

275

This is an
SCE File

File No. 091 - RUMANIA

No.	FROM	DATE	TO	SYNOPSIS
SWNCC 275 Series - Return of Freighter "Mangalia" to Rumania.				
1	SWNCC	11Mar46	SWNCC Dist	SWNCC 275/D. Ref. Statement by WD to SCE for Study, Recom. & reply.
2	SCE	15Mar46	Mr. Raynor(S) Col Frank(W) Comdr Claxton(N)	SCE-11. Aptmt of working party on 275/D.
3	Mr. Raynar(S)	6May46	SCE	Encl report of Working Party & App. Slip.
4	Working Pty	---	SCE	Report of Working party on 275/D.
5	SCE	13May46	SWNCC	Encl. report of Working Party & indicating SCE Approval.
6	SCE	13May46	Mr. Raynor(S)	Report returned to party for rev. of conclusions.
7	SCE	---	State Mbr	SCE-11A. Approval Slips on 275/D.
8			War "	
9			Navy "	

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

SOE-11A

MEMORANDUM FOR: STATE MEMBER, EUROPEAN SUBCOMMITTEE
WAR MEMBER, EUROPEAN SUBCOMMITTEE
NAVY MEMBER, EUROPEAN SUBCOMMITTEE

The report of the working party on SWNCC
275/D, dated *6 May* 1946, is circulated for
consideration by the European Subcommittee.

It is requested that you indicate your
concurrence or comment hereon.

Florence Whiteside
Secretary, European Subcommittee

APPROVED: *For Admiral Mc Crea.*
Paul A. Borel, Comdr., USNR
DATE: *9 May 1946.*

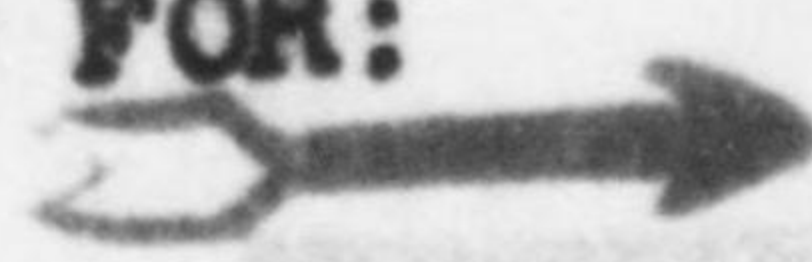
Subj: *Return of Freighter "Mangalia" to Panama.*

275/1 - 15 May 1946

(9)

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

SOE-11A

MEMORANDUM FOR:  STATE MEMBER, EUROPEAN SUBCOMMITTEE
WAR MEMBER, EUROPEAN SUBCOMMITTEE
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Florence Whiteside
Secretary, European Subcommittee

APPROVED: C. J. Bennett, Col GSC

DATE: 15 May 46

(8)

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

SOE-11A

MEMORANDUM FOR: → STATE MEMBER, EUROPEAN SUBCOMMITTEE
WAR MEMBER, EUROPEAN SUBCOMMITTEE
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Florence Whiteside
Secretary, European Subcommittee

ESP-SDM.
SD-gw. man

APPROVED: EUR - R.
SE - H. J.

DATE: _____

(7)

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

13 May 1946

MEMORANDUM FOR MR. H. RAYNOR, EUR:

Subject: Report of SWNC Subcommittee for
Europe on SWNCC 275/D.

The Secretary, State-War-Navy Coordinating Committee, has requested that the attached report of the Subcommittee for Europe be returned to the drafting members thereof for preparation, and attachment of a draft message to General Schuyler, and a revision of the Conclusions and Recommendations along the lines of the attached supplement.

Virgil F. Field,
Executive Secretary,
SWNCC Secretariat.

Encls.
Rpt of Subcte.
Supplement.

15 May - Issued as 275/1

(6)

Supplement to
Report of Subcommittee for Europe on SWNGC 275/D

CONCLUSION

5. It is concluded that General Schuyler should be instructed to decline the request of the Rumanian Government for the present pointing out that:

- a. Title to the vessel is in the U.S. Government,
- b. No authority exists for its return, and
- c. Disposition of individual cases covering Rumanian and former Rumanian property should await the completion of discussions on the general disposition of such property in each United Nation.

RECOMMENDATIONS

6. It is recommended that:
- a. SWNGC approve the above conclusion.
 - b. After approval by SWNGC, the Joint Chiefs of Staff be requested to advise General Schuyler accordingly.
 - c. The formulation and announcement of a policy on restitution in similar matters should await the completion of discussions now taking place on these matters.

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

13 May 1946

Memorandum for Colonel Field:

Subject: SWNCC 275/D

Enclosure: Report of SWNC Subcommittee for
Europe on SWNCC 275/D.

The State, War and Navy Members of
the SWNC Subcommittee for Europe concur in the at-
tached report on SWNCC 275/D.

B. Zack, Ylo

Encl

(3)

RETURN OF FREIGHTER "MANGALIA" TO RUMANIA

(SWNGC 275/D)

Report by the
State-War-Navy Coordinating Subcommittee for Europe

THE PROBLEM

1. To prepare a recommendation for JCS as to the reply which should be made to General Schuyler regarding the request of the Rumanian Government for the return to it of the vessel "MANGALIA".
2. If feasible, to recommend the formulation and announcement of a policy on restitution in similar matters.

FACTS BEARING ON THE PROBLEM AND DISCUSSION

3. On the "MANGALIA" case:
 - a. The vessel "MANGALIA" was seized for title by the United States Government under Public Law 101 (55 Stat. 242) in June 1941 (not in June 1940 as stated in SWNGC 275/D).
 - b. At the time of seizure, the operation was apparently handled in a rather high-handed manner and caused considerable bitterness. But in view of later developments, especially the existence of a state of war with Rumania, it is felt that factor deserves little weight in the present consideration.
 - c. Title is now held by the U.S. Government.
 - d. No compensation award has been made.
 - e. If one had been made before the outbreak of war the proceeds would have been immediately blocked and on the outbreak of war would have been subject to seizure by the Alien Property Custodian.
 - f. If it should be possible for the Rumanian Government to assert a claim successfully now, it is likely that the

(H)

peace treaty would provide for its renouncement as it seems likely the treaty may have a broad provision on renouncement of claims covering not only those arising directly out of the war but also those deriving from events leading up to the war. The latter category would cover a case of this type.

g. The working party is informed that there is no legal obligation on this government to return the vessel. It is further informed that it could not be returned without Congressional authorization. No statutory authority has been discovered.

h. The War Shipping Administration informs us that the vessel is now in the "laid-up" fleet.

i. A representative of the British Embassy informs us informally that the four Rumanian vessels seized by the British which the Rumanian Government also requested be returned were subject to prize court proceedings and now regarded as British property. At least as late as March the British Government was not disposed to comply with the Rumanian request for return.

j. From the political point of view, the return of the vessel is not favored, at least at this time. In view of our various difficulties of major consequence with respect to the protection and restitution of, or compensation for, American property in Rumania, it is felt inadvisable to return any property to Rumania prior to a satisfactory settlement of American claims.

k. Further, there are many highly complicated and unresolved questions affecting restitution in Europe which will probably not be clarified until the completion of the peace treaty. It seems premature for us to consider an unilateral act of restitution pending settlement of these matters.

4. On the question of the formulation and announcement of a policy on restitution in similar matters:

a. The War Department has requested that SWNCC in addition to advising the JCS of the reply to be made to General Schuyler regarding return of the vessel "MANGALIA" to the Rumanian Government, "if feasible, formulate and announce a policy on restitution in similar matters". Since the "MANGALIA" is the only satellite (Hungary, Rumania, Bulgaria) vessel which was seized pursuant to Public Law 101, the suggested reply covering the "MANGALIA" appears to cover adequately this class of property.

b. If the reference to "similar matters" means satellite vessels seized by the United States under any authority, it is not considered feasible to formulate and announce a policy on restitution at this time. The question of the disposition to be made by the United Nations of satellite property in each United Nation is currently being discussed at the Paris Conference of the Council of Foreign Ministers, together with questions concerning restitution to United Nations of their property in the satellites and other related matters. The formulation and announcement of a policy on restitution of satellite property in the United States should therefore await the results of treaty negotiations.

c. It is understood that this statement concerning postponement of a policy on restitution is restricted to the question of restitution of satellite or former satellite property within each United Nation and does not relate to the question of restitution for American zones in Germany and Austria which is covered by SWNCC 204/5.

RECOMMENDATIONS

5. General Schuyler should be instructed to decline the request of the Rumanian Government for the present pointing out that:

a. Title to the vessel is in the U.S. Government,
b. No authority exists for its return, and
c. Disposition of individual cases covering Rumanian and former Rumanian property should await the completion of discussions on the general disposition of such property in each United Nation.

6. The formulation and announcement of a policy on restitution in similar matters should await the completion of discussions now taking place on these matters.

CONCLUSION

5. It is concluded that General Schuyler should be instructed to decline the request of the Rumanian Government for the present point out that:

- a. Title to the vessel is in the U.S. Government,
- b. No authority exists for its return, and
- c. Disposition of individual cases covering Rumanian and former Rumanian property should await the completion of discussions on the general disposition of such property in each United Nation.

RECOMMENDATIONS

6. It is recommended that:

- a. SWNCC approve the above conclusion.
- b. After approval by SWNCC, the Joint Chiefs of Staff be requested to advise General Schuyler of the above conclusion.
- c. The formulation and announcement of a policy on restitution in similar matters should await the completion of discussions no taking place on these matters.

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: May 6, 1946

TO : Florence Whiteside, Ensign, USNR
Secretary, European Subcommittee, SWNCC

FROM : EUR - Hayden Raynor

SUBJECT: SWNCC 275/D

I hand you herewith report of the Working Party appointed to consider SWNCC 275/D together with the State Department clearance slip on this matter which has been duly initialed by Offices and Divisions concerned.



Awaiting Army

called Cat Frank
(13 May)
er

EUR:GHRaynor:me1

REPORT TO EUROPEAN SUB-COMMITTEE OF SWNCC
Working Party Appointed to Consider SWNCC 275/D

The Problem

(A) To prepare a recommendation for JCS as to the reply which should be made to General Schuyler regarding the request of the Rumanian Government for the return to it of the vessel "MANGALIA."

(B). If feasible, to recommend the formulation and announcement of a policy on restitution in similar matters.

Facts and Discussion

(A) On the MANGALIA case:

1. The vessel, MANGALIA, was seized for title by the United States Government under Public Law 101 (55 Stat. 242) in June 1941 (not in June 1940 as stated in SWNCC 275/D).

2. At the time of seizure, the operation was apparently handled in a rather high-handed manner and caused considerable bitterness. But in view of later developments, especially the existence of a state of war with Rumania, it is felt that factor deserves little weight in the present consideration.

3. Title is now held by the U. S. Government.

4. No compensation award has been made.

-2-

B. If one had been made before the outbreak of war the proceeds would have been immediately blocked and on the outbreak of war would have been subject to seizure by the Alien Property Custodian.

f. If it should be possible for the Rumanian Government to assert a claim successfully now, it is likely that the peace treaty would provide for its renouncement as it seems likely the treaty may have a broad provision on renouncement of claims covering not only those arising directly out of the war but also those deriving from events leading up to the war. The latter category would cover a case of this type.

g. The working party is informed that there is no legal obligation on this government to return the vessel. It is further informed that it could not be returned without Congressional authorization. No statutory authority has been discovered.

h. The War Shipping Administration informs us that the vessel is now in the "laid-up" fleet.

i. A representative of the British Embassy informs us informally that the four Rumanian vessels seized by the British which the Rumanian Government also requested be returned were subject to prize court proceedings and now regarded as British property. At least as

-3-

late as March the British Government was not disposed to comply with the Rumanian request for return.

2p. From the political point of view, the return of the vessel is not favored, at least at this time. In view of our various difficulties of major consequence with respect to the protection and restitution of, or compensation for, American property in Rumania, it is felt inadvisable to return any property to Rumania prior to a satisfactory settlement of American claims.

1a. Further, there are many highly complicated and unresolved questions affecting restitution in Europe which will probably not be clarified until the completion of the peace treaty. It seems premature for us to consider an unilateral act of restitution pending settlement of these matters.

4p. On the question of the formulation and announcement of a policy on restitution in similar matters:

1. The War Department has requested that SWNCC in addition to advising the JCS of the reply to be made to General Schuyler regarding return of the vessel "Mangalia" to the Rumanian Government, "if feasible, formulate and announce a policy on restitution in similar matters". Since the Mangalia is the only satellite (Hungary, Rumania, Bulgaria) vessel which was seized pursuant to Public Law 101, the suggested reply concerning the Mangalia appears to cover adequately this class of property.

2. If the reference to "similar matters" means satellite vessels seized by the United States under any authority, it is not considered feasible to formulate and announce a policy on restitution at this time. The question of the disposition

-4-

to be made by the United Nations of satellite property in each United Nation is currently being discussed at the Paris Conference of the Council of Foreign Ministers, together with questions concerning restitution to United Nations of their property in the satellites and other related matters. The formulation and announcement of a policy on restitution of satellite property in the United States should therefore await the results of treaty negotiations.

c. It is understood that this statement concerning postponement of a policy on restitution is restricted to the question of restitution of satellite or former satellite property within each United Nation and does not relate to the question of restitution for American zones in Germany and Austria which is covered by SWNCC 204/5.

Recommendations

5 General Schuyler should be instructed to decline the request of the Rumanian Government for the present pointing out that:

- a. Title to the vessel is in the U. S. Government,
- b. No authority exists for its return, and
- c. Disposition of individual cases covering Rumanian and former Rumanian property should await the completion of discussions on the general disposition of such property in each United Nation.

6, The formulation and announcement of a policy on restitution in similar matters should await the completion of discussions now taking place on these matters.



THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.



SCE-11
15 March 1946

MEMORANDUM FOR: Mr. Hayden Raynor, Steering Member
(S-2974)
Lt. Col. Joseph A. Frank (W-5013)
Lt. Comdr. P. P. Claxton (N-~~5123~~)
61528

SUBJECT: Appointment of a Working Party,
SWNC Subcommittee for Europe

1. The State, War, and Navy Departments have designated the above-named individuals as a working party to study and report to the European Subcommittee on SWNCC 275/D.

2. In clearing the report of the working party with the member of the European Subcommittee in your department, please have the attached approval slip signed and return it to the Secretary, European Subcommittee, Room 178, State Department.

3. Copies of SWNCC 275/D are enclosed herewith.

Florence Whiteside
Ensign (W) USNR
Secretary, European Subcommittee
Navy extension 3151

Encl.
Approval slip
Cy. 41 of SWNCC 275/D - Mr. Raynor Room 396
42 - Col. Frank
CC: Col. Cramer

Return of Freighter 'Mangalia' to Rumania

275/D (2)

SWNCC 275/D

COPY NO. 63

11 March 1946

Pages 1 - 3, incl.

STATE-WAR-NAVY COORDINATING COMMITTEE

DIRECTIVE

RETURN OF FREIGHTER "MANGALIA" TO RUMANIA

Note by the Secretaries

The enclosure, a statement by the War Department presented by the Army Member, State-War-Navy Coordinating Committee, is referred to the State-War-Navy Coordinating Subcommittee for Europe for study, recommendation, and preparation of a draft reply.

ALEXANDER D. REID *ADR*

B. L. AUSTIN

RAYMOND E. COX

Secretariat

SWNCC 275/D

①

ENCLOSURERETURN OF FREIGHTER "MANGALIA" TO RUMANIAStatement by the War DepartmentDISCUSSION

1. General Schuyler states (Appendix) that he has received through the Chief Russian ACC Representative a request from the Rumanian Government for the return to Rumania of the freighter "Mangalia", which the Rumanian Government reports was seized by United States authorities in the Port of New York in June 1940, and he requests information as to whether its return to the Rumanian Government is feasible. Message further states that the Chief British Military Representative has received a similar request for the return of two freighters and two tankers.

2. Maritime Commission (Mr. McDowell, Ext 669) advises that the subject vessel is under control of the War Shipping Administration assigned for operations to the Atlantic Gulf and West Indies Company under the name "Scepter".

3. Since there is no established governmental policy on restitution covering this matter, it is considered that:

a. Disposition of subject vessel is one for study and report by SWNCC.

b. If feasible, SWNCC should formulate and announce a policy on restitution in similar matters.

RECOMMENDATIONS

4. That the SWNCC:

a. Advise the JCS of reply to be made to General Schuyler regarding return of this vessel to the Rumanian Government.

b. If feasible, formulate and announce a policy on restitution in similar matters.

A P P E N D I X

From: US Delegation, ACC, Bucharest, Rumania

To: War Department Nr: T 618 24 February 1946
T/618 is msg srl nbr.

The Chief US Military representative AC Rumania has received through the Chief Russian ACC Representative the following request from the Rumanian Government:

"In view of Rumania's critical need in obtaining from abroad in the shortest possible time shipments both of medical supplies already purchased and of other urgent supplies, I have the honor to ask you to be so kind as to take the steps necessary in order that (1) the Government of the United States of America return to Rumania the freighter Mangaia* with a cargo capacity of 5700 tons, powered by 3200 horsepower, the property of Sail M R Company, built in Italy in 1940 and which, have *docked in the port of New York in June 1940 in order to take on military supplies destined for Rumania was seized together with its cargo by the American authorities."

Information is requested of the Manvalia* and if its return to the Rumanian Government is feasible.

The Chief British Military Representative has received a similar request for the freighters Bucegi and Engineer Vlassopol and the tankers Steaus Romana and Oltenia.

* * *

US Delegation
Allied Control Council
Bucharest Rumania

Nr: WCL 49911

26 February 1946

To Schuyler from WAROPDIV reurad T 618 24 February 1946.

Subject vessel not identifiable from garbled name received here. Request you repeat name and forward any further specific details available to you.

For information, freighter Mangalia, cargo capacity 5000 tons, built in Rumania in 1939, now under US Flag, is closest identifiable vessel.

* * *

From: ACC Rumania

To: War Department

Nr: T 626

2 March 1946

From Schuyler to WAROPDIV T 626

Reurad WCL 49911 of 26 February and my T 618 of 24 Feb
name of vessel is, as stated in your cable Mangalia.