committee for gold mortgage issues / Association of licensed Swiss insurance companies, report to the Federal Council on claims of gold mortgage creditors and insurance and reinsurance companies, Zurich, 11 November 1948, p. 4.

<sup>28</sup> Swiss Life Archives, 234.71/1, Dr. Hans Koenig: note on the discussions in Bern of 7 March 1945 on Swiss economic relations with Germany and the Allies with Gyax, Stucki, and Probst, Zurich 8 March 1945; 08.105.201.311, file note dated 2 March 1945.

<sup>29</sup> Heinrich Fehlmann, President of the SIA, informed Koenig of this, thanking him for excellent preserving the interests of the Swiss insurance business. SIA Archives, file 52A, Minutes of the meeting of representatives of the federal authorities with interested Swiss insurance companies at Swiss Life offices in Zurich on 14 March 1945, p. 17.

<sup>30</sup> See BAR E 2001 (E) 2, vol. 576 and E 6100 (A) 1981/96, vol. 15.

Gyax mentioned confidentially to Koenig that «the Federal Council [had] taken the decision on 6 March to implement the final protocol only when the agreements with the Allies were signed. There is thus an absolute package deal between our agreements with Germany (final protocol) and those with the Allies». Swiss Life Archives, 234.71/1, Dr.

succeeded in finding a solution which would not prejudice it in any way if the goal of special treatment for the insurance business was to be obtained at a later date.

## 5.6 Negotiations with Vice-President Puhl of the Reichsbank

In order to clarify the extent to which the Reichsbank's foreign exchange reserves in Switzerland could be used for insurance payments in the event that the Federal Council refused German gold payments, negotiations with a German delegation under Reichsbank Vice President Puhl were arranged in Zurich for Swiss financial creditors. Stucki, completely exhausted and «with his nerves in shreds», initially sent Koenig bad news: the Federal Council had decided, said Stucki,

«to take only as much of the German gold as needed for payments of the German delegation (SFr. 650,000 per month). Gold may not be accepted for any other purpose. This means that you will bear the brunt of the consequences. I very much regret this. You have always managed to accomplish amazing things with the Germans, to our continued astonishment. The Federal Council now intends to stipulate in writing, however, that it does not want to accept gold from dubious sources. The negotiations with Mr. Puhl will clarify the question as to whether you will still receive anything. For my part, I can do no more».<sup>31</sup>

So as to make the insurance industry's position clear from the outset in the next round of negotiations, Koenig, on behalf of the insurance companies, asked the clearing office to exempt insurance payments from the Swiss freeze on assets:

«This practical exemption of Swiss-German insurance and reinsurance business, as an exception to the formal freeze, is absolutely necessary to the extent that Germany continues to make insurance payments in free foreign exchange».<sup>32</sup>

Whereas the Swiss Federal Insurance Office agreed to «all parts» of the petition and expressed its thanks<sup>33</sup> for the efforts made, the clearing office adopted a wait-and-see stance.<sup>34</sup> Koenig (referring to German assets in Switzerland which could be used to fulfill Germany's obligations towards Swiss financial creditors) claimed a preferential status for the insurance industry, on the one hand, because the insurance claims dated mainly from 1944 (and the insurance industry held a legal claim to these liabilities which was recognized by Germany) and, on the other hand, because the Reichsbank's foreign exchange assets «came from the *freie Reichsbankspitze*», which was always used to make insurance payments.<sup>35</sup> It was also agreed

---

Hans Koenig: note on discussions held in Bern on 7 March 1945 on Switzerland's economic relations with Germany and the Allies with Gyax, Stucki, and Probst, Zurich 8 March 1945. On 14 March, however, Koenig said in a briefing that the protocol had been implemented without any changes. Swiss Life Archives, 234.71/1, Minutes of the meeting of 14 March at Swiss Life offices between representatives of the insurance companies, the Clearing Office and the Swiss Federal Insurance Office, Zurich, 17 March 1945.

<sup>31</sup> Swiss Life Archives, 234.71/1, Koenig: note on discussions held in Bern, Zurich 8 March 1945, p. 3.

<sup>32</sup> Germany agreed to this several days later. Swiss Life Archives, 234.71/1, Koenig's letter to the Swiss Clearing Office dated 8 March 1945; Swiss Life Archives, 234.71/1, Swiss Clearing Office to Koenig, 16 March 1945.

<sup>33</sup> Swiss Life Archives, 234.71/1, Swiss Federal Insurance Office letter to Koenig, 12 March 1945.

<sup>34</sup> Swiss Life Archives, 234.71/1, Dr Max Karrer: note on information received by telephone from Dr. Böhi (Clearing Office) on 10 March 1945, Zurich 12 March 1945.

<sup>35</sup> Swiss Life Archives, 234.71/1, Minutes of discussion of 14 March at Swiss Life offices between representatives of

«that the first step [was] to adapt the blocking order to the agreements over insurance» and not vice versa. It was proposed that Swiss domestic accounts be set up for those German reinsurers with no branch in Switzerland for their payment transactions with Swiss original insurers. The assets in these accounts could then be used to make the agreed German transfer payments for 1945 to Swiss companies via a joint account with the SNB.<sup>36</sup> In this way, Swiss operations of German insurance companies would be used to settle German-Swiss insurance debts. If it were no longer possible to transfer assets directly from Germany to Switzerland, assets from German industry in Switzerland should at least be used to settle these outstanding liabilities, especially since these assets would then not fall into the hands of the Allies.

The insurance companies' representatives were fully aware that it was difficult to reconcile such a decision with freezing policies, and Koenig remarked that «in order to eliminate any concerns that the Swiss authorities might have, while at the same time achieving a useful decision, ...subsequent periodic reports on the payments would be submitted to the Swiss Federal Insurance Office». As if to dispel their own reservations about this type of solution, those present «unanimously agreed that ... as a substantial argument in favor of a special, practical provision in the field of insurance, it should be remembered that the state concession has created special operating conditions for the insurance companies, which rule out any abusive exploitation of a preferential position».<sup>37</sup>

The clearing office accepted the insurance companies' proposal on the condition that adequate control mechanisms be created. The Swiss Federal Political Department also approved the planned insurance clearing including the establishment of the compensation account.<sup>38</sup> Hectic negotiations with various German delegations were then conducted in an effort to convince the Germans of the need for largely unhindered insurance payments, despite the freeze on assets. These highly complex talks and negotiations, in which Koenig and Emil Boss, head of the Swiss Insurance Office, were the driving forces on the Swiss side, resulted in an international agreement on 11 April 1945, establishing a special account at the SNB. This agreement involved an exchange of notes between the German delegation in Bern and the commercial department of the Swiss Federal Economics Department.<sup>39</sup> Swiss creditors' claims, including half the insurance companies' claims, which were agreed upon in the final protocol of

---

insurance companies and the Swiss Federal Insurance Office, Zurich 17 March 1945.

<sup>36</sup> Koenig submitted this petition on behalf of the Swiss insurance companies to the Clearing Office and the Swiss Federal Political Department. Swiss Life Archives, 234.71/1, letter from Koenig to Kohli and Böhi of 19 March 1945.

<sup>37</sup> Swiss Life Archives, 234.71/1, Minutes of the discussion held on 15 March at Swiss Life offices between Koenig, Boss, Guggenbühl, Alzheimer, von Arx, and Karrer, Zurich 15 March 1945.

<sup>38</sup> Swiss Life Archives, 234.71/1, Minutes of the meeting at the Swiss Clearing Office on 22 March 1945 (Kohli, Probst, Lacher, Schwab, Böhi, Vieli, Gassmann, Koenig, Boss, Karrer), Zurich 27 March 1945.

<sup>39</sup> BAR E 2001 (E) 2, vols. 575–576, 582; BAR K I 940/1.

Bern did everything possible to keep this agreement secret, as it was unclear «whether the Allies would raise certain objections». Minutes of the 59th meeting of the Germany Committee of the SBA on 26 June 1945, pp. 3, 13. See also Durrer 1984, p. 227: «Taken literally, the agreements of 11 April 1945 did not clearly contradict the Currie Agreement, as they did not involve gold but Swiss franc holdings of the Reichsbank. However, the agreement between the SNB and Puhl was hardly in the spirit of the agreement».

28 February 1945<sup>40</sup> and totalled SFr. 4.5 million in reimbursements<sup>41</sup> and reinsurance balances<sup>42</sup> plus SFr. 4 million for mortgage interest, were to be settled via a current account of the German Reichsbank with the SNB. The Swiss insurers were not happy with the «*fait accompli*», as they later dubbed this agreement, because it «contradicted»<sup>43</sup> the «sense and spirit» of the agreements concluded with Schnurre in February. However, at the conclusion of the negotiations, Puhl emphasized – similarly to repeated statements from the Swiss side – «that for him, the main purpose of the discussions was not to allow ties with Switzerland to be broken».<sup>44</sup>

Although the defeat of the Germany was imminent, the Swiss insurance companies proceeded with their transfer<sup>45</sup> settlement preparations energetically.<sup>46</sup> In mid-April, when relations with Berlin were all but severed, Mr. and Mrs. Koenig invited Vice-President Puhl of the Reichsbank – who kept postponing his departure not least for safety reasons – and another representative of the Reichsbank, Reiner, to dinner at the Waid (Zurich). It was «a very pleasant and informal, jolly evening with an excellent meal», and the gentlemen showed themselves to be «highly impressed with developments in Germany»; Puhl no longer had any news of his family. Despite the conclusion of the negotiations, it was no longer possible to maintain the appearance of total normalcy, even if the Germans intended to leave Switzerland a

---

<sup>40</sup> This protocol, consisting of a German-Swiss exchange of notes, in express confirmation of the last German-Swiss clearing agreement, recognized that the claims of Swiss insurers falling due at the end of 1944 totaling around SFr. 9 million (SFr. 4.3 million in reimbursements and SFr. 4.7 million in reinsurance balances) were to be transferred immediately. SIA Archives, file 52A, legal remarks on the exposé of H. Koenig dated 21 July 1947 by former member of the cantonal government Leo Merz, Bern 14 July 1947.

<sup>41</sup> Subsidies for administrative costs of the insurance companies' Swiss headquarters for German business, which officially came under the category of «Head office expenses as incidental trade costs». The subsidies granted by Germany were not allowed to exceed 5 percent to maximum 10 percent of the premium income. At least some of the reimbursements were excess amounts from the German business.

<sup>42</sup> Pursuant to Annex D to the German-Swiss clearing agreement of 9 August 1940 in the version dated 1 October 1943, three-quarters of the balances from clearing transactions of Swiss reinsurance companies with their German original insurers and reinsurers were to be transferred to Switzerland free of clearing regulations. BAR KI 940/1, Annex 2 to the final protocol of 28 February 1945. See also Swiss Re Archives, FA A3.3-09, communication from the auditor's office no. 64: German-Swiss clearing transactions, 10 February 1937, pp. 14 f.

<sup>43</sup> In particular in reference to a rapid disbursement procedure, independent of the Reichsbank, for insurance transfer payments as promised by Schnurre. SIA Archives, file 52B, Committee for gold mortgage issues / Association of licensed Swiss insurance companies, petitions submitted to the Federal Council concerning the claims of gold mortgage creditors and insurance and reinsurance companies 11 November 1948, p. 6, and 3 March 1949.

<sup>44</sup> Swiss Life Archives, 234.71/1, Minutes of the discussions held at the offices of Swiss Life on 11 April 1945 (Puhl, Reiner, Koenig, Karrer), Zurich 13 April 1945.

<sup>45</sup> The transfer mechanism was as follows: 1. Deposits to the account «Insurance business from Switzerland in 1944» with the Deutsche Reichsbank in Berlin; 2. Payment order of the Reichsbank to the SNB; 3. Examination of this payment order by the Clearing Office; 4. Credit of the payment by the SNB to the special account «Insurance business from Switzerland in 1944» to which only the Insurance Office and Koenig had access; 5. Distribution by the Insurance Office of the amounts in this special account according to a schedule to be determined. Swiss Life Archives, 234.71/1, notes for discussions in Bern on 25 April 1945, Zurich 24 April 1945.

<sup>46</sup> See for example Swiss Life Archives, 234.71/1, letter from Koenig to SNB and Clearing Office dated 23 April 1945; Swiss Life Archives, 234.71/1, notes for discussions in Bern on 25 April 1945, Zurich 24 April 1945; circular letter to the members of the Committee for gold mortgage issues dated 28 April 1945; letter from Koenig to the SNB dated 4 May 1945; letter from Koenig to the Clearing Office dated 11 May 1945.

The example of the *Stillhaltegläubiger* [refers to agreement between Swiss creditors and German debtors] shows that besides the insurance companies other groups of creditors were also interested in an uncomplicated and speedy transfer of the funds made available under the Puhl agreement; see Chapter 2.

few days later, «assuming that everything was all right». They had already given up their plan of traveling to Berlin the day before, however, «in light of the military developments».<sup>47</sup>

For his return to Germany,<sup>48</sup> which was very important for the Swiss economy, Puhl was provided with a car and petrol.<sup>49</sup> The Swiss insurers were not the only ones eagerly awaiting his departure:

«The Swiss National Bank did not understand why the Vice-President of the Reichsbank, Mr. Puhl, remained in Switzerland for so long during these critical days, instead of returning to Germany and rescuing his gold reserves from the clutches of the Allied forces».

There were even fears that Puhl might be making arrangements with the Allies «to retain the technical management of the Reichsbank after Germany's defeat».<sup>50</sup>

It was not possible to carry out the agreement after Germany surrendered unconditionally. Nevertheless, disputes concerning the assets in the special account at the SNB continued for years. One issue concerned the SNB's right to assign these sums to Swiss creditors, without a specific release from the Reichsbank. There were also differences of opinion over the relative distribution due to the various groups and classes of claimants. The difficulties arising from these funds were finally settled at the end of 1953.<sup>51</sup>

## 5.7 The Role Played by Hans Koenig

The insurance negotiations and the position of the SIA were shaped to a large degree by Koenig's personality. He headed a well established team and enjoyed a great deal of freedom in conducting the negotiations:

«The undersigned [Koenig] was always accorded a great deal of freedom by the heads of the Swiss delegation for economic negotiations with Germany in dealing with issues entrusted to him (insurance, gold mortgages), bearing in mind that these were special issues. It came to be standard practice that he would prepare the texts of the agreements independently, together with his German counterparts, and – apart from ongoing briefings by means of protocol notes – would only provide the overall Swiss delegation with a comprehensive account of the negotiations upon their conclusion, whereupon the agreements concerning insurance transfers and gold mortgages were incorporated into the overall agreement by the signature of the head of the Swiss delegation».<sup>52</sup>

---

<sup>47</sup> Swiss Life Archives, 234.71/1, note from Karrer's file dated 16 April 1945. Karrer was also present at the dinner on 13 April 1945. The meal consisted of: soup, blue trout, risotto with mushrooms, and crêpes with a jam filling.

<sup>48</sup> Puhl remained in Switzerland until 19 April 1945. See BAR E 4320 (B) 1973/17, vol. 100, Report of the Cantonal Police Corps of Zurich, 23 April 1945. See also BAR E 7160-07(-) 1968/54, vol. 161, SNB Report «Aide-mémoire relatif aux accusations américaines contre la Suisse», 5 March 1946, p. 16.

<sup>49</sup> Swiss Life Archives, 234.71/1, Minutes of the discussion held at the Swiss Life on 11 April 1945 (Puhl, Reinel, Koenig, Karrer), Zurich 13 April 1945.

<sup>50</sup> Swiss Life Archives, 234.71/1, Minutes of the discussion held at the SNB on 21 April 1945 (Hirs, Karrer, Schwarz), Zurich 23 April 1945; see also Durrer 1984, p. 227.

<sup>51</sup> Koenig 1954.

<sup>52</sup> SIA Archives, file 52B, Committee for gold mortgage issues / Association of licensed Swiss insurance companies, petition to the Federal Council concerning the claims of gold mortgage creditors and insurance and reinsurance companies, Zurich, 3 March 1949, p. 9.

Despite any tactically justified flexibility, Koenig proved to be extraordinarily stubborn.<sup>53</sup> The economic negotiations were, for him, solely a matter of calculation: seen from today's standpoint, he does not appear to have engaged in any moral considerations. His main line of thought was concerned with establishing a position that would be most useful to the insurance industry in the short term, while at the same time guaranteeing its long-term prosperity in the postwar era. In concrete terms, the issue for Koenig was one of defining the dividing line «on which we can agree with Germany, without losing our contacts with the Allies». Already in early 1943, however, the limits of «up to here and no further» had, in his opinion, «not only been reached, but already exceeded». As the Swiss economy would have to «reestablish its relations with North and South America after the war – one should, after all, consider this now and again», Koenig was no longer prepared to accept modest German claims, as the issue at stake was not «the 100 or 150 million francs» but «something quite different, namely the complete and utter dependency of the Axis powers. ... If it is ultimately a matter of being destroyed, then it is better for us not to give in and be destroyed instead of giving in and being destroyed for sure».<sup>54</sup> The economic negotiations revealed that Koenig's interests and wishes largely tallied with German concerns. His earlier statements, which left no doubt as to the extent of his hatred of the Nazi regime and his hopes for an early defeat of the Axis powers,<sup>55</sup> faded into the background in light of his close commercial and personal relationships with Germany. In this tense and extremely chaotic time, Koenig closely linked his fate – and that of Swiss Life, indeed the fate of the entire insurance industry – to that of his German partners. This inextricable connection was due in part to the recognition that the postwar German insurance market was enormously important to Switzerland and that the best possible conditions had to be created for German business partners after the war.

Koenig found substantial support at the Swiss Federal Insurance Office, which actively represented the interests of the Swiss insurance industry (and those of German companies licensed to operate in Switzerland). The director, Mr. Boss, constantly attempted to remove

<sup>53</sup> See also the clear description in *Nachlese zum Girokonto I 1954*, second picture, which describes Koenig's «heroic struggle» for this account:

*«Und was war die Kriegsursache?  
Dreiunddreissig Millionen  
Wollte dieser tapfre Koenig  
Für die Schweiz aus Deutschland holen.  
Den bösen Deutschen schien dies jedoch  
Unverschämt und sehr fatal.  
Gesandter Storck und auch Herr Schnurre  
Fanden viel zu hoch die Zahl.  
Und erklären immer wieder –  
Unverbindlich, aber hold –  
«Wir haben keinerlei Devisen,  
Aber wenn Sie wollen, Gold.»»*

<sup>54</sup> Swiss Life Archives, records of the Administrative Committee 1943 I, speech by Hans Koenig at the Committee meeting of 11 February 1943, pp. 3 f. As Koenig remarked, «this line of argumentation has not remained ineffective. It has been forwarded to the Federal Council in this drastic form, and the Council has, through Director Hotz, expressed its thanks and appreciation to me». *Ibid.*, p. 4.

<sup>55</sup> Swiss Life Archives, records of the Administrative Committee 1943 I, speech by Hans Koenig at the Committee meeting of 11 February 1943, pp. 6 ff.

obstacles from the insurance companies' paths. He attempted, together with the insurance companies, to lift the freeze on German assets to the extent that normal business operations could continue – even for German companies operating in Switzerland. He lobbied the clearing office for an increase in the ceiling to SFr. 10,000, which ultimately amounted to virtual exemption from the freeze, and obtained authorization from the clearing office to approve the same rule for German insurers in Switzerland, thereby undermining the freeze on assets. As regards the reinsurance companies, Boss also stated that «the previous, regular business operations with German reinsurers must be maintained».<sup>56</sup> The representative of Swiss Re, Paul Guggenbühl, was much more cautious in this regard and repeatedly emphasized the political nature of the Federal Council's decision of 16 February 1945; it was therefore not simple to create an exception for the insurance industry.<sup>57</sup> It should be remembered, however, that Swiss Re was in a position to take this cautious stance, as the provisions in force up to that point had proven extremely favorable. Given Swiss Re's close business connections with the Allies, pragmatism made commercial sense.

\* \* \* \* \*

This Chapter illustrates how significant gold transactions were for the transfer of insurance payments. The politically motivated non-transferability of German gold thus made it easier for private interests to prevail. Simultaneously, this investigation makes it clear that it is more than gold that is at issue here. It makes evident the strength of the foreign economic entanglement that characterized one of the most important branches of the Swiss national economy, as well as not only the political, but also the moral problems that can be linked to such a situation.

---

<sup>56</sup> Swiss Life Archives, 234.71/1, Minutes of the discussion held on 15 March at the Swiss Life offices between Koenig, Boss, Guggenbühl, Alzheimer, von Arx, and Karrer, Zurich 15 March 1945, Swiss Clearing Office to Koenig, 16 March 1945, p. 2.

<sup>57</sup> Ibid.

## 6. The Negotiations in Washington and the 1946 Financial Agreement

At the Yalta Conference held in early February 1945, Churchill, Roosevelt, and Stalin agreed to the principle that all German assets located outside Germany should be used for reparations. At the Potsdam Conference in August 1945, a distribution among the western Allies and the Soviet Union was agreed upon: the Americans, British, and French were to receive German assets in the three western occupied zones and in the neutral countries of western Europe. Remaining assets in the Soviet occupied zone and central and eastern Europe were to go to the Soviet Union<sup>1</sup>.

Control over German foreign assets was transferred to the legal successor of the German government, the Allied Control Council (ACC). ACC Law no. 5 of 30 October 1945 stripped German owners of the power to dispose of their assets abroad. The Inter-Allied Reparations Agency (IARA), established at the reparations conference held in Paris in December 1945, drew up an outline for distributing the total amount of reparations among the 18 signatory countries.<sup>2</sup> The latter instructed the governments of the United States, Great Britain, and France to begin negotiations immediately with neutral countries regarding delivery of German assets. Although Switzerland initially disputed the legality of these claims, it was ultimately obliged to agree to negotiations. This concession was the only way to obtain release of the assets frozen in the United States since 1941 and to reverse the blacklists used to boycott Swiss companies which had either been proven or were alleged to have collaborated with Germany. A solution also had to be found for German assets which had been frozen in Switzerland in February 1945.<sup>3</sup>

In early 1946 Switzerland was invited to participate in negotiations in Washington. The Swiss delegation was headed by Minister Walter Stucki.<sup>4</sup> Once the talks had begun, discussion quickly focused on the issues of gold sold by Germany to the SNB and SNB transactions with the Deutsche Reichsbank. Even before the negotiations, the United States had strongly criticized Switzerland in this regard. The attacks were the result of the letters written by the Vice-President of the Reichsbank, Emil Puhl, to German Minister Walther Funk. These letters had been forwarded to Senator Harley M. Kilgore, Chairman of the influential Subcommittee on Military Affairs. Puhl reported on his negotiations in Switzerland in early April 1945, which

---

<sup>1</sup> See FRUS 1945 Malta/Yalta, Protocol on German Reparation, pp. 982 f.; as well as FRUS 1945 Berlin, vol. II, pp. 566–569 («Thompson Minutes»).

<sup>2</sup> Signatory states: Albania, Australia, Belgium, Canada, Czechoslovakia, Denmark, Egypt, France, Germany, Greece, India, Luxembourg, Netherlands, New Zealand, Norway, South African Union, United Kingdom, United States, Yugoslavia.

<sup>3</sup> Castelmur 1997, p. 25.

<sup>4</sup> The other members of the delegation were: Eberhard Reinhardt (Director of the Federal Finance Office), Alfred Hirs (Member of the Governing Board of the SNB), Guy de Rham, Reinhard Hohl, Hans Lacher (all from the Federal Political Department), Max Schwab, Max Ott (Swiss Clearing Office), Professor Dietrich Schindler, Professor William Rappard, and Joseph Straessle (Financial Advisor to the Swiss Legation in Washington). See SDD, vol. 16, nos. 61, 65, 66, 67, 72, 75.

had resulted in assets in Swiss francs of the Reichsbank in Switzerland being used to settle Swiss claims against German debtors.<sup>5</sup> American politicians and government agency representatives accused Switzerland of having violated the agreements laid down in the Currie Talks of February – March 1945, in which the Swiss had promised that frozen German assets would be released only after consultation with the Allies.

According to the resolutions at the Paris reparations conference, gold unlawfully acquired by the Reichsbank that had been transferred to the central banks of neutral countries was to be handed over to the IARA. The Allied negotiators took the position that all money received from Germany was to be considered stolen unless proved to the contrary. The Allies were very well informed. In order to deal with these questions, officials from various American government agencies provided the Allied delegation with extensive preliminary studies. Based on a comprehensive evaluation of Reichsbank documents, documentation compiled by the SNB,<sup>6</sup> and statements by eyewitnesses, the Allies had reconstructed gold payments between the Reichsbank, the SNB, and Swiss commercial banks with great precision.<sup>7</sup> They concluded that Belgian gold bought from the Reichsbank by the SNB amounted to more than SFr. 500 million. Dutch gold was not included in the negotiations. This problem only became topical when, after the signing of the Washington Agreement, documents were discovered which revealed that gold from the Netherlands had also been sold to Switzerland.<sup>8</sup>

SNB Member of the Governing Board Alfred Hirs, who took part in the negotiations and represented the SNB, attempted to justify the policy of the SNB with arguments relating to currency and neutrality considerations. Hirs emphasized that confirmation had been received from the Reichsbank that the gold came from its prewar holdings and that there was no reason to doubt the legality of these assurances.<sup>9</sup> There could thus be no question of looted gold, and the SNB had nothing to reproach itself for. If the Allies wanted to assert their claims for reimbursement, they would have to initiate legal proceedings and bring the case before a Swiss court.

---

<sup>5</sup> See Chapters 2 and 5; Durrer 1984, pp. 224 ff., see also BAR E 7160-07 1968/54, vol. 1098, SNB, Aide-mémoire relatif aux accusations américaines contre la Suisse (Memo regarding American accusations against Switzerland), 5 March 1946.

<sup>6</sup> See SDD, vol. 15, p. 112.

<sup>7</sup> Furthermore, the US National Security Agency had succeeded in deciphering the telegraphs sent between the Swiss Federal Political Department in Bern and the delegation in Washington. Eizenstat 1997, pp. 72 f.

<sup>8</sup> In June 1948 the United States presented Stucki, who at the time was President of the Supervisory Commission for the Execution of the Washington Agreement, with photocopies of Dutch and German gold accounting records showing deliveries of Dutch gold by the Reichsbank to the SNB and various Swiss commercial banks. Arguing that the Netherlands had co-signed the Washington Agreement and thus renounced any claims for itself and its central bank against the Swiss government or the SNB, Stucki refused to discuss the matter. See BAR E 1004.1 1, vol. 495, Federal Council Decree, 9 July 1948; BAR E 2001 (E) 1967/113, vol. 440; BAR E 2200.49 (-) 1969/270, vols. 21, 22; BAR E 2200.49 (-) 1970/55, vol. 22; BAR E 2800 1967/61, vol. 79; BAR E 2801 1968/84, vol. 97; see also Fior 1997, pp. 95 ff.; Maissen 1997a.

<sup>9</sup> Regarding the negotiations in Washington, the SNB had a testimonial written by Georges Sauser-Hall, professor of international law at the University of Geneva, which attested to the fact that the SNB had acted in good faith in buying gold from Germany but which did additionally list certain reservations. Vogler 1997b, pp. 128 f.; see also BAR E 2800 1967/61, vol. 79; BAR E 4001 1, vol. 276 and BAR E 6100 (A) 25, vol. 2326.

This position proved untenable. The Allied delegates had a statement by Puhl who, during his interrogation after the end of the war, said that it had been made clear to the Swiss that despite the assurances given to them, there was no guarantee that the gold sold to them did not come at least partially from holdings which the Reichsbank had acquired from Belgium and other occupied countries. The number two man after Weber had been informed of this fact. In answer to the Allies' question as to who this number two man referred to, Hirs had no choice but to admit, sheepishly, that Puhl had meant him.<sup>10</sup>

Hirs was obviously not up to his assignment. He had failed to realize that times had changed and that it was not possible to get the better of the Allies with arguments of neutrality and references to currency and monetary policy obligations. Further, he neglected security precautions in his written correspondence with Switzerland. US National Security personnel were able to read Swiss correspondence. Hirs sent reports about the course of the negotiations by regular mail to the Chairman of the Governing Board of the SNB.<sup>11</sup> It also became known that he had made derogatory remarks about individual American government delegates, revealing anti-Semitic attitudes, which further aggravated the tense negotiating climate.<sup>12</sup>

The debacle sparked by Hirs' careless conduct caused the head of the Swiss delegation to take over the negotiations. Stucki's energetic handling of the negotiations prevented them from failing. However, the Allies were also interested in reaching an agreement, as they wanted to conduct similar negotiations with other neutral countries and countries not involved in the war such as Sweden, Portugal, and Spain. The focus here, as US Secretary of the Treasury John Snyder later explained, was on the urgent need for funds for reconstruction in Europe and security considerations.<sup>13</sup> At that time, a resurgence of German revenge and militarism was not ruled out, and the aim was to prevent the formation of economic or military bases by former Nazis in third countries. Both delegations realized that obstinately adhering to their various legal standpoints would not break the stalemate. The Swiss declared willingness to make concessions on the gold issue. There was less flexibility about frozen German assets: after a month of intensive negotiations, Federal Councillor Petitpierre said to Stucki: My personal opinion is that it is preferable to concede over the gold issue, in which our moral and maybe our legal position is weaker, but to stick to our guns over the German assets.<sup>14</sup>

---

<sup>10</sup> Castelmur 1997, p. 65.

<sup>11</sup> Ibid., pp. 74 f.

<sup>12</sup> «Mr. Hirs' own religious intolerance towards any faith which does not base on the Protestant church has caused him to make derogatory remarks about the Jewish officials of the Treasury and the US delegation at internal delegation meetings on more than one occasion. He must also have made similar remarks outside the delegation meetings, as it is a fact that individual representatives of the Treasury expressed great bitterness at the anti-Jewish, and in their view National-Socialist, attitude of Mr. Hirs». Draft of a letter by SNB Director R. Pfenninger to E. Weber, Chairman of the Governing Board of the SNB, Zurich, 22 June 1946, Swiss Federal Institute of Technology, Zurich, Archives of Contemporary History, estate of Rudolf Pfenninger. See also BAR E 6100 (A) 25, vol. 2326 and SDD, vol. 16, no. 79.

<sup>13</sup> Eizenstat 1997, p. 85. See also BAR E 2001 (E) I, vol. 114, and BAR E 2800 1967/59, vol. 3.

<sup>14</sup> Telegram from Petitpierre to Stucki, 26 April 1996, BAR E 2801 1968/84, vol. 36.

This paved the way for a political compromise so that agreement was reached on 25 May 1946. In return for having accepted gold, Switzerland agreed to pay SFr. 250 million in compensation for the purpose of reconstruction in Europe.<sup>15</sup> The Allies declared in the agreement that by accepting this amount for themselves and their central banks, they would forego any claims against the Swiss government or the SNB for gold received by Switzerland from Germany during the war. This assurance also applied to all other IARA signatory states. Assets of Germans living in Germany, which had been frozen by the Federal Council, were to be liquidated and the proceeds divided equally between the three western Allies for the IARA countries and Switzerland. Compensation in Reichsmarks was stipulated for the owners of these assets. In return, the Allies abrogated the blacklists; furthermore, the US agreed to release all frozen Swiss assets by means of a certification procedure.

Although the Allies had by no means reached all their goals, they accepted the outcome of the negotiations. The number two man in the American delegation, Seymour J. Rubin, stated in a letter to Secretary of State James F. Byrnes: «These documents constitute, in my opinion, a satisfactory agreement. The security objectives ... are almost realized, and a substantial amount of money ... is obtained for reparation and restitution».<sup>16</sup> Against the backdrop of the outstanding problems, the other members of the Allied delegation also deemed the agreement satisfactory.<sup>17</sup>

The issue of how to implement the agreement remained open at first. Further negotiations were needed to resolve the question. First of all, the problem of certification of the assets frozen in the US had to be dealt with. Up to the end of 1947, the Swiss clearing office, which was entrusted with this task, issued around 170,000 certificates.<sup>18</sup> This meant that assets worth SFr. 4.6 billion could be released. Assets amounting to SFr. 400 million were not certified and fell to the US Enemy Assets Administrator.<sup>19</sup> Attention then turned to the conflict about sequestered property. The problem was to determine who would liquidate third country German assets belonging to those German companies domiciled in Switzerland. After an attempted multilateral solution failed, bilateral agreements were concluded with several countries, resulting in liquidation proceeds of around SFr. 90 million. Of this amount, around SFr. 40 million went to Switzerland, which made payments to Swiss citizens who had suffered under the Nazi regime or from the consequences of the war.<sup>20</sup> Agreement was also finally reached on the liquidation of frozen German assets. In a settlement finalized at the end of August 1952 as part of the Washington Agreement, the Allies were to forego claims against Switzerland in return for a lump-sum payment of SFr. 121.5 million to IARA countries. The

---

<sup>15</sup> The payment was made in 1947. See BAR E 2801 (-) 1968/84, vol. 96; BAR E 6100 (A) 16, vol. 2328.

<sup>16</sup> Quoted according to Castelmur 1997, p. 121.

<sup>17</sup> *Ibid.*, pp. 120 ff.

<sup>18</sup> *Ibid.*, pp. 142, 156.

<sup>19</sup> *Ibid.*, pp. 156 f.

<sup>20</sup> *Ibid.*, p. 255.

settlement payments to the Allies and the handling of German assets in Switzerland were the subject of contractual agreements between Bern and the Federal Republic of Germany.<sup>21</sup>

\*\*\*\*\*

Even if the Swiss delegation succeeded in 1946 in obtaining concessions from the Allies and thus defending its own position, it should not be forgotten that substantial concessions were also made by the Swiss. These included especially the obligation of liquidating German assets and dividing the proceeds with the Allies in favor of the IARA signatory states. This agreement was criticized by Swiss citizens in particular as an intrusion into foreign private property and thus as an invasion of their domestic legal system.<sup>22</sup> The wish to normalize shaky relations with the Allies also contributed to the conclusion of an agreement. In view of the international power structure and the substantial economic and financial interests at stake, Switzerland did not really have any other choice.

---

<sup>21</sup> Ibid., p. 406.

<sup>22</sup> Ibid, pp. 105f.



## Conclusion

During World War II, Switzerland was the most important conduit for gold originating from countries occupied or controlled by the Third Reich. Roughly 79 percent of all gold shipments from the Reichsbank to other countries was routed through Switzerland. In terms of volume, the SNB accounted for 87 percent of this bar, with Swiss commercial banks handling the remaining 13 percent. Although there are differences in the figures, the value of the gold delivered by the Reichsbank to the SNB was between SFr. 1.6 and SFr. 1.7 billion. Of this sum, the SNB purchased SFr. 1.2 billion on its own account, the rest was placed in deposits held with the SNB for other central banks and the BIS. Large quantities of gold bought by the SNB were sold to third countries, most notably Portugal (SFr. 452 million), Spain (SFr. 185 million), and Romania (SFr. 102 million).

The gold received from Germany included some that had already come into the Reichsbank's possession prior to 1933 or that had been acquired thereafter in a legal manner. It also included gold which had become available to the German central bank as a result of government measures of confiscation and expropriation before World War II. Once the war had begun, victim gold became an important source of foreign exchange for the Third Reich. The term «confiscated and plundered gold» is used to denote gold which had been confiscated or stolen from its rightful owners as well as precious metal that the Nazi regime had taken from those killed by its genocidal policies. Lastly, gold also includes the looted currency reserves of central banks in countries which came under German control. After the end of the war, the Tripartite Commission for the Restitution of Monetary Gold refrained from trying to make distinctions between the various types of looted gold, but set up broad definitions between «monetary» and «non-monetary gold» to designate looted gold from central state banks and various categories of victim gold.

The total value of the gold shipped by the Reichsbank to Switzerland which is known to have been stolen from the victims of Nazi oppression is SFr. 581,899. Although the subject of gold confiscated from Jewish deportees was discussed by the SNB management in late 1943, there is no indication that those responsible for deciding SNB policy were aware of the origin of such gold shipped by the Reichsbank to Switzerland.

In the first two years of the war, the Reichsbank carried out its gold transactions in Switzerland primarily through commercial banks. In October 1941 the SNB asked the Reichsbank to make all future gold deliveries to the central bank. Thereafter, regular gold shipments from the Reichsbank to Switzerland's commercial banks ceased. The main reason for the SNB's intervention was the fact that Switzerland's role as a hub for international trade in gold and foreign currency had brought about a decline in gold reserves that undermined the country's exchange rate policy. At the end of 1942, the Swiss Federal Council decided to centralize all gold trading between Swiss and foreign parties in the hands of the SNB.

The SNB had a variety of objectives in receiving gold shipments from Germany. Its primary goals were to sustain an adequate level of cover in gold to maintain the Swiss franc's convertibility, to safeguard Switzerland's supplies of food and other essentials, and to ensure that the country's financial services industry would continue to function.

At the beginning of the war, the SNB made no effort to distinguish between legally obtained and looted gold supplied by the Reichsbank. As early as 1941 the responsible SNB authorities were aware that Germany had amassed quantities of looted gold. This very fact was a topic of discussion in a number of internal meetings, and in 1942 the SNB Governing Board even considered melting down and recasting gold received from Germany. The Governing Board had received information that gold had been confiscated from private individuals in Belgium and the Netherlands. After 1943, it was evident that shipments from the Reichsbank might include gold plundered from the central banks of occupied countries.

The official warnings issued by the Allies after the beginning of 1943 prompted the SNB to take precautionary measures and to ask for guarantees that all gold delivered by the Germans was of impeccable provenance, originating from the country's prewar gold reserves. This change in the SNB's position was not made on the central bank's own initiative but came about only as a result of external pressure. The SNB Governing Board was extremely slow in recognizing that the Nazi regime was systematically operating a policy of theft and plunder and the murder of individuals and entire segments of the population. Although it was plain for all to see that Germany was acquiring gold by illegal means, the SNB authorities appear to have remained wedded to «business as usual».

Despite their awareness of the dubious provenance of the gold that was being shipped and of the warnings issued by the Allies, the official representatives of Swiss banks and insurance companies continued to pressure the SNB to continue taking gold from Germany even as the war was entering its final stages. Indeed, the gold transfers persisted as late as April 1945. They served, amongst other things, to meet interest payments and other obligations toward financial creditors in Switzerland. The gold purchases were also intended to keep the fund transfer system with Germany running for as long as possible in order to create the best possible foundations for Swiss-German financial relations after the war.

After 1943, the SNB management developed a complex of arguments in the central bank's defense which were designed to refute Allied accusations. Then, after the war, the SNB Governing Board chose to defend itself against criticism within and outside Switzerland by adopting the line that it had acquired gold from Germany believing, in good faith, that the metal was of impeccable provenance. Moreover, it put forward the view that the gold transactions were carried out in accordance with the principles governing Switzerland's neutrality. Further, it was argued that the risk of a German invasion of Switzerland had been reduced since the central bank had made itself useful to Germany by purchasing this gold. As a

final line of defense, the Governing Board claimed to have agreed upon its gold policy with the Swiss government.

From today's perspective, the SNB's claims that it acted in good faith and that Switzerland's neutrality obliged it to accept the gold offered by Nazi Germany are clearly not justified. As became evident during the negotiations that led to the Washington Agreement, the relevant SNB officials became aware while the war was still in progress that the precious metal being shipped by the Reichsbank to Switzerland included gold that had been looted. Swiss neutrality in no way obliged the country to accept stolen gold. Moreover, by adopting the «good faith» argument, the SNB unwittingly dug itself into a hole: subsequently, it found it could not change its justification without suffering serious damage to its credibility.

As to the theory put forward by the SNB that the gold purchased from the Reichsbank helped to dissuade Germany from invading Switzerland, it must be pointed out that Hitler's policies in the war were not guided by rational or pragmatic reactions to measures of economic deterrence. Moreover, information about the scale and exact modalities of the gold transactions supplied by the SNB to the Swiss government was inadequate and tardy. Only in 1943 did the SNB begin citing dissuasion as an argument in favour of its policy of accepting German gold; this fact suggests that economic deterrence was an argument cobbled together *a posteriori* to justify the previous gold policy.

The motive of profit was not the main reason for SNB's accepting delivery of gold from Germany. This motive did, however, play a role in the sale to third parties of gold the SNB had purchased.

To compare directly the gold received by Switzerland from Germany with that accepted from the Allies is to make a specious comparison. In stark contrast to gold supplied by the Reichsbank, gold obtained from the Allies was a means of payment acquired exclusively in a legal fashion. The gold operations that took place among Switzerland, the United States, and Great Britain were for the most part the result of international capital movements. They also served to finance Swiss exports, and were used by the Allies for humanitarian purposes as well as to help pay for critical services in the war effort.

The entire subject of gold transactions during World War II is inextricably linked with other historical issues. Hence it is necessary to set any detailed investigation of the issue of Switzerland's acceptance of gold from Germany in the wider context of the external trade patterns, official trade policy, and general economic and political conditions prevailing during the war. The Commission is also examining the legal issues in historical context related to the trade in gold and will be consulting legal experts before completing its final report on this subject.



# **Switzerland and Gold Transactions in the Second World War Interim Report**

Biographical Information



## 1. Biographical Information

### 1.1 Gottlieb Bachmann (1874–1947)

Citizen of Winterthur (Canton Zurich), studied law and economics

1918–1925 Member of the Governing Board of the SNB, Head of Department III

1925–1939 Chairman of the Governing Board of the SNB, Head of Department I

1939–1947 President of the Bank Council of SNB

1939–1943 Member of the National Council (FDP)

Member of the board of directors of several prominent companies, Professor of Business Administration at the University of Zurich

### 1.2 Walther Funk (1890–1960)

Born in Trakehnen (East Prussia), economist

1931 Joined the NSDAP (National Socialist German Workers' Party)

1933 Press Secretary of the German government, Hitler's economic advisor

1938 Economics Minister of the Third Reich, Chief Diplomatic Representative for the Wartime Economy

1939 President of the Reichsbank

1946 Sentenced to life imprisonment for crimes against humanity and war crimes at the Nuremberg trials

1957 Released on health grounds

### 1.3 Maurice Golay (1891–1949)

Born in Geneva

1920–1926 Manager of the Geneva Office of SBC

1927–1931 Manager of the London Office of SBC

1932–1941 Member of the Executive Board of SBC

1942–1949 President of the Executive Board of SBC

Chairman of the Board of Directors of Lonza AG

### 1.4 Alfred Hirs (1889–1978)

Citizen of Dielsdorf (Canton Zurich), trained as a commercial clerk

1910 Took up post at the SNB

1927 Assistant Director of the SNB

1929–1931 Director of the SNB

1931–1942 President of the General Management of Schweizerische Volksbank (SVB) on behalf of the Federal Council (in 1931 SVB was placed under federal supervision and restructured under the management of A. Hirs)

1942–1954 Member of the Governing Board of the SNB, Head of Department III

1946 Member of the Swiss delegation at the Swiss-Allied negotiations in Washington

Active in several Christian organizations (Chairman of the Bernese Deaconesses' House, Vice President of the YMCA)

### 1.5 Heinrich Homberger (1896–1985)

Citizen of Zurich, studied economics

- 1934 Took up post in the «Vorort» of the Swiss Federation of Commerce and Industry (SFCI)<sup>1</sup>
- 1939–1950 Manager of the «Vorort»
- 1939 Appointed to the Permanent Delegation for Economic Negotiations
- 1950–1965 Delegate of the «Vorort», also member of the Swiss Chamber of Commerce
- 1962–1976 President of the Supervisory Board of Swiss Life

### 1.6 Jean Hotz (1890–1969)

Citizen of Uster (Canton Zurich), studied Economics

- 1915–1922 Teacher of commercial subjects in Zurich
- 1922 Took up post in the Swiss Department of Economic Affairs
- 1928 Vice Director of the Swiss Department of Economic Affairs
- 1935–1954 Director of the commercial department of the Swiss Department of Economic Affairs
- 1939 Appointed to the Permanent Delegation for Economic Negotiations
- 1947 Awarded the ministerial title «ad personam» by the Federal Council

### 1.7 Per Jacobsson (1894–1963)

Born in Tanum, Sweden, studied law

- 1931–1957 Member of the management of the BIS, Basel, head of the foreign exchange and economics department
- 1949 Ph. D. honoris causa in political science (University of Basel)
- 1952 Member of management of the Centre for Economic and Financial Research established by the Rockefeller Foundation
- 1957 Director of the International Monetary Fund

### 1.8 Hans Koenig (1880–1954)

Citizen of Berne, attorney

- 1918–1936 Executive Vice President of Swiss Life
- 1936–1947 Co-President of Swiss Life
- 1947–1954 Vice-Chairman of the Supervisory Board of Swiss Life

Worked on concluding the two German-Swiss gold mortgage agreements of 1920 and 1923; President of the Swiss Committee for Gold Mortgage Issues; Represented interests of Swiss insurance companies in economics negotiations with Germany (1931–1946); President of the Directors' Conference of the Swiss Life Insurance Companies; Board member of the Association of Licensed Swiss Insurance Companies and of the Zurich Chamber of Commerce, as well as other organizations.

---

<sup>1</sup> Economic association established in 1870 as a nationwide umbrella organization, whose management originally rotated between the «Vororts» [Head Offices] Berne, Zurich, St. Gallen, Basel, and Geneva. Since 1882 the management has been located in Zurich. The term «Vorort» was retained.

### **1.9 Robert Kohli (1896–1977)**

Citizen of Rüscheegg (Canton Berne), studied law

- 1918 Official at the Political Department
- 1938 Head of the Legal Office of the Political Department and the Emigration Office
- 1939 Appointed to the permanent delegation for economic negotiations
- 1941 Promoted to Legation Councillor
- 1941–1945 Head of the newly founded section for legal affairs and private assets abroad at the Political Department
- 1945 Member of the Swiss Commission for Swiss-Allied Negotiations
- 1945 Member of the Swiss Economics Delegation for negotiations with France
- 1945–1949 Minister of Switzerland in The Hague
- 1949–1953 Minister of Switzerland in Belgrade
- 1953–1956 Chairman of the management of the Swiss Clearing Office in Zurich
- 1956–1961 General Secretary of the Political Department
- 1961 President of the commission for admission to the diplomatic and consular service of the Political Department

### **1.10 Ernst Nobs (1886–1957)**

Citizen of Seedorf (Canton Berne) and Zurich, trained as a teacher

- 1906–1912 Teacher in Wynau and Ostermundigen
  - 1912–1915 Editor in Lucerne and St. Gallen
  - 1915–1934 Editor-in-chief of «Volksrecht» in Zurich
  - 1919–1943 Member of the National Council (SP)
  - 1935–1941 Member of government of Canton Zurich, Head of the Justice Department, Head of the Department of the Economy
  - 1942–1943 Mayor of the City of Zurich
  - 1944–1951 Member of the Federal Council. First Representative of the Socialist Party (SP) in the Federal Council, Chairman of the Federal Finance, and Customs Department
- Member of the ICRC and Chairman of the Board of Directors of the Federal Old Age and Survivors Insurance Fund (AHV)

### **1.11 Marcel Pilet-Golaz (1889–1958)**

Citizen of Château-d'Oex (Canton Vaud), studied law

- 1915 Head of a law firm
- 1921 Member of the government of Canton Vaud (FDP)
- 1925–1928 Member of the National Council
- 1929–1944 Member of the Federal Council, Head of the Ministry of the Interior in 1929, 1930–1940 of the Federal Postal and Railways Department and 1940–1944 of the Political Department

**1.12 Emil Johann Puhl (1889–1962)**

Born in Berlin, banker's training

- 1913 Took up a post at the German Reichsbank
- 1916–1920 Military service and prisoner of war in France
- 1934 Joined the NSDAP
- 1930–1935 Manager of the Reichsbank, specialist on currency issues
- 1940–1945 Managing Vice President of the German Reichsbank
- 1949 Sentenced by the International Military Tribunal in Nuremberg to five years in prison
- 1961 Chairman of the Hamburger Kreditbank AG

Member of the supervisory board of Diskont-Kompagnie AG, Berlin (as of 16 September 1937: Chairman of the Supervisory Board), Chairman of the Board of Directors of the Reichskreditkassen, Berlin; Member of the supervisory board of several banks and companies.

**1.13 Paul Rossy (1896–1973)**

Citizen of Cossonay (Canton Vaud), studied economics and political science

- 1921 Took up post at the SNB
- 1930 Director of the SNB
- 1935 Vice President of the Federal Banking Commission
- 1937–1955 Member of the Governing Board of the SNB, Head of Department II, Vice Chairman of the Governing Board of the SNB
- 1938 Honorary PhD from the University of Lausanne
- 1938–1945 President of the section of the town of Berne of the Bernese Federation of Commerce and Industry
- 1950 Member of the Management Committee of the European Payments Union

Member of the Price Control Commission, the Consultative Commission for Trade Policy, the Committee and the Board of Directors of the Loan Bank of the Swiss Confederation, and of the Board of Directors of the Federal Old Age and Survivors' Insurance

**1.14 Hjalmar Schacht (1877–1970)**

Born in Tinglev, Northern Schleswig

- 1924–1930 President of the Reichsbank
- 1933–1939 President of the Reichsbank
- 1934–1937 Economics Minister of the Third Reich and Chief Diplomatic Representative for the wartime economy
- 1937–1943 Minister of the Third Reich without portfolio
- 1944 Arrested and sent to the Ravensbrück concentration camp after the failed assassination attempt on Hitler
- 1946 Acquitted at the Nuremberg trials

**1.15 Dietrich Schindler (1890–1948)**

Citizen of Zurich, studied law

- 1929–1948 Member of the Board of Directors of the Neue Zürcher Zeitung (NZZ), as of 1940  
Chairman of the Board of Directors of the NZZ
- 1933 Founder of the society «Neue Schweizerische Rundschau»
- 1936 Professor of public law at the University of Zurich  
Legal advisor during the war to the Federal Council and Federal Administration
- 1945 Member of the Experts' Commission of the Federal Political Department for the  
Examination of the UN Charter
- 1946 Issued opinions on legal questions concerning German assets in Switzerland
- 1946 Member of the Swiss delegation at the Swiss-Allied negotiations in Washington
- 1947 Participated in negotiations for the establishment of a «Liberal International» in Oxford
- Member of government of Canton Zurich and church council, member of the ICRC, colonel

**1.16 Fritz Schnorf (1893–1963)**

Citizen of Meilen (Canton Zurich), banker's training, subsequently worked at Credit Suisse

- 1929 Assistant Director of the SNB
- 1939–1942 Member of the Governing Board of the SNB, Head of Department III
- 1942 Director of Aluminium-Industrie AG, first as head of the financial department, then as  
General Manager and Chairman of the Board of Directors
- 1952 Member of the Board of Directors of Motor-Columbus AG
- 1954 Member of the Board of Directors of Credit Suisse
- 1954 Member of the Board of Directors of Nestlé Alimentana
- Member of the Zurich and of the Swiss Chambers of Commerce, Member of the Bank Council of the  
SNB

**1.17 Walter Stucki (1888–1963)**

Citizen of Berne, studied law (attorney)

- 1917–1919 General Secretary of the Federal Department of Economic Affairs
- 1924–1935 Head of the negotiating delegation for economic issues with other countries
- 1925 Director of the commercial department of the Federal Department of Economic Affairs
- 1933 Appointed as Minister, Head of the commercial department of the Federal Department  
of Economic Affairs
- 1935 Elected to the National Council (FDP)
- 1935 Delegate of the Federal Council for foreign trade
- 1938–1944 Swiss envoy in Paris and later in Vichy
- 1945–1946 Head of the department of foreign affairs of the Political Department
- 1945 Head of the Commission for Swiss-Allied negotiations
- 1946 Delegate of the Federal Council for special missions
- 1946 President of the Commission for Swiss-Allied negotiations in Washington
- 1947 Swiss delegate at the Havana Conference for International Trade and Employment
- 1952 Swiss delegate at the London Conference on German debts and on Swiss credit with the  
former Third Reich

**1.18 Peter Vieli (1890–1972)**

Citizen of Rhäzüns (Canton Graubünden), studied law

- 1918–1937 Various functions in the diplomatic service in Berne and Rome
- 1937–1952 Member of the Executive Board of Credit Suisse
- 1940–1941 As President of the «Germany Committee» of the Swiss Bankers Association participated in economic negotiations between Switzerland and Germany
- 1943–1944 Swiss envoy in Rome
- 1952–1956 Member of the Board of Directors of Credit Suisse

**1.19 Ernst Weber (1881–1967)**

Citizen of Erlenbach (Canton Zurich), banker's training

- 1907 Worked at SNB since its establishment
- 1921 Assistant Director of the SNB
- 1925– 1939 Member of the Governing Board of the SNB, Head of Department III
- 1939– 1947 Chairman of the Governing Board of the SNB, Head of Department I
- 1939– 1947 Member of the Board of Directors of the BIS
- 1943– 1947 Chairman of the Board of Directors of the BIS
- 1947–1955 Member of the Bank Council of the SNB

**1.20 Ernst Wetter (1877–1963)**

Citizen of Zurich and Winterthur, studied economics

- until 1920 Teacher at various school levels in Küsnacht, Uster, Winterthur and Zurich
  - 1920–1924 General Secretary of the Federal Department of Economic Affairs and Director of the commercial department of the Federal Department of Economic Affairs
  - 1924–1928 Vice-President and Delegate of the Swiss Federation of Commerce and Industry
  - 1926–1934 Member of government of Canton Zürich (FDP)
  - 1929–1938 Member of the National Council
  - 1939–1943 Member of the Federal Council, Head of the Federal Finance and Customs Department
- Subsequently President of the Supervisory Board of Swiss Life, Chairman of the Board of Directors of Aluminium-Industrie AG

# **Switzerland and Gold Transactions in the Second World War Interim Report**

Tables



**Table XIX: Gold purchased by Swiss private banks from the SNB (bars and coins, 1 January 1939 – 31 December 1945, gross value)***(in SFr. 1000)*

Year	SBC			CS			UBS			SVB		
	Coins	Bars	Total	Coins	Bars	Total	Coins	Bars	Total	Coins	Bars	Total
1939	4,724	9,281	14,005	12,535		12,535	232		232	87	450	537
1940	1,550	68,372	69,922	30		30			0			0
1941	11,787	367	12,154	24,318	1,974	26,293	4,388	8,655	13,044	2,216		2,216
1942	18,952	40,756	59,707	35,062	13,764	48,826	10,318	1,763	12,081	9,627	776	10,403
1943	8,360	0	8,360	12,535	2,985	15,520	19,492	291	19,784	7,823		7,823
1944	19,523	0	19,523	22,968	2,991	25,959	9,575		9,575	21,404		21,404
1945	20,452	2,469	22,921	18,329	1,232	19,561	13,383	994	14,376	9,997	1,395	11,391
Total	85,347	121,245	206,592	125,778	22,946	148,724	57,388	11,703	69,091	51,152	2,621	53,774

Year	EIBA			Leu			BHB			Total		
	Coins	Bars	Total	Coins	Bars	Total	Coins	Bars	Total	Coins	Bars	Total
1939	1,537		1,537	14,386		14,386	769		769	34,270	9,731	44,001
1940	51		51	427		427			0	2,058	68,372	70,430
1941	14,891		14,891	8993	1,085	10,078	7,370	674	8,043	73,963	12,756	86,719
1942	9,651	407	10,059	6134	3,441	9,575	4,123	1,767	5,891	93,867	62,675	156,541
1943	2,995		2,995	1915		1,915	761		761	53,882	3,276	57,158
1944	4,951		4,951	2096		2,096	2,425		2,425	82,941	2,991	85,932
1945	7,714		7,714	2272		2,272	11,378		11,378	83,523	6,090	89,612
Total	41,790	407	42,197	36,222	4,526	40,748	26,825	2,441	29,266	424,503	165,890	590,392

Source: SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997.

The table shows the distribution of the coins and bars purchased from the SNB among the seven big banks of the period (Swiss Bank Corporation [SBC], Credit Suisse [CS], Union Bank of Switzerland [UBS], Swiss Volksbank [SVB], Eidgenössische Bank [EIBA], Bank Leu, Basler Handelsbank [BHB]). The value of the coins was more than double that of the bars.

**Table XX: Gold purchases and sales of the SNB, 1 September 1939 – 30 June 1945**  
(in SFr.)

	Purchases			Sales			Net
	Bars	Coins	Total	Bars	Coins	Total	Total
<i>Germany</i> 1939 (from 9/1)	0	0	0	0	0	0	0
1940	85,899,085	0	85,899,085	19,495,181	0	19,495,181	66,403,904
1941	141,179,693	0	141,179,693	0	0	0	141,179,693
1942	423,985,318	0	423,985,318	0	0	0	423,985,318
1943	262,942,137	107,426,300	370,368,437	0	0	0	370,368,437
1944	107,334,001	72,865,000	180,199,001	0	0	0	180,199,001
1945 (to 6/30)	21,660,868	7,807,500	29,468,368	0	0	0	29,468,368
<b>Total</b>	<b>1,043,001,102</b>	<b>188,098,800</b>	<b>1,231,099,902</b>	<b>19,495,181</b>	<b>0</b>	<b>19,495,181</b>	<b>1,211,604,721</b>
<i>Italy</i> 1939 (from 9/1)	24,500,577	0	24,500,577	0	0	0	24,500,577
1940	0	0	0	0	0	0	0
1941	0	0	0	0	0	0	0
1942	48,734,010	0	48,734,010	0	0	0	48,734,010
1943	24,356,915	0	24,356,915	0	0	0	24,356,915
1944	52,515,744	0	52,515,744	0	0	0	52,515,744
1945 (to 6/30)	0	0	0	0	0	0	0
<b>Total</b>	<b>150,107,246</b>	<b>0</b>	<b>150,107,246</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,107,246</b>
<i>Japan</i> 1939 (from 9/1)	0	0	0	0	0	0	0
1940	0	0	0	0	0	0	0
1941	0	0	0	0	0	0	0
1942	0	0	0	0	0	0	0
1943	0	0	0	0	0	0	0
1944	0	0	0	0	0	0	0
1945 (to 6/30)	0	0	0	4,955,706	0	4,955,706	-4,955,706
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,955,706</b>	<b>0</b>	<b>4,955,706</b>	<b>-4,955,706</b>
<i>USA</i> 1939 (from 9/1)	0	0	0	216,393,757	0	216,393,757	-216,393,757
1940	0	0	0	497,861,492	0	497,861,492	-497,861,492
1941	831,236,923	0	831,236,923	0	0	0	831,236,923
1942	669,111,466	0	669,111,466	0	0	0	669,111,466
1943	168,357,392	0	168,357,392	0	0	0	168,357,392
1944	340,992,149	0	340,992,149	0	0	0	340,992,149
1945 (to 6/30)	233,218,823	0	233,218,823	0	0	0	233,218,823
<b>Total</b>	<b>2,242,916,753</b>	<b>0</b>	<b>2,242,916,753</b>	<b>714,255,249</b>	<b>0</b>	<b>714,255,249</b>	<b>1,528,661,504</b>
<i>GB</i> 1939 (from 9/1)	0	0	0	0	0	0	0
1940	242,775	19,380	262,155	0	0	0	262,155
1941	0	64,968	64,968	0	0	0	64,968
1942	111,146,880	1,541	111,148,421	0	0	0	111,148,421
1943	163,974,902	11,505	163,986,407	0	0	0	163,986,407
1944	206,398,778	0	206,398,778	0	0	0	206,398,778
1945 (to 6/30)	186,717,721	0	186,717,721	0	0	0	186,717,721
<b>Total</b>	<b>668,481,056</b>	<b>97,394</b>	<b>668,578,450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>668,578,450</b>
<i>Canada</i> 1939 (from 9/1)	0	0	0	0	0	0	0
1940	0	0	0	0	0	0	0
1941	0	0	0	0	0	0	0
1942	11,027,495	0	11,027,495	0	0	0	11,027,495
1943	15,430,632	0	15,430,632	0	0	0	15,430,632
1944	25,116,696	0	25,116,696	0	0	0	25,116,696
1945 (to 6/30)	13,708,243	0	13,708,243	0	0	0	13,708,243
<b>Total</b>	<b>65,283,066</b>	<b>0</b>	<b>65,283,066</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>65,283,066</b>
<i>Portugal</i> 1939 (from 9/1)	0	0	0	0	0	0	0
1940	0	0	0	0	0	0	0
1941	0	0	0	207,592,901	0	207,592,901	-207,592,901
1942	19,567,464	0	19,567,464	294,798,265	0	294,798,265	-275,230,801
1943	26,471,240	0	26,471,240	23,955,729	0	23,955,729	2,515,511
1944	39,061,821	0	39,061,821	10,253,966	0	10,253,966	28,807,855
1945 (to 6/30)	0	0	0	0	0	0	0
<b>Total</b>	<b>85,100,525</b>	<b>0</b>	<b>85,100,525</b>	<b>536,600,861</b>	<b>0</b>	<b>536,600,861</b>	<b>-451,500,336</b>

		Purchases			Sales			Net
		Bars	Coins	Total	Bars	Coins	Total	Total
<i>Spain</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	0	0	0	0
	1942	0	0	0	74,251,897	0	74,251,897	-74,251,897
	1943	0	0	0	87,075,245	0	87,075,245	-87,075,245
	1944	0	0	0	16,136,649	0	16,136,649	-16,136,649
	1945 (to 6/30)	0	0	0	7,685,088	0	7,685,088	-7,685,088
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>185,148,879</b>	<b>0</b>	<b>185,148,879</b>	<b>-185,148,879</b>
<i>Romania</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	39,341,956	0	39,341,956	-39,341,956
	1942	0	0	0	4,571,429	0	4,571,429	-4,571,429
	1943	0	0	0	68,180,077	0	68,180,077	-68,180,077
	1944	9,756,502	0	9,756,502	0	0	0	9,756,502
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>9,756,502</b>	<b>0</b>	<b>9,756,502</b>	<b>112,093,462</b>	<b>0</b>	<b>112,093,462</b>	<b>-102,336,960</b>
<i>Hungary</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	9,774,880	0	9,774,880	-9,774,880
	1942	0	0	0	0	0	0	0
	1943	0	0	0	3,408,947	2,248,000	5,656,947	-5,656,947
	1944	0	0	0	0	843,000	843,000	-843,000
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,183,827</b>	<b>3,091,000</b>	<b>16,274,827</b>	<b>-16,274,827</b>
<i>Slovakia</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	6,380,546	0	6,380,546	-6,380,546
	1942	0	0	0	0	0	0	0
	1943	0	0	0	0	0	0	0
	1944	0	0	0	4,872,986	0	4,872,986	-4,872,986
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,253,532</b>	<b>0</b>	<b>11,253,532</b>	<b>-11,253,532</b>
<i>Turkey</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	0	0	0	0
	1942	0	0	0	0	0	0	0
	1943	0	0	0	14,845,131	1,405	14,846,536	-14,846,536
	1944	0	0	0	0	0	0	0
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,845,131</b>	<b>1,405</b>	<b>14,846,536</b>	<b>-14,846,536</b>
<i>Argentina</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	5,824,457	5,824,457	0	0	0	5,824,457
	1942	0	0	0	0	0	0	0
	1943	0	14,715,865	14,715,865	0	0	0	14,715,865
	1944	1,500,238	10,665,200	12,165,438	0	0	0	12,165,438
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>1,500,238</b>	<b>31,205,522</b>	<b>32,705,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,705,760</b>
<i>France</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	67,095,020	0	67,095,020	0	0	0	67,095,020
	1942	66,608,556	29,491,814	96,100,370	0	0	0	96,100,370
	1943	0	0	0	0	0	0	0
	1944	0	0	0	0	0	0	0
	1945 (to 6/30)	20,315,000	9,672,400	29,987,400	0	0	0	29,987,400
	<b>Total</b>	<b>154,018,576</b>	<b>39,164,214</b>	<b>193,182,790</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>193,182,790</b>

		Purchases			Sales			Net
		Bars	Coins	Total	Bars	Coins	Total	Total
<i>Greece</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	485,818	485,818	0	0	0	485,818
	1942	0	0	0	0	0	0	0
	1943	0	0	0	0	0	0	0
	1944	0	0	0	0	0	0	0
	1945 (to 6/30)	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>485,818</b>	<b>485,818</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>485,818</b>
<i>Sweden</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	43,062,899	3,697,030	46,759,929	0	0	0	46,759,929
	1942	0	682,150	682,150	2,952,426	0	2,952,426	-2,270,276
	1943	0	0	0	0	0	0	0
	1944	10,009,360	0	10,009,360	0	0	0	10,009,360
	1945 (to 6/30)	20,011,947	0	20,011,947	0	0	0	20,011,947
	<b>Total</b>	<b>73,084,206</b>	<b>4,379,180</b>	<b>77,463,386</b>	<b>2,952,426</b>	<b>0</b>	<b>2,952,426</b>	<b>74,510,960</b>
<i>BIS</i>	1939 (from 9/1)	0	0	0	122,974	0	122,974	-122,974
	1940	11,093,126	0	11,093,126	2,447,812	0	2,447,812	8,645,314
	1941	20,597,446	12,143,852	32,741,298	15,631,200	0	15,631,200	17,110,098
	1942	0	0	0	121,783	0	121,783	-121,783
	1943	0	0	0	0	0	0	0
	1944	12,770,825	0	12,770,825	0	0	0	12,770,825
	1945 (to 6/30)	4,903,149	0	4,903,149	0	0	0	4,903,149
	<b>Total</b>	<b>49,364,546</b>	<b>12,143,852</b>	<b>61,508,398</b>	<b>18,323,769</b>	<b>0</b>	<b>18,323,769</b>	<b>43,184,629</b>
<i>Market</i>	1939 (from 9/1)	17,556,683	315,349	17,872,033	9,987,447	422,916	10,410,363	7,461,669
	1940	11,744,159	129,139	11,873,298	68,646,030	2,310,143	70,956,173	-59,082,875
	1941	26,755,399	30,553	26,785,952	19,050,375	81,997,573	101,047,948	-74,261,996
	1942	6,031,005	9,014	6,040,019	70,565,280	124,393,603	194,958,883	-188,918,864
	1943	0	359,092	359,092	24,535,737	65,426,773	89,962,510	-89,603,418
	1944	8,639,070	45,426	8,684,496	22,036,551	101,503,075	123,539,626	-114,855,130
	1945 (to 6/30)	0	11,479	11,479	12,424,133	64,496,372	76,920,505	-76,909,026
	<b>Total</b>	<b>70,726,316</b>	<b>900,052</b>	<b>71,626,369</b>	<b>227,245,552</b>	<b>440,550,456</b>	<b>667,796,008</b>	<b>-596,169,640</b>
<i>Swiss Govt.</i>	1939 (from 9/1)	0	0	0	0	0	0	0
	1940	0	0	0	0	0	0	0
	1941	0	0	0	0	0	0	0
	1942	0	0	0	0	0	0	0
	1943	60,004,288	0	60,004,288	61,960,406	0	61,960,406	-1,956,118
	1944	39,198,471	0	39,198,471	499,745,076	0	499,745,076	-460,546,605
	1945 (to 6/30)	170,101,780	0	170,101,780	526,167,719	0	526,167,719	-356,065,939
	<b>Total</b>	<b>269,304,539</b>	<b>0</b>	<b>269,304,539</b>	<b>1,087,873,201</b>	<b>0</b>	<b>1,087,873,201</b>	<b>-818,568,662</b>
<i>Federal Mint</i>	1939 (from 9/1)	323,211	0	323,211	0	0	0	323,211
	1940	0	0	0	0	0	0	0
	1941	0	0	0	0	0	0	0
	1942	0	0	0	0	0	0	0
	1943	0	0	0	0	0	0	0
	1944	0	0	0	0	0	0	0
	1945 (to 6/30)	0	42,150,000	42,150,000	45,793,844	0	45,793,844	-3,643,844
	<b>Total</b>	<b>323,211</b>	<b>42,150,000</b>	<b>42,473,211</b>	<b>45,793,844</b>	<b>0</b>	<b>45,793,844</b>	<b>-3,320,633</b>
<b>Total</b>	1939 (from 9/1)	42,380,471	315,349	42,695,820	226,504,178	422,916	226,927,094	-184,231,274
	1940	108,979,145	148,519	109,127,664	588,450,515	2,310,143	590,760,658	-481,632,994
	1941	1,129,927,380	22,246,678	1,152,174,058	297,771,858	81,997,573	379,769,431	772,404,627
	1942	1,356,212,194	30,184,519	1,386,396,713	447,261,080	124,393,603	571,654,683	814,742,030
	1943	721,537,506	122,512,762	844,050,268	283,961,272	67,676,178	351,637,450	492,412,818
	1944	853,293,655	83,575,626	936,869,281	553,045,228	102,346,075	655,391,303	281,477,978
	1945 (to 6/30)	670,637,531	59,641,379	730,278,910	597,026,489	64,496,372	661,522,861	68,756,048
	<b>Total</b>	<b>4,882,967,882</b>	<b>318,624,832</b>	<b>5,201,592,714</b>	<b>2,994,020,620</b>	<b>443,642,861</b>	<b>3,437,663,481</b>	<b>1,763,929,233</b>

From 9/1= from 1 September ; from 6/30= from 30 June

All amounts are in the new gold price of SFr. 4,869.8 per kg. of fine gold.

Source: SNB Archives, Gold transactions for own account 1939-1945, 4 March 1997.

- This table serves as the basis for Table III in Chapter 1. Please refer to the general comments made there and to the following points.
- All coin transactions were carried out at the gold price stated above, without including possible gains or losses.
- As regards currency transactions, the SNB's compilation (SNB Archives, gold transactions for its own account 1939–1945, 4 March 1997) is based on the «quarterly reports» (SNB Archives, without classification, quarterly reports on gold operations), which recorded such transactions on a quarterly basis. For this reason it is not possible to separate coin transactions that occurred prior to 1 September 1939 from those that took place after that date. The Commission has decided not to include any third-quarter coin transactions in the figures for the period under review because it is highly probable that they all occurred prior to 1 September. (There were a large number of such transactions in the first and second quarters, but only two in the fourth quarter.) See also Point VIII in Table III.
- Aggregate total of coin transactions in the third quarter of 1939: SFr. 11.2 million
- Transactions of the equalization fund with Italy (1939) and the USA (1940), according to SNB Archives 122.0, gold of the equalization fund.
- Italy 1944: «domestic» account purchase from the Federal Finance Administration in Bern treated as a purchase from Italy, because it concerns the assumption of the Italian gold guarantee (see Chapter 1, Table III, Point I/2).
- Account «custody account in Argentina, Argentina (coins)» was also entered under coin transactions (also in 1941, although the addition «coins» is unintentionally missing).
- Differences in weight are not considered because this adds up to a marginal amount (about SFr. 80,000).

**Table XXI: Profits of the SNB from gold and foreign currency trading 1939–1945**  
(in SFr. 1000)

	Values from SNB annual reports Trade in gold and foreign currencies	Values from quarterly reports Gold operations only*
1939	4,857	1st half of 1939 4,282 2nd half of 1939 1,588
1940	3,454	3,120
1941	6,503	8,582
1942	9,294	11,401
1943	7,098	8,688
1944	8,424	10,375
1945	8,550	1st half of 1945 7,203 2nd half of 1945 5,242
Total 1 January 1939 – 31 December 1945	48,180	60,481
Total 1 July 1939 – 30 June 1945	–	50,957

Sources: SNB Archives, without classification, quarterly reports on gold operations; SNB, Estimate of profits earned by the SNB in its gold operations with Germany during World War II, note dated 21 January 1997; SNB annual reports 1939–1945; Schweizerische Nationalbank 1957, Table 21, p. 375.

\*Note: At the end of May 1940 the SNB revalued its gold reserves and corrected the price used to value them from SFr. 4639.13/kgf to SFr. 4869.80/kgf. The book gain that resulted was realized by the SNB through gold sales amounting to SFr. 33 million in 1939 and SFr. 13.5 million in the first half of 1940. The extraordinary profit of SFr. 46.5 million made in this way appeared in the quarterly reports under a special account (clearing account II), whose values have been excluded in the above table.

The major source available for calculating wartime profits on gold transactions is the so-called quarterly reports that Department II of the SNB prepared for the Governing Board.<sup>1</sup> The figures contained in these reviews of the transactions, and the profits earned on them from 1939 to 1945, are shown in Table XXI. The profit figures for gold and foreign exchange trading that were reported in the SNB's annual reports are also presented for purposes of comparison.<sup>2</sup> In contrast to the annual reports, the quarterly reports cover gold transactions exclusively and are considered to be more precise. They also make it possible to separate out the values for the first half of 1939 and the second half of 1945. This enables the period under review to be brought into line with the period of World War II.

In what follows, the data contained in the quarterly reports will be examined more closely and analysed.<sup>3</sup> It should be borne in mind that the SNB conducted different types of gold transactions for itself and its customers. The revenues were derived from: a) purchases and sales conducted for its own account, b) the administration of custody accounts of other central banks and of the BIS accounts at the SNB in Bern. With regard to the transactions conducted

<sup>1</sup> SNB Archives, without classification, quarterly reports on gold operations 1939–1945. The source breaks down the bank's gold transactions into those conducted for its own account and for the account of others with regard to 1. domestic gold coins («Swiss gold»); 2. foreign minted gold; 3. gold bars in Switzerland; 4. gold bars abroad (custody accounts in New York, London, and Ottawa, etc.); 5. «foreign gold deposits held with us».

<sup>2</sup> For the values in the annual reports, see Schweizerische Nationalbank 1957, Table 21, p. 389.

<sup>3</sup> For the whole section, see Chapter 2.5: Gold purchases and profits of the SNB and the internal SNB study conducted in 1996 cited there.

for its own account, most of these only took place when gold was sold to third parties, and they attained quite considerable sums because of the spread between purchase and selling prices in coin trading in particular (see Chapter 2.3.2). In contrast to this, the SNB only charged custody account holders for some of the services it provided them and even then only at the cost price. Consequently, the SNB did not earn anything on the administration of these foreign accounts.<sup>4</sup>

What was the actual profit realized by the SNB from the resale of the gold it acquired from the Reichsbank? In order to answer this question, each of the segments covered by the quarterly reports must be examined separately. The aggregate profit of SFr. 51 million for the period extending from 1 July 1939 to 30 June 1945 can be broken down as follows:<sup>5</sup>

- SFr. 21.7 million from the purchase and sale of gold coins minted in Switzerland (*Vreneli*) through the SNB's custody account in Bern
- SFr. 12.3 million from the purchase and sale of foreign gold coins (Napoléons, Eagles, Lator, etc.) through the SNB's custody account in Bern
- SFr. 9.3 million from the purchase and sale of gold bars through the SNB's custody account in Bern
- SFr. 7.7 million from the purchase and sale of bars and coins through the SNB's custody accounts abroad (New York, London, Ottawa, etc.)

Regarding trade in *Vreneli*, the following should be noted: during the war the SNB bought 3,000 *Vreneli* (i.e. Swiss-minted coins) from the Reichsbank that it then sold on the market for a total profit of about SFr. 10,000 maximum.<sup>6</sup> The other *Vreneli* sold by the bank were either taken from stocks accumulated before the war or newly minted in the first quarter of 1945 using pre-war gold. Thus, except for the estimated SFr. 10,000 just mentioned, the SFr. 21.7 million in trading profits cited in the first point above did not result from gold transactions carried out with the Reichsbank and would thus have to be deducted from the SFr. 51 million aggregate figure.

In contrast to this, the SFr. 12.3 million profit derived from the sale of foreign coins was largely the result of gold transfers from Germany. The SNB bought a total of SFr. 142. million

---

<sup>4</sup> This statement is based on indications contained in the Minutes of the Governing Board. In January 1943 the Governing Board decided «to continue its practice of not charging a commission on gold transactions with other banks». SNB Archives, Minutes of the Governing Board, 21 January 1943, no. 90, p. 87. Based on the SNB's bookkeeping and other sources in the SNB's Archives, it is not possible to calculate systematically either the gross revenues generated by the administration of customers' gold deposits or the costs this involved for the SNB.

<sup>5</sup> As can be seen from the breakdown, this solely concerns profits that the SNB earned with gold that it acquired from the Reichsbank during the war. This does not mean, however, that profits that may have been earned after the war on gold purchased from the Reichsbank are left unconsidered. A small portion of the sales of gold from Germany were indeed made only after the war had ended, but the calculation has been performed so as to include these later amounts in the figures presented here.

<sup>6</sup> Nominal value per coin: SFr. 20; gold value or purchase price of the SNB after the 1936 devaluation: SFr. 28.10; selling price on the market of less than SFr. 31 (highest price per coin according to list published by the Federal Price Control Office excluding turnover tax of SFr. 30.50).

in Lator coins from the Reichsbank which it then sold during the war on the Swiss market at a profit of SFr. 11.2 million. Most of this SFr. 141.4 million was gold stolen from Belgium (see Chapter 4.10). To this can be added German «Doppelkronen» (Reichsmark 20 pieces) worth SFr. 46.7 million<sup>7</sup> In 1947 the SNB re-smelted the «Doppelkronen» into Swiss coins and sold them at a profit of SFr. 176,000. Added together, the SNB earned SFr. 11.4 million (SFr. 11.2 million + SFr. 176,000) on its trade in gold coins acquired from the Reichsbank during the war.

The third point listed above is the SNB's purchases and sales of bars through its own custody account in Berne. The sources available in the bank's archives do not enable us to trace the path taken by each individual bar that the Reichsbank delivered to Berne. For this reason, we cannot directly reconstruct from these sources how much of the SFr. 9.3 million profit made with bar trading resulted from purchases made from the Reichsbank. This can, however, be estimated relatively precisely in an indirect manner. The Reichsbank sold the bars to the SNB for the net amount of SFr. 1,023.5 million altogether, and all of this took place at Berne.<sup>8</sup> For the period under review, this corresponds to 65% of all of the bars purchased by the SNB through its Berne account and 75% of all of the bars it purchased anywhere. Thus, on a percentage basis, the SNB earned about Sfr. 6 – 7 million on its trade with gold bars sold to it by the Reichsbank during the war.

No gold from Germany was involved either directly or indirectly in the SNB's gold transactions abroad, i.e. in New York, London, Ottawa, and other foreign localities where the bank had a custody account. Thus, as is the case with almost all of the *Vreneli* sales, the trading profit of SFr. 7.7 million generated by gold stocked outside Switzerland has to be deducted from the total gold trading profits in order to ascertain how much the SNB earned with gold from Germany alone. The table below presents another breakdown of the SFr. 51 million in profits:

**Table XXII: Profits of the SNB from the purchase and sale of gold**  
(in SFr. 1000)

	Deposit accounts in Bern		Bars	Deposit accounts	Total
	<i>Vreneli</i>	Foreign coins		abroad	
Total profit	21,692	12,251	9319	7695	<b>50,956</b>
of which made with gold from Germany	*10	11,400	*7000	–	<b>18,410</b>

\*Estimate; source: SNB, note of 21 January 1997.

Thus we can say in conclusion that the SNB earned about SFr. 18.4 million on trade in gold that it acquired from the Reichsbank during World War II and re-sold. The purchase and sale of gold (especially coins) for its own account was the sole source of income in the bank's gold

<sup>7</sup> The «Doppelkronen» were minted in Germany from 1874 to 1914.

<sup>8</sup> See Table XX: net bar sales from Germany (purchases minus sales) 1 September 1939 to 30 June 1945.

transactions. The fees that it charged for administering customers' custody accounts did not even cover the costs involved.

As was indicated in Chapter 2.3.2, profit was not the major motive for the gold coin sales made in 1943/44. In addition to its monetary objectives, it appears that the SNB's management was more driven by an effort to separate itself as rapidly as possible from the foreign gold pieces (Lator coins) that the SNB had acquired from the Reichsbank; even at that time, they knew that they most likely had to come from occupied nations, from Belgium in particular, which was in fact the case. In view of the substantial contribution that gold trading made towards allowing the bank to end the year in the black, and considering that precisely during the war years the SNB would have tended to earn less with other types of transactions, these trading profits were unquestionably a welcome by-product. As early as in 1941, Chairman of the Governing Board Weber remarked that the sales of gold coins were «a not unwelcome source of profit».<sup>9</sup> In discussing the annual report for 1944, Weber again pointed out to the Bank Committee that profits had been possible «thanks to the revenues from gold transactions, primarily from the sale of gold coins».<sup>10</sup>

---

<sup>9</sup> SNB Archives, Minutes of the Bank Committee, 3/4 September 1941, p. 503.

<sup>10</sup> SNB Archives, Minutes of the Bank Committee, 18/19 January 1945, p. 4. See also Fior 1997, p. 85.

**Table XXIII: Compilation made by the SNB in 1946 and 1948 concerning Dutch and Belgium gold: Shipments from the Reichsbank to the SNB**

<b>Reichsbank shipments to its custody account at the SNB in Bern</b>	<b>Belgian gold<sup>11</sup> in SFr. million</b>	<b>Dutch gold<sup>12</sup> in SFr. million</b>
1943–1944	531.7	
1941–1944		562.6
<b>Of which purchased by</b>		
SNB	378.6	399.9
Banco de Portugal	98.4	79.4
Swedish Imperial Bank	35.6	39.8
Union Bank of Switzerland for the account of the Romanian central bank	12.2	23.9
BIS*	6.8	9.9
Slovakian central bank	–	9.7
<b>Sales of gold purchased by the SNB to**</b>		
Banco de Portugal	–	128.6
Spanish central bank	–	69.0
Romanian central bank	–	39.0
Cantonal Bank of Berne (for industry)	–	22.1
Federal Mint	–	14.4
Various Swiss banks***	–	14.1
Turkish central bank	–	13.8
Yokohama specie bank	–	4.9
Hungarian central bank	–	3.4
Slovakian central bank	–	1.0
Holdings remaining at the SNB (1948)****	–	89.7

\*Bank for International Settlements in Basel; \*\*no figures available for Belgian gold; \*\*\*not specified in original; \*\*\*\*The amount of Dutch gold sold by the SNB to foreign central banks still in SNB holdings in Bern in 1948, according to the original table: gold of the Romanian central bank: SFr. 22.6 million, gold of Yokohama specie bank SFr. 4.9 million.

Sources: a) For Belgian gold: SNB Archives, 117.1, «Gold transactions between the Swiss National Bank and the Reichsbank during the war», 6 April 1946. Table B on page 3 of this source is entitled: «Belgian gold». b) For Dutch gold: SNB Archives, 117.1, «Shipments from the Reichsbank for its custody account at the Swiss National Bank (only so-called «Dutch» gold)», 25 June 1948.

The transactions conducted between the Reichsbank and the SNB in gold which originally came from Belgium and the Netherlands are still the subject of debate in connection with the Washington Agreement. Table XXIII contains quantitative information on the acceptance and subsequent sale of Belgian and Dutch gold by the SNB. The sources used are tables compiled by the main cashier's office of the SNB for the Governing Board in 1946 and 1948. Table XXIII presents the original sources in simplified and summarized form. The information tallies with figures already available in historical literature.<sup>13</sup> Important information on the use and

<sup>11</sup> Original table dated 1946 in French with detailed comments.

<sup>12</sup> Original table dated 1948 with detailed remarks. The remarks included by the SNB main cashier's office deal with the properties and provenance of the gold as well as with problems in examining information received by the SNB in a letter dated 20 May 1948 from Washington (see comment on this table). For further information on the properties and provenance of the Dutch gold see Maissen 1997a and Fior 1997, p. 43.

<sup>13</sup> See for instance Rings 1996; Smith 1989, and Fior 1997. For information on the Dutch gold see also Maissen 1997a and 1997b.

subsequent sale of the gold by the Swiss National Bank is also documented in the relevant academic articles.

The original tables used here were compiled by the SNB as a result of external incentives: on 1 February 1946, when the Washington negotiations were taking place, the governor of the Belgian central bank, Maurice Frère, presented the SNB with a list at a meeting in Bern. The list contains detailed information on German shipments of gold to the SNB from holdings of originally Belgian gold and is based, among other things, on inspections of the Reichsbank books made by the Allies after the war.<sup>14</sup> The SNB reviewed the figures carefully and concluded that, apart from a few minor deviations, they corresponded largely with its own records of gold shipments from Germany.<sup>15</sup> The lists supplied by governor Frère, which also contained the numbers of the bars of gold melted down by the Reichsbank and shipped to Switzerland, are no longer part of the SNB Archives.

The situation concerning Dutch gold is rather different: in June 1948, via the Swiss legation in Washington, the SNB received a diplomatic note and a report from the US Department of State together with comprehensive files, which are still part of the SNB Archives.<sup>16</sup> The report was based on information which, at the signing of the Washington Agreement on 25 May 1946, was either not or only partially available. The SNB examined the information and, based on it, compiled its own list of gold of Dutch origin which it had accepted.

The further developments in the debate concerning Belgian and Dutch gold are not the subject of this report. The Commission also refrains at this point from commenting on the academic validity of the quoted sources from the SNB Archives.

---

<sup>14</sup> SNB Archives, Minutes of the Governing Board, 6/8 February 1946, no. 177, p. 213.

<sup>15</sup> SNB Archives, Minutes of the Bank Committee, 14 May 1946, p. 143.

<sup>16</sup> SNB Archives, 117.1. The report (original in English) was entitled: «Report on Netherlands Monetary Gold looted by Germany and subsequently shipped to Switzerland, and related documents». The accompanying letter from Secretary of State Williard L. Thorp of 20 May 1948 stated: «I have the honor to inform you that the Governments of France, the United Kingdom, and the United States have received documentary evidence discovered in Germany identifying certain gold which was shipped from Germany to Switzerland during the war as being gold which was acquired by Germany from the Netherlands during the period of military occupation».



# **Switzerland and Gold Transactions in the Second World War Interim Report**

Archives



## **1. Overview**

### **1.1 Publicly accessible archives**

#### **1.1.1 Switzerland**

Swiss Federal Institute of Technology, Zurich, Archives of Contemporary History  
[www.afz.ethz.ch](http://www.afz.ethz.ch)

Swiss Federal Archives, Berne  
[www.bar.admin.ch](http://www.bar.admin.ch)

Archives of the Swiss National Bank, Zurich  
[www.snb.ch](http://www.snb.ch)

Universitätsbibliothek Basel, Handschriftenabteilung (Nachlass Per Jacobsson)  
[www.ub.unibas.ch](http://www.ub.unibas.ch)

Archiv der Neuen Zürcher Zeitung (NZZ), Zurich  
[www.nzz.ch/online](http://www.nzz.ch/online)

#### **1.1.2 USA**

United States National Archives, College Park, Maryland  
[www.nara.gov](http://www.nara.gov)

Federal Reserve Bank of New York Archives, New York City  
[www.ny.frb.org](http://www.ny.frb.org)

Franklin D. Roosevelt Library, Hyde Park, New York  
[www.academic.marist.edu/fdr/](http://www.academic.marist.edu/fdr/)

Library of Congress, Washington, D. C.  
[www.locweb.loc.gov](http://www.locweb.loc.gov)

Harvard University (Mc Kittrick Papers)  
[www.harvard.edu](http://www.harvard.edu)

#### **1.1.3 Germany**

Bundesarchiv, Berlin  
[www.bundesarchiv.de/standorte/berlin](http://www.bundesarchiv.de/standorte/berlin)

Bundesarchiv/Militärarchiv, Freiburg im Breisgau  
[www.bundesarchiv.de/standorte/freiburg](http://www.bundesarchiv.de/standorte/freiburg)

Politisches Archiv des Auswärtigen Amtes, Bonn  
[www.auswaertiges-amt.de/6\\_archiv](http://www.auswaertiges-amt.de/6_archiv)

Archiv der Bundesbank, Frankfurt  
www.bundesbank.de

Institut für Zeitgeschichte, München  
(Leonardstrasse 46b, D-80635 München)

Zentrale Stelle der Landesjustizverwaltungen, Dokumentationsstelle, Ludwigsburg  
(Schorndorfer Strasse 58, D-71638 Ludwigsburg)

#### **1.1.4 Great Britain**

Public Record Office, Kew Gardens  
www.pro.gov.uk

#### **1.1.5 Poland**

State Memorial Museum Auschwitz-Birkenau, Oswiecim  
(Wieżniow Oswiecima 20, Oswiecim 5, PL-32-603 Oswiecim)

#### **1.1.6 Russia**

Centre for the Preservation of Historical-Documentary Collections («Special Archives»),  
Moscow (Vyborgskaja ul. 3, 125212 Moskva)

### **1.2 Archives not open to the public**

Central company archives of Credit Suisse Group (CSG), Zurich

Historical archives of Swiss Bank Corporation (SBC), Basle

Historical archives of Union Bank of Switzerland (UBS), Zurich

Archives of the Swiss Bankers Association, Basle

Archives of Swiss Re-Insurance, Zurich

Archives of Swiss Life, Zurich

Archives of the Swiss Insurance Association, Zurich

Archives of the Bernese Federation of Commerce and Industry, Bern

Privately owned: Copy of the handwritten diary of [Federal Councillor] Ernst Wetter,  
1939–1954

## 2. Information on sources in publicly accessible archives

### 2.1 Switzerland

#### 2.1.1 Swiss Federal Archives, Bern

Since the early 1980s researchers have found important documents in the Federal Archives and published them.<sup>1</sup> These documents were classed and inventoried according to the provenance principle<sup>2</sup> and proved to be extraordinarily comprehensive and full of information.

The Minutes of meetings of the Federal Council provide only individual items of information on government resolutions. Furthermore, the dry, official style of these Minutes is not a suitable way of conveying the panel's discussions. Traces can be found here and there in the handwritten notes of the Federal Chancellor or his deputy.

The heads of the following three departments acted as the economic and financial delegation of the Federal Council: the Political Department (today: Federal Department of Foreign Affairs), the Department of Economic Affairs, and the Finance and Customs Department. In this capacity they were involved in discussions about the gold transactions. Anyone wishing to study these events and the related discussions must consult the archives of these departments.

- a) According to the Federal law of 1914 the Federal Political Department is responsible for financial relations with other countries. During the crisis of the 1930s, the Swiss National Bank's gold policy was also a topic of foreign policy:

Eidg. Politisches Departement, Bestände BAR E 2001 (C) 1, BAR E 2001 (C) 2, BAR E 2001 (C) 3, BAR E 2001 (C) 4, BAR E 2001 (C) 6, BAR E 2001 (C) 10, BAR E 2001 (D) 1, BAR E 2001 (D) 2.

In the course of the war, diplomats found themselves increasingly having to deal with problems relating to Switzerland as a financial centre. As early as 1941 the Political Department set up an ad-hoc section with experts on banking issues who compiled dossiers with important documents (reports, letters, notes, Minutes, etc.). Documents can even be found here which are not located in the archives of the institutions to which they belong. For instance, notes and letters from members of the Swiss Bankers Association are located in the Federal Archives but not in the archives of the Swiss Bankers Association in Basel:

Eidg. Politisches Departement, Bestände BAR E 2001 (D) 3, BAR E 2001 (E) 1, BAR E 2001 (E) 2, BAR E 2001 (E) 1967/113, BAR E 2001 (E) 1968/78, usw.

Among the archives of the Political Department, the dossiers of the diplomatic representations abroad contain useful information, especially the archives compiled by Minister Walter Stucki and Federal Councillor Max Petitpierre:

---

<sup>1</sup> See the files published in the series of «Swiss Diplomatic Documents», especially vols. 10 (1930–1933) to 16 (1945–1947). «DoDiS», a database on Switzerland's international relations can be consulted on the Internet under the following address: <http://www.admin.ch/bar>.

<sup>2</sup> See Schweizerisches Bundesarchiv 1992.

Eidg. Politisches Departement, Bestände BAR E 2200.54/8; BAR E 2800 1967/61, BAR E 2800 1967/77, BAR E 2800 1990/106, BAR E 2801 1967/77, BAR E 2801 1968/84, BAR E 2808 1974/13.

- b) The Federal Department of Finance and Customs plays an important role as interlocutor of the National Bank. The relevant dossiers of the financial administration are not particularly extensive but contain a number of very interesting texts:

Eidg. Zoll-und Finanzdepartement, Bestände BAR E 6100 (A) 19–25, BAR E 6100 (B) 1972/96, BAR E 6100 (B) 1981/96, BAR E 6351 (F) 3.

The archives of the Federal Customs Administration are limited to annual statistics on imports and exports according to country and customs positions. There are gaps in the information. Not only are figures missing for specific years; due to a lack of other documents it is also impossible to identify gold exporters and importers or determine the scope of the transactions:

Several interesting documents can be found in the estate of Federal Councillor Ernst Wetter, Head of the Federal Department of Finance and Customs from 1939 to 1943:

Bestand J I.7

- c) The archives of the Department of Economic Affairs also contain interesting information:
- As the commercial department was usually in charge of conducting the economic negotiations, its dossiers provide information on the role of gold in international trade (with Germany, the Allies or other countries) or on the stance of the economic groups:

Eidg. Volkswirtschaftsdepartement, Bestände BAR E 7001(B)1, BAR E 7110 1967/32, BAR E 7110-01 1973/120, BAR E 7110-01 1973/134, BAR E 7110 1976/16, BAR E 7110 1976/134, BAR E 7800 1.

- The gold and diamond trade was a tricky matter for the federal office charged with fighting illegal trade. Its investigations – sometimes conducted in cooperation with the Federal Prosecutor's Office – throw some light on little known events whose importance should not be underestimated:

Eidg. Volkswirtschaftsdepartement, Bestände BAR E 7391 1, BAR E 7391 1978/79.

- Finally, the dossiers of the Swiss clearing office also contain important information on gold transactions:

Schweiz. Verrechnungsstelle, Bestände BAR E 7160-01 1968/223, BAR E 7160-03 1968/108, BAR E 7160-07 1968/54.

### **2.1.2 Swiss National Bank, Zurich**

The most important sources for the period of the Second World War are the Minutes of the Governing Board, the bank's executive body. These Minutes are highly detailed and contain a wealth of information on the bank itself as well as on market events and the development of economic and political relations in general. As this body often also dealt with points on the agenda which were of secondary importance, these Minutes at least partially close the gap

resulting from the lack of correspondence files of the Governing Board. Many of the supporting documents on these Minutes have also been preserved.

The Minutes of the Bank Committee, the SNB's supervisory body, are also very detailed. The monthly meetings of this body sometimes went on for two days, during which the eight representatives of the Swiss economy which constituted the Committee took the time to discuss the report of the Department III on the development of interest rates, the stock market and the foreign exchange market. Important decisions taken by the bank were a further point on the agenda. The discussions held on this subject were often recorded in great detail.

The gold transactions concluded during the Second World War by the SNB have been documented in electronic form in the meantime.

## 2.2 USA

### 2.2.1 The United States National Archives II (College Park, Maryland)

These archives contain World War II and post-WW II materials from all branches of the American federal government, and some documents from various agencies before the war. There are also collections of US agencies abroad and some material seized by US military forces. All file titles in quotation marks below are the official file titles established by the National Archives or the agency which created the file.\*

#### ***RG 43 Records of International Conferences, Commissions, and Expositions***

This record group contains the papers of the Council of Foreign Ministers which was established to work out postwar settlements. The first formal session met in London in September and October 1945, followed by the Paris Conference on Reparations and the Tripartite Meeting of Foreign Ministers in Moscow later that same year. The records of these meetings include official conference documents, correspondence, telegrams, memoranda, reports, working papers, speeches, and draft agreements.

#### **Lot File M-88, Records of the Council of Foreign Ministers and of Other Meetings of the Foreign Ministers of the United States and European Powers, 1943–1955 (250/10/19/04).**

These records concern the Conference on German External Assets and Looted Gold held in Washington, DC, 6–21 January 1953.

Box 197

File «German External Assets». Information on German assets in Switzerland.

Box 198

File «External Assets – 1945–49». Information on gold holdings and foreign assets (including Germany) in Switzerland.

---

\* For reasons of clarity, the following summary is limited to a general overview.

## Box 199

File «Rumania – Negotiations». Information on looted Nazi gold in Rumania scheduled to be shipped to Switzerland.

File «French Report – BIS Material». Reports on the resmelting of Belgian gold by the Prussian Mint in Berlin.

## Box 201

File «Swedish – Negotiations». Information on the gold holdings of the Swiss National Bank [SNB] from 1939–1945.

File «Swedish – Negotiations and Accord». Information on the movement of German gold from 1939–1945.

## Box 202

File «List of Firms Owned or Controlled by Germans». Includes names of firms, addresses, capital, management, and general remarks about the firms' operations.

File «Swiss – Negotiations – Final Agreement – Vol. I». Information concerning Allied negotiations for the restitution of gold acquired by Switzerland from Germany.

File «Swiss – Negotiations – Final Agreement – Vol. III». contains drafts and final copies of the Washington Accord.

## Box 203

File «German Economic Penetration in Switzerland». A detailed report on Germany's penetration of the Swiss economy.

File «Swiss – Safehaven Legislation, Jurisprudence». Information on Swiss cooperation with the Currie Mission.

File «Spanish – Negotiations». Information on the role of the SNB in the transfer of gold from Germany to Spain.

File «Turkish – Negotiations». contains information related to the transfer of Nazi gold from Switzerland to Turkey.

***RG 56 Records of the Department of Treasury***

This record group contains the papers of the Department of Treasury, the agency chiefly responsible for managing the financial affairs of the United States Government. The operations of the Department were greatly expanded during the war to include foreign concerns, such as the control of assets owned by foreign governments and nationals in the United States.

**Entry 56-75-101 (Room 2000, Compartment 9).**

## Box 239

File «Germany – Ext[ernal] Assets (Ribbentrop Interrogation)».

File «Germany – Ext. Assets (RSHA)».

File «Germany – External Assets (Switzerland)».

File «Germany – External Assets (Kaltenbrunner)».

File «French Negotiations». A post-war report on I.G. Farben.

**Entry 66-A-816 (Room 2000 Compartment 3).**

## Box 1

File «Looted Gold: BIS – Documents Relating to Gold Possibly Delivered to BIS at Constance [sic]».

- File «Looted Gold: Miscellaneous Documents». Netherlands' gold shipped to Switzerland by Germany.
- File «Looted Gold: Miscellaneous Records». Netherlands' gold seized by Germany.
- File «Looted Gold: Miscellaneous Files». Belgian gold seized by Germany.
- File «Looted Gold: Germany». Reports on German seizures of central bank gold in occupied states.
- File «Looted Gold: Gold Bars Received by Swiss National Bank from Deutsche Reichsbank».
- File «Looted Gold: Bank for International Settlements, General».
- File «Looted Gold: Bank of France Mission to Berlin, 1946». Describes and analyzes the Reichsbank gold ledgers.
- File «Looted Gold: Negotiations for Restitution, Lisbon, 1946».
- File «Looted Gold: Location and Recovery».
- File «Looted Gold: Correspondence – Dutch Gold Shipped to Germany».
- File «Looted Gold: Berlin Report on Netherlands Gold, 1941, vol. I». OMGUS charts regarding Netherlands' gold bar.
- File «Looted Gold: Berlin Report on Netherlands Gold, 1941, vol. II». Reichsbank records and interrogations of bank officials.
- File «Looted Gold: General».
- File «Looted Gold: Inter-Allied Reparation Agency (1950–1954) – General». Traces America's gold restitution policy.

**Box 2**

- File «Looted Gold: Netherlands – Looted by Germans and Acquired by BIS» Details of looted Netherlands' gold found at BIS.
- File «Looted Gold: Netherlands vol. 1». Looted Netherlands' gold discovered in Switzerland and held by Germany.
- File «Looted Gold: Netherlands vol. 2». Investigation into details about looted Netherlands' and Czech gold found at SNB and BIS, and US efforts to negotiate with Switzerland for return of Netherlands' gold.
- File «Prussian Mint Records». Hand written copies of Prussian Mint resmelting records.
- File «Looted Gold: Portuguese Position». Gold received by Portugal from Germany traveled through Switzerland.
- File «Looted Gold: Resmelting Belgian Gold». Resmelted Belgian ingots sent to Switzerland.
- File «Looted Gold: Spain vol. 1». Looted gold in Spain shipped through Switzerland.
- File «Looted Gold: Treasury Missions and Conference». Implementation of Washington Accord stalled by dilatory US action.

**Box 3**

- In addition to the documents in the files listed below, this box contains a number of loose documents relating to the German occupation of the Netherlands and to the operations of the German Reichsbank.
- File «National Bank of the Netherlands». Information on Netherlands' gold bars.
- File «National Bank of the Netherlands». Information on gold shipped to Germany from the Netherlands.
- File «Reichsbank Ledger Summaries».
- File «Summaries, Lists, and Correspondence».
- File «National Bank of the Netherlands Ledger».
- File «Reichsbank Shipment Book». Lists gold shipments from Germany to foreign banks.

File «Reichsbank Bar Book». Lists gold bars in the Reichsbank.

File «Chart of Reichsbank and Prussian Mint Transactions». Demonstrates shipment of resmelted Netherlands' gold to the SNB

File «Treasury Report». Describes resmelting of Netherlands' gold coins by the Prussian Mint and their shipment to Switzerland.

Microfilm of captured documents from the Reichsbank Precious Metals Office, including shipment and purchase ledgers, and various correspondence. Particularly:

Roll 5: Gold Purchase and Dispatch Ledger

Roll 25: Workbook of the Main Vault

Roll 49–53: Ledger of Bags of Gold Coins

Roll 62: Gold Shipment Ledger

#### Box 74

File «Unnamed». State Department report of Swiss imports of gold bars from the USSR and list of other Swiss imports and exports of gold bars.

### Entry 66-A-1039 Miscellaneous Committee Records (Compartment 6, 450/80/32/01).

#### Box 62

File «Looted Gold – Restitution and Claims vol. II». Belgian, Netherlands', and Italian gold claims, and BIS statement of gold received from Reichsbank.

File «IARA: Looted Gold – Location and Recovery». Testimony by truck drivers on transportation of gold from Switzerland to Spain and Portugal and list of Reichsbank holdings in 1940.

File «IARA: Looted Gold – Restitution and Claims vol. I». Movements of gold into and out of Germany.

### Entry 67-A-245 (56/450/81/5/06).

#### Box 66

File «Economic Survey of German Europe and the Far East at the End of June, 1942, BEW». Information on the Swiss-German clearing.

### Entry 67-A-1804, Country and Area Records, 1934–1952 (Compartment 6, 450/80/35/04).

#### Box 26

File «Some Current Problems and Data on the United States –Swiss Wartime Financial Relations». Examination of Swiss wartime financial relations with US and Axis and discussion of Allied objectives toward neutral countries.

File «Switzerland: Defrosting». Correspondence among Treasury and State Department officials regarding SNB's acceptance of looted monetary gold during war and US' continuing problem with German assets in Switzerland.

File «Switzerland: Economic and Financial». Treasury correspondence about the investigation into the SNB's gold holdings and Swiss compliance with Safehaven demands.

File «Switzerland: Foreign Funds Control». Treasury examines Swiss financial cooperation with Germany, and US refuses to allow Swiss to use their blocked assets in the US for these transactions.

File «Switzerland: Foreign Exchange Position and Exchange Control». Switzerland's favorable situation in terms of gold reserves.

File «Switzerland: Financial Relations General». US Treasury demands that the Swiss account for German assets in Swiss banks and examine banks' sales of gold.

**Box 27**

File «Switzerland: Banks and Banking». Reports on Swiss banks suspected of participating in cloaking operations, Axis sympathies among Swiss bankers, German funds held in Swiss banks during the war, and Swiss bank involvement in admittance of refugees into Switzerland.

File «Switzerland: Bank Investigation». Report on wartime relationship between BIS and Reichsbank, German account(s) at SNB, and statement of Emil Puhl.

File «Switzerland: Gold and Silver». Direct transfers of Belgian gold by Reichsbank from its depot in Switzerland and direct purchases by Spain of gold from Reichsbank account at SNB.

**Box 28**

File «Switzerland: Swiss Francs Policy. Vol. II». US proposes policy prohibiting Switzerland from accepting German gold.

File «Switzerland: Swiss Francs – Transactions, vol. I». German gold shipped to Switzerland.

File «Switzerland: Swiss Francs – Transactions, vol. II». US Treasury reports on Swiss public opinion about maintaining cloaking operations.

***RG 59 Records of the Department of State***

This record group includes reports and memoranda drawn up by officers of the Department of State in the United States, as well as correspondence with US diplomatic representatives abroad.

**Entry 205 K CDF 1950–1954 (631/14/23/01).****Box 867**

File unnamed. Estimate of monetary gold found in German foreign office and received by FED and estimate of value of non-monetary looted gold.

**Records Relating to the Tripartite Commission for the Restitution of Monetary Gold 1942–1962 (Room 2000, Compartment 200).**

Boxes 8, 12, 14, 23, 25, and 26 contain numerous claims submitted by formerly occupied countries to the Tripartite Gold Commission (T.G.C.) for the restitution of looted monetary gold and the final decisions of the T.G.C. for each country's case.

***RG 84 Records of the Posts of the Department of State***

This record group contains the papers of embassies and consulates in countries where the United States had diplomatic representation. Included are documents relating to administrative and commercial activities, as well as reports on various political and economic matters.

**Entry 3220, Records of the Economic Section of the US Legation, Bern, General Records, 1942–48 (350/68/24/06).****Boxes 1–100**

Each file number listed below refers to several folders of information, catalogued by year from 1942 to 1948.

File 631. Swiss foreign trade (including Swiss-German economic negotiations and clearing agreements).

File 711.1. Swiss neutrality, Swiss trade with the Axis, and the Proclaimed List.

File 824. Sale of Swiss armaments to Germany.

File 850. General economic matters in Switzerland.

File 850.5. Coinage, currency, and counterfeiting.

File 851.51. Foreign Funds Control.

File 851.6 Swiss banks and banking procedures (including gold policy).

Entry 3223, Safehaven Name Files, 1942–1949 (350/68/27/04)

This collection includes over 3000 files of individuals and companies in Switzerland suspected of trading with the Axis powers.

Box 7. Banks.

Box 19. Degussa.

Box 20. German banks.

Records of the US Delegation to the IARA, Brussels, Tripartite Gold Commission, 1946–56 (631/19/63/06).

Box 1

File «[Publication] Memorandum of the Austrian Government on the Restitution of Austrian Monetary Gold». Austrian claim to monetary gold seized by Germans during annexation.

File «Belgium». Details of removal of gold from Banque d'Emission, Brussels by Germans.

File «Czechoslovakia [1 and 2]». Czech claim to gold removed by Germans during occupation.

Box 4

File »IVA Jewish Community of Salonica«. Estimated gold looted from Greek Jewish communities.

File «France Form I-A-2 (Belgian Gold) Reply of the French Government to the Questionnaire of the T.G.C. III–VI». Details about Belgian gold held by Bank of France and looted by Germans.

Box 5

File «Netherlands Supplementary Data». Netherlands' shipment of occupation payment to Reichsbank.

File «Dutch Claims». Fate of Netherlands' monetary gold after German invasion of Holland.

File «Netherlands Gold Lost by Bank N.V. Amsterdam 1–16». Details about looted Dutch gold.

File «Italian Monetary Gold». Details about Italian gold processed at Prussian Mint.

Box 6

File «Poland to the T.G.C. Supplementary Information of Poland». Gold coins confiscated from Poland by Reichsbank from 1939–1944.

File «Poland to the T.G.C. Brussels, Supplementary Information of Poland of 15th January 1950 the translation of the document submitted 3rd November 1949». Analysis of questionable Polish claim submitted to T.G.C..

File «Poland: Polish Claim for the Restitution of Gold». Report on gold looted from Polish concentration camp victims.

Box 7

File «Yugoslavia: I Forms II Specifications III Documentation». Claims by Yugoslavia of gold looted by Germans during the war.

***RG 153 Records of the Office of the Judge Advocate General (Army) War Crimes Branch***

These records comprise the working papers, reports, and memoranda from the US army's legal division, including investigation of German and neutral activity during the war.

**Safehaven Reports 1944–1945**

Box 13

File «Nov. 20–31 1945 Safehaven Report». Puhl describes Swiss-German agreements on Reichsbank gold deposits at SNB in 1945.

***RG 218 Records of the US Joint Chiefs of Staff*****Geographic File 1942–1945 (190/1/13/02).**

Box 72

File unnamed. Estimate of valuables found in Reichsbank branches without their monetary values.

***RG 226 Records of the Office of Strategic Services***

This record group contains the papers of the Office of Strategic Services (OSS), created to collect, analyze, and disseminate information bearing on American national security during the war.

**Entry 16, «Regular» Intelligence Reports (190/3/11/04).**

These files, which cover general intelligence information, were initially restricted to OSS staff and other federal agencies. The reports in this series were numbered and are still filed in the order in which they were received, without regard for origin, subject, or chronology.

Box 765

File «63204». Gold transports to Turkey from Germany and Switzerland.

Box 803

File «66799». Transport of large sums of gold from Germany to Switzerland.

Box 1025

File «89240». contains information on the transfer of gold deposits from the Deutsche Bank to Credit Suisse.

Box 1069

File «93105». List of Swiss banks known to have Nazi looted gold.

**Entry 19, Security Classified Intelligence Reports («XL» Series).**

These «XL» files had more limited distribution than that governing the «regular» intelligence reports: OSS staff could borrow the «XL» documents for use, but members of other agencies could not.

Box 91

File «XL6479». Transfer of Belgian gold from Yugoslavia to Switzerland.

**Entry 21, Security-Classified Intelligence Reports («L» Series) (190/4/23/06).**

These files originated in OSS' Secret Intelligence Branch and originally could be used only in a special reading room by approval of OSS personnel.

## Box 395

File «L45134». Liquidation of German gold holdings in the Swiss branch of the Bank of Portugal.

***RG 260 Records of the United States Occupation Headquarters, WWII (OMGUS)***

This record group covers the years 1945 to 1950 and contains all correspondence, investigations, and records of the Office of Military Government (US).

Office of the Finance Division and Finance Advisor (260/390/46/8-9/5).

These records contain material relating to the quantity of SS loot in the Melmer account at the Reichsbank and at Merkers mine, the procedures used by the Reichsbank in handling SS loot, and the types of loot taken by the SS from Jews during the war.

## Box 416

File 940.002(03) «Belgium – Claim #9847». Gold and other assets seized in Belgium by Germany.

File 940.03 «Netherlands Gold».

File 940.03 «Netherlands Bank».

File 900.10 «Origin and History of FED». Assets seized in Germany by the Allies.

## Box 422

File 940.1551 «Monetary Gold Second Distribution». Discovery and examination of Merkers mines contents, and description of how Reichsbank disguised its disposition of SS loot.

## Box 423

File 940.16 «Reparations, Paris Conference». Reparations allocated to refugees and displaced persons.

File 940.18 «List and Evaluation of Assets Restituted or Released by FED». Foreign Exchange Depository restitutions.

File 940.304 «Bruno Melmer».

File 940.304 «SS Loot «Melmer Loot»».

File 940.304 «Melmer Deliveries».

File 940.1551. Discussion of Allied policy toward «non-monetary» gold derived from concentration camps.

## Box 439

File «940.5602 Interrogations of Karl Graupner». Graupner and Karl Jahnke discuss Reichsbank gold operations.

## Box 444

File «940.65 Gold, German Foreign Office». Ribbentrop gold fund.

File «940.62 Work Papers». Report on German hidden gold reserve accounts.

## Box 470

File «Control Council Law 5». Allied regulations for the collection and distribution of German assets in Germany and abroad after the war.

File «Merkers Mine Report». Inventory of 40 separate shipments sent from Merkers mine to the Foreign Exchange Depository (FED).

File «Law no. 59». Text of Law no. 59, which regulates the restitution of identifiable property.

File «IGCR». Formulation of an Allied policy on restitution of individual and cultural property looted by Germany.

File «Restitution Religious and Cultural Objects (Jewish)». Jewish organizations' role in restitution of looted religious and cultural property.

File «Property». OMGUS policy on restitution to victims of Nazi oppression.

File «Securities». Correspondence regarding the shipment of recovered loot of concentration camps victims to the Intergovernmental Refugee Organization (IRO).

File «Reichsbank Books – Precious Metals Department». Disposition and contents of Reichsbank Precious Metals Office ledger books.

File unnamed. Photographs of Allied officials and others at the FED in the process of returning looted monetary gold.

Box 471

File «S.O.P». FED rocedures for handling and distributing looted monetary gold and SS loot.

File unnamed. Platinum held by the FED and believed to have come from IG Farben.

File «Correspondence in for Record». List of Nazi officials employed by the Reichsschuldungsverwaltung (RSV).

Records of the Property Division, Property Control & External Assets Branch: German Intel. & Invest. Records of External Assets 1945–1950 (390/44/33/05).

Box 645

File «Alien Property Custodian». Provisions for victims of Nazi persecution claiming assets in Switzerland.

File «Black Lists, Watch Lists». Lists of Swiss companies who should be placed on the Statutory list and of German industrialists with Nazi sympathies.

Box 647

File «Documents Section – Reports and Memorandums». OMGUS report on Degussa and other smelting firms used by the Reichsbank.

File «External Assets Investigation Section». OMGUS reports of cloaking operations in Switzerland.

Box 648

File «History». OMGUS investigation of Goering's external assets.

File «Gold». OMGUS report on the Reichsbank's transactions using looted Netherlands', Belgian, and other gold, often taking place through Switzerland.

File «Gold – Current Matters». OMGUS reports of German financial transactions via Switzerland.

File «External Assets and Intelligence Branch Functions». Report on the Safehaven program and its investigations.

Box 649

File «Gold and Other Metals». OMGUS correspondence about Swiss financial cooperation with Nazi Germany.

Box 650

File «Gold I». Shipments of looted Netherlands' gold to Reichsbank accounts, the Prussian Mint, Swiss banks, and Merkers salt mine.

File «Gold II». Movement of looted monetary gold seized from occupied European countries and shipped to Reichsbank accounts and Swiss banks.

File «Gold Team». OMGUS investigations into the movement of looted gold through Switzerland for the Reichsbank, details about Degussa operations and FED gold holdings, reports on German financial transactions in Switzerland, and Prussian Mint records of resmelted Netherlands' gold.

Box 651

File «Hungary». OMGUS report on a Swiss cloaking operation.

**Box 652**

File «Portugal». Foreign Economic Administration (FEA) reports on a partially Swiss-owned Portuguese bank that acted as a financial agent for German transactions during the war.

File «Portugal – Gold». Excerpts from the Reichsbank's Precious Metals Department's records.

File «Proclaimed List». Lists of Swiss companies on the Proclaimed List.

**Box 653**

File «Switzerland – Gold». This file contains OMGUS correspondence about Baron von der Heydt, who was indicted for espionage and acts contrary to Swiss neutrality.

File «RWM – Meck Landwerke». Swiss cloaking operations and Swiss banks' cooperation with Germany and names of Swiss individuals suspected of aiding Germany.

**Box 654**

File «Switzerland – German Assets, misc». Concern about postwar flight of German capital to Switzerland.

File «Switzerland – General». Swiss companies owned wholly by Germans and other German activities in Switzerland.

File «Switzerland – Lists of Blocked Firms». Swiss companies wholly owned by Germans.

File «(Correspondence)». A defense of Swiss neutrality and a report of the debates in the Swiss Parliament about the Washington Accord.

***RG 457 Records of the National Security Agency*****Records Relating to the Allied-Swiss Negotiations on the Disposition of German Assets and Looted Gold Held in Switzerland, August 1945–July 1946 (Room 2000, Compartment 11).**

These files are NSA wiretap intercepts of cable communications between the Swiss Embassy in Washington, DC and the Swiss Foreign Office in Bern. The wiretap program was carried out prior to and during the 1946 Washington Accord Negotiations concerning Swiss restitution of gold seized by Germany throughout occupied Europe.

Box 1. These documents are arranged into files based on chronological order, one folder per month from April 1945 until June 1946. These documents trace the evolution of the Swiss position during the negotiations.

**2.2.2 Federal Reserve Bank of New York Archives (New York City)**

The records of the FRBNY are collected in the bank's archival division. The files have a chronological date range from the formation of the Federal Reserve System to the present day, although confidentiality requirements keep some files out of public circulation and require that others be released only after redaction. During the Second World War, the FRBNY was the fiscal agent of the US Treasury Department and conducted most of the nation's foreign gold operations. Thus, its records offer valuable information on international gold policies. Some of these files are also available as photocopies at the US National Archives II (College Park, Maryland).

### Papers of FRBNY President Sproul

These files are selected from the personal papers of FRBNY President Arthur Sproul, who ran the New York bank from 1936 to 1941. The papers include his correspondence with banking and government officials and the memos and reports sent to him by subordinate officers within the bank. They are not sorted by boxes.

File «French Franc, 1936». French franc exchange rates and monetary management.

File «Foreign Accounts – 1942–1943». Foreign banks holding accounts at the FRBNY.

File «Bank of England, Sterling – 1930–1935». Sterling exchange rates and monetary management.

File «Gold Exchange Standard and Gold, Location of, 1942». Earmarked gold held for foreign accounts as of 1942.

File «Foreign Research Division, 1930–1948». Establishment and management of a FRBNY division.

File «Bank for International Settlements Representation». Federal Reserve System's prospective representation on the board of the BIS

File «Gold, 1937–1938». US' prospective gold policy in case of a European war.

File «Research and Public Information». Sproul's work for the US Research and Public Information committee during the war.

File «Blocked Foreign Funds». Swiss property vested by the Alien Property Custodian in the US.

File «Foreign Funds Control, 1940–1942». US regulations regarding foreign funds in the United States.

File «Bank of England, 1939». British gold policy prior to 1940, including gold shipments to the US and British relinquishment of Czech gold to the BIS

### General Files of the Federal Reserve Bank of New York.

These files comprise the records of various bank officers and staff, sorted by subject. They are not grouped by boxes.

File C261 «1936–1946, Canada – Bank of Canada». Flight capital from Europe destined for the Bank of Canada.

File C261 «1926–1944, Canada, Government of». US-Canadian coordination of financial policies during the war.

File C261 «1933–1946, Czechoslovakia – Narodni Bank Ceskoslovenska». FRBNY's relationship to the National Bank of Czechoslovakia before and during the German occupation.

File «Switzerland, Banque Nationale Suisse, 1938–1942». Examinations of Swiss fiscal and monetary policy.

File «Switzerland, Banque Nationale Suisse, 1943–1946». Gold position of Switzerland and war time fiscal policy.

File «Switzerland – Swiss Bank Corp». Operations of the SBC in New York.

File «Harrison Papers: [George] Harrison's Conversations with Nat'l City [Bank] Officials (1929–1940)». German assets held in the United States. [George Harrison was President of the FRBNY during the war.]

File «Swiss Government».

### Files Available at the US National Archives II (Room 2000, Compartment 11).

#### Box 1

File «BIS» War-time policy of the Bank for International Settlements.

File «Belgium». Belgian gold seized by Germany from France.

File «Spain».

File «Sweden, Sveriges Riksbank».

File «Netherlands». Netherlands' gold bar movement.

File «Switzerland, Banque Nationale Suisse». Correspondence with the FRBNY and texts of some Swiss regulations.

File «Switzerland, Government». German gold purchases by the Swiss National Bank.

File «Switzerland, Swiss Bank Corporation». Swiss banks' attempts to circumvent American banking regulations.

File «Switzerland, Misc».

#### Box 2

File «Tripartite Gold Commission».

File «Alien Property Custodian File». Information on postwar treatment of formerly enemy assets.

File «Emergency Gold Control File». American gold policy during World War II.

File «Foreign Exchange File». Foreign trade information.

File «Foreign Exchange Control File». War years and postwar American policy toward European assets, including those held by neutrals.

File «Foreign, Policy and Procedures File».

File «Foreign Exchange, Purchase and Sale File». Swiss sales of Swiss francs to the United States, and Swiss policy toward German assets in Switzerland.

File «Gold File». American gold management policy.

File «Research Memoranda File». Swiss gold holdings.

File «Legal Department».

File «Bank Supervision». Swiss banks operating in the United States.

#### Records of the Federal Reserve Bank of New York Board of Directors.

These records comprise the Minutes of meetings of the FRBNY Board of Directors. These Minutes are currently in the process of redaction, and only the Minutes from certain years are now available.

File «FRBNY Board of Directors, 1938». This set of Minutes contains a statement by Vice-President Knoke concerning the FRBNY's reaction to incorporation of Austria by Germany.

#### **2.2.3 The Morgenthau Diaries (Franklin D. Roosevelt Library, Hyde Park, NY)**

These records contain material relating to Henry Morgenthau, Secretary of the Treasury from 1934 to 1945. The diaries are organized chronologically and separated into individual boxes, microfilmed as ca. 800 reels. The diaries record the Secretary's activities, examine his policies and his explanations of them, and describe his relationships with his personal and political associates.

#### Box and page citations.

226: 18–21.	Switzerland's economic situation vis-à-vis Germany.
258: 270–275.	Gold shipments to Switzerland from foreign countries.
263: 151.	Gold in Switzerland.

---

272: 240–241.	Switzerland's economic situation.
273: 84–97.	Swiss freezing orders.
273: 114.	Gold from Switzerland to Zemun.
280: 126.	Freezing of Swiss assets.
288: 264–267.	Swiss-German trade agreement.
289: 47–49.	Developments in gold and capital movements.
290: 125–127.	Swiss financial relations with Germany.
307: 395.	Freezing of Swiss assets.
317: 182.	Foreign gold holdings.
317: 228.	Freezing of Swiss assets.
318: 42.	Transfers from the SNB to the FED.
331: 90.	Belgian gold.
338: 305.	Transfer of Belgian gold to Dakar.
343: 308.	Transactions of Credit Suisse in New York.
348: 205–207.	Transfer of Belgian and Polish gold to France from Kayes, French West Africa.
373: 240.	German acquisition of Belgian gold in Dakar.
378: 178–179.	Consequences of freezing order on Swiss banks.
387: 293.	Calculations of looted Belgian gold.
402: 200–205.	Control of foreign exchange in Switzerland.
403: 100–102.	Control of foreign exchange in Switzerland.
439: 155–157.	Export of gold to Lisbon for payment of Swiss debt.
454: 304–314.	Transfer of Swiss gold in the US to Switzerland.
466: 250.	Swiss frozen funds.
471: 126–127.	Axis funds in Swiss banks.
493: 176–179.	Shipment of gold from French North Africa to Germany.
500: 143.	Shipment of gold from Germany to Switzerland.
500: 271–275.	Earmarked gold.
521: 110.	Swiss use of currency turned over to it by the German and Italian embassies at the outbreak of the war.
527: 374–377.	Sale of Italian gold in exchange for Swiss francs.
532: 362–263.	Allegations of German attempts to purchase Swiss francs in Switzerland.
535: 301–303.	Covert American operations in the New York branches of the SNB, Swiss American Cooperation , and Credit Suisse.
543: 96–102.	Switzerland's supply of foreign exchanges to Germany.
591: 13–15.	Cloaking operations of the Swiss Banking Corporation and Credit Suisse.
623: 271–273.	Movement of German gold to neutral countries.
663: 121–123.	German trade relations with neutral countries.
706: 276–277.	Looted gold.
781: 187–188.	Flight capital.
784: 147–148.	Banque Populaire Suisse.
814: 123–126.	German assets in neutral countries.
821: 48–49.	Currie Mission.
826: 244–245.	Currie Mission.

827: 298–302.	Measures to uncover German assets in neutral countries.
831: 146–149.	Currie Mission.
837: 63.	Merkers salt mines.
839: 56.	Merkers salt mines.

#### **2.2.4 The Cordell Hull Papers (Library of Congress, Washington, DC)**

These documents contain selections from the personal and professional papers of Cordell Hull, America's Secretary of State from 1933 to 1945. The papers have been filmed as 118 microfilm reels and consist of correspondence, memoranda, State Department reports, desk diaries, speeches, and press releases.

##### Microfilm Reel and Page Citations.

32: 291.	Freezing of Swiss assets in the United States.
32: 294.	Transfer of Swiss Gold in New York to the SNB
32: 298.	Swiss-German trade relations.

#### **2.2.5 McKittrick Papers (Harvard University, School of Business Administration, Historical Collections, Baker Library, Boston, Massachusetts)**

Thomas H. M. McKittrick (1889–1970) was elected president of the Bank for International Settlements (BIS) in 1939 and remained in office until 1946. The collection of his papers, given to Harvard University in 1969 by his wife, is divided into two Series. Series 1 contains personal papers dealing with family and private affairs. Series two is comprised of McKittrick's business papers, principally from his tenure as president of the BIS. Within the collection as a whole, the documents are organized into boxes and, within the boxes, they remain in the files created by McKittrick himself or by the BIS.

### **2.3 Germany**

Sources relating to the question of German gold shipments to Switzerland – like all the archival material of the Nazi state – are heterogeneous.<sup>3</sup> Since the 1960s, the mass of files confiscated and inspected by the US and British occupying powers in preparation for the Nuremberg war crimes trials has gradually been returned to the Federal Republic of Germany and refiled in the original context of provenance, to the extent that this was possible. Military files were stored in the Federal archives – Military Archives in Freiburg, Breisgau, files of civil offices in the Federal archives in Koblenz; files of the Foreign Ministry were stored in the Political Archives of the Foreign Ministry in Bonn.<sup>4</sup> The Soviet occupying power did likewise with confiscated German files which it returned to the GDR.<sup>5</sup> Most of these files were sent to the Central State Archives of the GDR (Zentrales Staatsarchiv der DDR) in Potsdam. Various

---

<sup>3</sup> Boberach 1991 ff.

<sup>4</sup> Granier et al. 1977.

<sup>5</sup> Henke 1982.

files, such as those of the former Office for the Four-Year Plan, the Reich Main Security Office, the SS Supervision of Building Works in Auschwitz (SS-Bauleitung Auschwitz) and other bodies were stored in the so-called «Special Archives» in Moscow and only rediscovered there during the political upheaval in 1989–90.<sup>6</sup>

Under German unification the Nazi files stored in Koblenz were sent to the Federal archives in Berlin-Lichterfelde, where they are now available together with the former Potsdam files.

For the gold dealings of the Reichsbank, the files of the Reichsbank and its offices are the main sources.

*BAB, Bestand R 25.01: Deutsche Reichsbank, Volkswirtschaftliche und Statistische Abteilung:*

993	Jahresabschlüsse der Reichsbank, März 1941 – Februar 1944
1042	Reichsbank, Goldpolitik, Okt. 1930 – April 1944
1098	Golddiskontbank, April 1936 – Oktober 1942
3417	Presseartikel, 1940–1944
5396	Tschechoslowakei, 1939–1941
6378	Verwaltungsberichte der Reichsbank, Bilanzen 1941–1944
6526	Handakten-Sammlung, 1934–1944
6541	Verschiedene Stellungnahmen und Gutachten betreffend Gold, 1933–1942
6612	Ausarbeitung über die Gewährung von Goldkrediten an südosteuropäische Notenbanken, Januar 1940
6686	Aufsätze und Artikel zur Wirtschafts- und Finanzpolitik der USA
6955	Wirtschaftliche Lage der Schweiz und ihre Beziehungen zu Deutschland, 1936–1945, auch Berichte und Materialsammlung
7018/1	Hierin: Goldbestände 1914 und 1940
7105	Devisen- und Währungsfragen des Auslands, 1932–1942
7108	Dass., 1936–1944
7753	Ausländische Diplomaten, 1936–1942
7754	Freigaben für Botschaften und Konsulate, 1934–1944
9674	Wirtschaftsgruppe Privates Bankgewerbe und Ausfuhrförderungsgabe, 1940–1942
10045	Devisenbedarf, 1935–1945

*BAB, Bestand R 28: Dienststellen der Deutschen Reichsbank*

116	Handels- und Verrechnungverkehr mit einzelnen Ländern, hier Schweiz
127	Kreditlisten ausländischer Firmen, hier Schweiz
134	Hierin: Einrichtung eines Depots des Reichsführers-SS zur Sicherstellung von SS-Gold- und Devisenbeständen, 1944

*BAB, Bestand R 21.04: Reichshauptkasse*

53	Ablieferung von Beutegut (Wertpapiere, Banknoten, Wertgegenstände) von der Reichshauptkasse an die Reichsbank, hier Band 11: November 1942 – Januar 1943
56	Dass., hier Band 14: April – Juli 1943

---

<sup>6</sup> Aly et al. 1992.

The files available in the Federal archives are not complete, however. In Berlin, the files of the economic and statistical department of the Reichsbank are available but not the files of the precious metals department. These files were confiscated by the US occupying powers in connection with the gold found in Merkers, Thuringia, and a large part of them were filmed and studied. The filmed material was deposited in section RG 56 of the US National Archives; the originals of these files, together with the unfiled documents of the precious metals department were returned in 1948 to the legal successor of the Reichsbank, the Bank Deutscher Länder.<sup>7</sup> For reasons which require further investigation those files in which «Melmer» shipments – gold shipments by the SS Economic Administrative Headquarters (SS-WVHA) – were recorded were not filmed. They were received by the Bank Deutscher Länder but can no longer be located in the Bundesbank archives in Frankfurt am Main.<sup>8</sup>

*Historisches Archiv der Deutschen Bundesbank, Frankfurt am Main, Bestand B 330: Deutsche Reichsbank*

376	Goldbewirtschaftung Sudetenland und besetzte Gebiete 1938–1941
377	Goldbewirtschaftung, Kriegsmassnahmen 1939–1944
378	Goldbewirtschaftung im In- und Ausland
4600	Handakte Heinrich Hartlieb (Mitglied der deutschen Waffenstillstandsdelegation für Wirtschaft), 1939–1944
7083	Bestand des Haupttresors, hier Goldankäufe 1932–1942
10.059	Reichsbankabwickler: Gold (B 123), 1944–1952
10.060	Dass. (B 124), 1944–1952
10.061	Dass., 1953–1979
10.094	Unterlagen Albert Thoms

*Bestand B 331: Deutsche Reichsbank*

BAY 678	Handakten Graupner
---------	--------------------

Some files of the Reichsbank are also located in the «Special Archives» in Moscow. It was only possible to examine some of them for this interim report.

The Federal archives in Berlin contain many files from various offices of the Third Reich which provide information on different aspects of the German «gold policy» and also contain figures. One of these is the Finance Ministry of the Third Reich, to which the Reichsbank, headed by Minister of Economics of the Reich Funk, reported since June 1939.

*BAB, Bestand R 2: Reichsfinanzministerium*

226	Handakten Koenning betr. Aussenhandel (1933–1937, 1942, 1944)
231	Einzelne Sitzungsberichte des Handelspolitischen Ausschusses 1934–1944
500	Anfragen und Runderlasse betr. Kriegsschäden Nichtdeutscher
11436	Behandlung des volks- und reichsfeindlichen Vermögens in den Niederlanden, darunter jüdisches Vermögen, 1943–1944
13452	Hierin: Geschäftsverteilung der Berliner Dienststellen, 1940

<sup>7</sup> Eizenstat, first supplement, 1997, pp. 79–82.

<sup>8</sup> Welt am Sonntag (Berlin) Nr. 35, 31 August 1997, p. 4.

- 13470 Wochenübersichten der Reichsbank, graphische Übersichten, 1932–1942
- 13475–13480 Dass., 1938–1943
- 13486–13489 Liquidierung der Österreichischen und Slowakischen Nationalbank durch die Reichsbank
- 13600 Monatsberichte der Golddiskontbank, 1939–1944
- 13613 Banken- und Devisenfragen der früheren Tschechoslowakei, 1939–1943
- 13694 Deutsche Verrechnungskasse Berlin, 1940
- 14552–14553 Kriegsfinanzierung, 1941–1944
- 14575–14580 Währung Polen, hierin: Ghetto-Geld und Beschlagnahme jüdischen Vermögens, 1939–1943
- 14194 Hierin: Handhabung der Goldklausel in der Schweiz, Goldbewirtschaftung, Grenzbanken der Schweiz, 1938–1939
- 14195 Auswanderung von Juden, Abfindung jüdischer Pensionäre, Schmuggel in die Schweiz, Auslandszahlungsverkehr etc. 1939–1940
- 19515 Beauftragter für den Vierjahresplan, Abrechnung eines Sperrmarktgeschäfts mit dem Chef Sipo und SD, 1943
- Weiterhin das Reichswirtschaftsministerium: BAB, Bestand R 7*
- 494 Edelmetall-Erzeugung: Gold, Silber, Quecksilber, Radium (Zeitungsausschnitte), 1943–1944
- 2136 Hierin: Volkswirtschaftliche Abteilung der Deutschen Reichsbank: Währungspolitische Massnahmen der kriegführenden Staaten in besetzten Gebieten, 1944
- 2271 Protokoll betreffend bei der Reichsbank deponiertes albanisches Gold, April 1944
- 2291–2292 Goldbestände in Frankreich. Verhandlungen des Unterausschusses Devisen und Banken u. a.), 1940–1941
- 3004 Privatdienstliche Korrespondenz des Leiters der Hauptabteilung III Dr. Franz Kirchfeld, hierin: Reisebericht von Eduard Schmit über die Stimmung in der Schweiz gegenüber Deutschland, Oktober 1944

Finally, a number of «Offices of the Third Reich» (Reichsstellen) should be mentioned which were set up as part of the foreign exchange management system. The Office of the Third Reich for Precious Metals (Reichsstelle für Edelmetalle) was involved in the Third Reich's gold transactions and supervised trade with gold, silver, and platinum. Several interesting references to the export of confiscated gold and of «aryanized» precious metals since the end of 1938 can be found here.

*BAB, Bestand R 8 X: Reichsstelle für Edelmetalle*

- 15 Meldungen über den Stand besonderer Fonds, hierin: «J»-Fonds («Juden-Fonds»)
- 55 Grundmaterial zur Anordnung Nr.21 (Beschränkung bei der Verwendung von Gold) 1938–1940
- 61 Gold- und Silberanordnungen allgemein (Schriftwechsel mit SS- und Polizeigericht z.b.V., Berlin), 1944
- 64 Bayerische Gold- und Silberschmiede
- 92 Goldkonten der Reichsstelle für Edelmetalle, hier: Bereitstellung von Gold für die Ausfuhrfertigung
- 126 Sicherung (Verlagerung) der Edelmetallbestände (insbes. Platin) gegen Feindeinwirkung, 1943–1944

188	Angebot von bis zu 200 kg Feingold aus Mailand gegen Rückgabe nach dem Kriege und Zahlung einer Benutzungsgebühr, 1944
194	Prüfungsbericht über das Hauptmünzamt Wien, 1940,1944
253	Einführung drei zusammenfassender Anordnungen über den Verkehr mit Gold, Silber, Platin und Platinbeimetallen in Österreich, 1938
256	Erleichterungen bei der Abgabe von Juwelen in Verbindung mit Gold, 1938–1941
289	Erfassung von Lagerreserven durch das Planungsamt (RMfRuK) zur Entlastung der Produktion, 1944
302	Hierin: Runderlass betr. Verkehr mit Gold vom 28.12.1938; Bekanntmachung über die devisenmässige Überwachung der Wareneinfuhr vom 27.12.1938
310	Gewährung von Entschädigungen, Goldausgleichsfonds
317	Grundmaterial und weitere Anregungen zur Anordnung Nr.5 in Abänderung der Anordnung Nr.1 (Verkehr mit Bruchgold und Altgold)
329	Grundmaterial und weitere Anregungen zur Anordnung Nr.1, 1934–1936 (Herstellung goldener Trauringe, Verkehr mit Goldwaren und mit Alt- und Bruchgold), Pfandhäuser und Versteigerungen
361	Fragebogen über den Verkehr mit Gold im Jahre 1937 (Neuregelung der Goldzuteilung), 1937–1938
409	Silber: Erzeugung und Verbrauch, 1937–1943
415	Goldkonten: Vorräte an Edelmetallen und Diamanten, 1945
416	Diamantenbewirtschaftung: Verwendung von Industriediamanten
423	Diamanten: Lagerberichte und Versandanzeigen
426	Edelmetallkonten (alphabetisches Verzeichnis), ohne Jahresangabe

The collection of the above-mentioned ministries was completed only recently – with the exception of Moscow – as both the Federal archives and the Central Archives of the GDR kept some files of the Finance Ministry and the Economics Ministry.

*BAB, Bestand R 21.01: Reichsfinanzministerium*

6073	Strafverfahren gegen ausländische Juden wegen Devisenvergehens, 1938–1945
6084	Bekämpfung des Einfuhrschmuggels, 1931–1943
6085	Bekämpfung des Schleichhandels (Einzelfälle), 1938–1942
6086	Bekämpfung des Schleichhandels und des Schieberunwesens, 1941–45
6140	Bericht der Haupttreuhandstelle Ost für die Jahre 1939–1944
6170–6175	Erfassung und Verwertung von Beutegut

*BAB, Bestand R 31.01: Reichswirtschaftsministerium*

11715	Goldzuteilung der Reichsbank für die Industrie, Januar 1941 – Januar 1942
15232	Goldkontingentierung, November 1939 – Juli 1941

Whereas the Finance Ministry of the Third Reich set the guidelines of German's monetary policy, a number of other bodies were involved in the regime's «gold policy».

*BAB, Bestand NS 6: Parteikanzlei der NSDAP*

506	Aussenwirtschaftliche Betätigung des Reiches, insbesondere Rolle des Auswärtigen Amtes, 1944
682	Antideutsche Wirtschaftspropaganda in der Schweiz, 1941–1944
702	Devisenbewirtschaftung, 1942–1944

*Bestand R 15.01 (alt R 18): Reichsministerium des Inneren*

- |      |   |
|------|---|
| 1051 | Behandlung der Schweizer Goldhypothecken im Nutzungsschädenrecht 1944–1945  |
| 5019 | Bedenken des Reichspressechefs Dr. Dietrich gegen geplante Äusserungen zum deutsch-schweizerischen Verhältnis, 1940 |

In particular, the Commercial Committee should be mentioned, an interministerial advisory body, whose Minutes were to be treated as confidential, but which ended up scattered over a number of locations. The most complete collection of these Minutes is stored in the Political Archives of the Foreign Ministry where the Commission was able to inspect them.

*Politisches Archiv des Auswärtigen Amtes, Bonn*

- Protokolle des Handelspolitischen Ausschusses, 1940–1944  
R 116814–116815

The Commercial Committee is an example of the «official polycracy» of the Third Reich which increased dramatically during the war. Whereas the provenance of «monetary» gold taken over by the Reichsbank is largely known and documented in various studies, the confiscation and looting of privately owned gold is much more difficult to trace. In the case of the gold belonging to Holocaust victims this is due to the fact that the extensive files of the former SS Economic Administrative Headquarters, the personal staff of the *Reichsführer SS* and the Reich Main Security Office in the Federal Archives in Berlin provide only indirect information on this dark chapter.

*BAB, Bestand NS 3: Wirtschafts-Verwaltungshauptamt der SS*

- |     |   |
|-----|---|
| 4   | Varia, hierin: Versuch der Goldgewinnung in Südosteuropa  |
| 39  | Lieferung Schweizer Armbanduhren durch Firma Muff, Luzern; Hinterlegung von DWB-Geldern in der Schweiz, 1944–1945 |
| 122 | Erwerb des Bindigschen Hauses am Starnberger See von den in der Schweiz ansässigen Erben, 1943–1944               |
| 491 | Rohstoffbeschaffung, 1944–1945  |
| 667 | Schriftwechsel wegen einer Heirat mit einem Schweizer Staatsbürger  |

*Bestand NS 19: Persönlicher Stab Reichsführer-SS*

- |      |   |
|------|---|
| 2429 | Akte Niederlande, enthält: Verbleib der Goldbestände der niederländischen Bank (Bericht Rauter), Dezember 1944  |
| 2529 | Schweizerische Geheimdienstmeldungen über die beabsichtigte Generalmobilmachung der Schweiz und Pläne der Royal Air Force zur Bombardierung des Brennerpasses, Januar 1943                            |
| 2682 | Abgabe von Gold und Devisen an die Verbündeten, insbesondere Verwendung des Goldbestandes der belgischen Nationalbank bei der Nationalbank von Frankreich, 1943                                       |
| 3574 | Tschechoslowakische Goldtransporte in die Schweiz (Meldung des Geheimen Staatspolizeiamtes aufgrund eines Berichtes der Aussenstelle der Bayrischen Politischen Polizei, Grenzpolizei Eger), Mai 1936 |
| 3591 | Abgabe von 3 kg Gold aus den Goldbeständen der Feldkommandostelle Birkenwald an die Reichsbank sowie Verwendungsmöglichkeit für Bestechungs- und sonstige Nachrichtenmöglichkeiten, Juni 1944         |

- 3762 Verbleibsnachweis für Geheime Reichssachen, hierin: Angelegenheit Schweiz, Februar 1943
- 3929 Ablieferung des «aus normalen Abgängen» der Konzentrationslager anfallenden Zahn-Bruchgoldes an die Reichsbank – Einverständnis des Reichsführers SS mit einem entsprechenden Vorschlag des SS-Wirtschafts-Verwaltungshauptamtes (SS-Brigadeführer Frank), Oktober 1942
- Bestand R 58: Reichssicherheitshauptamt*
- 114 Einzelne Agentenmeldungen aus verschiedenen Ländern, u.a. der Schweiz Dez.1944–April 1945
- 441 Plan des Schweizer Industriellen Ita für einen europäischen Staatenbund unter deutscher Führung, 1943.
- 1124 Aussen- und Innenpolitik verschiedener Länder, hierin: Schweiz, 1944–1945
- 3490 Sonderbericht der Nachrichtenagentur «Exchange Telegraph» über das Vermögen führender Nazis im Ausland, 1944
- 3575 Meldungen, Stimmungsberichte des Sicherheitsdienstes (SD), April 1945.
- 4209–4209a Ankauf von Kunstschatzen, Textilien, Lebensmitteln für Göring und anderen Personen sowie Beschaffung von Visa und Devisen für Reisen ins Ausland
- 4241 Sammlung von Originalbriefen führender Nationalsozialisten an Heinrich Himmler, 1935, 1939–1944

A more systematic investigation of all obtainable material, including the Moscow files, must be made in order to determine and trace the provenance of the gold of victims and its long journey up to storage or sale.

It is also impossible to gain easy access to the users' side of the Nazi gold policy as precisely in this area many offices acted in a relatively uncoordinated manner and sometimes even acted to the detriment of each other. Relevant events can be found in the files of the Ministry for Armaments and War Production of the Third Reich (Reichsministerium für Rüstungs- und Kriegsproduktion) (so-called Speer Ministry), the Official in charge of the Four-Year Plan (Göring's authorities), the Reichs group for industry (Reichsgruppe Industrie) and other authorities.

*BAB, Bestand R 3: Reichsministerium für Rüstung und Kriegsproduktion*

- 201 Einzelne Angelegenheiten: Bericht über die Bewirtschaftung von Industrie-Diamanten, 1940–1945
- 393 Generalreferat Wirtschaft und Finanzen: Sitzungsprotokolle, verschiedene Angelegenheiten
- 508 Zentralamt: Verlagerung von Wehrmächtaufträgen in besetzte bzw. unter deutschem Einfluss stehende Staaten und in die Schweiz, 1943–1944

*Bestand R 46.03 (alt): Reichsministerium für Rüstung und Kriegsproduktion*

- 90 Rüstungsamt: Räumungstransporte von Wirtschaftsgütern aus Italien, Dezember 1943 – April 1945

*Bestand R 26: Der Beauftragte für den Vierjahresplan*

- 8–9 Organisation und Verwaltung: Tagebuch (Eingänge) für Geheime Reichssachen, 1937–1942

*Bestand R 12 I: Reichsgruppe Industrie*

- 9 Die deutsche Wirtschaft und Industrie in der Endphase des Krieges (Sammlung von Rundschreiben verschiedener Abteilungen), 1944–1945

*Bestand R 3112: Reichsamt für Wirtschaftsausbau*

- 36 Hierin: Deutsche Finanzlage 1945 und Kriegsfinanzierung 1939–1945, Ausarbeitung

*Bestand R 121: Industriebeteiligungsgesellschaft mbH (L)*

- 525 Industriebeteiligungsgesellschaft, Korrespondenz betr. Abwicklungsangelegenheiten, 1952–1956
- 673 ROGES (Rohstoffhandelsgesellschaft GmbH) Allgemein, Handakten der Direktoren Kraney und Ranis, 1935–1945
- 675 ROGES, Edelmetalle aus Italien: Verwertung und Abrechnungen der Scheideanstalt Berlin, 1944

In this context, the commercial banks should also be mentioned some of whose files are located in the Federal Archives:

*BAB, Bestand R 8119 F: Deutsche Bank- und Discontogesellschaft*

- 135 Hierin: Schriftwechsel mit der Konversionskasse für deutsche Auslandsschulden
- 5318–5319 Deutsche Golddiskontbank, 1938–1943
- 10881–10882 Aussenhandel des Reiches mit der Schweiz, Clearingsalden, Rüstungsindustrie, 1943–1944

The provenance and purpose of a special foreign exchange fund maintained by the Four-Year Plan authorities for special government tasks are still largely unclear. This fund contained gold coins used, for example, for clearing settlements with southeast European «allies» of the Third Reich but probably also to make purchases on the black market of neutral countries. The Foreign Ministry conducted commercial negotiations with Switzerland. Some of the files from this office, which were confiscated by the Soviets, are also stored in the Federal Archives.

*BAB, Bestand R 901: Auswärtiges Amt:*

- 60882 Reisen Angehöriger des Auswärtigen Dienstes nach Schweden, Schweiz, Spanien und Portugal, November 1944
- 60995 Aufzeichnung Clodius betreffend Verhandlungen mit der Schweiz, September 1943
- 61192 Politische Abteilung, hier Schweiz 1943–1944
- 68653 Telegrammkorrespondenz mit der Schweiz, Ausgang, Dezember 1942 – April 1944
- 68758 Handakten Clodius zum Wirtschaftskrieg, Mai 1940 – April 1944
- 68763 Wirtschaftliche Beziehungen zur Schweiz, Februar 1941
- 68815 Schweiz. Handelsbeziehungen zu Deutschland allgemein, 1940–1945
- 68971/20 Handakten Clodius, Sicherstellung von Aussenhandelsbeziehungen zu neutralen Staaten, 1939

It is reasonable to assume that the central archives of other countries contain sources which would provide information on the provenance of the gold traded by the Reichsbank. Italy and Poland have already been involved to some extent. The investigation of Polish archival material is especially important. Some of this material is located in the Warsaw Archives of the Commission for the Investigation of German Crimes against the Polish People. This archives

contains, among other things, the files of the Polish trial of Rudolf Höß which detail the theft of victims of the concentration and extermination camp. Furthermore, research has shown that the financial aspect of the so-called «Reinhard Campaign», the name given to the murder of mostly Polish Jews in the Belzec, Sobibor and Treblinka extermination camps, is still unclear. This applies in particular to the first part of this campaign up to around mid-1942.

*Archiv des Instituts für Zeitgeschichte, München, sowie Staatsarchiv Nürnberg: Dokumente des Nürnberger Prozesses gegen die Hauptkriegsverbrecher:*

NID 13817–13820

NO-057

NO-059–062

NO-725

NO-2714

NO-2754

NO-3191

PS-3944

PS-3951

PS-4045

An analysis of German gold transactions must be initiated by the central authorities but this alone will not be enough. Rather, the gold problem must be incorporated into a broader study of the financial history of the Third Reich, which has not yet been sufficiently researched. This should be carried out in cooperation with the occupied territories and with the countries which were Germany's allies.

*Siehe hierzu etwa BAB, Bestand R 177: Feindvermögensverwaltung in den besetzten Niederlanden*

206                    Behandlung der Vermögenswerte von ausländischen Juden, 1941–1944

211                    Behandlung jüdischen Kapitalvermögens

213–216            Erfassung jüdischen Vermögens, darunter Kunstgegenstände, 1942–1943

*Bestand R 83/ Adriatisches Küstenland:*

3                      Bevölkerungspolitik und Angelegenheiten des Zahlungsverkehrs 1944–1945

## 2.4 Russia

### **On the history of the archive for the preservation of historical-documentary collections («special archive»), Moscow<sup>9</sup>**

The archives for the preservation of historical-documentary collections in Moscow, known as the «Special Archives», contains mainly files which the Red Army took from Germany and territory occupied by Germany at the end of the war in 1945 and transported to Moscow. These files were recorded by archivists of the Soviet «Special Archives» in Moscow. In addition to the German files, the archives also contains a so-called French, Belgian, and Dutch

---

<sup>9</sup> See also Aly et al. 1992.

department, consisting of files stolen by the Germans in these occupied countries. The German files contain information on the large body of documents of central and regional authorities and institutions of the Third Reich, such as the Economics Ministry of the Third Reich, consisting of 13 355 pieces of archival material, the Reich Main Security Office with 3009 pieces of archival material, the Ministry of the Interior of the Third Reich with 14 544 pieces of archival material, the official in charge of the Four-Year Plan with 337 archival documents, and, in addition, on files compiled by the Gestapo and security service on the opponents of National Socialism, i.e. on political parties and trade union organizations, Jewish organizations, freemasons' societies, etc. According to official sources, the total number of German documents in the «Special Archives» is 174 000. Significant portions of the files in the «Special Archives» were given to the GDR in the 1950s. These are currently kept in the Federal Archives in Berlin, so that archival material from the main ministries from the National Socialist period are to be found both in Berlin as well as in Moscow.

This archives has been managed by the Russian archives administration since the summer of 1991 (Committee for Archives Matters of the Government of the Russian Federation, «Ross Archives»). It has thus been made available to foreign researchers. The curator of the archives since 1997 is Vladimir Nikolaevich Kuzelenkov.

The most important items in the «Special Archives» inspected by the Independent Commission of Experts are:

- Reichswirtschaftsministeriums (fond 1458)
- Reichssicherheitshauptamtes (fond 500)
- Beauftragten für den Vierjahresplan (Göring) (fond 700)
- Oberfinanzpräsidenten, Devisenstelle Berlin (fond 1461)



# **Switzerland and Gold Transactions in the Second World War Interim Report**

Bibliography, Abbreviations



## Bibliography

- Aalders, Gerald: *The Art of Cloaking*, Amsterdam, New York, 1997.
- Ackermann, Ernst: Aufgaben und Funktionen der Schweizerischen Nationalbank, in: *Wirtschaft und Recht* 2 1950, 319 f.
- Adam, Uwe Dietrich: *Judenpolitik im Dritten Reich*, Königstein i.Ts. 1979 (2nd ed.).
- Akten zur deutschen auswärtigen Politik 1918–1945*, Serie D 1937–1941, Bände I–XII.
- Akten zur deutschen auswärtigen Politik 1918–1945*, Serie E 1941–1945, Bände I–VIII.
- Akten zur Vorgeschichte der Bundesrepublik Deutschland 1945–1949*, 5 vols., München 1989.
- Allgemeine Geschichtsforschende Gesellschaft der Schweiz: *Schweizerische Zeitschrift für Geschichte. Die Schweiz und der Zweite Weltkrieg* 47, 1997, 492–519.
- Aly, Götz; Heim, Susanne: *Das zentrale Staatsarchiv in Moskau («Sonderarchiv»)*. *Rekonstruktion und Bestandesverzeichnis verschollen geglaubten Schriftgutes aus der NS-Zeit*, Düsseldorf 1992.
- Arlettaz, Gérald: Crise et déflation. Le primat des intérêts financiers en Suisse au début des années 1930, in: *Relations internationales* 30, 1982, S. 159–175.
- Arndt, Ino: Entziehung und Verbringung jüdischen Vermögens, in: *Gutachten des Instituts für Zeitgeschichte* 2, Stuttgart 1966.
- Atzesberger, Wolfgang: Die Bedeutung der Schweiz für die deutsche Kriegswirtschaft 1939–1945, in: *Scripta Mercaturae* 18, 1984, 39–75.
- Bajohr, Frank: *Arisierung in Hamburg. Die Verdrängung der jüdischen Unternehmer 1933–1945*, Hamburg 1997.
- Balzli, Beat: *Treuhänder des Reichs. Die Schweiz und die Vermögen der Naziopfer. Eine Spurensuche*, Zürich 1997a .
- Balzli, Beat: Der geheime Nazi-Schatz in Bern, in: *SonntagsZeitung*, 30. 11. 1997b, 8.
- Bank für internationalen Zahlungsausgleich: *Note on Gold Shipments and Gold Exchanges Organised by the Bank for International Settlements, 1st June 1938 – 31st May 1945*, Basel 1997a.
- Bank für internationalen Zahlungsausgleich: *Note on Gold Operations Involving the Bank of International Settlements and the German Reichsbank, 1st September 1939 – 8th May 1945*, Basel 1997b.
- Bank für internationalen Zahlungsausgleich: *Introductory Note on the Bank for International Settlements 1930–1945*, Basel 1997c.
- Barkai, Avraham: *From Boycott to Annihilation. The Economic Struggle of German Jews, 1933–1943*, Hanover, NH, 1989.
- Barkai, Avraham: *Nazi Economics. Ideology, Theory & Policy*, New Haven 1990.
- Bauer, Hans: *Swiss Bank Corporation 1872–1972*, Basel 1972.
- Behrbohm, W.; Sudau, K. (Devisenbewirtschaftungsstelle Berlin): *Die neue deutsche Devisengesetzgebung*, Berlin 1932.

- Bender, Ernst: *Verfügungen und Verfügungsbeschränkungen im Devisenrecht unter Mitberücksichtigung des allgemeinen Rechts*, location of publication not specified, 1939.
- Bereinigte Sammlung der Bundesgesetze und Verordnungen, 1848–1947*, Band 6: Finanz- und Zollwesen. Band 11: Staatsverträge I–VI.
- Bergier, Jean-François: *Wirtschaftsgeschichte der Schweiz. Von den Anfängen bis zur Gegenwart*, Zürich 1990.
- Bergier, Jean-François; Castelmur, Linus von; Jost, Hans-Ulrich; Koller, Guido; Urner, Klaus: *Die Schweiz im Zweiten Weltkrieg. Forschungsstand, Kontroversen, offene Fragen*, Hans Werner Tobler, ed., Zürich 1997a.
- Bergier, Jean-François: Sur le rôle de la «Commission indépendante d'experts: Suisse Seconde Guerre mondiale», in *Schweizerische Zeitschrift für Geschichte* 47, 1997b, 800–808.
- BIS: See under Bank for International Settlements
- Blumenfeld, Henri: *Les capitaux migrants (hot money)*, Neuchâtel 1941.
- Boberach, Heinz: *Inventar archivalischer Quellen des NS-Staates. Die Überlieferung von Behörden und Einrichtungen des Reichs, der Länder und der NSDAP*. On behalf of the Institut für Zeitgeschichte, München 1991 ff.
- Boelcke, Willi A.: Zur internationalen Goldpolitik des NS-Staates. Ein Beitrag zur deutschen Währungs- und Aussenwirtschaftspolitik 1933–1945, in: *Hitler, Deutschland und die Mächte. Materialien zur Aussenpolitik des Dritten Reiches*, Manfred Funke, ed., Düsseldorf 1976, 292–309.
- Boelcke, Willi A.: *Die deutsche Wirtschaft 1930–1945*, Düsseldorf 1983.
- Boelcke, Willi A.: *Die Kosten von Hitlers Krieg. Kriegsfinanzierung und finanzielles Kriegserbe in Deutschland 1933–1945*, Paderborn 1985.
- Boelcke, Willi A.: Die Finanzpolitik des Dritten Reiches. Eine Darstellung in Grundzügen, in: *Deutschland 1933–1945. Neue Studien zur nationalsozialistischen Herrschaft*, Karl Dietrich Bracher et al., eds., Bonn, Düsseldorf 1993 (2nd ed.), 95–117.
- Boelcke, Willi A.: *Deutschland als Welthandelsmacht, 1930–1945*, Stuttgart 1994.
- Bonjour, Edgar: *Geschichte der schweizerischen Neutralität*, Bände III–IX, Basel, Stuttgart 1970–1976.
- Bourgeois, Daniel: *Le Troisième Reich et la Suisse 1933–1945*, Neuchâtel 1974.
- Bourgeois, Daniel: Les relations économiques germano-suissees 1939–1945, in: *Revue d'histoire de la deuxième guerre mondiale* 121, 1981, 49–61.
- Bourgeois, Daniel: Les relations économiques germano-suissees pendant la Seconde guerre mondiale. Un bilan allemand de 1944, in: *Schweizerische Zeitschrift für Geschichte* 32, 1982, 563–567.
- Bourgeois, Daniel: «Barbarossa» und die Schweiz, in: *Zwei Wege nach Moskau. Vom Hitler-Stalin-Pakt zum «Unternehmen Barbarossa»*, Bernd Wegner, ed., München, Zürich 1991, 620–639.
- Bower, Tom: *Blood Money. The Swiss, the Nazis & the Looted Billions*, New York, 1997.
- Brillot, Jacques: L'argent sans mémoire: Degussa-Degesch, in: *Le Monde Juif* 50, 1994, 7–81.

- Bruggisser, Anton: *Die Geld- und Goldpolitik der Schweizerischen Nationalbank in der Kriegs- und Nachkriegszeit*, Freiburg 1956.
- Brunner, Karl: Volkswirtschaftliche Überlegungen zum Finanzabkommen von Washington, in: *Aussenwirtschaft 1*, 1946, 120–129.
- Bucher, Erwin: Die Schweiz im Sommer 1940. Urteilsmassstäbe – der Fall Pilet, in: *Schweizerische Zeitschrift für Geschichte* 29, 1979, 357–398.
- Bundesamt für Kultur: *Die Rolle der Schweiz im Zweiten Weltkrieg. Eine Auswahlbibliographie*, Bern 1997.
- Bundesblatt der Schweizerischen Eidgenossenschaft*, Bern 1939–1946.
- Bürgi, Paul: *Arbeitsmarkt und Beschäftigungslage in der Schweiz während des Zweiten Weltkrieges*, Zürich 1948.
- Burrin, Philippe: *La France à l'heure allemande, 1940–1944*, Paris 1995.
- Caesar, Rolf; Hansmeyer, Karl-Heinrich: Haushalts- und Finanzwesen, in: *Deutsche Verwaltungsgeschichte*, Band 4: *Das Reich als Republik und in der Zeit des Nationalsozialismus*, Kurt G. A. Jeserich; Hans Pohl; Georg Christoph von Unruh, eds., Stuttgart 1985, 873–883.
- Cassis, Youssef; Tanner, Jakob: *Banken und Kredit in der Schweiz 1850–1930*, Zürich 1993.
- Cassis, Youssef: Commercial Banks in 20th-Century Switzerland, in: *The Evolution of Financial Institutions and Markets in Twentieth-century Europe*, Youssef Cassis, Gerald D. Feldman, Ulf Olsson, eds., Brookfield 1995a, 64–77.
- Cassis, Youssef; Feldman, Gerald D.; Olsson, Ulf (eds.): *The Evolution of Financial Institutions and Markets in Twentieth-century Europe*, Brookfield 1995b.
- Castelmur, Linus von: *Schweizerisch-alliierte Finanzbeziehungen im Übergang vom Zweiten Weltkrieg zum Kalten Krieg. Die deutschen Guthaben in der Schweiz zwischen Zwangsliquidierung und Freigabe (1945–1952)*, Zürich 1992, 1997 (2nd ed.).
- Chevallaz, Georges-André: *Herausforderung der Neutralität*, Zürich 1996 (original publication in French, 1995).
- Dresdner Bank (ed.)*, *Chiffren einer Epoche: 100 Jahre – 100 Kontraste*, Frankfurt a.M. 1972.
- Diplomatische Dokumente der Schweiz 1848–1947*, Bände 13–15 (1939–1945), Bern 1991–1997 und Band 16 (1945–1947), Zürich 1997.
- Durrer, Marco: *Die schweizerisch-amerikanischen Finanzbeziehungen im Zweiten Weltkrieg. Von der Blockierung der schweizerischen Guthaben in den USA über die «Safehaven»-Politik zum Washingtoner Abkommen (1941–1946)*, Bern 1984.
- Ebbinghaus, Angelika: *Heilen und Vernichten im Mustergau Hamburg. Bevölkerungs- und Gesundheitspolitik im Dritten Reich*, Hamburg 1984.
- Eichholtz, Dietrich: *Geschichte der deutschen Kriegswirtschaft, 1939–1945*, 3 Bände, Berlin 1971–1996.
- Eidgenössisches Versicherungsamt: *Die privaten Versicherungsunternehmen in der Schweiz im Jahre ... Bericht des Eidgenössischen Versicherungsamtes*, Bern 1939 ff.

- Eidgenössische Zentralstelle für Kriegswirtschaft (ed.): *Die schweizerische Kriegswirtschaft 1939/1948. Bericht des Eidg. Volkswirtschafts-Departementes*, Bern 1950.
- Eizenstat 1997 and Eizenstat 1997, first supplement: See under *US and Allied Efforts to Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World War II*.
- Engeli, Hans Adolf: *Die Schweizerische Nationalbank. Die rechtliche Natur ihrer Organisation und ihrer Funktionen*, Aarau 1944.
- Erdman, Paul: *Swiss-American Economic Relations 1930–54. Their Evolution in an Era of Crisis*, Tübingen, Basel 1959.
- Eyssen, F.: Wehrwirtschaftliche Grenzen der Selbstversorgung mit mineralischen Rohstoffen, in: *Der Deutsche Volkswirt*, 24.3.1937, 1170.
- Faith, Nicolas: *Safety in Numbers. The Mysterious World of Swiss Banking*, London 1982.
- Favez, Jean-Claude: La Suisse au tournant de la seconde guerre mondiale. Quelques remarques sur les relations germano-suissees au printemps 1943, in: *Cahiers Vilfredo Pareto, Revue européenne des sciences sociales* 22–23, 1970, 163–174.
- Favez, Jean-Claude: *Une mission impossible? Le CICR, les déportations et les camps de concentration nazis*, Lausanne 1988.
- Favez, Jean-Claude: La grande peur de l'été 1940. – La Suisse entre résistance et adaptation, in: *L'année 40 en Europe* (international colloquium), von Le Centre de Recherche d'Histoire Quantitative de l'Université de Caen and Le Mémorial de Caen «Un musée pour la paix», eds., Caen 1990, 85–99.
- Favez, Jean-Claude: [Book review of «La Suisse face au III<sup>e</sup> Reich. Réduit national et dissuasion économique, 1940–1945» von Philippe Marguerat], in: *Schweizerische Zeitschrift für Geschichte* 42, 1992, 118–119.
- Feisst, Ernst: Eidg. Kriegs-Ernährungs-Amt, in: *Die schweizerische Kriegswirtschaft 1939–1948. Bericht des Eidgenössischen Volkswirtschafts-Departementes*, Eidgenössische Zentralstelle für Kriegswirtschaft, ed., Bern 1950, 157–489.
- Feldenkirchen, Wilfred: Die Handelsbeziehungen zwischen dem Deutschen Reich und der Schweiz 1914–1945, in: *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte* 74, 1987: 323–350.
- Fink, Jürg: *Die Schweiz aus der Sicht des Dritten Reiches 1933–1945*, Zürich 1985.
- Fior, Michel: *Die Schweiz und das Gold der Reichsbank. Was wusste die Schweizerische Nationalbank?*, Zürich 1997.
- Fisch, Jörg: *Reparationen nach dem Zweiten Weltkrieg*, München 1992.
- Fischler, Hersch: Auf den Spuren des Raubgolds. Devisenbeschaffung im Dritten Reich. Rauben, Umschmelzen, Exportieren, in: *Die Wochenzeitung* 8, 21.2.1997, 3.
- Fischler, Hersch: Das Totengold der europäischen Juden und die Deutschen Grossbanken, in: *1999. Zeitschrift für Sozialgeschichte des 20. und 21. Jahrhunderts* 1, 1998, 146–173.
- Foreign & Commonwealth Office, General Services Command: Nazi gold: Information from the British Archives, *History Notes Nr. 11*, 1996 (Rifkind Report I).

- Foreign & Commonwealth Office, General Services Command: Nazi gold: Information from the British Archives, *History Notes Nr. 11*, second edition, 1997a (corrected version, Rifkind Report Ia).
- Foreign & Commonwealth Office, General Services Command: Nazi gold: Information from the British Archives. Part II: Monetary Gold, Non-Monetary Gold and the Tripartite Gold Commission, *History Notes Nr. 12*, 1997b (Rifkind Report II).
- Fraenkel, Ernst: *The Dual State. A Contribution to the Theory of Dictatorship*, New York 1941, 1969 (2nd ed.).
- Frei, Daniel: Das Washingtoner Abkommen von 1946. Ein Beitrag zur Geschichte der schweizerischen Aussenpolitik zwischen dem Zweiten Weltkrieg und dem Kalten Krieg, in: *Schweizerische Zeitschrift für Geschichte* 19, 1969, 567–619.
- Friedlander, Henry: *Der Weg zum NS-Genozid. Von der Euthanasie zur Endlösung*, Berlin 1997.
- Friedländer, Saul: *Das Dritte Reich und die Juden. 1. Die Jahre der Verfolgung, 1933–1939*, München 1998 (original publication in English, 1997).
- Fritz, Martin: *German Steel and Swedish Ore 1939–1945*, Göteborg 1974.
- FRUS: See under US Department of State.
- Gasser, Christian: *Die internationale Bedeutung der schweizerischen Privatversicherungen*, in: *Aussenwirtschaft – Zeitschrift für internationale Wirtschaftsbeziehungen* 3, 1949, 134–152.
- Gautschi, Willi: *General Henri Guisan. Die schweizerische Armeeführung im Zweiten Weltkrieg*, Zürich 1989.
- Granier, Gerhard; Henke, Josef; Oldenhage, Klaus: *Das Bundesarchiv und seine Bestände*, Boppard 1977 (3rd ed.).
- Guex, Sébastien: *La politique monétaire et financière de la Confédération suisse, 1900–1920*, Lausanne 1993.
- Guex, Sébastien; Perrenoud, Marc: Banquiers suisses et autorités fédérales face aux menaces américaines en 1945. Procès-verbal d'une rencontre du Conseil fédéral et de l'Association des Banquiers, in: *Traverse. Zeitschrift für Geschichte* 3, März 1995, 126–138.
- Guex, Sébastien; Perrenoud, Marc: Business as usual, in: *Traverse. Zeitschrift für Geschichte* 2, 1995, 59 f.
- Gutman, Yisrael, Berenbaum, Michael (eds.): *Anatomy of the Auschwitz Death Camp*, Bloomington 1994.
- Halbeisen, Patrick: Bankenkrise und Bankengesetzgebung in den dreissiger Jahren, in: *Die Schweiz 1798–1998. Staat, Gesellschaft, Politik*, Band 2, Zürich 1998, 47–61.
- Handbook on the History of European Banks*, European Association for Banking History, ed., Aldershot, Brookfield 1994.
- Handbuch des Geld-, Bank- und Börsenwesens*, Rudolf J. Kaderli, Erwin Zimmermann, eds., Thun 1947.
- Handbuch der schweizerischen Volkswirtschaft*, Schweizerische Gesellschaft für Statistik und Volkswirtschaft, ed., Bern 1955.
- Hayes, Peter: *Industry and ideology, IG Farben in the Nazi Era*, Cambridge 1987.

- Hayes, Peter: Big Business and «Aryanization» in Germany, 1933–1939, in: *Jahrbuch für Antisemitismusforschung* 3, 1994.
- Heiniger, Markus: *Dreizehn Gründe warum die Schweiz im Zweiten Weltkrieg nicht erobert wurde*, Zürich 1989.
- Henke, Josef: Das Schicksal deutscher zeitgeschichtlicher Quellen in Kriegs- und Nachkriegszeit. Beschlagnahmung – Rückführung – Verbleib, in: *Vierteljahreshefte für Zeitgeschichte* 30, 1982, S. 557–620.
- Henke, Klaus-Dietmar: *Die amerikanische Besetzung Deutschlands*, München 1995.
- Herbst, Ludolf: *Der Totale Krieg und die Ordnung der Wirtschaft. Die Kriegswirtschaft im Spannungsfeld von Politik, Ideologie und Propaganda 1939–1945*, Stuttgart 1982.
- Herren, Madeleine: Weder so noch anders. Schweizerischer Internationalismus während des Zweiten Weltkriegs, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997, 621–643.
- Hess, Mario Werner: *Die Strukturwandlungen im schweizerischen Bankenwesen von der Schaffung des Bankgesetzes bis 1958*, Winterthur 1963.
- Hilberg, Raul: *The Destruction of the European Jews*, Chicago 1961, New York 1985 (2nd ed.)
- Hochuli, Emil: *Die schweizerische Gold- und Dollarpolitik vom Beginn des Zweiten Weltkrieges im Herbst 1939 bis zur Pfundabwertung im Herbst 1949*, Stuttgart 1967.
- Hoffmann, Hans: *75 Jahre Schweizerische Nationalbank in Konzeptions- und Zielkonflikten*, Bern 1983.
- The Holocaust Educational Trust (ed.): *Nazi Gold. The British and Allied Attempt to Deal with Loot from the Second World War, and the Implications for the Tripartite Gold Commission*, London 1997a.
- The Holocaust Educational Trust (ed.): «Ex-Enemy Jews» – *The Fate of the Assets in Britain of Holocaust Victims and Survivors*, London 1997b.
- Homberger, Heinrich: *Schweizerische Handelspolitik im Zweiten Weltkrieg. Ein Überblick auf Grund persönlicher Erlebnisse*, Zürich 1970, 1997 (2nd ed.).
- Hotz, Jean: Handelsabteilung und Handelspolitik in der Kriegszeit, in: *Die schweizerische Kriegswirtschaft 1939–1948. Bericht des Eidgenössischen Volkswirtschafts-Departementes*, Eidgenössische Zentralstelle für Kriegswirtschaft, ed., Bern 1950, 54–107.
- Hug, Peter; Perrenoud, Marc: *In der Schweiz liegende Vermögenswerte von Nazi-Opfern und Entschädigungsabkommen mit Oststaaten*, Bern 1997.
- Hug, Peter: Die nachrichtenlosen Guthaben von Nazi-Opfern in der Schweiz. Was man wusste und was man noch wissen sollte, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997, 532–551.
- Iklé, Max: *Die Schweiz als internationaler Bank- und Finanzplatz*, Zürich 1970.
- Independent Commission of Experts: Switzerland – Second World War: *Gold Transactions in the Second World War. Statistical Review with Commentary. A contribution to the Conference on Nazi Gold in London, 2 – 4 December 1997*, Bern, 1997.
- Inglin, Oswald: *Der stille Krieg. Der Wirtschaftskrieg zwischen Grossbritannien und der Schweiz im Zweiten Weltkrieg*, Zürich 1991.

- Jaeger, Carl: Die Schweizer Goldhypothenen in Deutschland, in: *Zeitschrift des Bernischen Juristenvereins* 67, 1931, 153 f.
- Jaeggi, André: L'évacuation de l'or de la Banque Nationale Suisse vers les Etats-Unis à la veille de la Seconde Guerre mondiale. Le rôle de la France, in: *Aspects des rapports entre la France et la Suisse de 1843 à 1939*, Actes du Colloque de Neuchâtel, Neuchâtel 1982.
- Jahresstatistik des Aussenhandels der Schweiz 1927–1945*, Eidgenössische Oberzolldirektion, ed., Bern 1938 ff.
- James, Harold; Lindgren, Hakan; Teichova, Alice (eds.): *The Role of Banks in the Interwar Economy*, Cambridge 1991.
- James, Harold: General Trends: A Search for Stability in Uncertain Conditions, in: *Europäische Bankgeschichte*, Hans Pohl, ed., Frankfurt a. M. 1993, 345–357.
- James, Harold: Die Deutsche Bank und die Diktatur 1933–1945, in: *Die Deutsche Bank 1870–1995*, Lothar Gall; Gerald D. Feldman; Harold James; Carl-Ludwig Holtfrerich; Hans E. Büschgen, eds., München 1995.
- James, Harold: Der Goldmarkt als «Landesverteidigung», in: *Tages-Anzeiger*, 26.9.1996, 2.
- James, Harold: Die Rolle der Schweizerischen Nationalbank während des Zweiten Weltkrieges, in: *Raubgold, Réduit, Flüchtlinge*, Philipp Sarasin; Regina Wecker, eds., Zürich (publication pending 1998).
- Jena, Kai von; Lenz, Wilhelm: Die deutschen Bestände im Sonderarchiv in Moskau, in: *Der Archivar* 3, 1992, 457–468.
- Jöhr, Walter Adolf: *Probleme des Kapitalschutzes. Vortrag gehalten am Schweizerischen Bankiertag vom 4. September 1937 in Basel*, Zürich 1938.
- Jöhr, Walter Adolf: *Schweizerische Kreditanstalt 1856–1956*, Zürich 1956.
- Jost, Hans-Ulrich: Bedrohung und Enge (1914–1945), in: *Die Geschichte der Schweiz und der Schweizer*, Band 3, Basel, Frankfurt a. M. 1986, 731–819.
- Jüdisches Historisches Institut Warschau (ed.): *Faschismus – Ghetto – Massenmord. Dokumentation über Ausrottung und Widerstand der Juden in Polen während des Zweiten Weltkriegs*, Berlin 1961.
- Kaech, Oskar: *Die Dollarpolitik der Schweizerischen Nationalbank in der Kriegs- und Nachkriegsjahren*, Bern, Luzern 1959.
- Karmin, Doris: *La politique commerciale de la Suisse 1932 à 1939. Contingents et accords de clearing*, Genève 1944.
- Karny, Miroslav: Das SS-Wirtschafts-Verwaltungshauptamt. Verwalter der KZ-Häftlingsarbeitskräfte und Zentrale des Wirtschaftskonzerns, in: «*Deutsche Wirtschaft*». *Zwangsarbeit von KZ-Häftlingen für Industrie und Behörden*, Hamburger Stiftung zur Förderung von Wissenschaft und Kultur, ed., Hamburg 1991, 153–169.
- Kellenberger, Eduard: *Kapitalexport und Zahlungsbilanz*, 3 vols., Bern 1942.
- Klarsfeld, Serge: *Vichy-Frankreich. Die Zusammenarbeit der deutschen und französischen Behörden bei der «Endlösung der Judenfrage» in Frankreich*, Hamburg 1989.

- Koch, Peter-Ferdinand (ed.): *Die Dresdner Bank und der Reichsführer SS*, Hamburg 1987.
- Koch, Peter-Ferdinand: *Geheim-Depot Schweiz. Wie Banken am Holocaust verdienen*, München, Leipzig 1997.
- Koenig, Hans: *Der Kampf um das Girokonto I*, Zürich 1954.
- Kogon, Eugen: *SS-Staat: Das System der deutschen Konzentrationslager*, München 1982 (*SS-Staat: The Theory and Practice of Hell. The German Concentration Camps and the System behind them*, New York 1973).
- Kogon, Eugen et al. (eds.): *Nazi Mass Murder by Poison Gas. A Documentary Account*, New York, 1994.
- Kopper, Christopher: *Zwischen Marktwirtschaft und Dirigismus. Bankenpolitik im »Dritten Reich« 1933–1939*, Bonn 1995.
- Körner, Martin: Schweiz, in: *Europäische Bankengeschichte*, Hans Pohl, ed., Frankfurt a. M. 1993.
- Kreis, Georg: *Juli 1940. Die Aktion Trump*, Basel, Stuttgart 1972.
- Kreis, Georg: Vier Debatten und wenig Dissens (introduction), in: *Schweizerische Zeitschrift für Geschichte* 47, 1997a, 451–476.
- Kreis, Georg: Die schweizerische Flüchtlingspolitik der Jahre 1933–45, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997b, 552–579.
- Lalive, Jean-Flavien: *Le droit de la neutralité et le problème des crédits consentis par les neutres aux belligérants*, Zürich 1941.
- Lasserre, André: *La Suisse des années sombres. Courants d'opinion pendant la Deuxième Guerre mondiale*, Lausanne 1989.
- Lasserre, André: *Frontières et camps, le refuge en Suisse de 1933 à 1945*, Lausanne 1995.
- Lebor, Adam: *Hitler's Secret Bankers. The Myth of Swiss Neutrality During the Holocaust*, Secaucus 1997.
- Lexique de l'économie suisse*, Neuchâtel 1965.
- Louçã, António: Portugal e o ouro roubado pelos nazis. Da receção às negociações ao pós-guerra, in: *História* 25, October 1996, 4–21.
- Lynn, Nicholas H.: *Der Raub der Europa, Das Schicksal europäischer Kunstwerke im Dritten Reich*, München 1995 (*The Rape of Europe. The Fate of Europe's Treasures in the Third Reich and the Second World War*, New York 1994).
- Madajczyk, Cezslaw: Die Okkupationspolitik Nazideutschlands in Polen 1939–1945, in: *Die Okkupationspolitik*, Berthold Puchert, ed., Köln 1988.
- Mächler, Erwin: *Die schweizerische Gold- und Devisenpolitik nach dem Zweiten Weltkrieg (1945–1949)*, Zürich 1952.
- Maissen, Thomas: Raubgold aus den Niederlanden als Präzedenzfall?, in: *Neue Zürcher Zeitung*, 23/24 August 1997a, 29.
- Maissen, Thomas: *Holländisches Raubgold in der Schweiz*, Zürich 1997b (unpublished manuscript).

- Manoschek, Walter: »Serbien ist judenfrei«. *Militärische Besatzungspolitik und Judenvernichtung in Serbien 1941/1942* (Beiträge zur Militärgeschichte, Band 38), München 1993.
- Marguerat, Philippe: La Suisse et la neutralité dans le domaine économique pendant la Seconde guerre mondiale, 1940 – fin 1944, in: *Les Etats neutres européens et la Seconde guerre mondiale*, Louis-Edouard Roulet, Roland Blättler, eds., Neuchâtel 1985, 55–67.
- Marguerat, Philippe: Le franc suisse à l'épreuve de la guerre, 1940–1945. Reconsidération du problème de l'or allemand, in: *Itinera* 7, 1987, 91–99.
- Marguerat, Philippe: *La Suisse face au III<sup>e</sup> Reich. Réduit national et dissuasion économique, 1940–1945*, Lausanne 1991.
- Marguerat, Philippe: Or allemand – or allié 1940–45, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997, 520–531.
- Medlicott, Walter Norton: *The Economic Blockade*, 2 vols., London 1952 – 1959.
- Meier, Heinz K.: Les relations de la Suisse avec la Grande-Bretagne et les Etats-Unis, in: *Revue d'histoire de la deuxième guerre mondiale* 121, 1981, 41–47.
- Milton, Sybil: German Occupation Policy in Belgium and France, in: *A Mosaic of Victims*, Michael Berenbaum, ed., New York 1990, 80–87.
- Milward, Allen S.: *Der Zweite Weltkrieg*, München 1977.
- Mission d'étude sur la spoliation des Juifs de France [under the direction of Jean Mattéoli]: *Rapport d'étape. Avril – Décembre 1997*, [Paris] 1997
- Mommsen, Hans: *Der Nationalsozialismus und die deutsche Gesellschaft. Ausgewählte Aufsätze*, Lutz Niethammer and Bernd Weisbrod, eds., Reinbek 1991.
- Moser, Rudolf: Das Washingtoner Abkommen in schweizerischer und deutscher Beleuchtung, in: *Staat und Wirtschaft. Festgabe zum 70. Geburtstag von Hans Nawiasky*, Einsiedeln 1950, 109–123.
- Müller, Rolf-Dieter: Die Mobilisierung der Wirtschaft für den Krieg – eine Aufgabe der Armee? Wehrmacht und Wirtschaft 1933–1942, in: *Der Zweite Weltkrieg. Analysen, Grundzüge, Forschungsbilanz*, Wolfgang Michalka, ed., München, Zürich 1989, 349–362.
- Nachlese zum Girokonto I*. Anhang zum Bericht von Dr. Hans Koenig. Kampf um die Freigabe der auf dem Girokonto I der Deutschen Reichsbank bei der Schweizerischen Nationalbank in Zürich gelegenen 8,5 Millionen Schweizerfranken zu Gunsten der am Deutschen Geschäft beteiligten schweizerischen Versicherungs- und Rückversicherungsgesellschaften und der im Schweizerischen Ausschuss für Schweizerfranken-Grundschulden in Deutschland zusammengeschlossenen Gläubiger, Zürich 1954.
- Neue Zürcher Zeitung (ed.): *Schatten des Zweiten Weltkrieges. Nazigold und Shoa-Gelder-Opfer als Ankläger* (NZZ-Fokus Nr. 2), Zürich 1997.
- Oertel, Manfred: *Über die Deutsche Reichsbank im Zweiten Weltkrieg*, Rostock 1979.
- OMGUS-Finance-Division, Financial Investigation Section: *Ermittlungen gegen die Deutsche Bank (1946/47)*, Hamburger Stiftung für Sozialgeschichte des 20. Jahrhunderts, ed., Nördlingen 1985.

- OMGUS: *Ermittlungen gegen die Dresdner Bank (1946)*, Hamburger Stiftung für Sozialgeschichte des 20. Jahrhunderts, ed., Nördlingen 1986.
- OMGUS-Handbuch. *Die amerikanische Militärregierung in Deutschland, 1945–1949*, Christoph Weisz, ed., München 1994.
- Pahud, Robert: Eidg. Preiskontrollstelle, in: *Die schweizerische Kriegswirtschaft 1939–1948. Bericht des Eidgenössischen Volkswirtschafts-Departementes*, Eidgenössische Zentralstelle für Kriegswirtschaft, ed., Bern 1950, 875–934.
- Perrenoud, Marc: Banques et diplomatie suisses à la fin de la Deuxième Guerre mondiale. Politique de neutralité et relations financières internationales, in: *Studien und Quellen 13–14*, 1987–1988, 7–128.
- Perrenoud, Marc: L'intervention de la Confédération dans les relations financières internationales de la Suisse (1936–1946), in: *La Suisse dans l'économie mondiale (15<sup>e</sup>–20<sup>e</sup> siècles)*, Paul Bairoch, Martin Körner, eds., Zürich 1990, 371–389.
- Perrenoud, Marc: Commerce extérieur et politique suisse 1939–45, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997a, 477–491.
- Perrenoud, Marc: Relations avec l'Axe. Aspects des relations économiques et financières de la Suisse avec l'Axe, in: *Fluchtgelder, Raubgut und nachrichtenlose Vermögen* 6, 1997b, 23–30.
- Perrenoud, Marc: Aperçu des relations économiques et financières de la Suisse avec l'Allemagne, in: *Revue d'histoire de la shoah. Le monde juif* (publication pending 1998).
- Peter, Walter: *Die schweizerische Aussenhandelspolitik von der Abwertung des Schweizer-Frankens bis zum Ende des 2. Weltkrieges, 1936–1945. Versuch einer systematischen Darstellung der Lenkungsmaßnahmen auf empirischer Grundlage*, Zürich 1958.
- Picard, Jacques: *Die Schweiz und die Juden 1933–1945. Schweizerischer Antisemitismus, jüdische Abwehr und internationale Migrations- und Flüchtlingspolitik*, Zürich 1994.
- Picard, Jacques: Die Schweiz und die Vermögen verschwundener Nazi-Opfer. Die Vermögen rassistisch, religiös und politisch Verfolgter in der Schweiz und ihre Ablösung von 1946 bis 1973, in: *Die Schweiz und die Flüchtlinge 1933–1945, Studien und Quellen. Zeitschrift des Schweizerischen Bundesarchivs* 22, 1996, 271–324.
- Picard, Jacques: Kundenschutz, Aneignung, Kollektivierung? Fragen zu den nachrichtenlos gebliebenen Vermögen in der Schweiz, in: *Fluchtgelder, Raubgut und nachrichtenlose Vermögen (Dossier 6)*, Schweizerisches Bundesarchiv, ed., Bern 1997, 53–58.
- Plesch, Arpad: *Die Goldklausel. Eine Sammlung internationaler Rechtsfälle und Gutachten*, Wien 1936.
- Pohl, Dieter: *Von der «Judenpolitik» zum Judenmord. Der Distrikt Lublin des Generalgouvernements 1939–1944*, Frankfurt a. M. 1993.
- Pohl, Hans (ed.): *Europäische Bankengeschichte*, Frankfurt a. M. 1993.
- Poznanski, Renée: *Les Juifs en France pendant la Seconde Guerre mondiale*, [Paris] 1994, 1997 (2nd ed.).

*Der Prozess gegen die Hauptkriegsverbrecher vor dem Internationalen Militärgerichtshof*, 42 Bände, Nürnberg 1947–1949 (Trials of the Major War Criminals before the International Military Tribunal, Nuremberg, 14 November 1945 – 1 October 1946, Buffalo, New York).

Rapport Mattéoli: See *Mission d'étude sur la spoliation des Juifs de France*.

*Reichsgesetzblatt*, 1935, 1936.

Rifkind-Reports: See *Foreign & Commonwealth Office, General Services Command*.

Rings, Werner: *Raubgold aus Deutschland. Die «Golddrehscheibe» Schweiz im Zweiten Weltkrieg*, Zürich 1985, 1996 (2nd ed.).

Ritzmann, Franz: *Die Schweizer Banken. Geschichte – Theorie – Statistik*, Bern, Stuttgart 1973.

Röhr, Werner: Grundzüge der deutschen Okkupationspolitik im Zweiten Weltkrieg – ein Ansatz zu ihrer vergleichenden Untersuchung, in: *Beiträge zur Geschichte der Arbeiterbewegung* 35, 1993, 91–103.

Roesle, Eugen: *Die Finanzforderungen im schweizerisch-deutschen Verrechnungsverkehr*, Basel 1944.

Roosevelt, Franklin D.: *The Public Papers and Addresses of Franklin D. Roosevelt*, Samuel I. Rosenman, ed., New York 1969.

Roth, Jean-Pierre: Die Rolle der Nationalbank, in: *Schatten des Zweiten Weltkrieges – eine Standortbestimmung*, Schweizerische Gesellschaft für Aussenpolitik, ed., Bern 1997, 65–74.

Roulet, Louis-Edouard (ed.): *Les Etats neutres européens et la seconde guerre mondiale*, Neuchâtel 1985.

Ruffieux, Roland: *La Suisse de l'entre-deux-guerres*, Lausanne 1974.

Ruoss, Eveline: *Die Geldpolitik der Schweizerischen Nationalbank 1907–1929. Grundlagen, Ziele und Instrumente*, Zürich 1992.

Rutz, Wilfried: *Die schweizerische Volkswirtschaft zwischen Währungs- und Beschäftigungspolitik in der Wirtschaftskrise*, Zürich 1970.

Safrian, Hans: *Die Eichmann-Männer*, Wien, Zürich 1993.

Sandkühler, Thomas: *»Endlösung« in Galizien. Der Judenmord in Ostpolen und Rettungsinitiativen von Berthold Beitz 1941–1944*, Bonn 1996.

Sayer, Ian; Botting, Douglas: *Nazi Gold*, London 1984.

Schiemann, Catherine: *Neutralität in Krieg und Frieden. Die Aussenpolitik der Vereinigten Staaten gegenüber der Schweiz 1941–1949*, Zürich 1991.

Schneider, Ernst: *Die schweizerischen Grossbanken im Zweiten Weltkrieg 1939–1945*, Zürich 1959.

Schweizerische Bankgesellschaft: *Geschäftsberichte 1939–1945*, Zürich 1940 ff.

Schweizerische Bankgesellschaft (ed.): *Schweizerische Bankgesellschaft 1862 1912 1962*, Zürich 1962.

Schweizerische Bankenkommission (ed.): *50 ans de surveillance fédérale des banques*, Zürich 1985.

Schweizerischer Bankverein: *Geschäftsberichte 1939–1945*, Basel 1940ff.

Schweizerischer Bankverein: *Bericht Nr. 3*, Basel 1945.

- Das schweizerische Bankwesen im Jahre 1940*, Statistisches Bureau der Schweizerischen Nationalbank, ed., Zürich 1941.
- Schweizerisches Bundesarchiv (ed.): *Systematische Beständeübersicht* [of the Swiss Federal Archives], Bern 1992.
- Schweizerisches Bundesarchiv (ed.): *Fluchtgelder, Raubgut und nachrichtenlose Vermögen. Wissensstand und Forschungsperspektiven (Dossier 6)*, Bern 1997.
- Schweizerische Kreditanstalt: *Geschäftsberichte 1939–1945*, Zürich 1940 ff.
- Schweizerische Nationalbank: *Monatsberichte der Schweizerischen Nationalbank*, Zürich 1939–1945.
- Schweizerische Nationalbank (ed.): *Schweizerische Nationalbank 1907–1957*, Zürich 1957.
- Schweizerische Nationalbank: *Statistik der Goldoperationen der Schweizerischen Nationalbank während des Zweiten Weltkrieges* [press release], Bern 1997.
- Schwerin-Krosigk, Lutz von: *Staatsbankrott. Die Geschichte der Finanzpolitik des Deutschen Reiches von 1920 bis 1945*, Göttingen, Frankfurt, Zürich 1974.
- SDD: See under *Swiss Diplomatic Documents 1848–1947*.
- Simpson, Christopher: *The Splendid Blond Beast. Money, Law, and Genocide in the Twentieth Century*, New York 1993.
- Smith, Arthur L., jr.: *Hitler's Gold. The Story of the Nazi War Loot*, Oxford, New York, München 1989.
- Spahni, Walter: *Der Ausbruch der Schweiz aus der Isolation nach dem Zweiten Weltkrieg*, Frauenfeld 1977.
- Speich, Sebastian; David, Fred; Elam, Shraga; Ladner, Anton: *Die Schweiz am Pranger. Banken, Bosse und die Nazis*, Wien, Frankfurt a. M. 1997.
- Statistisches Jahrbuch der Schweiz*, Basel 1936–1946.
- Steinberg, Jonathan: *Die Deutschen, Italiener und Juden. Der italienische Widerstand gegen den Holocaust*, Göttingen 1992.
- Straub, Christian: *Die Politik der Schweizerischen Nationalbank, 1936–1958*, Wien 1959.
- Strehle, Res; Trepp, Gian; Weyermann, Barbara: *Ganz oben – 125 Jahre Schweizerische Bankgesellschaft*, Zürich 1987.
- Sveriges Riksbank: *The Gold Transactions of Sveriges Riksbank with Nazi Germany*, Stockholm 1997.
- Swiss Diplomatic Documents 1848–1947*, vols. 13–15 (1939–1945), Bern 1991–1997 and vol. 16 (1945–1947), Zürich 1997.
- Tanner, Jakob: *Bundeshaushalt, Währung und Kriegswirtschaft. Eine finanzsoziologische Analyse der Schweiz zwischen 1938 und 1953*, Zürich 1986.
- Tanner, Jakob: *Finanzwirtschaftliche Probleme der Schweiz im Zweiten Weltkrieg und deren Folgen für die wirtschaftliche Entwicklung nach 1945*, in: *Probleme der Finanzgeschichte des 19. und 20. Jahrhunderts*, Dietmar Petzina, ed., Berlin 1989, 77–97.

- Tanner, Jakob: Die Schweiz und Europa im 20. Jahrhundert. Wirtschaftliche Integration ohne politische Partizipation, in: *La Suisse dans l'économie mondiale (15<sup>e</sup>–20<sup>e</sup> siècles)*, Paul Bairoch; Martin Körner, eds., Zürich 1990a, 409–428.
- Tanner, Jakob: Or & Granit. La défense nationale et les liens économiques entre la Suisse et le Troisième Reich durant la Seconde guerre mondiale, in: *Les Annuelles, Histoire et société contemporaines 1*, 1990b, 31–48.
- Tanner, Jakob: Die internationalen Finanzbeziehungen der Schweizer zwischen 1931 und 1950, in: *Schweizerische Zeitschrift für Geschichte* 47, 1997, 492–519.
- Trepp, Gian: *Bankgeschäfte mit dem Feind. Die Bank für Internationalen Zahlungsausgleich im Zweiten Weltkrieg. Von Hitlers Europabank zum Instrument des Marshallplans*, Zürich 1993.
- Trepp, Gian: *Der Finanzplatz Schweiz im 2. Weltkrieg. Was wussten und tolerierten die Alliierten?*, Zürich 1997.
- Urner, Klaus: *Der Schweizer Hitler-Attentäter*, Frauenfeld, Stuttgart 1980.
- Urner, Klaus: Neutralité et politique commerciale pendant la seconde guerre mondiale, in: *Revue d'histoire de la deuxième guerre mondiale* 121, 1981a, 35–39.
- Urner, Klaus: Une mobilisation pour les besoins de l'économie de guerre, in: *Revue d'histoire de la deuxième guerre mondiale* 121, 1981b, 63–69.
- Urner, Klaus: Emil Puhl und die Schweizerische Nationalbank, in: *Schweizer Monatshefte* 7–8, 1985a, 623–631.
- Urner, Klaus: Neutralität und Wirtschaftskrieg: Zur schweizerischen Aussenhandelspolitik 1939–1945, in: *Schwedische und schweizerische Neutralität im Zweiten Weltkrieg*, Rudolf L. Bindschedler, Hans Rudolf Kurz, Willhelm Carlgren, Sten Carlsson, eds., Basel 1985b, 250–292.
- Urner, Klaus: «Die Schweiz muss noch geschluckt werden!» *Hitlers Aktionspläne gegen die Schweiz. Zwei Studien zur Bedrohungslage der Schweiz im Zweiten Weltkrieg*, Zürich 1990.
- US and Allied Efforts To Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World War II*, Coordinated by Stuart E. Eizenstat, Washington Mai 1997.
- US and Allied Efforts To Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World War II*, First Supplement to the Appendix, prepared by Dr. Greg Bradsher, Washington July 1997.
- US Department of State (ed.): *Foreign Relations of the United States. 1939–1945*, Washington DC 1956–1967.
- Utz, Peter: Goldfingers merkwürdige Machenschaften, in: *Tages-Anzeiger-Magazin* 16, 19 April 1980.
- van Dongen, Luc: *La Suisse face à la Seconde Guerre Mondiale, 1945–1948. Gestion et digestion d'un passé récent*, Genf 1996.
- Die Vereinbarungen mit den alliierten Wirtschaftsdelegationen, in: *Neue Zürcher Zeitung*, 10 March 1945.
- Vincent, Isabel: *Das Gold der verfolgten Juden. Wie es in den Schweizer Tresoren verschwand und zur Beute der Banken und Alliierten wurde*, München, Zürich 1987.

- Vogler, Robert U.: Der Goldverkehr der Schweizerischen Nationalbank mit der Deutschen *Reichsbank* 1939–1945, in: *Geld, Währung und Konjunktur 1*, 1985, 70–78.
- Vogler, Robert U.: *Die Wirtschaftsverhandlungen zwischen der Schweiz und Deutschland 1940 und 1941*, Zürich 1983, 1997a (2nd ed.).
- Vogler, Robert U.: Der Goldverkehr der Schweizerischen Nationalbank mit der Deutschen *Reichsbank* 1939–1945, in: *Die Rolle der Schweiz im 2. Weltkrieg. Auswahlbibliographie*, Bundesamt für Kultur, ed., Bern 1997b, 120–133 (original version).
- Volkman, Hans-Erich: Die NS-Wirtschaft in Vorbereitung, in: *Ursachen und Voraussetzungen des Zweiten Weltkrieges*, Wilhelm Deist; Manfred Messerschmidt; Hans-Erich Volkman; Wolfram Wette, eds., Stuttgart 1989 (2nd ed.) (first edition 1979).
- Volkman, Hans-Erich: Ökonomie und Nationalsozialismus. Versuch einer deutschen historiographischen Bestandaufnahme, in: *Faschismus und Rassismus. Kontroversen um Ideologie und Opfer*, Werner Röhr Dietrich Eichholtz; Gerhart Hass; Wolfgang Wippermann, eds., Berlin 1992, 206–227.
- Wegmüller, Hans: *Brot oder Waffen*, Zürich 1998.
- Weinmann, Martin (ed.): *Das nationalsozialistische Lagersystem*, Frankfurt a. M. 1990 (CCP Catalogue of Camps and Prisons in Germany and German-Occupied Territories, 1939–1945, reprinted).
- Weissenrieder, Franz Xaver: *100 Jahre schweizerisches Münzwesen, 1850–1950. Ein Querschnitt durch ein Jahrhundert eidgenössische Münzgeschichte*, Bazenheid 1950.
- Wetter, Ernst: Professor G. Bachmann zum 70. Geburtstag, in: *Neue Zürcher Zeitung*, 20 July 1944, 2.
- Wolff, Salomon: Das Gold in der Kriegswirtschaft, in: *Neue Zürcher Zeitung Nr. 1291*, 16 August 1942, 4.
- Wylie, Neville: «*The Riddle of the Swiss*». *British policy towards Switzerland 1940–1943*, Cambridge 1994 (unpublished manuscript).
- Zabludoff, Sidney: *Movements of Nazi Gold*, Washington DC 1997.
- Ziegler, Jean: *The Swiss, the Gold, and the Dead*, New York 1998.
- Zimmermann, Rolf: *Volksbank oder Aktienbank*, Zürich 1987.

## Abbreviations

A	Answer
ACC	Allied Control Council
AG	Aktiengesellschaft (Public limited company/Joint stock corporation)
AHV	Alters- und Hinterlassenenversicherung (Federal Old Age and Survivors Insurance Fund)
a.M.	am Main
AmtlBull	Amtliches Bulletin der Bundesversammlung (Official Bulletin of the Federal Assembly)
Anm.	Anmerkung (Remark)
AS	Amtliche Sammlung der Bundesgesetze und Verordnungen (Official Compilation of Federal Laws and Ordinances)
BAB	Bundesarchiv, Berlin (Federal Archives, Berlin)
BAR	Bundesarchiv, Bern (Swiss Federal Archives, Berne)
BB	Bundesbeschluss (Federal Resolution)
BBI	Bundesblatt der Schweizerischen Eigenossenschaft (Official Gazette of the Swiss Confederation)
Bd.	Band (Volume, vol.)
BGE	Entscheidungen des Schweizerischen Bundesgerichts, Amtliche Sammlung (Rulings of the Swiss Federal Tribunal, Official Compilation)
BG	Bundesgesetz (Federal Law)
BHB	Basler Handelsbank
BIS	Bank for International Settlements
BIZ	Bank für Internationalen Zahlungsausgleich (Bank for International Settlements – BIS)
BNS	Banque nationale suisse (Swiss National Bank – SNB)
BR	Bundesrat (Federal Council)
BRB	Bundesratsbeschluss (Federal Council Decree)
BRI	Banque des Règlements Internationaux (Bank for International Settlements – BIS)
BS	Bereinigte Sammlung der Bundesgesetze und Verordnungen 1848–1947 (Clarified Compilation of Federal Laws and Ordinances 1848–1947)
CCP	Catalogue of Camps and Prisons
C.I.C.R.	Comité international de la Croix-Rouge (International Committee of the Red Cross – ICRC)
Cie	Companie (Company)
CS	Credit Suisse
CSG	Credit Suisse Group
D	Deutschland (Germany)
Co.	Company
Confed.	Confederation
dass.	dasselbe (the same)
DER	Devisen Reserve (Currency Reserve)
DDR	Deutsche Demokratische Republik (German Democratic Republic – GDR)
DoDiS	Documents diplomatiques suisses (Swiss Diplomatic Documents [data base] – SDD)
DDS	Documents diplomatiques suisses (Swiss Diplomatic Documents – SDD)
DevG	Gesetz über die Devisenbewirtschaftung (Currency Control Law)
DFFD	Département fédéral des Finances et des Douanes (Federal Department of Finance and Customs)
DFJP	Département fédéral de Justice et Police (Federal Department of Justice and Police)
DoSt	US Department of State
DPF	Département politique fédéral (Federal Political Department)
DWB	Deutsche Wirtschaftsbetriebe (Dachgesellschaft der SS-Wirtschaftsbetriebe)

---

ed.	edition / editor
EDI	Eidgenössisches Departement des Innern (Federal Department of Home Affairs)
eds.	editors
EFV	Eidgenössische Finanzverwaltung (Federal Finance Administration)
EFZD	Eidgenössisches Finanz- und Zolldepartement (Federal Department of Finance and Customs)
EIBA	Eidgenössische Bank
Eidg.	Eidgenössische (Federal)
EJPD	Eidgenössisches Justiz- und Polizeidepartement (Federal Department of Justice and Police)
EMD	Eidgenössisches Militärdepartement (Federal Military Department)
EPD	Eidgenössisches Politisches Departement (Federal Political Department)
EPED	Eidgenössisches Post- und Eisenbahndepartement (Federal Department of Post Office and Railways)
Esc	Escudo
et al.	et alii
ETH	Eidgenössische Technische Hochschule (Federal Institute of Technology in Zurich and Lausanne)
EVD	Eidgenössisches Volkswirtschaftsdepartement (Federal Department of Economic Affairs)
FF	Franc Français (French Franc)
FDP	Freisinnig-demokratische Partei (Liberal Democratic Party)
FEA	Foreign Economic Administration
Fed	Federal Reserve Bank of New York
FED	Foreign Exchange Depository in Frankfurt am Main
FRBNY	Federal Reserve Bank New York
FRUS	Foreign Relations of the United States
GBP	Great Britain Pound
GDR	German Democratic Republic
GmbH	Gesellschaft mit beschränkter Haftung (Private Limited Company)
Ha Pol	Handelspolitischer Ausschuss (Trade Policy Committee)
Hrsg.	Herausgeber (Editor, Publisher)
hrsg.	herausgegeben (published)
HWK	Heereswirtschaftskommission (Army Economy Committee)
IARA	Inter Allied Reparations Agency
ibid.	ibidem
ICE	Independent Commission of Experts: Switzerland – Second World War
ICRC	International Committee of the Red Cross
IfZ	Institut für Zeitgeschichte, München (Institute for Contemporary History, Munich)
IG	Interessengemeinschaft (IG Farben)
IKRK	Internationales Komitee vom Roten Kreuz (International Committee of the Red Cross)
insbes.	insbesondere (especialy)
IRO	Intergovernmental Refugee Organization
JDC	American Jewish Joint Distribution Committee
kg	kilogram
kgf	kilogram of fine gold
NARA	US National Archives
no.	numero
nos.	numeros
NS	National Socialist
NSA	National Security Agency
NSDAP	Nationalsozialistische Deutsche Arbeiterpartei

NZZ	Neue Zürcher Zeitung
OMGUS	Office of Military Government for Germany, United States
o.D.	ohne Datum (undated)
o.O.	ohne Ort (no place)
OSS	Office of Strategic Service
PA/AA	Politisches Archiv des Auswärtigen Amtes (Political Archives of the Foreign Ministry)
PL	Poland
POW	prisoner of war
PRO	Public Record Office, Kew Gardens
PTT	Post Telegraph Telegramm
Q	Question
RGBl.	Reichsgesetzblatt (Law Gazette of the Third Reich)
RM	Reichsmark
RSHA	Reichssicherheitshauptamt (Central Office for Right Security)
SA	Sturmabteilung (of the NSDAP)
SBA	Swiss Bankers Association
SBB	Schweizerische Bundesbahnen (Federal Railways)
SBC	Swiss Bank Corporation
SBG	Schweizerische Bankgesellschaft (Union Bank of Switzerland)
SBS	Société de Banque Suisse (Swiss Bank Corporation)
SBV	Schweizerischer Bankverein (Swiss Bank Corporation)
SBVg	Schweizerische Bankiervereinigung (Swiss Bankers Association)
SD	Sicherheitsdienst (SS Security Service of the NSDAP)
SDD	Swiss Diplomatic Documents
SFCI	Swiss Federation of Commerce and Industry
SFr.	Swiss franc
SHAEF	Supreme Headquarter Allied Expeditionary Forces
SHIV	Schweizerischer Handels- und Industrieverein (Vorort) (Swiss Federation of Commerce and Industry – SFCI)
SIA	Swiss Insurance Association
SKA	Schweizerische Kreditanstalt (Credit Suisse)
SNB	Schweizerische Nationalbank (Swiss National Bank)
SP	Sozialdemokratische Partei (Social Democratic Party)
SR	Systematische Sammlung des Bundesrechts (Systematic Compilation of Federal Laws)
SS	Schutzstaffel (of the NSDAP)
SVB	Schweizerische Volksbank (Swiss Volksbank)
SVSt	Schweizerische Verrechnungsstelle (Swiss Clearing Office)
SZG	Schweizerische Zeitschrift für Geschichte
TGC	Tripartite Gold Commission
u.a.	unter anderem (among others)
UBS	Union Bank of Switzerland
UEK	Unabhängige Expertenkommission: Schweiz – Zweiter Weltkrieg (Independent Commission of Experts: Switzerland – Second World War – ICE)
UN	United Nations
UNO	United Nations Organisation
US	United States
USCI	Union suisse du Commerce et de l'Industrie (Swiss Federation of Commerce and Industry)
USSR	Union of Soviet Socialist Republics
VEB	Verwaltungsentscheide der Bundesbehörden (Administrative decisions of the Federal authorities)

---

vol.	Volume
vols.	volumes
VPB	Verwaltungspraxis der Bundesbehörden (Administrative practice of the Federal authorities)
VR	Verwaltungsrat (Board of Directors)
WJC	Jüdischer Weltkongress (World Jewish Congress)
WVHA	Wirtschaftsverwaltungshauptamt (SS-Central Office for Economic Administration)
WW	World War
YMCA	Young Men's Christian Association
z.b.V.	zur besonderen Verwendung (for special duty)
ZGB	Zivilgesetzbuch (Civil Code)
ZKB	Zürcher Kantonalbank