

251

This is an
SCE File

File No. 151 - WAR CLAIMS

RESTRICTED

No.	FROM	DATE	TO	SYNOPSIS
SWNCC 251 Series - Policy on Restitution to Lithuania.				
1	SCE	28Jan46	Mr. Hooker(S) Col. Frank(W) Lt. Claxton(N)	SCE-5. Aptmt of Working Party on SWNCC 251/D.
2	CG, USFET	7Feb46	War CAD	Msg reply to query fr CAD re removal and return of property to Lithuania and Latvia.
3	State Mbr	27Feb46	SWNCC	Re inc. of Baltic States into USSR, and status of property installed by and removed by the Germans.
4	Mr. Barnett(S)	28Feb46	MRDurbrow(S)	Discussion of Status of Ownership of above property.
5	Mr. Hooker(S)	16Mar46	SWNCC	Re restitution ont contemplated & property should be put to productive uses until disposition is determined.
6	Mr. Hooker(S)	18Mar46	SWNCC	Encl. draft reply to CG, USFET.
7	Working Pty	-----	SCE	Report by the Working Party.
8, 9 & 10	SCE	-----	Navy Mbr War " State "	SCE 5A. Approvals Slips on 251/D.
11	SCE	11Apr46	SWNCC	Encl. report of working & indicating SCE Approval.

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European Liberty File

CONFIDENTIAL

COPY NO. 44

6 March 1947

STATE-WAR-NAVY COORDINATING COMMITTEE

DECISION ON SWNCC 251/4

RESTITUTION TO LITHUANIA, LATVIA, AND
ESTHONIA OF PROPERTY SEIZED BY GERMANY

Note by the Secretaries

By informal action on 6 March 1947 the State-War-Navy
Coordinating Committee approved SWNCC 251/4.

H. W. MOSELEY
W. A. SCHULGEN
V. L. LOWRANCE
Secretariat

CONFIDENTIAL

European Subcom
file

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SWNCC 251/4

13 February 1947

Pages 10 - 12, incl.

COPY NO. 44

STATE-WAR-NAVY COORDINATING COMMITTEE

RESTITUTION TO LITHUANIA, LATVIA, AND
ESTHONIA OF PROPERTY SEIZED BY GERMANY

References: a. SWNCC 251/3/D
b. SWNCC 204/2
c. SWNCC 204/5
d. SWNCC 251/2
e. SCE 11

Note by the Secretaries

The enclosure, a report by the State-War-Navy Coordinating Subcommittee for Europe in response to SWNCC 251/3/D, is circulated for consideration by the Committee.

H. W. MOSELEY

W. A. SCHULGEN

V. L. LOWRANCE

Secretariat

SWNCC 251/4

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E N C L O S U R E

RESTITUTION TO LITHUANIA, LATVIA, AND
ESTHONIA OF PROPERTY SEIZED BY GERMANY

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

THE PROBLEM

1. To consider the cable from OMGUS to JCS, CC 7028, 19 November 1946 (SWNCC 251/3/D) requesting instructions as to policy to be followed regarding Soviet claims for restitution of Baltic property from Germany.

FACTS BEARING ON THE PROBLEM

2. Existing SWNCC directives (SWNCC 204/2, 204/5 and 251/2) do not provide for restitution of property looted by the Germans from Lithuania, Latvia, and Esthonia. This arises from the fact that restitution is made only to governments and that there are no governments for these states which are recognized by the United States. The United States does not recognize the incorporation of these states into the Soviet Union.

3. There can be no question but that the Germans did wrongfully remove property from the areas in question. This government is committed to a policy of depriving the Germans of such loot. This responsibility requires the location of such loot, its removal from German control and its adequate protection pending final disposition. As an Occupying Power in Germany the United States also has the responsibility of deciding the ultimate disposition of looted property in the American Zone.

4. In order that both of these responsibilities may be effectively fulfilled, it is necessary to secure adequate information concerning looted property in regard to the country from which removed, the manner of removal, and its presumed destination.

SWNCC 251/4

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Enclosure

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5. A substantial portion of such information in regard to the Baltic countries can be supplied only by the Soviet Union.

CONCLUSION

6. It is desirable that information concerning property looted by the Germans from Lithuania, Latvia, and Esthonia be accepted from the Soviet Union, without commitment to the Soviet Union as to the ultimate disposition of such property.

RECOMMENDATIONS

7. It is recommended that:
- a. SWNCC approve the above conclusion.
 - b. After approval by SWNCC the Joint Chiefs of Staff be requested to dispatch the cable contained in the Appendix to OMGUS.

CONFIDENTIALA P P E N D I XDRAFT CABLE

Reurad CC 7028, 19 Nov 1946. You are authorized to reply to General Kurochkin that the US does not recognize the incorporation of Lithuania, Latvia, and Esthonia into the Soviet Union. However, the US is prepared to accept from the Soviet Restitution Mission any information relating to property looted by the Germans from the Baltic States which may be in the American Zone in Germany, acceptance of such information to be without commitment as to the ultimate disposition of any such property as may be found by the American occupation authorities. Please advise earliest Soviet reaction such a statement.

For your info State Dept consulted with Paris and London govts this problem. London indicated British were reporting to Soviet Baltic property of persons not now living outside USSR. British recognize de facto Baltic incorporation in USSR, but did not say whether they would return property reported to Soviets by them; implication they would eventually do so. French govt said that if request for restitution Baltic property were received from Soviets they would not authorize restitution before receiving precise info re French property looted during war and removed to Baltic States. Both Paris and London saw no objection to above formula for reply to Kurochkin.

Urge that every effort be made to seek out and protect property in question. If, in your estimation desirable, property may be put to productive use, pending decision as to ultimate disposition thereof. Request you report earliest full info regarding type and quantities of property involved, where looted, evidence as to ownership and location of owners, if possible.

SWNCC 251/4

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Appendix

CONFIDENTIAL



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

5 February 1947

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

SCE 11 dated 4 February 1947, a Working Party report in response to SWNCC 251/3/D, is circulated for consideration of the European Subcommittee.

It is requested that you indicate your comment or concurrence hereon and return to the undersigned, Room 2027, New War Department Building.

I concur:
EE: [Signature] (Hooker)
GA: [Signature] (Todd)

[Signature]
H. W. KARBEL,
Acting Secretary,
European Subcommittee

APPROVED: [Signature], CHAIRMAN, SUBCITE.

DATE: Feb 7, 1947

Col. Wood



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

5 February 1947

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

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It is requested that you indicate your comment or concurrence hereon and return to the undersigned, Room 2027, New War Department Building.

H. W. Karbel
H. W. KARBEL,
Acting Secretary,
European Subcommittee

APPROVED: *Col. Wood* *Cre GSK*

DATE: *12 Feb 47*



Col. Barnett

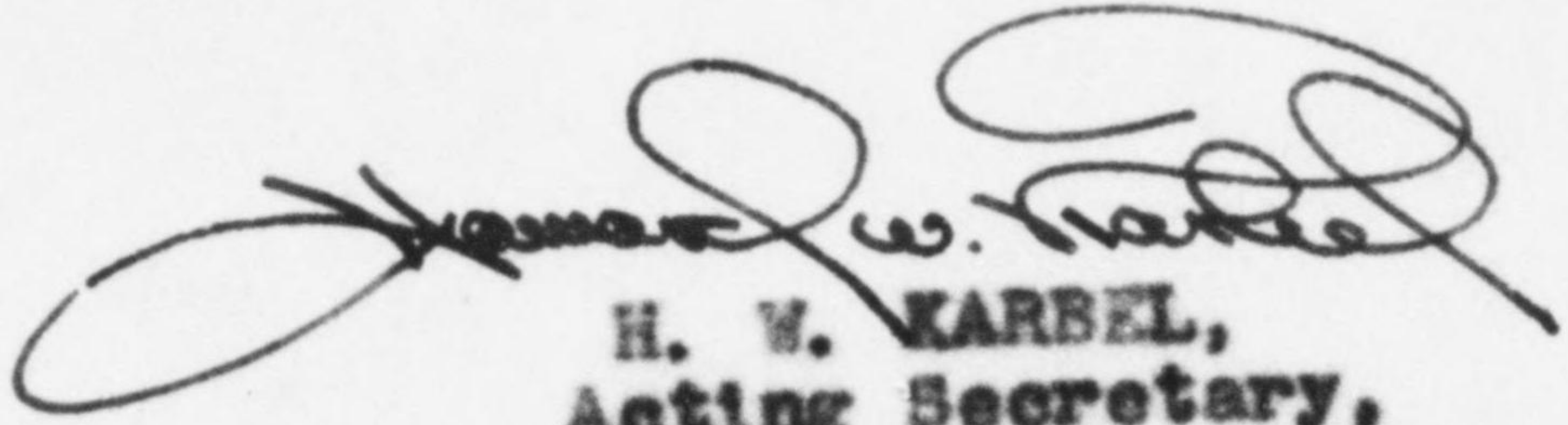
THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

5 February 1947

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


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2027, New War Department Building.


H. W. KARBEL,
Acting Secretary,
European Subcommittee

APPROVED: *Daniel Cox Jolley Jr.*

DATE: *13/ Feb*

Copy for CAD 



Cpt. Sinclair

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

5 February 1947

MEMORANDUM FOR THE STATE MEMBER, EUROPEAN SUBCOMMITTEE
WAR MEMBER, EUROPEAN SUBCOMMITTEE
NAVY MEMBER, EUROPEAN SUBCOMMITTEE ←

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H. W. Karbel
H. W. KARBEL,
Acting Secretary,
European Subcommittee

APPROVED: *Cpt. Sinclair*
DATE: *7 February 1947*

CONFIDENTIAL

COPY NO. 25

SCE 11

4 February 1947

Pages 1 - 3, incl.

STATE-WAR-NAVY COORDINATING SUBCOMMITTEE FOR EUROPE

RESTITUTION TO LITHUANIA, LATVIA, AND
ESTHONIA OF PROPERTY SEIZED BY GERMANY

References: a. SWNCC 251/3/D
b. SWNCC 204/2
c. SWNCC 204/5
d. SWNCC 251/2

Note by the Secretary

The enclosure, a report of the Working Party to consider SWNCC 251/3/D, is circulated for consideration by the State-War-Navy Coordinating Subcommittee for Europe.

H. W. KARBEL,
Acting Secretary,
European Subcommittee

SCE 11

CONFIDENTIAL

CONFIDENTIALE N C L O S U R ERESTITUTION TO LITHUANIA, LATVIA, AND
ESTHONIA OF PROPERTY SEIZED BY GERMANY

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

THE PROBLEM

1. To consider the cable from OMGUS to JCS, CC 7028, 19 November 1946 (SWNCC 251/3/D) requesting instructions as to policy to be followed regarding Soviet claims for restitution of Baltic property from Germany.

FACTS BEARING ON THE PROBLEM

2. Existing SWNCC directives (SWNCC 204/2, 204/5 and 251/2) do not provide for restitution of property looted by the Germans from Lithuania, Latvia, and Esthonia. This arises from the fact that restitution is made only to governments and that there are no governments for these states which are recognized by the United States. The United States does not recognize the incorporation of these states into the Soviet Union.

3. There can be no question but that the Germans did wrongfully remove property from the areas in question. This government is committed to a policy of depriving the Germans of such loot. This responsibility requires the location of such loot, its removal from German control and its adequate protection pending final disposition. As an Occupying Power in Germany the United States also has the responsibility of deciding the ultimate disposition of looted property in the American Zone.

4. In order that both of these responsibilities may be effectively fulfilled, it is necessary to secure adequate information concerning looted property in regard to the country from which removed, the manner of removal, and its presumed destination.

SCE 11

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Enclosure

CONFIDENTIAL

CONFIDENTIAL

5. A substantial portion of such information in regard to the Baltic countries can be supplied only by the Soviet Union.

CONCLUSION

6. It is desirable that information concerning property looted by the Germans from Lithuania, Latvia, and Esthonia be accepted from the Soviet Union, without commitment to the Soviet Union as to the ultimate disposition of such property.

RECOMMENDATIONS

7. It is recommended that:
- a. SWNCC approve the above conclusion.
 - b. After approval by SWNCC the Joint Chiefs of Staff be requested to dispatch the cable contained in the Appendix to OMGUS.

SCE 11

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Enclosure

CONFIDENTIAL

CONFIDENTIALA P P E N D I XDRAFT CABLE

Reurad CC 7028, 19 Nov 1946. You are authorized to reply to General Kurochkin that the US does not recognize the incorporation of Lithuania, Latvia, and Esthonia into the Soviet Union. However, the US is prepared to accept from the Soviet Restitution Mission any information relating to property looted by the Germans from the Baltic States which may be in the American Zone in Germany, acceptance of such information to be without commitment as to the ultimate disposition of any such property as may be found by the American occupation authorities. Please advise earliest Soviet reaction such a statement.

For your info State Dept consulted with Paris and London govts this problem. London indicated British were reporting to Soviet Baltic property of persons not now living outside USSR. British recognize de facto Baltic incorporation in USSR, but did not say whether they would return property reported to Soviets by them; implication they would eventually do so. French govt said that if request for restitution Baltic property were received from Soviets they would not authorize restitution before receiving precise info re French property looted during war and removed to Baltic States. Both Paris and London saw no objection to above formula for reply to Kurochkin.

Urge that every effort be made to seek out and protect property in question. If, in your estimation desirable, property may be put to productive use, pending decision as to ultimate disposition thereof. Request you report earliest full info regarding type and quantities of property involved, where looted, evidence as to ownership and location of owners, if possible.

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Appendix

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SCE 11

MEMORANDUM

January 30, 1947

To: Major Karbel
Secretary, European Sub-Committee, SWNCC

From: GA - Mr. Kiefer

Enclosed herewith is the report of the Working Party to consider SWNCC 251/3/D. The Draft Cable to OMGUS attached thereto has been cleared in the State Department with GA and EE.

Enclosure:

Rpt of Working
Party re SWNCC
251/3/D

CPK
AK
GA:AFKiefer:mlg
1/30/47

CONFIDENTIAL

TO BE SUBMITTED BY STATE MEMBER, SWNCC
RESTITUTION TO LITHUANIA, LATVIA, AND ESTHONIA
OF PROPERTY SEIZED BY GERMANY

References: a. SWNCC 204/2
b. SWNCC 204/5
c. SWNCC 251/2
d. SWNCC 251/3/D

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

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3. There can be no question but that the Germans did wrongfully remove property from the areas in question. This government is committed to a policy of depriving the Germans of such loot. This responsibility requires the location of such loot, its removal from

German control

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German control and its adequate protection pending final disposition. As an Occupying Power in Germany the United States also has the responsibility of deciding the ultimate disposition of looted property in the American Zone.

4. In order that both of these responsibilities may be effectively fulfilled, it is necessary to secure adequate information concerning looted property in regard to the country from which removed, the manner of removal, and its presumed destination.

5. A substantial portion of such information in regard to the Baltic countries can be supplied only by the Soviet Union.

CONCLUSION

6. It is desirable that information concerning property looted by the Germans from Lithuania, Latvia, and Esthonia be accepted from the Soviet Union, without commitment to the Soviet Union as to the ultimate disposition of such property.

RECOMMENDATIONS

7. It is recommended that:
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CONFIDENTIAL

A P P E N D I X

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CONFIDENTIAL

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CONFIDENTIAL

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CPK
GA:AFKiefer:mlg
1/28/47

CONFIDENTIAL

TO BE SUBMITTED BY STATE MEMBER, SWNCC
RESTITUTION TO LITHUANIA, LATVIA, AND ESTHONIA
OF PROPERTY SEIZED BY GERMANY

References: a. SWNCC 204/2
b. SWNCC 204/5
c. SWNCC 251/2
d. SWNCC 251/3/D

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

THE PROBLEM

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CONFIDENTIAL

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RECOMMENDATIONS

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GA:AFKiefer:mlg
1/28/47

CONFIDENTIAL

A P P E N D I X

DRAFT CABLE

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info re French

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

2 December 1946

MEMORANDUM FOR: Mr. Joseph A. Todd, State, Steering
Member (S-3517)
Mr. Robert G. Hooper, State (S-2078)
Major John J. Gorman, CAD (W-5432)
Captain George A. Sinclair, USN
(N-2773)

Subject: Change in Membership of the Working
Party, SWNG Subcommittee for Europe.

The State Department has designated Mr. Joseph
A. Todd (S-3517) as an additional member of the work-
ing party to consider SWNG 251/3/D, and have requested
that he be appointed steering member.

H. W. KARBEL,
Acting Secretary,
European Subcommittee

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

29 November 1946

MEMORANDUM FOR: Mr. Robert G. Hooker, State, Steering
Member (S-2078)
Major John J. Gorman, CAD (W-6432)
Captain George A. Sinclair, USN
(N-2773)

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 for preparation of a draft reply to the message in the Enclosure to SWNCC 251/3/D.

2. To expedite the clearance of the draft with the members of the European Subcommittee and other interested agencies within your department, it is requested that the final draft agreed upon by the Working Party, be forwarded to the undersigned for reproduction and distribution.

3. Attention is invited to SWNCC Policy Memorandum No. 4 dated 8 November 1946 which states that preparation of reports by working parties on routine matters should not exceed 14 days.

4. A copy of SWNCC 251/3/D is enclosed herewith.

H. W. KARBEL,
Acting Secretary,
European Subcommittee

Enclosure
Copy No. , SWNCC 251/3/D

38 - Hooker
39 - Maj. Gorman
40 - Capt. Sinclair

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COPY NO. 48

SWNCC 251/3/D

25 November 1946

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STATE-WAR-NAVY COORDINATING COMMITTEE

DIRECTIVE

RESTITUTION TO LATVIA OF PROPERTY SEIZED BY GERMANY

References: a. SWNCC 251/2
b. SWNCC 204/2
c. SWNCC 204/5

Note by the Secretaries

The enclosure, a message from the Office of Military Government (U.S.), Berlin, Germany, forwarded by the Secretary, Joint Chiefs of Staff with a request for the basis of a reply, is referred to the State-War-Navy Coordinating Subcommittee for Europe for preparation of a draft reply.

H. W. MOSELEY
W. A. SCHULGEN
V. L. LOWRANCE
Secretariat

SWNCC 251/3/D

RESTRICTED

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E N C L O S U R E

From: OMGUS Berlin Germany sgd Keating

To: War Department for JCS

Nr: CC 7028

19 November 1946

Reference urad W-86428 dated 2nd May 1946 (Appendix to SWNCC 251/2). Subject: restitution to Latvia.

Have received letter dated 9th November 1946 from General Kurochkin, Deputy Commander in Chief of the Soviet Military Administration and Deputy Commander in Chief of the Soviet Occupation Forces in Germany, transmitting claims for property and equipment removed by Germany "during temporary occupation of Latvian SSR".

In view of statement in reference cable that our government does not recognize incorporation of Latvia into the Soviet Union, request instructions as to policy to be followed regarding these claims and reply to be made by this headquarters to General Kurochkin.

End

CM-IN-3483 (20 Nov 46)

SWNCC 251/3/D

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Enclosure

RESTRICTED



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



11 April 1946

Memorandum for the Secretariat, SWNCC:

Subject: SWNCC 251/D

Enclosure: Report of the SWNG Subcommittee for
Europe on SWNCC 251/D

The State, War, and Navy Members of the
SWNG Subcommittee for Europe concur in the attached report
on SWNCC 251/D.

Florence Whiteside,
Secretary, European Subcommittee

Encl.

11



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

No Review



SCE-5A

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

The report of the working party on SWNCC 251/D, dated *8 April* 1946, is circulated for consideration by the European Subcommittee.

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

Florence Whiteside
Florence Whiteside
Secretary, European Subcommittee

EE: RY. sp.

APPROVED: *HF*

DATE: *8 April*

10

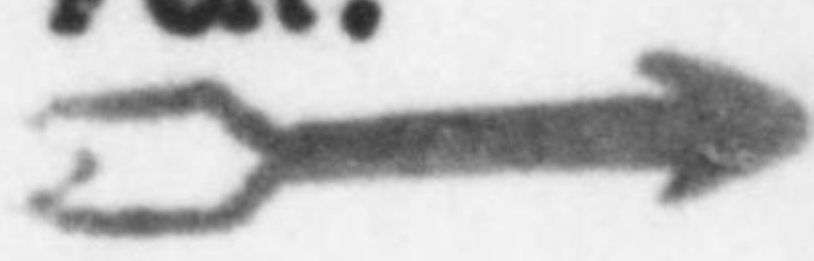


Col. Frank

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



SCE-5A

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

The report of the working party on SWNCC 251/D, dated *8 April* 1946, is circulated for consideration by the European Subcommittee.

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

Florence Whiteside
Florence Whiteside
Secretary, European Subcommittee

APPROVED: *L. A. Craun* *Col GSC*
DATE: *9/4/46*



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



90E-5A

*Ev. Sands:
Please send to
Ev. Whiteside*

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

The report of the working party on BWNCC 251/D, dated *8 April* 1946, is circulated for consideration by the European Subcommittee.

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

Florence Whiteside
Florence Whiteside
Secretary, European Subcommittee

APPROVED: Y *4/10/46*
DATE: *J. H. McCree*

APR 12 1946



STATE-WAR-NAVY COORDINATING COMMITTEE

STATE

(8)

DRAFT

ENCLOSURE

DRAFT

REPORT BY THE STATE-WAR-NAVY COORDINATING SUBCOMMITTEE FOR EUROPE

References: SWNCC 251/D
 " 204/2
 " 204/5

~~References: SWNCC 251/D
 " 204/2
 " 204/5~~
THE PROBLEM

1. To prepare a draft reply to CC 21735 from OMGUS to the JCS requesting advice concerning restitution of certain properties ~~of~~ ⁱⁿ Lithuania.

FACTS BEARING ON THE PROBLEM

2. It is understood that the properties referred to in CC 21735 were seized from Lithuanian and Latvian owners by the Germans and that the two corporations mentioned were ~~recognized~~ ^{organized} by the Germans for the purpose of carrying out seizures.

3. Restitution of property to Lithuania or Latvia is not contemplated because this Government does not recognize the incorporation of these States into the Soviet Union. Directives on the subject of restitution, ^{WARX} 85965, 29 November 1945 (SWNCC 204/2), and ~~85~~ ^{WARX} 99236, 4 March 1946 (SWNCC 204/5), did not provide for restitution to Lithuania or Latvia for this reason.

CONCLUSION

4. It is felt that if feasible Lithuanian or Latvian properties in Germany should be put to productive use subject to transfer when and if the ~~action of~~ ultimate disposition is determined, such utilization to be without prejudice to such ultimate disposition.

RECOMMENDATIONS

5. It is proposed that a cable as outlined in Appendix "A" attached should be dispatched by the Joint Chiefs of Staff to OMGUS.

(9)

APPENDIX
DRAFT CABLE
~~TO THE GOVT~~

Restitution of property to Lithuania or Latvia is not contemplated because this GOVT does not recognize incorporation of these states into Soviet Union. Directives on subject of restitution, ~~85965~~^{WARX} 85965 29 Nov 1945 and ~~99236~~^{WARX} 99236 4 March 1946 (SWNCC 204/2 and 204/5 respectively) did not provide for restitution to Lithuania or Latvia for this reason.

If feasible property should be put to productive use, subject to transfer when and if ~~question of~~ ultimate disposition is determined, such utilization to be without prejudice to such ultimate disposition.

It is recommended that:

(5) a ~~SEUNCC~~ approve the above conclusion.

b. After approval by SEUNCC the LOS be requested to dispatch the ~~message~~ cable contained in the appendix to DMGUS subject to their comment from a military point of view.

DEPARTMENT OF STATE
DIVISION OF EUROPEAN AFFAIRS

CE - in Riddleberg
What's this
all about -
did you talk to
Bob H. or Bennett

EO

2888

2078-

DEPARTMENT OF STATE
Eastern
DIVISION OF EUROPEAN AFFAIRS

March 18, 1946

MEMORANDUM FOR STATE, WAR, NAVY COORDINATING COMMITTEE

REPORT BY THE SWNCC SUBCOMMITTEE FOR EUROPE

Subject: Policy on Restitution to Lithuania

Reference is made to SWNCC 251/D, "Policy on Restitution to Lithuania". The European Subcommittee proposes that a cable along the lines of the attached draft be dispatched by ~~the Joint Chiefs~~ to the field. This draft has received the approval of the State, War and Navy members of the European Subcommittee.

Robert G. Hooker, Jr.
Steering Member

Memo for Secretary SWNCC

EE:EDurbrow:BB

(6)

Restitution of property to Lithuania or Latvia is not contemplated because this GOVT does not recognize incorporation of these states into Soviet Union. Directives on subject of restitution, JCS 85965 29 Nov 1945 and JCS 99236 4 March 1946 (SWNCC 204/2 and 204/5 respectively) did not provide for restitution to Lithuania or Latvia for this reason.

If feasible property should be put to productive use, subject to transfer when and if question of ultimate disposition is determined, such utilization to be without prejudice to such ultimate disposition.

DEPARTMENT OF STATE
^{Eastern}
DIVISION OF EUROPEAN AFFAIRS

March 16, 1946

MEMORANDUM FOR STATE, WAR, NAVY COORDINATING COMMITTEE

REPORT BY THE SWNCC SUBCOMMITTEE FOR EUROPE

Subject: Policy on Restitution to Lithuania

Reference is made to SWNCC 251/D, "Policy on Restitution to Lithuania". It is understood that this property was seized from Lithuanian and Latvian owners by the Germans and that the two corporations mentioned were organized by Germans for the purpose of carrying out seizures.

Restitution of property to Lithuania or Latvia is not contemplated because this Government does not recognize the incorporation of these states into the Soviet Union. Directives on the subject of restitution, JCS 85965 29 November 1945 and JCS 99236 4 March 1946 (SWNCC 204/2 and 204/5 respectively) did not provide for restitution to Lithuania or Latvia for this reason.

If feasible, property should be put to productive use, subject to transfer when and if ~~question of~~ ultimate disposition is determined, such utilization to be without prejudice to such ultimate disposition. The recommendations included in this paper have been concurred in by representatives of the War and Navy Departments on the Working Party.

Robert G. Hooker, Jr.

Robert G. Hooker, Jr.
Steering Member

EE:RGH:BB

(5)

Please return
to B²

Mr. Durbrow -
Attached is
a rewrite of a
"SWNCC" memo
as suggested
by

MR. DURBROW.

Attached is a rewrite of a "SWNCC" memo as suggested by Mr. Gardner. IF you concur, please initial (or whatever is necessary in the absence of Mr. Hooker) and return to me in order that I may pass it on to Mr. Gardner/for who will get the approval of Mr. Matthews and send it to SWNCC.

B. Browne

DEPARTMENT OF STATE
DIVISION OF EUROPEAN AFFAIRS

CE - Mr Riddleberg

Please look this over
and let me know when
we can talk about it

C

The memo from Barnett
is the thing I told you
about can't we do something
to bring about the solution
I've suggested. I'm sick and
tired of this legalistic nonsense
C

Office Memorandum



UNITED STATES GOVERNMENT

TO : EE - Mr. Durbrow

FROM : GA - H. J. Barnett

DATE: February 28, 1946

SUBJECT: Re SWNCC 251/D, WARX 95535 to OMGUS, and S-1082 from OMGUS, on question of restoring property looted by Germans from Lithuania and Latvia.

The situation appears to me as follows, although there are some gaps in the information. The property was originally owned by non-Germans. The owners were improperly dispossessed of the property. Eventually the assets arrived in Germany. The removal was looted in the sense used in restitution matters. The United States general restitution policy would call for the return of the property to the government and site from which removed - the assets are part of that economy.

I understand that while the United States does not recognize the USSR as the legal government in Lithuania and Latvia, the United States is nevertheless cognizant that the USSR is the defacto government in these areas.

We have two possible alternatives of action, it seems to me. We can return the property to Lithuania and Latvia, expressly without prejudice to the future ownership of the property or resolution of the legality of the USSR Government now there. Or we can hold the property in "cold storage" in Germany until we recognize a Government in Lithuania and Latvia.

- The advantages of the first course, (returning the property) are:
- (a) it benefits the European community generally and the Baltic States particularly in permitting the facilities to be restored to productive use;
 - (b) it reduces Army burdens and costs of storage, protection, liability for damage, etc.;
 - (c) it releases the space which the facilities now occupy for other productive use.

The advantage of holding the property until a government is recognized in the area is the political/legal one which I understand but which you are better equipped to state than I.

In the circumstances I should favor restoration of the property, with a statement that this is in line with the United States traditional property restitution principles and the United States desire to aid in the reconstruction of Europe, but with a clear proviso that the return is without prejudice to future determination of the legal government of the area or the ownership of the property.

GA:HJBarnett:shp

(H)

DEPARTMENT OF STATE
Eastern
DIVISION OF EUROPEAN AFFAIRS

February 27, 1946.

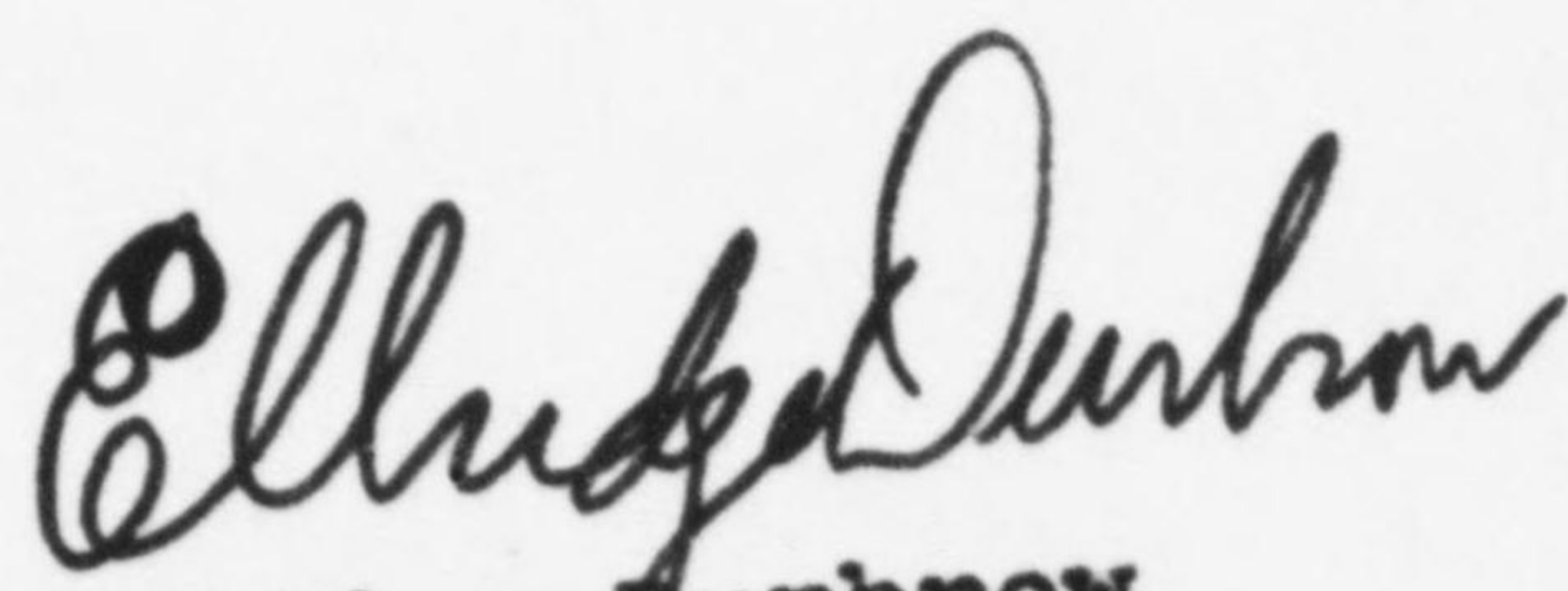
MEMORANDUM FOR STATE, WAR, NAVY COORDINATING COMMITTEE

REPORT BY THE SWNC SUBCOMMITTEE FOR EUROPE

Subject: Policy on Restitution to Lithuania

Reference is made to SWNCC 251/D, "Policy on Restitution to Lithuania". The U. S. Government has not recognized the incorporation of the Baltic States into the Soviet Union, and therefore, since the Soviet Government is in de facto control of Lithuania, there is no machinery referred to in SWNCC 251/D could be returned. Furthermore, the equipment in question was apparently of German origin, installed in Lithuania by German-controlled firms and later returned to Germany by the Nazi authorities. On the basis of War Department telegram S-1082, February 7, 1946, it appears that the USSR has not requested the return of this equipment.

In view of the above there would appear to be no reason why this equipment should be returned to Lithuania. It is recommended, therefore, that it be considered as German equipment and dealt with in the same manner as similar German equipment.


Elbridge Durbrow
Steering Member

EE:EDurbrow:LA:BB:GP

(3)

DEPARTMENT OF STATE

DIVISION OF EUROPEAN AFFAIRS

Durley - (Restriction to Lithuania)

This is another SWNCC paper I didn't get a chance to work out before leaving. Other members are Lt. ^{Comdr} Claxton (navy 61 ~~713~~) & Lt. Col. Frank (War ~~713~~ ⁵⁰¹³). Attached is answer to wire Frank sent to get some necessary facts - which makes no sense without copy his outgoing which he did not give us - also wire incomplete, though it may give all the answers we need, i.e. nobody has requested return of property. Since it was acquired by German sponsored "cloak" companies, I'm inclined to think it should be made available for reparations for the Western powers, where it sits, in the U.S. Some Parmatt of ga (X-2 PPH) is familiar with this, & I suppose should be brought in. Frank will call you
Rg Hb.

for R. S. HOOKER
Eastern European Div
Rm 373, Main Bldg

**WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE**

RESTRICTED TOP

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED CORRESPONDENCE PER PARAS 44g and 53a, AR 380-5.

CIVIL AFFAIRS DIVISION CABLE DISTRIBUTION	ACTION	INTEREST
2 Director		
4 GAS/W		✓
1 Admin.		File
5 Recrds		File
(E)		
(FE)		
Secy		
8 Info		
Info		
C.S.		
Dist		
PAT		
OMGUS		
Planners		
CCAC		

From: CG USFET Main, Frankfurt, Germany
 To: War Department
 Nr: S-1082

7 February 1946

Ref S-1082 to AGWAR Dept for War Dept Civil Affairs
 Div from USFET Main signed McNarney cite ETGEC.

Reurad WX-95535.

Answers are as follows:

Question 1. USSR not informed.

Question 2. USSR has not requested return.
 Lithuania and Latvia not informed and have not requested return.

Question 3. Equipment partially installed, partially stored. Plants owned by Germans. Equipment available for restitution if policy permits.

Question 4. Exact date equipment was removed from Lithuania and Latvia cannot be determined. Action appears to have occurred 1943 or 1944.

Question 5. It appears equipment was moved on German orders.

Question 6. Equipment is machinery of paper mill and allied industries.

Answers to your Part B. Questions 1, 2, and 3 under investigation.

End

ACTION: CAD
 INFO : JC/S, Adm Leahy, CG AAF, OPD, G-2 (State), Adm Nimitz, Mr Petersen, C of S

CM IN 1720

(8 Feb 46)

DTG 071030A mec

RESTRICTED

52 (2)

COPY NO.

Mr. Hoover!

Will the attached
help re. Restitution?
This is all DCIR
can find - B²

LeTide:

VWR

Case
2246

EAL

I believe Ostland-Faser
 GmbH is a Latvian
 firm. Furthermore that
 it was founded during
 the German occupation and
 was } probably controlled
 is } by German interests.
 It would thus be considered
 property of Russians.
 This gives a line on
 possible answer, as Latvian
 firm may also have been

taken over by Germans.

J

Please inform
EE of foregoing
Thanks. I suppose
they will call the
sub committee meeting.

JFK



RESTRICTED

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



SCE-5
28 January 1946

MEMORANDUM FOR: → Mr. Robert G. Hooker, jr., Steering Member (S-2078) ⁵⁰¹³
Lt. Col. Joseph A. Frank (W-5015) ⁷¹²⁵⁹
Lt. P. P. Claxton, USNR (N-61723)

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 251/D.

2. Copies of SWNCC 251/D are enclosed herewith.

Florence Whiteside
Ensign (W) USNR
Secretary, European Subcommittee

Encl.
cy. 38 SWNCC 251/D

RESTRICTED

(1)