The Diplomacy of Wiedergutmachung: Memory, the Cold War, and the Western European Victims of Nazism, 1956–1964

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In 1956 a number of Western European states demanded from the Federal Republic of Germany compensation for victims of National Socialist persecution. West Germany eventually concluded eleven bilateral compensation agreements between 1959 and 1964. The long, acrimonious negotiations were conducted with the Federal Republic’s key allies at a time when their support was crucial for West Germany’s international rehabilitation, the process of European integration, and the Cold War struggle. This article analyzes to what extent the day-to-day politics of the Cold War were intertwined with the politics of the past. It examines German negotiations with France and with Britain in more detail to illustrate that the eleven agreements were far from uniform.

In 1961 West German Minister of Defense Franz Josef Strauss publicly declared that his country’s contribution to the defense of the West against communism constituted a form of Wiedergutmachung.¹ His eccentric interpretation captures both the elusiveness and the ambiguity of a term that still is widely used to describe indemnification for the victims of Nazi persecution. Critics have condemned the word as exculpatory and trivializing, as a term that implies that persecution and genocide could be “made good again.”² Indeed, by talking about the “redemptive value of Wiedergutmachung,”³ some Germans seemed implicitly to assume that redemption had been purchased, that Germany had fulfilled its moral and financial obligations, and that therefore Wiedergutmachung, like the Nazi past itself, should be regarded as safely belonging to an earlier age. Yet, as Hans Günter Hockerts points out, in the early years of the Federal Republic the term was used by those few Germans who believed that Germany had a moral obligation to atone for Nazi crimes and to compensate the victims.⁴ These advocates of Wiedergutmachung hoped that the term would “appeal to people’s conscience” more than neutral expressions such as indemnification (Entschädigung).⁵

The concept of Wiedergutmachung is clearly problematic in this context. For example, both the West German defense effort and volunteer work carried out at the Auschwitz memorial site were described as forms of “Wiedergutmachung.”⁶ Yet,
in a strictly material sense, the term comprises two processes designed to meet the victims’ financial claims against the perpetrators: restitution (Rückerstattung), and indemnification or compensation. Additionally it has a legal dimension: the rehabilitation of victims of Nazi criminal justice (Rehabilitation). Rehabilitation refers to the reversal of unlawful sentences imposed by Nazi criminal justice or other legal decisions such as expatriation. Restitution refers to the return of property that had been stolen or confiscated. This comprises mainly Jewish property that had been “Aryanized,” property confiscated from a variety of nongovernmental organizations, and plunder (for example art and gold) that came into possession of the German Reich. Compensation refers to material compensation for the loss of life (in which case the dependants receive benefits), health, liberty, career and economic advancement. All these categories have, of course, both an internal German and an international dimension as the victims included people from numerous countries.

This article concentrates on the international dimension of compensation, scholarship about which has focused to date almost exclusively on the 1952 Luxembourg Agreement that West Germany concluded with Israel and the Conference on Jewish Material Claims Against Germany (Claims Conference). In the Luxembourg Agreement, West Germany agreed to supply Israel with goods worth three billion DM (in twelve installments). The Claims Conference received 450 million DM to aid Jewish victims who resided outside Israel. This agreement was the first gesture of compensation that the West German state was willing to undertake, albeit under considerable pressure from the United States. Yet German aggression had brought death, destruction, and suffering to millions of Jews and non-Jews across Europe and beyond; thus in 1956 eight Western European states (France, the Netherlands, Belgium, Luxembourg, Greece, Great Britain, Denmark, and Norway) demanded compensation for their victims of Nazi persecution. The eight countries were soon joined by Italy, Sweden, Switzerland, and Austria, and negotiations with West Germany led to the conclusion of eleven compensation agreements (Globalabkommen) between 1959 and 1964. The Globalabkommen received little public attention in Germany at the time they were concluded and, in the shadow of the Luxembourg Agreement, they attracted little scholarly interest. However, these negotiations merit further examination, not least because they were conducted at a time when Western support was crucial for the Federal Republic’s international rehabilitation, the process of European integration, and the Cold War struggle.

German Cold War–era compensation for European victims of National Socialist persecution is the subject of a major research project launched at the University of Munich. The project, involving scholars from eleven countries, compares the compensation agreements West Germany concluded with Western European states and, as a result of these agreements, the demands for compensation made by Eastern European states. This article provides some initial research results on the diplomacy of compensation for the Western European states in the context of Cold War politics and the
legacies of the Second World War. To what extent was the issue of compensation intertwined with the politics of the Cold War and of European integration? How instrumental was compensation in the “politics of the past” in postwar Europe? What role did compensation play in public memory abroad and in (re)shaping perceptions of Germany? The negotiations with France and Britain are examined in more detail to provide some answers to these questions. The analysis shows that, while there were important links to Cold War politics, these should not be overestimated as a driving force, whereas the memories and legacies of the Second World War profoundly influenced the negotiations. Moreover Cold War politics did not influence in equal measure the various bilateral negotiations: its impact is tangible in the Franco-German negotiations, but the Anglo-German negotiations were dominated by British public memory of World War II and by German efforts to change their country’s image in the United Kingdom.

The contrast between the Franco-German and the Anglo-German agreements also illustrates that, while the eight countries had approached West Germany jointly for multilateral talks, the resulting bilateral negotiations and agreements were far from uniform. Citizens from all the states had suffered Nazi persecution, yet the cases of countries that had not been occupied, such as Great Britain and Switzerland, were different from those of France and Denmark. Greece suffered war crimes at the hands of both German and Italian occupation forces. Italy was clearly a special case as it had joined the war against Germany after the fall of Mussolini. In the case of Austria, it was debatable whether the country had any claim against the Federal Republic or whether Austrian victims should be compensated by the postwar Austrian government. Thus the eight (later twelve) states conducted the negotiations with a variety of preconditions and priorities.

**West German Legislation: The Exclusion of Foreign Victims from the Federal Compensation Law**

To understand the diplomacy of external compensation we first have to look at the origins of compensation in postwar Germany. Immediately after the end of the war the U.S. Military Government established provisions for compensation in the U.S.-occupied zone, but the Western allies could not reach agreement over joint policy. The 1952 Bonn Convention (Überleitungsvertrag), designed to bring the occupation regime to an end, obliged West Germany to accept responsibility for compensation and restitution, and to initiate relevant legislation. After protracted negotiations the “Supplementary Law for the Compensation of the Victims of National Socialist Persecution” came into force in 1953. As the law was still provisional in character and its practical application proved slow, bureaucratic, and resulted in the rejection of the majority of claims, the Bundestag passed a revised version, the Federal Compensation Law (Bundesentschädigungsgesetz, or BEG), in 1956. The BEG acknowledged compensation claims from victims who had been persecuted for reasons of religion, race,
or ideological/political belief—principles that had originally been established by the U.S. Military Government. Yet the law contained a residency qualification: eligible were those who lived in West Germany or West Berlin on 31 December 1952; or emigrants who during persecution had lived within the Reich boundaries of 1937 and who, by the end of 1952, had chosen to live in Israel or in the West. In addition, persecutees who were German and who had been expelled from the formerly occupied territories in the East, and Jews who had left these territories were also eligible. Special regulations applied for those considered stateless victims and refugees under the Geneva Convention. These mainly Eastern Europeans, unwilling to return to their communist-controlled home countries, were classified as “persons who suffered damage for reasons of nationality” (Nationalgeschädigte). Categorized as second-class victims (note the terminology: they were not recognized as persecutees), they were eligible for compensation but on a greatly reduced scale. For example, widows and orphans could not claim dependents’ benefits. The legislation reveals much about the understanding of recent history in the West Germany of the 1950s. Non-Jewish victims from occupied Poland and the Soviet Union were not recognized as having been persecuted for racial reasons. The law did not regard the war of extermination in the East as a specifically Nazi-perpetrated injustice.

The BEG was essentially limited to German nationals and emigrants from Germany. With the exception of a handful of stateless refugees, the legislation did not apply to foreign victims. The Western allies had attempted to include German responsibility for foreign victims’ compensation in the Bonn Convention—a demand the Germans contested vehemently, arguing that compensation of individual foreign victims fell under the category of reparations, i.e., payments of war damages. The German argument was based on the Versailles Treaty, which included as reparations the compensation for loss of life, health, or freedom, and for deportation of individual citizens of the Allied states. This understanding was reconfirmed in the Potsdam Agreement and in the 1946 Paris Reparations Agreement. The latter stated that foreigners’ individual claims against the former German government were covered by German reparations payments. In other words, the Western European states had to pay their citizens compensation from reparations to be received from Germany.

The 1953 London Debt Agreement proved crucial to reaffirming the German position that compensation for foreign victims was part of the reparations complex. Focused on settling Germany’s prewar and immediate postwar debts, the London Agreement deferred all claims against Germany resulting from the Second World War. It stated that claims of foreign nations that had been at war with Germany, including claims of these states’ citizens, would be postponed until a final settlement of the reparations question. The clause effectively barred demands for West German compensation of foreign inmates of concentration camps and of forced laborers. The reparations question would be settled only in conjunction with a German peace treaty. Given the division of Germany, a peace treaty, reparations, or compensation of foreign
victims were de facto postponed indefinitely. It was mainly the U.S. government that had insisted on the clause that deferred all foreign nations’ claims against Germany until the final settlement of the reparations question. West Germany had just negotiated the Luxembourg Agreement with Israel and the Claims Conference, thereby fulfilling the element of compensation that was most important politically to the United States. The Federal Republic would also have to spend an estimated thirteen billion DM on rearmament in the following years. The West’s new ally should not be overburdened with demands, the West German government frequently emphasized. However, the French and Dutch governments in particular objected to the London Agreement. Paris and The Hague expected their Jewish and politically persecuted citizens to be provided for by the West German compensation legislation. The 1953 Supplementary Compensation Law, which effectively excluded French claimants, triggered furious protests by French victims’ organizations. The French requested further negotiations and changes of the legislation while American silence indicated tacit support for the German position.

The Western European Notes of 1956 and the Multilateral Negotiations with the Federal Republic

When the 1956 revised Federal Compensation Law did not bring any improvement for persecutees from Western Europe (Westverfolgte), the eight Western governments demanded in simultaneous diplomatic notes to Bonn compensation of those persecutees not covered by the existing legislation, and the establishment of a multilateral working group to solve the issue. West German reactions were mixed. Foreign Minister Heinrich von Brentano acknowledged that the situation was unsatisfactory and indicated a willingness to negotiate. In the Foreign Ministry plans were designed to set up a 100-million-DM charity fund. From the German government’s perspective, the charitable nature of the fund was important to avoid recognition of any legal obligation to pay compensation. Von Brentano calculated 100 million DM for approximately 30,000 eligible claimants (about 3,500 DM each). Jews who had been compensated by the agreement with the Claims Conference should be excluded, he recommended, and resistance fighters were to be barred from this fund as well. Resistance fighters, the Germans insisted, had to be regarded as enemy combatants and therefore did not suffer from specific National Socialist persecution. However, some officials in the Foreign Ministry suggested that for political reasons it would not be wise to categorize and exclude certain groups of victims; this would only trigger strong international protest. In contrast, the Finance Ministry rejected all demands, arguing that the Federal Republic’s financial situation did not allow for extra spending and that a West German fund would only trigger further claims from Eastern Europe. An apparently outraged Finance Minister Fritz Schäffer accused von Brentano of having invited, through his soft approach, the Western governments’ demands. Opponents attributed Schäffer’s
uncompromising stand to personal opposition to compensation (as expressed in embarrassing public outbursts) and even to seemingly antisemitic thinking. Schäffer continued his attacks against Wiedergutmachung even when he was no longer Finance Minister. Yet Schäffer’s tight-fisted attitude was not confined to compensation; it was also at the core of the 1956 German rearmament crisis and of a fierce controversy over support costs for the British Army of the Rhine, a dispute that strained Anglo-German relations in 1956–57. The Finance Ministry was concerned mainly with the monetary reserves of the increasingly prosperous Federal Republic even if relations with West Germany’s closest allies were at risk.

After protracted interdepartmental discussion, Bonn answered the Western European notes in February 1957, suggesting a charity fund for those victims of persecution living in the “free world” and who were not eligible under the Federal Compensation Law. The German communication mentioned no sum, nor did it take up the idea of forming a multilateral working group. Thus neither the Foreign Ministry nor the Finance Ministry was willing to change the existing law. The West German government’s first priority was to avoid an erosion of its (rather delicate) legal position that the London Agreement had postponed reparations, and therefore West Germany was under no obligation to pay anything at this stage. Furthermore, recognizing a legal obligation would have led to claims from the other side of the Iron Curtain. In the Cold War environment compensation for victims from or in what had then become communist Eastern Europe was rejected as a matter of principle. The perceived threat of totalitarianism allowed for the argument that communists did not deserve compensation, and Bonn could conveniently refer East European states to East Berlin.

The Western powers rebuffed the West German communication of February 1957, calling it unsatisfactory and declaring the concept of a charitable fund offensive to the victims. While the majority of civil servants in the West German Foreign Ministry tried hard to make progress in the negotiations with the eight states, those opposed to an agreement, particularly in the Finance Ministry, successfully applied delaying tactics. Only in October 1958 did a decision at the highest level clear the way for talks with the Western Europeans. Although not fully abreast of the negotiations, Chancellor Adenauer considered the issue of high political importance and urged a solution. At a ministerial meeting it was decided to seek a settlement of 400–500 million DM with the eight states. In December 1958 a second German communication offered bilateral negotiations, suggesting a voluntary “lump-sum” payment.

Ulrich Lappenküper sees a clear connection between Khrushchev’s 1958 Berlin Ultimatum (which triggered the Second Berlin Crisis and the erection of the Berlin Wall in 1961) and what he considers a U-turn in West German compensation policy. West Germany’s need for Western solidarity over the issue of Berlin spurred Bonn’s readiness to make concessions. Indeed, an implicit link—or at least an awareness of the importance of the issue—can be found in the February 1959 “Globke Plan,” whereby, in the event of reunification, Germany would pay ten billion DM in Wieder-
compensation can be found in the documents. Second, as the British Foreign Office pointed out at the time, the second German communication (December 1958) did not differ substantially from the first German communication (February 1957) in response to the eight-power note, and therefore hardly amounted to a new approach. The British government, unlike most others, had actually been happy to accept the first German communication as a basis for further discussion. The Foreign Office made clear “we must not let [the compensation issue] develop into an Anglo-German row.” Third, the United States, the main Western player in the Berlin Crisis, had declined support for the Western European note. U.S. pressure on West Germany was highly selective or, in the case of the Globalabkommen, nonexistent. The difference U.S. intervention could make was demonstrated in 1960 with the compensation of victims of pseudo-medical experiments. The visit to the United States of a group of Polish victims of these experiments had a huge impact on American public opinion. It triggered fierce protest against Germany, whereupon the U.S. government advised Bonn to settle the issue as soon as possible. French claims in the same matter had led to only limited success in the Franco-German agreement allowing for compensation of French victims of pseudo-medical experiments. In 1960, under pressure from the United States, the Bundestag decided to compensate all such victims regardless of nationality or residence. This was the first time West German compensation reached victims on the other side of the Iron Curtain.

The Germans clearly found a settlement desirable for political reasons at a time of tension over Berlin and the European integration process. The Western Europeans recognized this potential leverage; they presented their demands most vigorously at a time when the Community of the Six came into being. Reconciliation was a precondition for the European Economic Community (EEC) established in the Treaty of Rome signed in March 1957. Yet only four of the nations forming the eight-power initiative were involved in the formation of the EEC. And compensation was not a sine qua non for European integration: Neither the initial German reluctance to enter into negotiations, nor the length and acrimony of the various bilateral negotiations that followed hampered the process of establishing the Community of the Six. Most of the European states demanding compensation were West Germany’s allies in NATO, and Bonn was eager to avoid that the topic be brought up in the NATO Council. However, this opportunity to exert concerted pressure on West Germany seems to have been lost by the transition from multilateral to bilateral negotiations in 1959.

In the late 1950s a process of “coming to terms with the past” began in West Germany. Compensation was at the heart of this process, which manifested itself most notably in the NS trials; in the debates over extending the statute of limitations, allow-
ing continued prosecution of war criminals in West Germany; and in the writings of Fritz Fischer, Peter Weiss, and Rolf Hochhuth (to name a few). The past also resurfaced in the form of antisemitic graffiti on the Cologne synagogue in 1959 and other incidents, as well as the rise of the far-right-wing National Democratic Party (NPD). The incidents, which raised concern about a revival of antisemitism in Germany, and the publicity of the Eichmann trial, which brought the horror of the German camps to an international audience of millions, clearly had an impact on the negotiations. Wiedergutmachung was a crucial aspect in the German strategy to counter negative repercussions of the Eichmann trial and to create a positive image of the Federal Republic abroad.

To a considerable extent it was public pressure, particularly from victims’ organizations, that pushed the Western European governments to take up and to pursue the issue with the Germans, and public opinion abroad certainly contributed to German willingness to act. Publicity stunts such as British charity workers’ plans to settle in India sick concentration camp survivors who had been denied compensation caused considerable concern in Bonn about West Germany’s image. The charity workers had started to negotiate with Indian officials about whether India would be ready to admit 200 stateless victims of persecution living in displaced persons’ (DP) camps in Germany. The Foreign Ministry feared international embarrassment if a poor country such as India was widely reported to be caring for ailing survivors, while the prosperous Federal Republic paid them not a penny.

Compensation seems to have been linked more explicitly to other issues related to the Second World War than to the Cold War. The Netherlands and Luxembourg, for example, demanded compensation as part of a comprehensive agreement including the settlement of wartime financial matters and border disputes. Bonn pursued the release of German war criminals imprisoned in a number of Western European countries. Both British and German officials repeatedly attempted to create a quid pro quo involving the release of frozen German assets in Britain and the conclusion of a compensation agreement. Therefore, although linked to Cold War politics, the negotiations were not driven by them. The politics of memory in Western Europe called for compensation as part of Germany’s moral rehabilitation and the reshaping of that country’s image abroad, both of which certainly could have a positive effect on European integration.

The second German communication offered bilateral negotiations and, because of considerable differences among themselves, the Western powers were prepared to continue them. The Western powers differed over negotiating tactics and over the categories of victims to be included in a settlement. The Dutch in particular were concerned that the French would claim the lion’s share of a lump sum. In short, different aims and approaches as well as rivalries emerged. From 1959 onwards bilateral negotiations were conducted, eventually leading to eleven separate agreements (Globalkommen) between 1959 and 1964. In the following section, the agreements with France and Britain are discussed in more detail to illustrate the Western powers’ differing preconditions and strategies.
The Franco-German and Anglo-German Negotiations

Since the end of the war, French victims’ organizations had exerted pressure on their government to claim indemnification from Germany. Although bilateral negotiations between France and West Germany started immediately after the second German communication, they took longer than parallel negotiations with other states as the gap between French and German expectations proved to be extremely wide. The numbers of victims the French presented reflected extensive human suffering: Among them were an estimated six million forced laborers, 220,000 deportees (for “racial” and “political” reasons), and 66,000 civilian dead. The French claimed compensation for 180,000 deportees, three-quarters of whom had died in the camps. Half of the remaining deportees had died since the end of the war. This left approximately 25,000 survivors, who were assumed to consist in almost equal numbers of resistance fighters and Jews. Differences centered less on overall French numbers, but rather the question of who would be eligible for compensation. The French insisted upon including resistance fighters while the Germans refused to acknowledge this group’s entitlement to compensation. Much to French consternation, the Germans also wanted to exclude those victims who had died (and thus their dependants) from the calculations. Furthermore, the French expected a separate agreement to compensate all French residents who had been victims of pseudo-medical experiments. The fate of these victims particularly moved French public opinion, and German refusal to acknowledge their entitlement to compensation was met with anger and disbelief. German anxiety that pensions for these victims would set a legal precedent and trigger numerous demands from Eastern Europe had clear priority over humanitarian considerations.

Given that Foreign Minister von Brentano had considered a lump-sum payment of 100 million DM for all foreign victims, the initial French demand of one billion DM far exceeded German estimates. Von Brentano declared the gap impossible to bridge and recommended delaying negotiations with France and concentrating on negotiations with other states instead. Despite pressure from von Brentano’s French colleague Maurice Couve de Murville, negotiations were effectively deadlocked until spring 1960, when the German side put forward a new offer. In July 1960 France and West Germany agreed to a 400-million-DM payment in three installments (to be paid by 1963) to compensate French citizens who had suffered “damage” to freedom or health, and widows and children of those killed. The deliberately vague language solved disagreement over which categories of victims were entitled to compensation, but the French explicitly reserved the right to pay part of the sum to the victims of pseudo-medical experiments living in France. In fact, the French were free to distribute the money as they wished, including to those categories of victims whose entitlement was not acknowledged by the Germans.

Again, the German move in spring 1960 raises the question whether this can be linked directly to the global situation just before the Paris Summit and mounting tensions over Berlin. Some evidence supports this view.
Blankenhorn wrote from Paris that the relationship between France and West Germany was crucial and should no longer be strained by the unresolved question of compensation. Yet while the Berlin Crisis was one important factor, the shadow of the past was another: the French Embassy informed their British colleagues “the French are firmly convinced that they had a lot of luck in getting this settlement. They were greatly helped, they feel, by the outbreak of antisemitism in the FRG some months ago, and negotiations were also in progress at the time of the Summit Conference.” Apparently the need to ensure French support at the Paris Summit and embarrassment over antisemitic graffiti in West Germany in 1959 greatly increased Bonn’s willingness to meet French financial demands. Thus, the final agreement turned out to far exceed French expectations: after the conclusion of the Dutch-German agreement, the French told their British colleagues that if they could receive twice the amount as the Dutch had (125 million DM) they would be “quite happy.” The hope to enlist full French support against Soviet pressure on Berlin and concern over international reactions to reemerging antisemitism in Germany prompted German amenability on compensation beyond French ideas of the limits of Realpolitik. The sum paid to France was considerably higher than the amount of money granted to other European states. This can be attributed to the circumstances in the negotiations outlined above and, to some extent, to France’s crucial role in the process of European integration.

The negotiations with Britain started under different conditions. Apart from the Channel Islands, Britain had not been occupied by Nazi Germany. Although the British government and public opinion showed general interest in matters of compensation and criticized the shortcomings of the federal compensation laws of 1953 and 1956, the issue was not of major concern to the British government. When the Western European countries approached the Federal Republic in 1956, Britain recognized that it would not be at the forefront of claimants. The Foreign Office stated “we want our representatives to lie fairly low in these negotiations. We have very few national victims and it is therefore up to the countries that have the most such victims to make the running.” British nationals entitled to compensation were few in comparison to France or the Netherlands. It was anticipated that these would be mainly stateless victims living in Britain, or formerly stateless individuals who recently had become British nationals, such as Eastern European (particularly Polish) emigrants. Besides the Eastern Europeans, Austrian emigrants to Britain (mainly Jews) formed the largest group. The British also wanted to support the case of stateless victims (largely Eastern Europeans) still living in DP camps. As mentioned above, these victims were categorized as Nationalgeschädigte (rather than as persecutees) by the 1956 compensation law. In short, British efforts were concerned mainly with the compensation of refugees.

The discrimination against stateless victims and in particular the rejection—often with outrageous arguments—of a majority of compensation applications from refugees in Germany received growing attention in Britain. The stateless victims proved to have a lobby in the form of Polish exiles, the British Roman Catholic Church,
British aid organizations, and charity workers, all of whom petitioned Parliament to support the case of the stateless, particularly those still living under miserable conditions in Germany. The Ryder-Cheshire Foundation, under the leadership of Sue Ryder and Group Captain Leonard Cheshire, undertook great efforts to bring the fate of these people to an increasingly sympathetic public. Ryder, a devout Catholic posted to the Polish section of the Special Operations Executive during the war, and Cheshire, a former fighter pilot and a war hero, had spent considerable time looking after sick DPs in camps in Germany. Ryder’s campaign for “our forgotten allies” received much attention and, while her fiercely anti-German stance alienated many, other charity groups and influential parliamentarians found her cause worthy of support.76 British MPs soon were inundated with letters from sympathetic constituents, numerous parliamentary questions were discussed in the House of Commons, and newspapers reported regularly and critically about the lack of progress in the negotiations with the Germans. By 1958, the main British concern was the settlement of compensation for the stateless—an issue in which none of the other Western powers manifested the slightest interest.77 In 1959 the British government postponed conclusion of a bilateral agreement with Germany, giving priority to the establishment of a special hardship fund for stateless victims (Nationalgeschädigte) to be distributed by the UN High Commissioner for Refugees.78 The successful mobilization of public opinion made compensation, particularly for stateless victims, an important issue in Anglo-German relations. The German ambassador in Britain, Hans von Herwarth, urged his government to cooperate with the British, arguing that the Federal Republic had to counter its negative image in British public opinion as an increasingly prosperous nation refusing to care for impoverished victims of Nazism.79 Extensive press coverage of then-recent antisemitic incidents in West Germany had not only seriously damaged that country’s image but also caused a chill in Anglo-German relations.80

British pressure to establish a hardship fund for stateless victims proved successful. In October 1960 the West German government agreed to a fund of forty-five million DM to be administered by the UNHCR. In November 1961 the Financial Settlement Treaty (Finanz- und Ausgleichsvertrag) between Austria and West Germany, also known as the Bad Kreuznach Agreement, provided for compensation of Austrian persecutees, including those who had emigrated to Britain.81 Bilateral Anglo-German negotiations continued; the British demanded that the Channel Islanders and all Eastern European persecutees who had become British citizens be included in a settlement. The Germans argued that they could accept only victims who were British citizens at the time of persecution. Those persecutees who recently had become British citizens were formerly stateless and, as such, were eligible for compensation under the provisions in the 1956 Federal Compensation Law. The German officials insisted that only the 2,000 Channel Islanders could be considered. They also rejected British claims to include economic damage as a category for compensation, arguing that none of the other bilateral treaties included economic damage. At this stage the
main problem for the British became the lack of reliable figures. Foreign Office estimates ranged from 14,000 to more than 63,000 formerly stateless individuals who had adopted British citizenship since 1945. The Foreign Office had to admit that they did not have reliable numbers and suggested a call for registration to see how many people would apply. Again, this was rejected by the Germans as they did not accept the categories of victims that the British would allow to register. Although British officials reduced their figures to an overall estimate of 10,000 persons, the negotiations completely deadlocked as the Germans refused to accept the previously stateless British citizens and the demands for economic compensation. To break the deadlock, the British suggested that discussions move away from categories of victims and numbers, and head for a “political agreement.” In May 1964 the powers eventually signed an agreement that provided for compensation of one million pounds sterling (11.2 million DM). As in the agreement with France, the language was deliberately vague, allowing the British a free hand to distribute the money as they wished.

There are no indications in the sources or the sequence of events that the eventual breakthrough in negotiations can be related to Cold War politics. The Anglo-German talks did not get entangled with parallel negotiations for an Anglo-German offset agreement for the stationing costs of the British Army of the Rhine. In 1964 the Foreign Office suggested that the Chief Secretary to the Treasury, John Boyd-Carpenter, who was going to Bonn for another round of offset negotiations, raise the issue of compensation (without creating an explicit link) to increase pressure on the German Ministry of Finance. Boyd-Carpenter declined, however, arguing that the issue was “of little economic significance” and that he did not want “to be landed with the Foreign Office’s baby.” However, one should be careful not to conclude that compensation had not become important. British officials noted “the nuisance value [of the compensation negotiations] is out of all proportion to the sum of money involved in the British claim and that further delay would be a serious irritant to Anglo-German relations.” They tried to impress upon their German counterparts “the matter has become more urgent because it has attracted a disproportionate amount of attention and criticism in the British Parliament and press.” Pressure from British public opinion was mounting and, as the German ambassador in London pointed out, the Frankfurt Auschwitz trial, combined with unresolved compensation, reinforced anti-German resentment in Britain.

Remarkably, compensation of persecuted Channel Islanders was scarcely an issue of public debate. Reasons for this might include allegations of collaboration during the occupation, British self-perception as an un-invaded (and invasion-proof) country, and the fact that the Channel Islanders are not represented in the British parliament. The initial debate concentrated on the stateless or previously stateless victims, many of whom were ill and living in poverty. When the Anglo-German agreement was signed and applications to register as British victims of Nazi persecution were invited, public opinion turned against the British government as its definition of National
Socialist persecution excluded detention in a prisoner-of-war or internment camp. The exclusion of surviving British war heroes and their dependants caused considerable outrage. Attention focused on the survivors and dependants of the victims of the famous “Great Escape” from Stalag Luft III at Sagan, Germany. Most of the Allied officers who were recaptured after their escape were shot by the Germans. In British (and American) memory of the war, the “Great Escape” symbolized Allied ingenuity. The late inclusion of this category of victims in the distribution of compensation in Britain shows that public pressure was a decisive factor. Although Britain had not been occupied and initially its role in the negotiations was expected to be small, the amount of public interest turned the agreement into one of high political and symbolic significance. The agreement also showed that, while Nazi crimes and persecution played a significant role in British public memory of the Second World War, notions of persecution were far from focused on the Holocaust and the destruction of the European Jews.

Compensation, the Politics of Memory, and the Cold War
The Globalabkommen demonstrated that, although states were negotiating from different preconditions and with different priorities, the categorization of victims was a major issue in all negotiations. The Germans had set up numerous regulations for who was entitled to what under which provision and, more important, who was not entitled to anything. All delegations were fighting for a variety of victims to be recognized. Understandably, most of the Western powers were concerned mainly with their national victims. Competition among various groups of victims constituted a significant financial and ideological factor. For example, in Britain, Sue Ryder’s organizations emphasized the Christian victims, polemically referring to generous compensation of Jews and unjustified compensation of German communists (who had in fact been excluded from compensation). The Germans took pains to reduce eligible categories (for example that of resistance fighters) with dubious legal arguments. Therefore, the history of Wiedergutmachung is also a history treating millions of dead and injured as abstract categories defined by the perpetrators. Very little is known about the persecutees on whose behalf these agreements were negotiated. How were these payments distributed in the various countries? How did compensation—or the rejection of an application for compensation—affect applicants’ lives? These questions still warrant further research.

Compensation was overwhelmingly perceived as part of Germany’s moral rehabilitation, the symbolic value of which stood above Cold War politics. But a basic German motivation in concluding the Globalabkommen was to facilitate European integration and to gain support in its Cold War struggles. These factors affected differently the various negotiations: in the case of France, the Federal Republic was willing to reward full French support in the struggle over Berlin; in the case of Britain, the symbolic and moral significance that compensation gained through public pressure was not linked to Cold War politics. Compensation was not a top priority in German-American relations, which also lessened the issue’s relevance to Cold War politics. On the whole,
compensation can be regarded as part of the complex “politics of the past,” which to varying degrees was linked to the politics of the present.

Compensation raised difficult and painful questions not only for the Germans; it also implied questions of shared responsibility for crimes and suffering in other European states. While further research is necessary, the compensation debate seems to have helped stabilize or reinforce the myth of the “resistant nation” in France, as well as Austria’s self-image as the “first victim of Hitler’s aggression.” In the case of Austria, the very fact that compensation was paid clearly seemed to legitimize that claim.95 In West Germany, as Hans Günter Hockerts shows, the Federal Compensation Law was one of the few issues discussed frankly and critically in the Bundestag at a time dominated by silence about the past.96 A small circle of committed politicians, civil servants, and lawyers campaigned for the victims’ interests. Yet public opinion supported neither internal nor external compensation. When the Foreign Ministry discussed the ex gratia fund in 1958, it emphasized that this should be set up with a minimum of publicity.97 News about the note of the eight Western powers triggered a number of letters to the Foreign Ministry from German citizens asking when German victims of Allied cruelties would be compensated.98 Once the Globalabkommen had been negotiated, the West German government sought to wind up the process quickly and to secure from recipient governments agreement that no further demands would be made.99 With the final amendments to the Federal Compensation Law in 1965 Bonn publicly declared the issue of compensation settled. This announcement went hand in hand with Chancellor Erhard’s claims that the end of the postwar era had come.100 Yet the Globalabkommen continued a process of Wiedergutmachung to victims outside West Germany, a process that had begun with the Luxembourg Agreement. In the context of détente and Ostpolitik, Poland and Yugoslavia received large loans, under favorable conditions, from the Federal Republic. The concept of German loans as ersatz Wiedergutmachung served the interest of all governments involved but certainly not the interest of the victims. Only in the aftermath of reunification did Germany conclude formal compensation agreements with a number of Eastern European states. The recent creation of the foundation “Memory, Responsibility, Future” (Erinnerung, Verantwortung, Zukunft) to compensate forced laborers demonstrates that compensation is not an issue of the past. Once again, German officials stressed the final character of the agreement103 in an apparent effort to forget and to move on.102 Ironically, however, every demand to bury the past has resulted in a revival of the debate over Germany’s moral responsibilities and the memory of the past.103

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Notes


3. Ernst Féaux de la Croix, high-ranking civil servant responsible for compensation matters in the Ministry of Finance, referred to the ‘morally redemptive significance [moralische selbsterlösende Bedeutung]’ that the compensation agreement with Israel had for the German people. Quoted in Christian Pross, Wiedergutmachung: Der Kleinkrieg gegen die Opfer (Berlin: Philo, 2001), p. 296.


5. Ibid., p. 168.


7. Hans Günter Hockerts has pointed to the variety of possible meanings of the term beyond its narrow legalistic definition. Hockerts, “Wiedergutmachung,” p. 169. In English the terminology has been even more confusing, and a variety of terms including restitution, compensation, reparations, recompense, indemnities, and indemnification have been used almost synonymously. Yeshayahu Jelinek has noted that Jews used all of these terms for material claims against Germany before shilumim (payments) became the most widely accepted Hebrew term. Yeshayahu Jelinek, “Israel und die Anfänge der Shilumim,” in Wiedergutmachung, eds. Herbst and Goschler, p. 120.


10. In addition to the eleven compensation agreements, compensation for Austria was settled as part of the Financial Settlement Treaty (*Finanz- und Ausgleichsvertrag*) between West Germany and Austria in 1961.


The Ministry of Finance edited a multivolume “official history” of West German Wiedergutmachung compiled by a team of civil servants and lawyers. Volume 3 addresses the international dimension. Written by Ernst Féaux de la Croix (see n. 3), this rather one-sided account defends the Ministry's position in the international negotiations. Féaux de la Croix provides brief accounts of all the bilateral negotiations based solely on (unidentified) West German sources and without the wider context of Cold War politics and the politics of the past. Bundesminister der Finanzen in Zusammenarbeit and Walter Schwarz, eds., *Die Wiedergutmachung nationalsozialistischen Unrechts durch die Bundesrepublik Deutschland*, vol. 3, Der Werdegang des Entschädigungsrechts unter national- und völkerrechtlichem und politologischem Aspekt, Ernst Féaux de la Croix and Helmut Rumpf (Munich: Oldenbourg, 1985).

12. Launched in December 2002, the project “Westverfolgte—Ostverfolgte: Die Auseinandersetzungen um die deutsche Wiedergutmachung für NS-Opfer in west- und osteuropäischen Ländern 1956–1972” is headed by Prof. Dr. Hans Günter Hockerts (University of Munich) and supported by the Volkswagen Foundation. An edited collection of individual case studies is forthcoming in 2005.


21. The Bonn Convention stated that the question of reparations would be solved in a peace treaty between Germany and its former enemies or, prior to a peace treaty, in bilateral agreements.


24. A number of Western European governments had approached Bonn individually during the early 1950s to seek compensation for their victims of persecution. Bonn’s dismissive attitude, culminating in the revised Compensation Law that did not improve the situation of the Western European victims, led to the joint note of 1956. Winstel, *Verhandlungen*, pp. 20–28.

25. Tobias Winstel (University of Munich) is currently preparing a detailed study on the West German perspective, focusing on the role of Chancellor Adenauer and the differences between the Foreign Ministry and the Finance Ministry in the negotiations for the *Globalabkommen*.

26. Archiv des Auswärtigen Amtes (hereafter AAA), B81, Bd. 182, Brentano an Schäffer, 8 November 1956. Money was to come not only from the West German government, but also from German industry.

27. The demand to exclude Jews was tacitly dropped. Von Brentano did not understand that the Claims Conference was mainly concerned with resettling Jews outside Israel. See Ronald Zweig, *German Reparations and the Jewish World: A History of the Claims Conference* (Boulder: Westview, 1987), pp. 69–83.


29. AAA, B81, Bd. 183, Hausbesprechung AA, 11 November 1959.

30. AAA, B81, Bd. 182, Schäffer an von Brentano, 5 July 1956.

31. Speaking at a CSU party rally at Plattling (Bavaria) on 17 December 1957, Schäffer claimed that Wiedergutmachung threatened the stability of West German currency. Two days later, a newspaper quoted him as claiming “foreign lawyers enrich themselves” with German compensation payments. Michael Wolffsohn, “Von der verordneten zur freiwilligen ‘Vergangenheitsbewältigung’? Eine Skizze der bundesdeutschen Entwicklung 1955–65 (Zugleich eine Dokumentation über die Krisensitzung des Bundeskabinetts vom 4. und 5. März 1965 und die
32. Schäffer blocked agreement with Britain to a point where Brentano telegraphed from London that the breakup of NATO was at stake. Hubert Zimmermann, _Money and Security: Troops, Monetary Policy and West Germany’s Relations with the United States and Britain 1950–71_ (Cambridge, UK: Cambridge University Press, 2001), p. 34.

33. AAA, B81, Bd. 183, Verbalnote der Bundesregierung, 21 February 1957.

34. In fact the Czech government approached the French after the Western note had been sent. Public Record Office (PRO) FO 371/137543, British Embassy Bonn to FO, 24 March 1958.

35. Polish claims in particular were rejected with the argument that Poland gained German territory and possessions beyond the Oder-Neisse line. Even communists in West Germany were specifically excluded from compensation.

36. PRO, FO 371/130827, Memorandum by C. M. Anderson, 1 May 1957; also Féaux de la Croix, _Werdegang_, p. 206.


38. Ibid.

39. See for example the West German note to Great Britain. PRO, FO 371/137545, Verbalnote (German original), 8 December 1958.


42. Only the Danish Ambassador made an explicit link in talks with the Germans. AAA, B81, Bd. 183, Aufzeichnung Dr. Berger, 8 December 1958.

43. PRO, FO 371/137545, Pridham to Newing, 20 January 1959.

44. PRO, FO 371/130826, Memorandum by C. M. Anderson (FO), 13 March 1957.

45. AAA, B81, Bd. 182, Vermerk, 20 July 1956.


47. Ibid., p. 195.

48. AAA, B81, Bd. 106, Herwarth an AA, 5 February 1959.

49. Winstel, _Verhandlungen_, p. 97.

50. Ibid.

51. AAA, B81 Bd.183, draft memorandum, August 1957.

52. The politics of history and memory in postwar Germany has recently attracted a large amount of scholarly interest. See for example Norbert Frei, ed., _Bekennen und Beschweigen: Die deutsche Nachkriegsgesellschaft und der Holocaust_ (Göttingen: Wallstein, 2001); Antonia Grunenberg, _Die Lust an der Schuld_ (Berlin: Rowohlt, 2001); Peter Reichel, _Vergangenheitsbewältigung in Deutschland: Die Auseinandersetzung mit der NS-Diktatur von 1945 bis heute_ (Berlin: P. Matthes, 2001).


55. AAA, B81, Bd. 106, Botschaft Neu Delhi an AA, 5 December and 10 December 1959.


58. PRO, FO 371/137545, Memorandum by Kenneth Pridham (FO), 17 December 1958; CAB 129/98, C. (59) 139, Note by the Minister of State for Foreign Affairs, 27 July 1959. The release of frozen German assets was also an issue in the negotiations with Greece. Féaux de la Croix, *Werdegang*, p. 229.


60. PRO, FO 371/146006, British Embassy Brussels, to Western Dept. Foreign Office, 6 January 1959; FO 371/146007, British Embassy Copenhagen to FO, 26 January 1959.

61. Eleven agreements were concluded as follows (numbers in millions of DM): In 1959 Luxembourg (18), Norway (60), and Denmark (16); in 1960 Greece (115), the Netherlands (125), France (400), and Belgium (80); in 1961 Italy (40) and Switzerland (10); in 1964 Great Britain (11) and Sweden (1). Austrian compensation claims were settled in the German-Austrian Finance Treaty of 1962. In addition, in 1960 Bonn set up a fund for stateless victims and refugees under the Geneva Convention to be administered by the UN High Commissioner for Refugees (45 million DM).

62. A major study on the agreement between France and West Germany is being prepared by Claudia Moisel (University of Munich).


64. Figures from Féaux de la Croix, *Werdegang*, p. 240.

65. PRO, FO 371/146012 Murray to Pridham, 26 August 1959.


68. Féaux de la Croix, Werdegang, p. 243
69. Lappenküper, “Bundesrepublik,” pp. 95, 98.
70. Winstel, Verhandlungen, p. 75.
73. PRO, FO 371/146012, British Embassy Paris to FO, 26 August 1959.
75. PRO, FO 371/137543, Foreign Office Memorandum, 3 April 1958.
76. For example the “Refugee Defence Committee” and its vice chairman, Sir Clifford Heathcote-Smith, PRO, FO 371/154232, Note by Mr J E Killick (FO), 25 February 1960.
77. PRO, FO 371/137543, McCarthy (FO) to Newing (British Embassy Bonn), 8 April 1958.
78. PRO, FO 371/154237, Newing (British Embassy Bonn) to Munro FO, 26 March 1960. The lonely British campaign for the stateless did not remain without internal criticism. The British Ambassador in Germany complained: “There is a limit to what we can do without appearing to be actuated purely by feelings of spurious moral rectitude, vented as always at German expense.” PRO, FO 371/154235, Christopher Steel, to Selwyn Lloyd, 28 May 1960.
80. See for example the extensive coverage in the British tabloids: Daily Express, 1–7 January 1960; Daily Herald, 13 and 18 January 1960.
82. PRO, FO 371/160638, Memorandum by Margaret King, 22 November 1961, Memorandum by I. Vair-Turnbull, 29 November 1961.
83. AAA, B31 Bd. 255, Aufzeichnung von Herrn MD Meyer-Lindenberg, 4 October 1963.
84. PRO, T 312/772, Homer (FO) to Platzky (Treasury), 28 April 1964.
85. PRO, T 312/772, Note by J. A. Boyd-Carpenter, 12 May 1964. By the time Boyd-Carpenter went to Bonn, agreement had been reached.
86. PRO, T 312/772, Speaking note for conversation in Bonn, undated 1964.
87. AAA, B31, Bd. 275, Etzdorf an AA, 23 April 1964.
88. On the Channel Islands under German occupation see for example: Madeleine Bunting, A Model Occupation (London: HarperCollins, 1995); Asa Briggs, The Channel Islands: Occupation and Liberation 1940–45 (London: Batsford, 1995); Frank Keiller, Prison without Bars: Living in Jersey under the German Occupation (Bradford: Seafower Books, 2000); and Charles Cruickshank, The German Occupation of the Channel Islands (Oxford: Oxford University Press, 1975). While Cruickshank speaks of a small minority of collaborators (Cruickshank, German Occupation, p. 152), Bunting draws a dire conclusion: “The Channel Islanders did not fight on the beaches, in the fields or in the streets. They did not commit suicide and they did not kill any Germans. Instead, they settled down, with few overt signs of resistance, to a hard, dull, but relatively..."
peaceful five years of occupation, in which more than half the population was working for the Germans.” While the Islanders were publicly exonerated after the war, Bunting points out “the islands' experience flatly contradicted Britain's dearest and most complacent assumptions about the distinctness of the British from the rest of Europe.” Bunting, Model Occupation, pp. 316–17. Frederick Cohen's article on the fate of the Jews in the occupied Channel Islands does not suggest a great willingness of the local authorities and population to save from deportation the Jews living on the Islands. Frederick Cohen, “The Jews in the Islands of Jersey, Guernsey and Sark during the German Occupation 1940–45,” Journal of Holocaust Education 6:1 (1997), pp. 27–81. David Fraser concludes: “The unquestioning adoption of the measures in Jersey and Guernsey by the Royal Courts gave the anti-Semitic provisions a powerful local imprimatur. The failure to even raise a single voice in opposition will forever taint the ruling elite of Occupied Jersey.” Fraser, The Jews of the Channel Islands and the Rule of Law 1940–1945 (Brighton: Sussex Academic Press, 2000), p. 205. (Cohen [2000] is the French translation of Cohen [1997].)

89. Application forms: PRO, FO 950/740, Application for Registration as a British Victim of Nazi Persecution, undated.

90. See for example the Guardian, 27 April 1964; Daily Mail, 23 April 1964, and again in 1966: Daily Mail, 1 March 1966; The Sun, 1 March 1966.


92. PRO, FO 371/124653, Ryder to Lord Hope, 3 July 1956.

93. By 1986 the overall sum spent on compensation for foreign victims amounted to five billion DM. This sum was low compared to that spent on German war victims and German expellees from the East. Figures from Herbert, “Nicht entschädigungsfähig,” p. 302. For the human dimension see, for example, Helga und Hermann Fischer-Hübner, Die Kehrseite der ‘Wiedergutmachung’: Das Leiden von NS-Verfolgten in Entschädigungsverfahren (Gerlingen: Bleicher, 1990); a number of cases are documented in a rather tendentious study by Christian Pross, Wiedergutmachung: Der Kleinkrieg gegen die Opfer (Berlin: Philo, 2001).


97. AAA, B81, Bd. 183, Dr. Buch an Dr. Jaenicke, 23 February 1957.

98. AAA, B81, Bd. 182, Ressortbesprechung, 20 July 1959.


103. Ibid., p. 53.