THE CONFERENCE ON JEWISH MATERIAL CLAIMS AGAINST GERMANY

The Luxembourg Agreement concluded on September 10, 1952, between the Federal Republic of Germany and the State of Israel on one hand, and the Conference on Jewish Material Claims Against Germany (CJMCAG) on the other, provided for several categories of indemnity payments by the Federal Republic:

(a) The payment to the State of Israel, over a period of from twelve to fourteen years, of the amount of $822,000,000, in the form of goods.

(b) Included in this amount, the sum of $107,000,000 to be refunded by the State of Israel, upon collection from Germany, to the CJMCAG, for purposes of global indemnification to Jewish victims of Nazism living outside Israel. (Israel agreed to pay over to the CJMCAG in yearly installments a total amount somewhat in excess of this sum.) Under the terms of Protocol no. 2 of the Luxembourg Agreement, the CJMCAG could use these funds for the relief, rehabilitation, and resettlement of Jewish victims of Nazi actions, according to the urgency of their need, who at the time of signing of the agreement were residing outside of Israel.

(c) The enactment of legislation in Germany to provide more adequate indemnification to individual victims of Nazi persecution, for the redress of wrongs suffered by them individually. This indemnification was to be granted in accordance with the principles, categories of indemnities, and rules of eligibility, specified in Protocol no. 1 of the Luxembourg Agreement.

Global Indemnification

During 1954 and 1955, the implementation of the German commitments described under (a) and (b) above proceeded in a satisfactory manner, going beyond the agreed schedule of performance. In a spirit of cooperation and helpfulness, the Federal Government attempted to expedite the schedule of the payments in kind agreed upon with Israel. As a matter of fact, in the middle of the third year of operations transacted under the agreement, nearly one-third of the total amount due to Israel and the CJMCAG had already been committed to German industrial concerns in the form of short- or long-term manufacturing contracts for supplies to Israel. The resulting steady flow of supplies had enabled Israel to remit to the CJMCAG its share regularly, both during 1954 and 1955. Annual receipts of the CJMCAG in the first year of operation amounted to $9,500,000, and in the second year to $10,000,000. A similar amount was expected to accrue to the benefit of Nazi victims outside Israel in 1956.

Individual Indemnification

On the other hand, there was a serious lag in the implementation of Germany's commitment to provide improved individual indemnification as listed
under (c). Difficulties had arisen both in respect to the enactment of new, more adequate indemnification legislation and to the adjudication of claims under the existing unsatisfactory statute. Prior to the Luxembourg Agreement, indemnification laws had been enacted under Allied, particularly American, initiative in a number of German Laender (states), but in the majority of the Laender legislation providing such benefits to Nazi victims was lacking. In 1953, in response to the Luxembourg Agreement, a Federal Indemnification Law encompassing the entire area of the German Federal Republic was adopted; however, its provisions in many respects failed to live up to the standards set by the Agreement. The German Federal Parliament itself recognized the CJMCAG's dissatisfaction with this statute. Both Chancellor Konrad Adenauer's Christian Democratic Union and the Social Democratic Party strongly urged the enactment of a new law which would implement more fully the Luxembourg Agreement. Accordingly, the drafting of a new statute was started late in 1954, but it took the joint special committee of the legislative and executive branches of the West German government entrusted with this task more than a year to produce the proposed bill. In October 1955 the bill was finally submitted to the Bundesrat, the upper house of the West German parliament. The revised draft, although containing important improvements, was still deficient in a number of respects. The CJMCAG was continuing to press German parliamentary bodies for amendments.

**Provisions of New Legislation**

At the time of this writing (November 1955), the provisions of the new bill for individual indemnification could not yet be studied, and all that was available were West German estimates as to the global value of the new law's improvements over the existing law. According to these views, the new law would add about $400,000,000 worth of indemnification benefits to those provided by the present law. Actually, it was very difficult if not impossible to evaluate the total value of individual indemnification that would result from the operation of this law. It was generally believed, however, that it might considerably exceed the $822,000,000 total of global indemnities to be paid to Israel and the CJMCAG. Some idea of the number of cases involved could be derived from the West German estimate that approximately 1,000,000 claims had already been filed on the basis of the narrower 1953 law, about one-half of them by Jewish persecutees, the other half by non-Jewish claimants. The number of claimants was, of course, much lower than that of claims filed, since in many cases the same claimant was presenting a set of parallel claims under the various titles to damages specified by the law. Under the new law, a substantial increase of the case load was expected.

**CJMCAG Allocation Policies**

The following review of the CJMCAG allocations policies during 1955 may best be prefaced by the remark that it would take some years until indemnity payments to individual victims of Nazism really got under way.
and the plight of thousands of Nazi victims, particularly from Germany itself, could be measurably alleviated. Meanwhile, the relief and rehabilitation grants made by the CJMCAG would continue to be particularly significant. The continuing welfare needs of Nazi victims seemed to indicate that expenditures of this nature would continue to absorb a large part of the yearly CJMCAG budgets, and only lesser amounts would be available for other than relief and rehabilitation needs—notably for planned long-range programs aiming at the creation of new Jewish welfare, educational, or cultural institutions serving the needs of Nazi victims on a more organic institutional basis. Even so, the CJMCAG realized from the outset that certain particularly urgent cultural and educational requirements had to be given consideration without delay, along with the existing welfare needs. The tendency was to give growing consideration to the needs of cultural reconstruction.

During 1954 and 1955 the CJMCAG based its allocations policies, in the main, upon a system of yearly grants to projects undertaken by Jewish organizations that were caring for Nazi victims and had a budgetary record of a substantial character over a period of previous years. Hence the bulk of CJMCAG funds had to be distributed on a yearly basis, a mode of operation not conducive to a full program of long-range planning. However, in September 1955, the CJMCAG adopted certain modifications of the principles governing its allocations. As we shall see, these opened up greater possibilities for more organic, long-range programs. The 1955 program of allocations must be reviewed in the light of the preceding explanations.

### TABLE 1

**Program of Allocations of CJMCAG 1954, 1955**

<table>
<thead>
<tr>
<th>Program Item</th>
<th>Sum Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic relief and rehabilitation programs in Europe, Latin America, and Australia, and including those of the American Joint Distribution Committee (JDC), on behalf of Nazi victims*</td>
<td>$6,835,750</td>
</tr>
<tr>
<td>Special aid to refugee rabbis, invalids, and former communal leaders</td>
<td>200,000</td>
</tr>
<tr>
<td>Legal aid through the United Restitution Office (URO) to needy claimants for restitution and indemnification</td>
<td>800,000</td>
</tr>
<tr>
<td>Program of cultural and educational reconstruction</td>
<td>905,054</td>
</tr>
<tr>
<td>Two projects for research on and commemoration of the European Jewish catastrophe:</td>
<td></td>
</tr>
<tr>
<td>Yad Vashem in Israel</td>
<td>211,750</td>
</tr>
<tr>
<td>Memorial in Paris</td>
<td>150,000</td>
</tr>
<tr>
<td>Administration (including contributions towards the expenses of the Israel Purchasing Mission in Germany)</td>
<td>300,000</td>
</tr>
<tr>
<td>Reserved Allocations</td>
<td>97,446</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$9,500,000</td>
</tr>
</tbody>
</table>

* Beneficiaries were residing in: Europe (Austria, Belgium, Denmark, France, Germany, Great Britain, Greece, Holland, Italy, Norway, Portugal, Spain, Sweden, Switzerland, Yugoslavia); Latin America (Argentina, Bolivia, Brazil, Chile, Colombia, Dominican Republic, Ecuador, Haiti, Uruguay); Asia (Philippines); and Australia.
Program of Allocations

The allocations for assistance to refugee rabbis, invalids and to communal leaders, for legal aid through the United Restitution Office and for certain educational and cultural projects to be specified below, represented instances of projects planned or centrally supervised by the CJMCAG itself. By far the greatest part of the allocations represented grants for projects undertaken by applicant organizations. It should be noted in this connection that it was not the purpose of the CJMCAG to substitute for earlier responsibilities assumed by applicant organizations, but to supplement their own expenditures when necessary and feasible—i.e., CJMCAG grants were meant to be used in addition to the funds usually raised by any given organization or community.

Of the $7,010,000 allocated in 1955 to organizations all over the world for general relief, rehabilitation, and resettlement, about $1,562,000 was directly earmarked for distribution among Jewish communities and organizations in twelve European countries which had suffered most from Nazism; $121,000 was earmarked to the Jewish community of Australia, which was disproportionately burdened with the absorption of Nazi refugees; and an additional $150,000, to Jewish communities in Latin America facing similar problems. The distribution of all the earmarked allocations, except those to Great Britain, were effected via the JDC. It is important to note that most of the balance of the $7,010,000, while not directly granted on behalf of earmarked projects, was allocated principally for continuing programs providing essential relief and rehabilitation aid to Nazi victims in Europe. The latter programs were conducted either directly by the JDC or under its coordination and guidance. In practice, this centralization and harmonization of relief and rehabilitation needs and performance, via the JDC, resulted in greater economy and flexibility and a greater measure of satisfaction of basic needs. In general, the disbursement of CJMCAG funds provided essential aid to some 60,000 needy Jewish survivors of Nazism in Europe and other parts of the world who were incapable of supporting themselves. It is impossible in this brief survey to give a detailed country-by-country and service-by-service account of the far-flung and costly activities involved. They included cash relief to needy individuals, child care, medical aid, care for the aged, cultural and educational assistance, vocational training, rehabilitation loans, and emigration assistance in many countries, including those of Europe and Latin America. Thus, of the $7,010,000 allocated for basic relief, rehabilitation, and resettlement purposes in 1955, about $745,000 was made available in eleven countries for child care and youth aid alone, and approximately $665,000 in eighteen countries for care to aged victims of Nazism.

Program for Cultural and Educational Reconstruction

The CJMCAG's program for cultural and educational reconstruction was based on the recognition that the global indemnity obtained from Germany had to serve not only the satisfaction of the elementary physical and welfare
needs of the victims of Nazi persecution, but also their educational, cultural, and religious rehabilitation. For these purposes, a total of about $1,226,000 was allocated in 1955, representing a significant increase of more than $300,000 over the 1954 allocation. Beside allocating funds to existing Jewish educational and cultural organizations and institutions, the CJMCAG was itself engaged in special programs in this area.

Cultural and educational allocations were granted in 1955 to a total of ninety-seven organizations using refugee talent and aiding Nazi victims through cultural and educational projects in nineteen countries, including the United States and four Latin America countries. Significantly, in 1955 more than twice the amount was granted for the purposes of culture and higher education in Europe, the scene of Nazi destruction, than had been granted in 1954. At the same time, some $353,000 was granted to cultural and educational institutions in the United States, in consideration of the fact that a large part of contemporary Jewish religious, cultural, and historic research and publishing activities was being conducted in New York. The cultural allocations also included $182,000 for the support of Nazi victims engaging in higher studies at transplanted yeshivot in the United States, Europe, Canada, and Australia. In addition to the regular budget of about $1,226,000, the CJMCAG approved a number of grants for educational purposes to institutions in Great Britain, Canada, and Australia.

The cultural projects undertaken under the CJMCAG's own initiative and administration included individual scholarships and fellowships for qualified Nazi victims. For 1955, 61 awards were granted for teachers' training and undergraduate studies, 58 graduate scholarships, and 67 fellowships, amounting to a total expenditure of about $135,000. Of the total of 186 grants, 70 went to candidates in Europe, 108 to candidates in the United States, and 8 to candidates in other countries. The CJMCAG also directly administered an allocation of $33,000 for rabbinical studies conducted by refugee rabbis.

The commemorative project Yad Vashem was an undertaking conducted in Israel by a semi-official body incorporated under the name Yad Vashem with the collaboration and support of the CJMCAG. Yad Vashem's purposes were both commemorative and cultural; they included the construction in Jerusalem of a building containing research facilities, a library and archives, the collection of bibliographies, the conduct of research and the preparation of publications dealing with the European Jewish catastrophe, particularly a chronicle of the destroyed Jewish communities. The chronicles project was conducted in collaboration with the YIVO Institute of Jewish Research in New York. In 1955 the CJMCAG contributed $350,000 toward these purposes. The allocation of $65,000 for 1955 to the Paris Memorial was made as a contribution towards the erection of the Memorial of the Unknown Jewish Martyr in Paris, to include full research facilities for a Jewish documentation center, a library, archives, and a museum.

UNITED RESTITUTION OFFICE

Legal aid to needy Jewish claimants of restitution and indemnification, for which $829,000 was allocated in 1955, was the task of the United Restitution Office (URO), an agency subventioned by the CJMCAG. The URO was cur-
rently providing legal aid to some 50,000 persons who had registered about 100,000 individual claims. The agency maintained legal aid bureaus, staffed by Nazi victims, in major Jewish centers all over the free world. The work load of the URO was expected to grow considerably with the enactment of the new German indemnification law.

**Principles of Allocations**

During 1955, the second year of CJMCAG operations, the CJMCAG increasingly realized that some of the basic principles underlying its policy of allocations required clarification, sharpening, or more definite reaffirmation. In developing these principles, it was necessary to take into account such problems as:

1. Establishing relevant criteria by which to determine which allocations deserved priority consideration.
2. Distinguishing between the urgent needs of Jews in areas formerly occupied by the Nazis, and their needs in other areas.
3. Choosing between the policy of allocating for current expenditures and maintenance, and the policy of allocating for capital investments in needed institutions (either by single grants, or by setting aside investment funds in annual succession).
4. The CJMCAG, as stated above, had itself undertaken certain projects in behalf of Nazi victims in situations where there was no Jewish organization qualified to do so. It became necessary to reaffirm this policy in the new principles of allocations.
5. As a temporary phenomenon in Jewish life, limited both in scope and time, CJMCAG allocations could only supplement the efforts of local Jewish communities; it could not be expected to substitute for such efforts. This was an axiom that had to be emphasized in the principles of allocations.

During the summer and fall of 1955 an ad hoc subcommittee of the CJMCAG, chaired by Jacob Blaustein, closely studied these questions. Upon its recommendations, the Executive Committee adopted a reviewed set of principles governing the allocation of funds. These included:

1. A formal reaffirmation of the high priority granted relief and rehabilitation, as well as religious, educational, and cultural reconstruction.
2. Stronger emphasis on more effective assistance to those Jewish communities which had suffered most from Nazi occupation or which were disproportionately burdened by the absorption of large numbers of Nazi victims. This did not mean, however, that allocations could be based solely on numerical considerations; the availability of local and other non-CJMCAG resources had also to be taken into account.
3. A declaration of intent to use the limited funds of the CJMCAG more and more for special one-time grants to self-supporting institutional-type projects, rather than for allocations for current maintenance.
4. A reaffirmation of the CJMCAG's intent to allocate funds regularly for projects undertaken by the CJMCAG itself, as part of its own special program.
5. A reaffirmation of the principle that CJMCAG allocations could not serve as substitutes for local fund-raising and other local sources of income, and that the CJMCAG could not assume responsibilities which local organizations had borne before CJMCAG's establishment.

On various occasions during 1955 important spokesmen for European Jewish communities urged the CJMCAG to offer representative Jewish community organizations in the various countries greater opportunities for participating in the planning of allocations for each community organization as an entity. While recognizing the helpful and constructive spirit in which this change had been advocated, and the merits of community-based planning, the CJMCAG faced difficulties in this respect which were anchored in its own basic mandate. The CJMCAG was a unique phenomenon in Jewish life, by virtue of its exclusive obligation, as a recognized representative of Jewry outside Israel in its relationship with Western Germany, to discharge clearly defined contractual obligations under the Luxembourg Agreement. With its broad constituency of leading Jewish organizations, the CJMCAG was solely responsible vis-à-vis Germany and before world opinion for the utilization of the funds received on behalf of the victims of Nazism. This responsibility, it felt, could not be formally delegated to, or shared with other agencies or authorities, however important and deserving. Nevertheless, recognizing the desirability and usefulness of collaborating with local community organizations, the CJMCAG had conducted informal but growingly systematic consultations with Jewish communal leaderships in many countries, especially in Europe. These dealt with over-all communal needs and contributions, as well as with the priorities to be granted local organizations which were directly assisting the victims of Nazism within the communities. In many countries, applications for funds submitted by such organizations, particularly those active in the cultural field, had been thoroughly reviewed with the local communal leadership.

Procedures of Fund Allocations

The procedures of allocating funds for 1956 would remain substantially the same as for 1954 and 1955. These procedures may be summarized as follows:

Allocation requests had to be submitted before the annual deadline of September 15. Every project was closely examined by qualified rapporteurs and experts appointed by the CJMCAG. Their findings were submitted to the Executive Committee, which supervised the conduct of affairs of the CJMCAG when the Board of Directors was not in session. The Executive Committee examined each application individually, and made recommendations for its approval or rejection. The recommendations of the Executive Committee were then communicated to the applicant organization, to enable it to submit additional information in support of its application, if rejected. Such requests for reconsideration were carefully examined by the Executive Committee, which then submitted its final recommendations for allocations to the Board of Directors for the year in question. The Board of Directors made the final decision on all applications and the entire yearly budget. The only change in this procedure was the elimination, in 1955, of an Allocations
Committee, which in 1954 had examined the requests for allocations before their consideration by the Executive Committee.

The allocations meetings of the Board of Directors took place early in the year for which CJMCAG grants were made. Such meetings were held in the United States and in Europe in alternate years. The Board of Directors consisted of two representatives of each of twenty-two member organizations. The Executive Committee consisted of fourteen members, including the principal officers. The principal officers included: Nahum Goldmann, president; Jacob Blaustein, senior vice president; and Moses A. Leavitt, treasurer. In charge of administration was Saul Kagen, secretary of the CJMCAG. Judah J. Shapiro was director of the Department for Cultural and Educational Reconstruction.