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National Socialist Robbery of Precious Metals, 1933-1945: The Role of Degussa and the Case of Poland

In reaction to the public debate about the involvement of companies in Nazi crimes starting around 1996, Degussa AG initiated the research project described here and granted to the Research Institute for Social and Economic History at the University of Cologne as an independent research contract in 1997.¹ The project will clarify the process and causes of the robbery of precious metals by the Nazis as well as explaining the economic utilization of the stolen property between 1938 and 1945, giving special consideration to the participation of Degussa in this process. In contrast to several other articles and books on the topic, the focus of the study is not only the robbery of Jewish gold in the German death camps, but considers all robberies of gold, silver and platinum by German institutions in occupied Europe and the Reich. However, the gold, silver and platinum that were taken from Jewish citizens during the Holocaust comprise the dominant share of precious metals that were robbed from private persons. Therefore, the main emphasis of this study is also placed on the robberies directed against the Jews.

Methodologically, there are three distinctive aspects to this research project: first, the results of the study are contextualized in the general history of the Third Reich. In this sense, the history of occupation, the Holocaust, and economic and political history are considered in relation to each other, and this, together with the effects of the different parts of society on one another, are elaborated. Secondly, all levels of

¹ The study is one of two projects on the role of the enterprise in the Third Reich that Degussa launched. The second project was undertaken by Peter Hayes, who dealt with the whole history of the firm between 1933 and 1945 and therefore also with important aspects like the manufacture of Zyklon B, Aryanisation and slave labour. The project still has to be concluded due to a three-year assignment to another research project on the development of economic law in the Third Reich. The complete study, which also is to be submitted as a Habilitation thesis and supported by a fellowship from the Center for Advanced Holocaust Studies, Washington DC, will be published in form of a book in 2006. Initial results have been published in: Ralf Banken, *Der Edelmetallsektor und die Verwertung konfiszierten jüdischen Vermögens im „Dritten Reich“*. Ein Werkstattbericht über das Untersuchungsprojekt „Degussa AG“ aus dem Forschungsinstitut für Sozial- und Wirtschaftsgeschichte an der Universität zu Köln. in: *Jahrbuch für Wirtschaftsgeschichte* 1/1999, S.135-162; Ders., *Die nationalsozialistische Goldreserven und Devisenpolitik 1933-1939*. in *Jahrbuch für Wirtschaftsgeschichte* 1/2003, S.49-78; Ders., *La Degussa et le commerce de métaux précieux dans l'Europe occupée*. in: *Histoire Economique et Sociale* 2005/4; Ders., *Das nationalsozialistische Devisenrecht als Steuerungs- und Diskriminierungsinstrument 1933-1945*. in: Johannes Bähr, Ralf Banken (Hg.), *Die Wirtschaftssteuerung durch Recht im Nationalsozialismus. Studien zur Entwicklung des Wirtschaftsrechts im Interventionsstaat des „Dritten Reichs“*. Frankfurt am Main 2006.

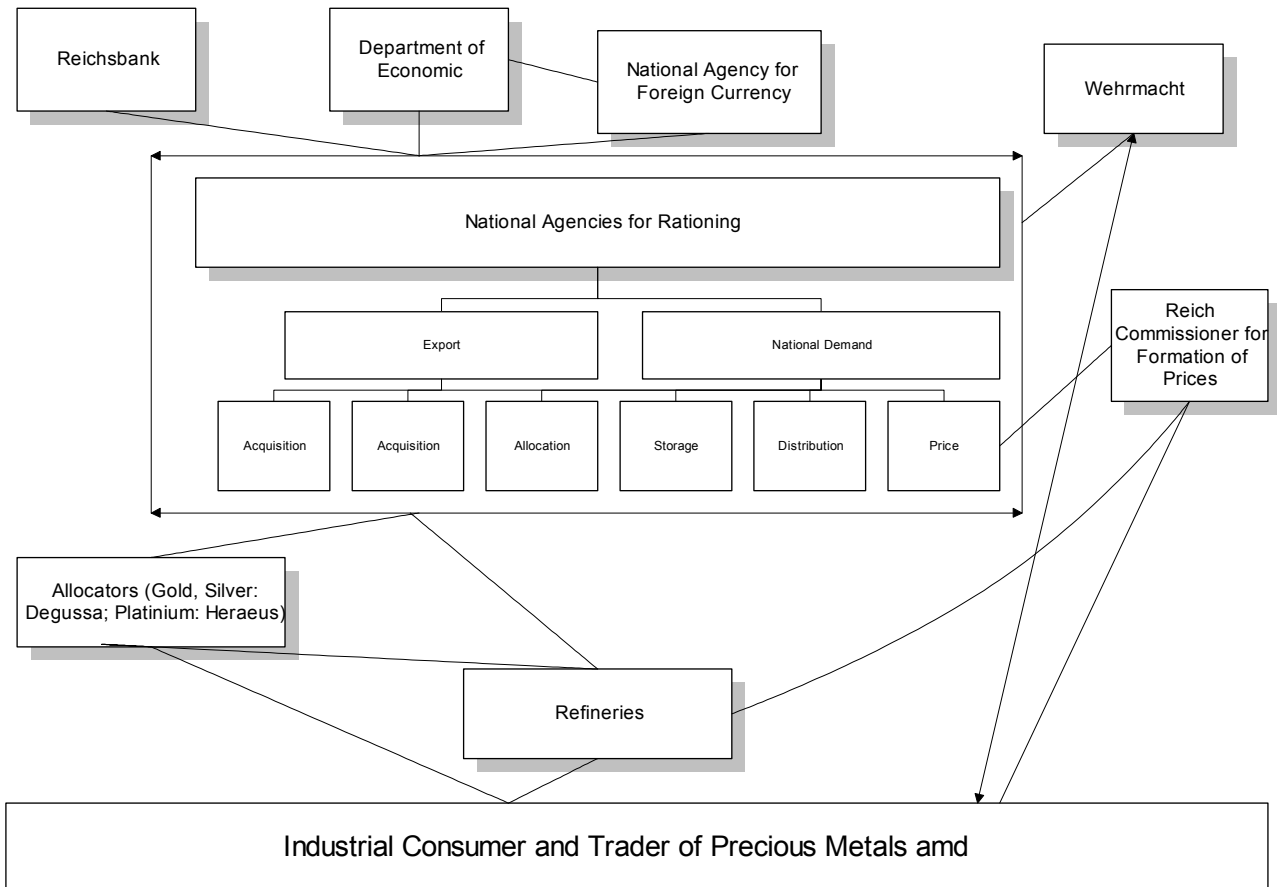
action are consequently addressed in this analysis. Thereby both the procedure and the interests of different local institutions involved in the robberies are considered, as well as reactions of different groups of victims, the policy of the different departments, and the procedure of the enterprises. Thirdly, the investigation is not limited to robberies of precious metals in one region only, but bears in mind the confiscations in all occupied territories. The advantage of investigating the robberies of precious metal in a cross-border and comparative way, compared to an individual study of each country separately, is that the differences of German policy become clearer by the general comparison and the different motives for the actions can be judged more precisely.

For the projected study, extensive research in European archives was done, including Germany, Poland, France, Austria and the Czech Republic, and also the Special Archive in Moscow and the NARA in Washington. The research on central institutions of the German state in the Bundesarchiv Berlin (Federal Archive), such as the ministries and their subordinated authorities was very fruitful: here not only can one find many documents on robbery, but also the decisive endeavours to coordinate the whole confiscation actions and the utilization process. Another German archive was also very important: the so-called Archiv für Wiedergutmachung (the compensation archive) in the State Archive Berlin (Landesarchiv). This one proved particularly helpful for the investigations of material, since it contains numerous records about individual cases of robbery in all European territories that were occupied by Germany, as well as on the transfer of the precious metals into the Reich. Here, copies of fundamental legal principles, testimonies and records were collected from 1958 until the end of the 1960s in the context of restitution trials. This collection offers an enormous amount of information – not only on precious metals but also on stamps, diamonds, securities and furs – that is sorted according to different territories and the methods by which the property was taken. Similarly, the holdings of the Center for Advanced Holocaust Studies in Washington, D-C. yielded valuable research material.

As the title of the study, „The shortage of precious metals and large-scale robbery economy (Edelmetallmangel und Großraubwirtschaft)“ indicates, there are two

important aspects in the project: first, the question of the robbery of precious metals is a central aspect, including an analysis of the transfer system and of the utilization of the robbed metals in the Reich. [Second, the development of the precious metals sector of the German economy and of the precious metals rationing system from 1933 to 1939 contributes significantly to the analysis.

Fig. 1: The Rationing System of Precious Metals in Germany 1938

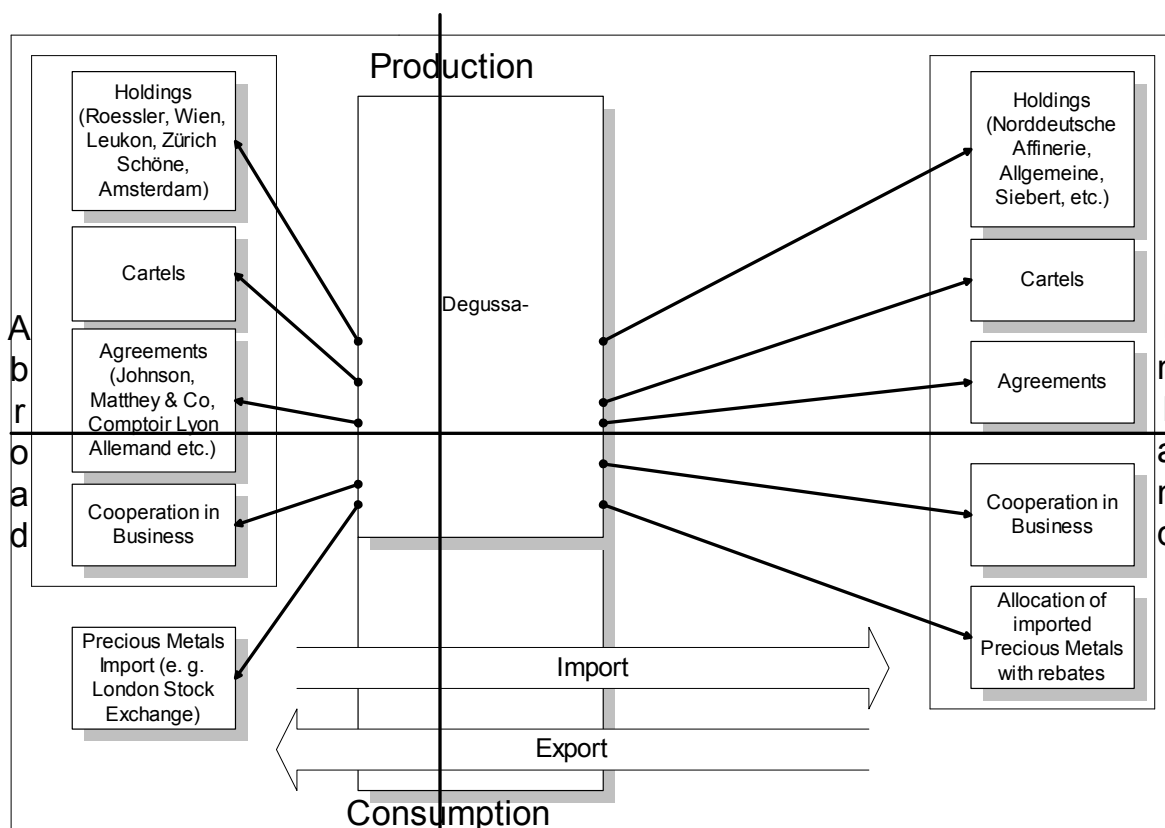


Apart from the obvious fact that the plundered precious metals were also used for German production and for financing Germany's foreign trade, and apart from a few cases in which enterprises directly took precious metals from the occupied territories, there is a closer causal relation between the two aspects of the study. The development of the precious-metals sector shows signs typical of Nazi economic policy and economy. The regime permanently controlled all possible economic resources from 1933 for the sake of its politically determined economic goals and rearmament. The Nazi government's demands always grew more rapidly than the

German national product. Before 1939 already, it was forced therefore to tap the property of Germans in addition to its gross national product. After World War II began, this particular economic policy was continued; not only was the production and the gross national product of occupied countries appropriated, but also their assets. The robbery of precious metals was a part of this economic policy. It did not follow a meticulous scheme, but resulted from ad hoc measures that solidified into procedures that attempted to cope with the self-created exigencies arising from the regime's regulations. Those exigencies again were continually renewed by the Nazi's uncompromising pursuit of their war goals, which was in complete disregard of economic rationality. These original characteristics of the Nazi economy affected the precious metals sector and can be very easily recognized in this example.

Because of these two aspects, the Full study is split into two parts. In the first part, the development of the German precious metals sector from 1933 to 1939 is highlighted as a central theme. In this connection, the basic conditions as well as the decisions of the different enterprises in the precious metals sector are elaborated at the same time. In the analysis of this sector, special attention is drawn to the entrepreneurial actions of the stock corporation Deutsche Gold- und Silber-Scheideanstalt vormals Roessler (Degussa, the German Gold and Silver Separation Institute) as the market leader in that industry at the time as well as Germany's largest precious metal refinery.

Fig. 2: The Position of Degussa on the German and European Precious Metals Market 1938



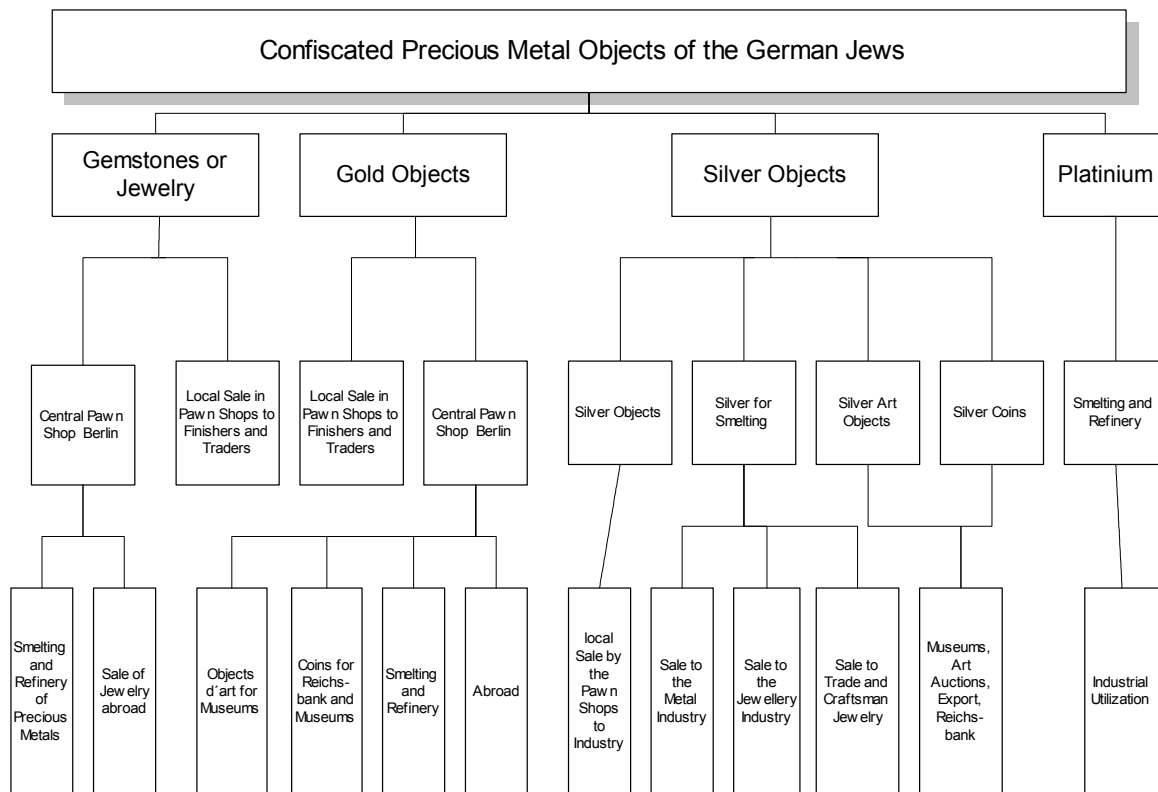
Only by explaining the German rationing system of precious metals up to 1939, do the ways in which the plundered precious metals were utilized economically during World War II, become understandable. Although hardly any changes in the organization of the German precious metal management system occurred after the outbreak of the war, its development in wartime is still examined in detail in order to trace the usage of the stolen precious metals for different purposes. Here, the principal interest of the analysis is directed toward the competition of the German precious metal enterprises and the motivation for participating in the utilization of stolen property. Furthermore, this section will examine what the enterprises knew about the origin of the precious metals as well as the profits originating from these transactions. Finally, a closing chapter describes the German export of precious metals in the form of gold ingots or jewellery to numerous other European countries. The second part of the study examines the confiscation and robbery of precious metals in Germany and the occupied territories as well as the transfer of these precious metals into the Reich and their utilization there by different national

institutions and private enterprises. For this analysis, it is important to note that state encroachments upon private property began much earlier than the war. The scarcity of foreign currency led to the state to tap of private resources from 1936 on. Initially, from 1936, the Reich sold large parts of German property abroad against foreign currency, especially foreign shares from private stocks. Apart from increasingly strict measures against capital flight from 1934 on, plans were made in 1936 for the appropriation of the very last precious metals reserves owned by individuals, including German property abroad and privately owned gold coins, wedding rings and jewelry, which were to be transferred into foreign currency. Yet only the confiscation of gold coins was achieved, amounting to 65 million Reichsmark (RM). The Nazi regime, though, appropriated precious metals possessed by Jewish emigrants to a far greater degree. This and the other plundering of Jewish emigrants were primarily the result of the appointment of Heydrich as head of the Devisenfahndungsamt (Foreign Currency Investigations Office) in 1936. With Heydrich in this position, the SS acquired considerable influence on legislation, as well as on the operations of subordinate financial authorities. The Devisenfahndungsamt thus directed the foreign currency and customs authorities towards an anti-Jewish policy. In addition, it steered the confiscation of precious metals during the occupation of the Reich Protectorate of Bohemia and Moravia and the invasion of Poland. Later, these departments were transformed into customs investigation departments. Worthy of note is the fact that Heydrich surrendered the Commission for Foreign Currency Investigations to Göring in March 1941, when Jewish emigration had become de facto impossible.

More seizures of privately owned precious metals occurred when Austria was annexed to the Reich. In March 1938, Austrian Nazi organizations plundered Jewish properties on a large scale, and particularly precious metal objects. These events triggered Göring's decree on the registration of Jewish assets in late April 1938: correspondence between the Reich Commissioner for Austria, Wilhelm Keppler, and the director of the Reichsbank, Emil Puhl, allows for a minute reconstruction. In this correspondence of early April, Keppler demanded from the Reichsbank an estimation of the total Jewish assets in the Reich.

For the Four Year Plan Authority, Jewish property not only was to be used to finance the rearmament of Germany, but also to replenish the Reich's foreign currency reserve. It is important to note that the Geschäftsstelle Devisen, the foreign currency group of the Four Year Plan Authority, possessed decisive power to control the Reich's foreign currency reserve. The significance of the scarcity of foreign currency for the plundering of Jewish precious metals even before the war also is shown by the so-called "pawnshop action" in March 1939, when German and Austrian Jews had to consign their gold, silver and platinum objects to pawnshops.

Fig. 3: The German Pawnshop Action March 1939



The Four Year Plan Authority and the Ministry of the Economy both assumed that the Reich would gain the utopian amount of 500 million RM in foreign exchange from the pawnshop metals. The utilization of precious metals and jewels was to provide substantial support for the foreign exchange reserves. After the action had begun, the individual industrial users of precious metals and their organizations intervened with the government authorities in order to obtain the allocation of 130 tons of silver confiscated during the action. After the Four Year Plan Authority had

recognized that the jewelry and precious metals would not yield great amounts of foreign exchange, the confiscated silver at first from June 1939 was hoarded as a national reserve. However, a short time later it was distributed to the industry on a monthly basis so that the state could save the foreign exchange for silver imports. Degussa acted as the central distributor of the silver, yet other firms also refined it. The 1.3 tons of gold from the pawnshops was not distributed, but sent to the Berlin Pawn Institute (Berliner Zentrale Pfandleihe) and later was refined by the Degussa and fifteen smaller companies. Following the outbreak of the war, the gold was used for industrial production in Germany.

In spite of further, very harsh restrictions on precious metals consumption and shortened rations, the German production could not generally satisfy the Reich's need for silver, gold and platinum in the war. Imports, however, had become difficult to impossible due to the Allied economic blockade. Unlike silver and platinum, gold was not needed for any armament purposes, but was coveted as a currency. The scarcity of the former, due to too little imports, was now exacerbated because of the total lack of imports. Since the domestic gold amounts had been nearly exhausted, the Reich's only resort was the metals in occupied countries. Therefore, robbery of precious metals in the occupied territories and in the death camps de facto replaced the former imports. The German state from then on not only controlled the usage and trade of plundered precious metals, but also, as their chief thief, took over their import.

An examination of the actual robbery of precious metals in the occupied territories between 1939 and 1945 immediately reveals that quite different measures were taken in each territory. In the following overview a presentation of the research method and the basic patterns of the robberies, combined with some case studies of the plundering in Poland will be given.

The exact circumstances of this rapacious procurement will be looked at on the basis of numerous examples for the individual countries as well as the specific exploitation of the inmates of the death camps. Thus the initiating factors are to be elaborated, and the scopes of action that operated within a polycratic competitive system without central guidance are to be balanced. In addition to the procurement, the transfer into

the Reich and the distribution of the plundered precious metals are to be examined, too, since the different national institutions and NS organizations also did not proceed uniformly.

This description of the German procurement of precious metals in the Second World War, however, does not claim to be complete. The most important actions might be appreciated through individual examples for each country and each kind of robbery, but due to the state of the source material and particularly because of the enormous number of cases, not every robbery of precious metals can be addressed. Even the simple enumeration of all cases known to me would go beyond the scope of this study without adding further knowledge. Moreover, an uncertain amount of precious metals likely was taken by individual German officials, soldiers or SS members in cases of corruption and individual embezzlement. Those can only be mentioned as illustrations, for although corruption and embezzlement were ubiquitous, they were rarely documented. If cases became known now and then through trials, investigations or accounting, they represented only the tip of the iceberg. One can go so far as to say that embezzlement was a constitutive element of the robbery because it provided the subordinates with an additional motivation to put their efforts to it. Only those who took too much or too often were prosecuted. However, many embezzlements remained unpunished, while others were used as arguments in the numerous power struggles between Nazi institutions. In the Generalgouvernement (Poland), magistrates and officials from all echelons consequently enriched themselves at their posts, whether on a municipal or national level. Himmler and Higher SS and Police Leader Krüger in Krakow exploited the corruption around Generalgouverneur Frank in order to prevail over him in their conflict for jurisdiction over the anti-Semitic policy. For Frank's compliance, Frank himself and his family were spared prosecution although they had received diamond rings, gold bracelets, golden fountain pens and other items from the Warsaw ghetto. However, Karl Lasch, the district governor of Galicia and a close confidant of Frank, was charged with embezzlement before a special court, sentenced to death, and later executed. No wonder that the Generalgouvernement had a reputation for corruption, and Galicia was generally known as "Scandalicia".

Due to these difficulties the intended estimation of all stolen precious metals cannot be completed, since the utilization process was not even centralized for one of the important centers in the utilization organization (Reichsbank, National Agency for Precious Metals, Degussa and others), i. e., the pillaged material was not registered centrally. Despite these difficulties, though, the extent of the precious metals robbed by the Germans shall be carefully estimated in a separate section, which can be considered as the minimum quantity of robbed precious metals.

Methodologically, the study proceeds as follows. For each chapter on a country, for example the Protectorate, a summary of the robbed amounts of precious metals by analyzing numerous case examples is made.

Fig. 4: The Amount of robbed Gold and Silver in Sudetenland and Protectorate 1938-1945

Confiscation and Utilization Act	Gold (kg)	Silver (kg)
Gold from the Czech Nationalbank	46.500	
Delivery des Vermögensamtes an die Reichsbankstelle Regensburg März und April 1945	117,4-375	1.075
Sale of Jewish Gold to the Czech National Bank by the Hadega	539,3	
Sale of Jewish Gold (Emigration Fonds) to the Czech National Bank by the Hadega	134,8	
Jewish Gold of the Emigration Fonds, stored in Prague at the End of the War	413,6	
Sale of Jewish Silver to Freiberg for the German Rationing System by Hadega		16.131-21.500
Sale of Jewish Silver from the Hadega to private Persons and the Quantaties in Prague, stored at the End of the War,		57
Delivery of Silver from Pribrams into the Reich 1940-1945:		42.028
Sum (nearly)	48.000	59-65.000

Then, the amounts for all countries are summed up and compared with numbers from diverse central Reich authorities, such as the Reichsbank or Degussa, that collected the precious metals from different sources. Finally, these numbers will be compared with the results of former research, e. g. the Eizenstat report, in order to achieve the greatest possible accuracy.

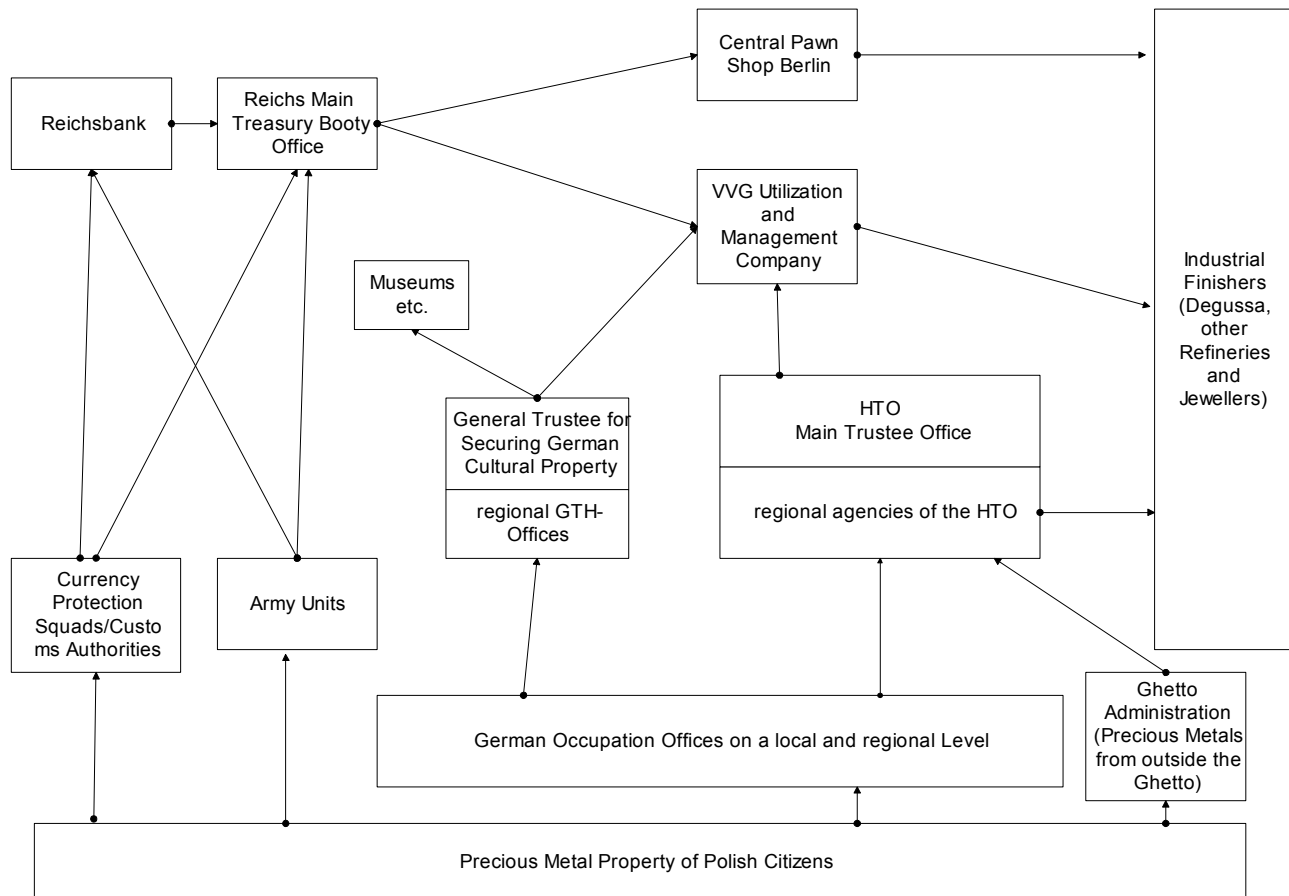
Furthermore, the share of the Jewish precious metals of the entire plundered property will also be quantified. At the moment, for example, the amount of stolen jewelry and

dental gold which the Americans found together with more gold of the Reichsbank at the end of the war in the salt mine of Merkers can be determined quite exactly. The reason for that is that Degussa refined these stolen amounts in 1947 at the request of the International Refugee Organization (IRO). In total, 679 kilograms of gold and 7,939 kilograms of silver were returned to the IRO. The amount of Melmer gold computed so far by researchers therefore has to be raised by at least 2.6 tons of gold. It is clear that also in the case of stolen precious metals, there were differences between the modes of plundering between East and West. The further one goes east, the franker, less cloaked by formalities, more direct and brutal the theft becomes. In the East, there was less collaboration sought with the local authorities and more frequently, the theft also meant death for the victims. In the West, the Germans plundered more systematically and used modern financial and administrative methods. Nevertheless, neither in the East nor in the West did there exist a central authority steering the robbery, nor were there centralized organization patterns and not even central guidelines. Although certain regulations existed (e.g., the Green List, armed forces regulations according to martial law, etc.), they did not apply to all organizations involved.

Furthermore, in none of the occupied territories was one single institution responsible for the procurement of precious metals, but rather several: this also is true for precious metals whose owners weren't Jews, for in their case, the Wehrmacht was responsible during the invasion, the Devisenschutzkommando (Currency Protection Squads) during the occupation and Wehrerfassungskommandos (Military Requisition Squads) when the Germans were on the retreat. Precious metals possessed by Jews were stolen by a variety of organizations as well. There are to name – among others – the Einsatzgruppen during the Russian campaign, the Haupttreuhandstelle Ost (Main Trustee Office East, hereafter HTO), the Ahnenerbe (Office for Establishing Arian Hereditary Background), the ghetto administrations, the German administration in the occupied territories, police battalions, and finally, the SS.

This competition among authorities is typical for National Socialism, as the Polish example demonstrates in greater detail.

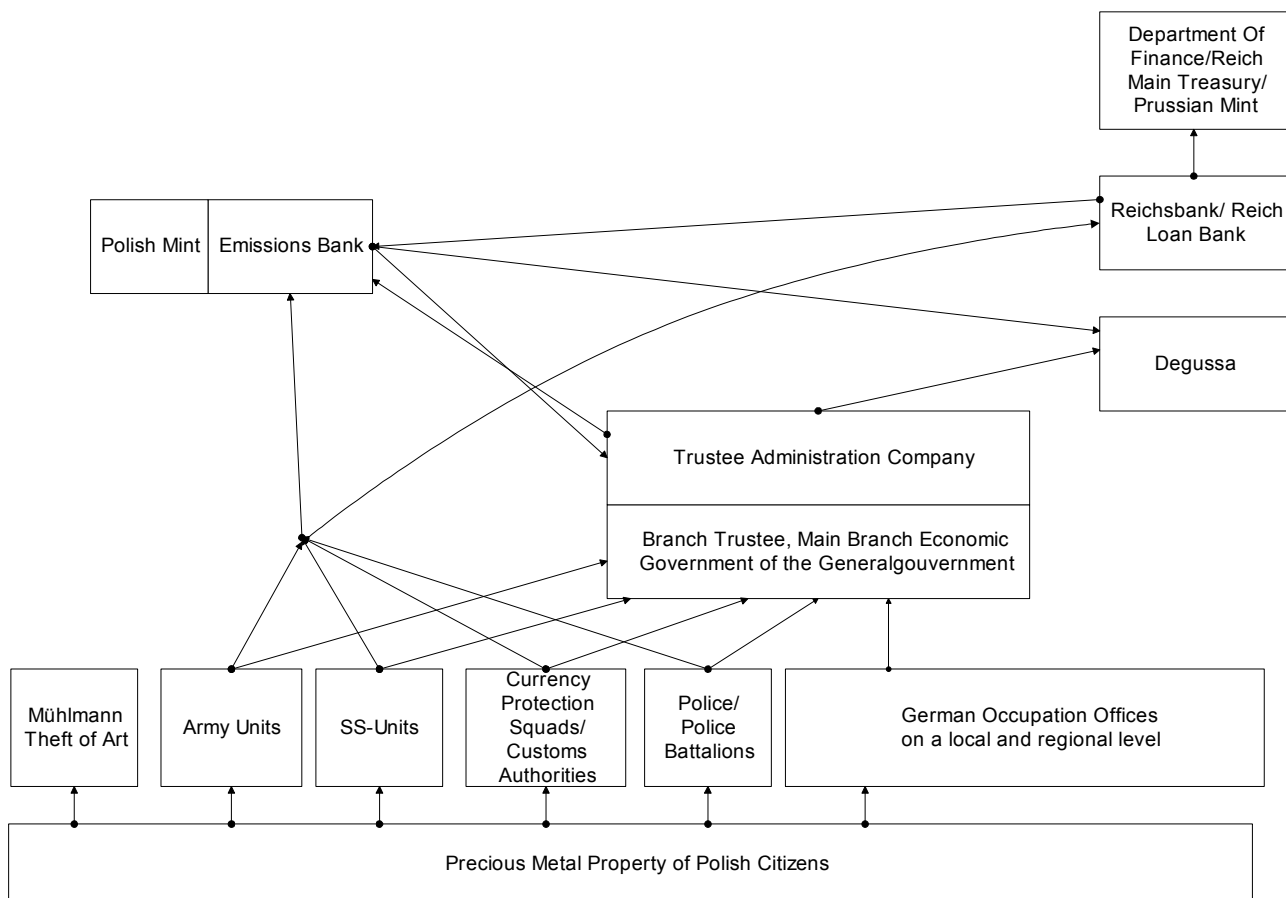
Fig. 5: The Robbery of Precious Metals in the annexed Polish Territories 1939-1945



As Göring wanted it, the HTO was to be responsible for all confiscated goods in Poland. However, Frank's resistance prevented the HTO from becoming active in the Generalgouvernement. In those territories that had been annexed to the Reich, the HTO was also restricted by Himmler's claims as Reich Commissioner for the Strengthening of Germandom, so that it relinquished the exploitation of farm property. Furthermore, in mid-October 1939 Himmler and the head of the HTO, mayor Max Winkler, came to an agreement that precious metals were not to be confiscated and processed by the HTO, but by the General Trustee for Securing German Cultural Property (GTH) in order to secure works of art and culture (Generaltreuhänder für die Sicherstellung deutschen Kulturguts, hereafter GTH). For this purpose, the GTH as taskmaster made use of the regional HTO offices until 1941, but afterwards left the confiscations to the HTO until the end of the war. Even earlier, everything made from precious metals that was not classified as a work of art or of cultural value had been handed over to the state-owned Utilization and

Management Company (Verwaltungs- und Verwertungsgesellschaft mbH, hereafter VVG,) for further processing. Yet, the GTH, the HTO and the VVG were by far not the only actors in the robbery of precious metals from the occupied territories. Apart from them, the currency protection squads and the customs authorities, Army units, several SS organizations, and the civilian administration all were actively involved. Some of them delivered the precious metals to the GTH or the HTO, but some had other ways of utilizing the precious metals for the Reich. Neither were the precious metals confiscated in the Lodz Ghetto handed over to the HTO; the ghetto administration sent them directly to the Berlin central pawn authority. And in Lodz several institutions competed for the precious metals of the ghetto's inhabitants. Apart from the ghetto administration, the criminal investigations police in Lodz, the HTO and the customs authorities were involved in the confiscation and exploitation. All those, however, constitute only the institutions acting in the annexed territories.

Fig. 6: The Robbery of Precious Metals in Generalgouvernement 1939-1945



In the Generalgouvernement, there were additionally the civilian authorities, the Department of the Trustee Administration with the Government (Treuhandstelle), and its subsidiary, the Trustee Administration Company (Treuhand Verwertungsgesellschaft mbH), as well as the Special Commissioner for the Registration of Works of Art and Cultural Assets, Kai Mühlmann. The police force, the army, and the SS also stole massive amounts of precious metals from Jews and Poles. The SS and police leader Globocnik of Lublin is a well-known example. His Reinhard Action has for a long time been known to historical research by several detailed contemporary reports.

In contrast, until now nothing is known about the activities of the Currency Protection squads, which in Poland were transformed into customs authorities in 1940. These squads were formed mainly from customs and tax officials at the end of August 1939, and began their work in the first days of September after war had been declared on Poland. Under the guidance of the Berlin foreign currency investigation office, their task generally was to secure foreign currency reserves. Their first target in the occupied territories were always bank accounts. The foreign exchange law decrees that were necessary for that task in Poland were issued by the Wehrmacht commands. One example is the order issued by the head of the civil administration of the Army Command 14 on financial transactions dated 3 September 1939, which, among other regulations, consignment the compulsory handing in of foreign exchange, pure gold and other precious metals, precious stones and jewelry. In many places, the foreign currency protection squads appointed banks as receiving institutions for this task. Many of them were specially founded for this purpose by Deutsche Bank on the request of the Reichsbank. Within a few days, up until 19 September 1939, those Krakow banks that were authorized purchasers had collected gold and foreign currency worth half a million Zloty, of which 200.000 Zloty were in gold alone. By 2 October 1939, this amount had risen to 700.00 Zloty in gold and foreign currency. Apart from these delivery actions, the safes were supervised and their contents inspected. After the date for handing in foreign currency stocks passed, German investigators began to search for remaining stocks for later confiscation. For example, the foreign currency protection squad Knoblauch at Warsaw reported in

November 1939 that it estimated it would be fully occupied for about five months with opening the 15.000 existing safe-deposit boxes. Until mid-April, the foreign Currency Protection Squads, also known as the customs authorities in Krakow and Warsaw, were able to confiscate foreign currency worth 2.2 million Reichsmarks from safe-deposit boxes and forward it to the Reichsbank via the Reichskreditkasse (Reich Loan Bank). For the most part, these safe-deposit boxes were the property of Jews. 1.9 million Reichsmarks were collected in gold, mostly foreign currency in gold coins, and 380.000 Reichsmarks in paper money. The customs authorities that had emerged from the Foreign Currency Protection Squads remained active until the end of the occupation of Poland.

Very often, the competition between the different organizations was an impediment for utilization. To give an example, as late as mid-1944 those precious objects that had been confiscated in Poland by the Generaltreuhänder für die Sicherstellung deutschen Kulturgutes in den angegliederten Ostgebieten (General Trustee for the securing of German Cultural Assets in the Annexed Eastern Territories), a subordinate organization of the Ahnenerbe, still lay in the vaults of the Berlin Reichskreditkasse (Reichs Credit Bank) because of conflicts over jurisdiction. Not only in Poland but everywhere organizations competed fiercely, and jurisdiction over the procurement of precious metals changed repeatedly during the war. A similar situation existed in the Protectorate between the Reichsprotector and the SS, where at least four hundred kilograms of jewelry and precious metals were deposited in the vaults of Prague banks until the war was over and the Soviets took them.

The chaos and Darwinism of the polycratic Nazi bureaucracy that plundered the occupied territories were matched in the Reich offices receiving the precious metals. Here as well, there was neither centralisation nor clear-cut responsibilities. What's more, a much higher number of German authorities were involved in the reception and utilization of the metals than has been known so far. For example, the Saxon State Separation Company at Freiberg refined at least twenty tons of silver and an unknown quantity of gold from the possession of Jewish Czech citizens and transferred the metals to the German rationing system. The stolen precious metals and valuables were physically received by different organizations, like the

Reichshauptkasse Beutestelle (Reich Main Treasury Booty Office), the Reichssicherheitshauptamt (Reich Security Main Office), the Haupttreuhandstelle Ost, the Reichsbankhauptkasse (Reichsbank Treasury), the Wirtschaftsverwaltungshauptamt of the SS (SS Economic Administration Office), the two state enterprises Wifo and Roges, the Wehrwirtschaftsrüstungsamt (Military Economic Armament Office), the Reichsstelle für Edelmetalle (National Agency for Precious Metals) or the Four Year Plan Authority.

The plundered precious metals were utilized for a number of different purposes of the Reich between 1939 and 1945. First, the greatest share of stolen gold was used to finance trade with neutral and friendly states. Second, the metals were wanted for German industry's consumption. Silver was needed by the armament industry for the production of silver solder and electrical contacts, as well as for x-ray radiographs and aerial reconnaissance photography. Platinum was used as a catalyst in the nitrogen industry, for noozles required in the production of artificial silk, and also for special rhodium mirrors used in anti-aircraft searchlights. Third, gold and silver were required for the export of jewelry and silver-plated wares to neutral and friendly states in exchange for foreign currency. Only after 1943, the supply of precious metals became difficult. The reason was that with the retreat of the German armed forces, access to additional foreign resources had dwindled. The scarcity of silver could be compensated for by tapping the silver coin reserves of the German Ministry of Finance and by processing a dozen tons of coined silver from the Netherlands, France and Poland.

In Poland, for instance, the Germans confiscated 26 tons of silver from the Polish mint at the beginning of the war. Moreover, the silver coin deposits of several Polish banks were taken immediately. For example, 11.2 million Zloty in silver coins was delivered from the new Reichsbank branches at Bielitz, Kattowitz and Königshütte to the Prussian State Mint (Preußische Staatsmünze) on 14 December 1939. The branch office at Beuthen sent 8 million more Polish silver Zloty to the Reichsbank. Furthermore, the silver coins still circulating among the population in the annexed territories were taken out of circulation. In East Upper Silesia, the de facto confiscation of two-, five-, and ten-Zloty silver coins worth 25 million Zloty

altogether to the end of March 1940 yielded a gross amount of 56 tons of silver, respectively a pure amount of 42 tons. Later, a call in the annexed territories to hand in remaining Polish silver coins allowed the Reichsbank to collect another 2.1 million Zloty, which were deposited in the Prussian Mint as well. In January 1940, the Reichsbank delivered silver coins worth more than 17.3 million Zloty to the Reich treasury and the Prussian Mint. In February, it sent 22.8 million, and in March 25.5 million Zloty. On the whole, as early as the end of November 1939, 55 tons of silver coins with a silver content of 75 per cent were stored at the Prussian State Mint.

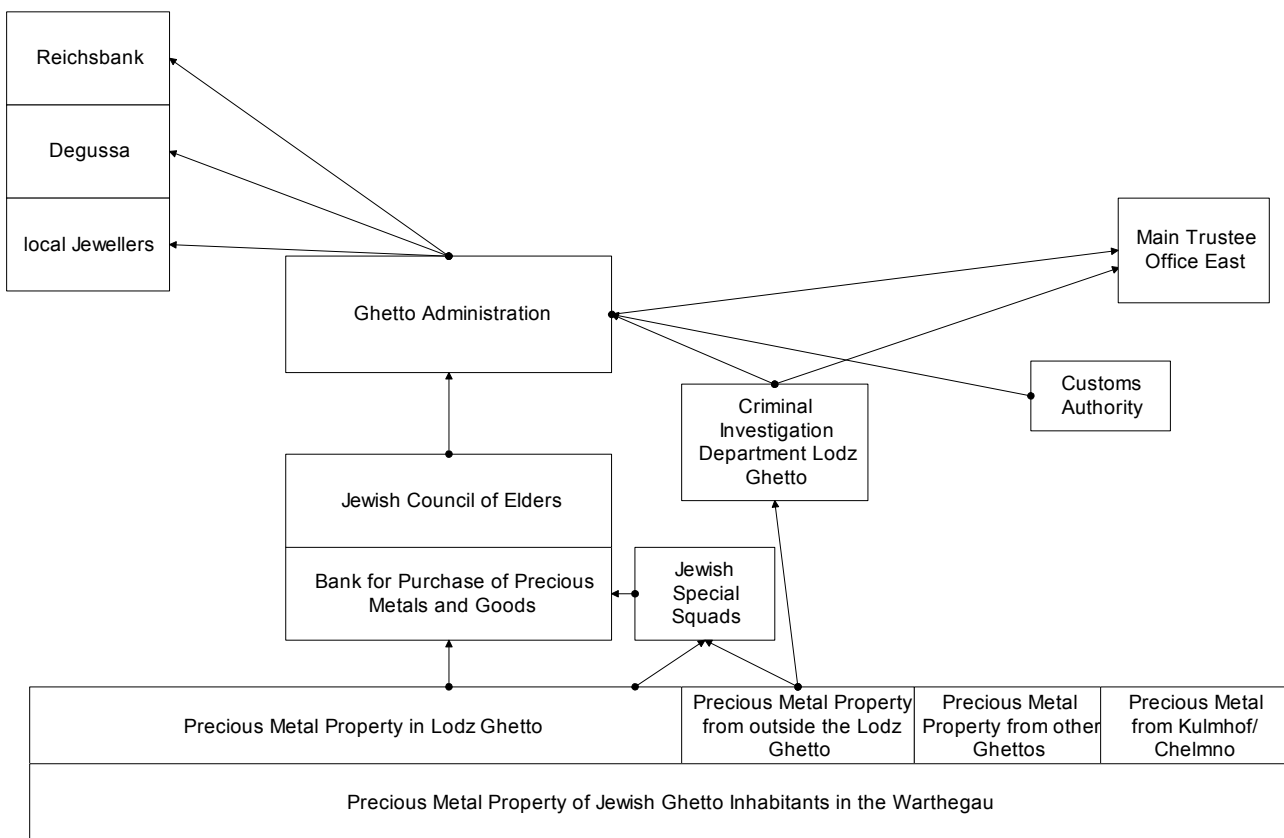
The silver coins circulating in the Generalgouvernement were handed over to Berlin as well. The total amount of state-owned silver and silver Zloty stolen by the Germans during the first weeks of the Polish campaign and occupation cannot be precisely calculated. According to a note of the Reich Treasury, the Reichshauptkasse stored 66 tons of silver from the Polish Mint in July 1941. However, the actual amount of pure silver stolen from the Polish state was probably higher. Doubtless, most of the silver was used during the war for armaments purposes and other industrial needs. It can be proven that the delivery of 36 tons of pure silver from the Prussian Mint to the Degussa, that is about 27 tons of pure silver, but the real amount must have been much higher.

Until late 1944 the distribution of silver was sufficient and orderly, the available amount being sometimes greater than in 1939. Between 1939 and 1942 the processed amount of platinum was considerably higher than before 1939 and from 1942 to 1944 as high as in 1939. The platinum reserves in the rationing system were five times greater in spring 1944 than at the outbreak of the war. The good supply situation was to a large degree the result of the plundering. However, the restriction of consumption and the confinement to purposes relevant only for the war effort were partly responsible, too. Generally, the gold supply was similarly satisfactory, as is indicated by the substantial Reichsbank reserves which the Allies found at the end of the war. The German Reich possessed more than 655 million RM in gold at the end of the war, which was roughly the same amount as at the beginning of the war in 1939. However, in this case the plentiful supply was not so much the result of robbing private, including Jewish, property. The plundering of foreign states' national gold

reserves yielded several times the amount stolen from private persons. In the case of silver and platinum, too, the robbery of silver coins and silver bullion from different countries and the utilization of foreign industrial silver and platinum stocks were more substantial than the amounts stolen from the countries' citizens. For instance, the Germans took 42 tons of silver from the Czech silver mine of Pribram and 26 tons from the Polish silver bullion reserves alone. In the end, however, only the final statement of all verifiable stolen amounts will allow an assessment of the exact measure of each quantity.

The immediate involvement of firms in the raids for precious metals was minimal when war began, since the raids were conducted directly by organizations of the state or organizations that were legitimated by the state. Nevertheless, German enterprises always were involved in the utilization or the transfer or the reception of plundered precious metals.

Fig. 7: The Robbery of Precious Metals in the Ghetto Lodz 1939-1944



It is evident that Degussa received silver from the Ghetto administration of Lodz. As early as late 1940, the ghetto administrator of Lodz, Hans Biebow, on notice of the Reich authority for precious metals requested Degussa to state their conditions for the purchase. From February 1941 on, Degussa received deliveries of old and fragmented gold and silver that went on until 1944. However, because the records are fragmentary, only a few deliveries can be verified. The exact amount remains unknown. The Ghetto administration sent at least 6.6 tons of silver fragments, amounting to approximately 4.9 tons of pure silver, to Degussa, where it was processed and made available for German industry. What's more, not only Degussa received precious metals from the ghetto. Numerous jewelers from Lodz and the Warthegau and the Reichsbank were continually provided with significant amounts of precious stones, silver items, and gold coins. It should be mentioned that Degussa obtained precious metals, especially silver, from the annexed territories by other means as well. The VVG, for example, delivered substantial amounts of gold and silver fragments to Degussa which had been taken from Polish and Jewish possessions. It is possible to verify about 12 kilograms of gold and 1.8 tons of silver. Furthermore, Degussa established a branch in Warsaw that cooperated with the trustee authority of the Generalgouvernement and received stolen precious metals from there. However, Degussa established this branch only in 1943, since it had assessed the business opportunities in the Generalgouvernement as insufficient. Although Degussa Warsaw was mainly dealing in chemicals, it still sold dental products in the Generalgouvernement. In addition, it bought great amounts of silver from the Trustee Company mbH. It can be verified from the sources that Degussa bought in the financial year of 1940/1941 about five tons of pure silver, 15 kilograms of pure gold and 4 kilograms of platinum that came from the Generalgouvernement. Furthermore, it is also known that in July and August 1944 the Frankfurt firm purchased four chests of silver fragments and silver coins amounting to 1.6 tons of silver, but also gold fragments, gold coins and broken teeth and platinum. The precious metals were given to the company's own separation facility in Frankfurt and refined there. This delivery yielded about 700 kilograms of pure silver, 15 kilograms of pure gold and 200 grams of platinum, altogether worth about 70.000 Reichsmarks.

The silver was only partly transferred into the German precious metals rationing system because of difficulties with foreign exchange accounts.

As was mentioned above, Freiberg, too, obtained precious metals directly from plundering organizations in the occupied countries. Other firms probably did not actively participate in the procurement in situ. All German firms, however, in many cases were indirectly involved in the processing of the robbed metals in the Reich by their connection with the National Agency for Precious Metals and other institutions. Silver and platinum went entirely into the rationing system, whereas the gold of Jewish victims was mainly used for industrial production. The reason for that was that already in 1940, the gold from the Pawnshop Action had been used for industrial supply, so that the unrefined gold from the death camps later was directed the same way. This is another evidence for the continuity of pre-war structures in wartime plundering and utilization processes. It is likely that Degussa, and presumably others, had a suspicion about the origin of all the valuables made of precious metals, especially dental gold, probably by 1942. Even so, the companies of the precious metals sector went on with the system at a point when they knew about the rapacious nature of the metals' procurement and knew that the gold was tainted with blood. The motive for the cooperation in the rationing system was the lack of alternative sources of precious metals. No entrepreneur and no enterprise was inclined to abandon production and risk the discontinuation of their business; furthermore, no one would renounce profits or market shares.

The gold had, in absolute terms, only a marginal share in financing the war; the foreign trade, loans and wartime taxes were in fact more important. The rapacious character of Germany's wartime economic policy developed from the settings of the German economic and armament policy prior to 1939. Scarcity in an important raw materials sector compelled its procurement abroad. The only alternative would have been to relinquish the supply of precious metals. This, however, was true not only for precious metals, but also for many other raw materials, food, unfinished products and factors of production such as currency, production facilities and labor. Without access to European resources Germany would by no means have been able to wage the long

world war. Therefore, the plundering was a structural implication of Nazi economic policy long before the war began.