



ASSISTANT SECRETARY OF STATE
RECEIVED
NOV 14 PM 12 20

LEGATION OF THE
UNITED STATES OF AMERICA
Bern, October 28, 1942.

No. 3675

MR. LONG

NOV 14 PM 12 20

Handwritten notes and stamps: REA, 10/28/42, 11/17/42, I-11/A-L

Subject: Ransom Procedure as now Practiced
by the German Governmental Authorities.

Strictly Confidential

FOREIGN FUNDS CONTROL DIVISION

NOV 17 1942

The Honorable
The Secretary of State,
Washington.

DEPARTMENT OF STATE
INTERNATIONAL ECONOMIC AFFAIRS

NOV 18 1942

Sir:

DEPARTMENT OF STATE

How the National Socialist Government of Germany extorts ransom monies from or in behalf of persons desirous of emigrating from Germany or from European territory under German control has recently been the subject of an inquiry by this Legation and the several American consular establishments in Switzerland. I have the honor to give below a description of this inhumane and outlawed procedure as revealed by a number of specific cases which have come to attention and which are believed to be factual.

The ransom system as practiced at present seems to be an extension of the practice instituted by the Nazi Government whereunder emigrants were permitted to leave Germany if the state were compensated on their departure by all of their visible wealth, with the exception of a small percentage, usually reduced in effect to about ten or twelve and one-half percent, which the emigrant was permitted to retain and to export abroad. It is very apparently designed to provide foreign exchange for the furtherance of the German war effort (though there may be reason for suspicion that individual members of the Nazi Party may personally profit by it). The United States is looked upon as the most fruitful source of the expected funds; and banking agents, or other intermediaries, have been canvassing means for circumventing American laws and the Treasury Regulations governing money exports, in an effort to provide the ransom sums demanded.

In the hostage and ransom system the victims are subjected to terrorization whereby their desire to find refuge in one of the United Nations or a neutral country is immeasurably increased. First, they are made the victims of unbearable restrictions designed to make life not worth living, usually under confinement in vile concentration camps; and, second, they are faced with the threat of deportation to domains in Eastern Europe, with the prospect of an unknown and possibly horrible fate awaiting them there.

966.5151/2387

PS/LG FILED

JAN 23 1943

REC'D DEC FILE 1940-44
LHM 1945 R000 16

file

copy The
Handwritten initials and stamps

2387

CLASSIFIED
730032
NND

PP 828-33

The privations to which these persons are subjected in prisons or internment camps are now matters of international public knowledge and concern, and with accumulating reports there seems to be less and less reason to doubt that their deportation to the east would lead to the dreadful results they so greatly fear. Even if the mass extinctions which have been rumored are not resorted to, there is little reason to doubt that the effects of the journey and the conditions which deportees would face in the desolate regions of the Polish and Russian steppes will ultimately result in individual and group demise.

The result is that the prospective victims are making frantic efforts to obtain their release, having naturally no compunctions whatever that any monies which may be turned over to the German Government authorities in effecting their freedom are but additional aid to their persecutors.

The situation is strikingly like that which confronted American authorities in the early thirties in their efforts to combat the operations of brutal bands of kidnapers. The relatives and friends of the victims are only activated by their humane concern in their endeavors to provide and pay over to the captors the ransom monies which may be demanded.

The Legation's inquiry has been, for the time being, particularly directed to cases of hostages in Holland, since it appears that in these the large sums demanded may be most readily procurable and that there has arisen what may be considered a more or less regular traffic by which refugees are permitted to leave Holland for neutral countries, including Switzerland.

The amounts demanded seem to vary, depending on the financial resources of the victims. Figures as high as \$30,000 or Swiss francs 125,000 for single persons are quoted. In a case of a family of four persons, the Legation has been confidentially and reliably informed that a figure of 100,000 Swiss francs for each person has been reduced to date by bargaining to a total for the four of Swiss francs 300,000. In a group proposal the sum of Swiss francs 20,000 per person has been mentioned.

The ransom monies are paid into accounts in Swiss banks or Dutch banks. In this connection the names of the Union des Banques Suisse at Zurich, and the Wester Bank, Keizersgracht, Amsterdam, have been mentioned. It is difficult to procure information regarding the names of banks which are used and has thus far been impossible to identify the individual accounts into which the sums are paid and from which they may again be

transferred,

I-11/3

transferred, but it has been learned, that credits are made from these accounts to the Reichsbank.

Proposal of the Banking Firm, Seligman-Schürch, Basel.

My British colleague has brought to my attention an astonishing communication which the British Consulate General at Basel has received under date of October 14, 1942, from Messrs. Hans Seligman-Schürch and Company, bankers at Basel. This company is listed in the Proclaimed List.

The letter states that a gentleman has arrived in Switzerland from Holland who has proposed, with German approval, that 250 Jews now in Holland be permitted to leave Holland for overseas destinations against a payment of 5,000,000 Swiss francs. The contract must be assured by a Swiss bank and payment is due when the 250 hostages involved have reported at the Swiss Consulate in Lisbon. One of the provisions of the proposal is that the 5,000,000 Swiss francs shall remain on deposit in Switzerland until the end of the war.

The letter goes on to suggest that, for practical purposes, it is clear that such sums of money can only be obtained from relatives of the emigrants who, for the most part, reside in the United States. In consequence, the money has to be obtained from the United States. The writer admits that it is now a practical impossibility to transfer money from the United States for such purposes and thereupon proposes a means whereby the American control might be circumvented. He suggests that the sum in question be deposited to the bank's account either in the United States or in England, and that an equivalent of the amount in pounds at a rate of \$4.40 to one pound sterling could be credited in England.

The letter naively, or stupidly, suggests that since transfer to the Germans is not required until the end of the war, it is certain that the original donors would be able to recover the money deposited by them.

I enclose herewith a copy of this letter in the German language and a translation thereof.

Needless to say, my British colleague has ignored this proposal as "preposterous" and has filed the letter only for information purposes. The ransom price, which would average only 20,000 Swiss francs for each person, is considerably lower than prices in individual cases which have come to my attention, as noted above. This bargain rate is presumably offered by the savage traffickers in human woe because the delivery proposed is wholesale.

The

I-11/4

The Case of Hans E. Gottschalt.

Another case which has come to my attention involves one Hans E. Gottschalt, Sophialaan 3, Amsterdam, who, under date of September 22, 1942, wrote to a refugee relative in Switzerland who had only recently escaped by underground routes from Holland to this country and asked the latter's assistance in putting him in touch with Swiss connections who might assist in expediting Mr. Gottschalt's departure from Holland. This letter is enclosed in the original German text as it was passed by German censors. A translation thereof is also enclosed.

The letter requests the addressee to communicate as quickly as possible with "Director Landauer, Calle 25 de Mayo 195, Buenos Aires", with the request that Director Landauer place at Gottschalt's disposal in a Swiss bank the sum of 100,000 Swiss francs or its equivalent. The writer says that he has heard that it will be possible to obtain from the German authorities permission to leave Holland if this sum can be sent in free exchange to the German Reich.

The Case of the Perlberger Family.

Information secretly obtained by the Legation covers a specific case which is, at the present writing, in process of negotiation. It involves one Oscar Perlberger, who was the head of a coffee importing firm, M.V. Hegoma, Amsterdam, and was in the United States on business when Holland was invaded in 1940. His wife and three children, of whom the oldest is 13 years of age, were in Holland and are now reportedly in an internment camp at Westerbork, Holland. It is this case which is above referred to, wherein the statement has been made that a total ransom of Swiss francs 300,000 for the four persons has been demanded. Mr. Perlberger now uses the address 15 Park Row, New York City, from which he is corresponding with agents in Switzerland in an effort to pay the ransom sum and obtain the release of his wife and children. He has enlisted the assistance of Congressman Samuel Dickstein. The Swiss Legation in Washington has been approached by Congressman Dickstein and the American Legation at Bern has also received from him a telegraphic request for assistance, to which a telegraphic reply was made through the Department on September 15, 1942. At that time the Legation was unaware that the family of Mr. Perlberger was the subject of ransom negotiations. The Perlberger case will doubtless be the subject of further correspondence and will be made the subject of a separate communication from the Legation.

Swiss Agents Identified with System.

The following named persons have been identified

as

as agents for ransom transactions:

Dr. Arthur Wiederkehr (Swiss), Attorney-at-Law, Bahnhofstrasse 98, Zürich. Regarding this person the following confidential information has been obtained from two Dutch refugees who arrived clandestinely in Switzerland on August 25, 1942: "Wiederkehr is very well known in Holland as the man who can get refugees into Switzerland at a price which is said to range anywhere from Swiss francs 125,000 up. Wiederkehr is a frequent visitor to Holland.... Informants told of a friend of theirs who escaped to Belgium where he was detained by the German authorities, whom he asked for a visa to Switzerland for the \$30,000 which he had on deposit in Switzerland. The Germans told him to get in touch with Wiederkehr who came to Belgium to get things fixed and the authority to withdraw these dollars. After Wiederkehr got the money, he informed the Dutch refugee accordingly. The Dutch refugee was allowed to travel to the French border only to be nabbed by the Gestapo and shipped back to Amsterdam where he is now in hiding. Informants told of another case of a Jewish furrier in Amsterdam, who had to give his entire fortune to Wiederkehr to go to America where he is now. This happened two years ago. Another friend of my informants wanted to get somebody in from Holland and inquired about it from the Swiss police in Basel, who told him not to use Wiederkehr without, however, giving any reason for this advice. Informants say the Swiss police in Basel know Wiederkehr very well and are fully acquainted with his activity."

Bernard Gaesche. This man is said to be a German residing at Berlin, who visits Switzerland frequently and is believed to be acting as a go-between for refugees and agents in effecting their release.

J. B. de Haay, Noordsingel Street 21, Rotterdam. An agent engaged in selling protection to Dutch Jews. de Haay recently collected 30,000 Guilder from a Dutch refugee who is now in Switzerland.

Dr. René Niederer, Freudengasse 134, Zürich, who is understood, among other activities, to represent the Reich's Wirtschafts-Ministerium in Switzerland. Niederer is a member of the following law firm with headquarters at Talstrasse 11, Zürich: Dr. René Niederer, Dr. Werner Kraft, Dr. Werner Niederer.

Information contained in this despatch may be of interest to the Treasury Department and the Board of

Economic

I-11/6

Economic Warfare, in addition to the Visa Division of the Department of State.

Respectfully yours,

Leland Harrison
Leland Harrison.

*cc with ans / VD / Hecks
ms 11-17*

4 ✓
ms

Enclosures:

1. Copy and translation of letter dated October 14, 1942 from Messrs. Hans Seligman-Schürch & Company;
2. Copy and translation of letter dated September 22, 1942 from Hans E. Gottschalt.

File No. 840.1

KH/mk/mjb

In quintuplicate to the Department.

*2 copies
1 w/wh in despatch
ackd PF
prep one copy
pma 11/17/42*

Carbon Copies
Received

J. K. N.
*copy returned to
L. V. C. R.*



ASSISTANT SECRETARY OF STATE
RECEIVED
NOV 14 PM 12 20
MR. LONG

LEGATION OF THE
UNITED STATES OF AMERICA
Bern, October 28, 1942.

No. 3675

Subject: Ransom Procedure as now Practiced
by the German Governmental Authorities.

Strictly Confidential

FOREIGN FUNDS CONTROL DIVISION
1 copy FF

NOV 17 1942

The Honorable
The Secretary of State,
Washington.

DEPARTMENT OF STATE
INTERNATIONAL ECONOMIC AFFAIRS

NOV 18 1943

Sir:

How the National Socialist Government of Germany
extorts ransom monies from or in behalf of persons desirous
of emigrating from Germany or from European territory under
German control has recently been the subject of an inquiry
by this Legation and the several American consular establish-
ments in Switzerland. I have the honor to give below a
description of this inhumane and outlawed procedure as
revealed by a number of specific cases which have come
to attention and which are believed to be factual.

The ransom system as practiced at present seems to
be an extension of the practice instituted by the Nazi
Government whereunder emigrants were permitted to leave
Germany if the state were compensated on their departure
by all of their visible wealth, with the exception of a
small percentage, usually reduced in effect to about ten
or twelve and one-half percent, which the emigrant was
permitted to retain and to export abroad. It is very
apparently designed to provide foreign exchange for the
furtherance of the German war effort (though there may
be reason for suspicion that individual members of the
Nazi Party may personally profit by it). The United
States is looked upon as the most fruitful source of the
expected funds; and banking agents, or other intermediaries,
have been canvassing means for circumventing American laws
and the Treasury Regulations governing money exports, in
an effort to provide the ransom sums demanded.

In the hostage and ransom system the victims are
subjected to terrorization whereby their desire to find
refuge in one of the United Nations or a neutral country
is immeasurably increased. First, they are made the
victims of unbearable restrictions designed to make
life not worth living, usually under confinement in vile
concentration camps; and, second, they are faced with
the threat of deportation to domains in Eastern Europe,
with the prospect of an unknown and possibly horrible
fate awaiting them there.

RE 59 DEC FILE 1940-44
L 19 1945 RECD 16

730032

NND

PP 828-33

1 copy
The
NOV 18 1943

JAN 23 1943

602.5131/2587

PS/LE FILED

2387

The privations to which these persons are subjected in prisons or internment camps are now matters of international public knowledge and concern, and with accumulating reports there seems to be less and less reason to doubt that their deportation to the east would lead to the dreadful results they so greatly fear. Even if the mass extinctions which have been rumored are not resorted to, there is little reason to doubt that the effects of the journey and the conditions which deportees would face in the desolate regions of the Polish and Russian steppes will ultimately result in individual and group demise.

The result is that the prospective victims are making frantic efforts to obtain their release, having naturally no compunctions whatever that any monies which may be turned over to the German Government authorities in effecting their freedom are but additional aid to their persecutors.

The situation is strikingly like that which confronted American authorities in the early thirties in their efforts to combat the operations of brutal bands of kidnapers. The relatives and friends of the victims are only activated by their humane concern in their endeavors to provide and pay over to the captors the ransom monies which may be demanded.

The Legation's inquiry has been, for the time being, particularly directed to cases of hostages in Holland, since it appears that in these the large sums demanded may be most readily procurable and that there has arisen what may be considered a more or less regular traffic by which refugees are permitted to leave Holland for neutral countries, including Switzerland.

The amounts demanded seem to vary, depending on the financial resources of the victims. Figures as high as \$30,000 or Swiss francs 125,000 for single persons are quoted. In a case of a family of four persons, the Legation has been confidentially and reliably informed that a figure of 100,000 Swiss francs for each person has been reduced to date by bargaining to a total for the four of Swiss francs 300,000. In a group proposal the sum of Swiss francs 20,000 per person has been mentioned.

The ransom monies are paid into accounts in Swiss banks or Dutch banks. In this connection the names of the Union des Banques Suisse at Zurich, and the Wester Bank, Keizersgracht, Amsterdam, have been mentioned. It is difficult to procure information regarding the names of banks which are used and has thus far been impossible to identify the individual accounts into which the sums are paid and from which they may again be

transferred,

I-11/3

transferred, but it has been learned that credits are made from these accounts to the Reichsbank.

Proposal of the Banking Firm, Seligman-Schürch, Basel.

My British colleague has brought to my attention an astonishing communication which the British Consulate General at Basel has received under date of October 14, 1942, from Messrs. Hans Seligman-Schürch and Company, bankers at Basel. This company is listed in the Proclaimed List.

The letter states that a gentleman has arrived in Switzerland from Holland who has proposed, with German approval, that 250 Jews now in Holland be permitted to leave Holland for overseas destinations against a payment of 5,000,000 Swiss francs. The contract must be assured by a Swiss bank and payment is due when the 250 hostages involved have reported at the Swiss Consulate in Lisbon. One of the provisions of the proposal is that the 5,000,000 Swiss francs shall remain on deposit in Switzerland until the end of the war.

The letter goes on to suggest that, for practical purposes, it is clear that such sums of money can only be obtained from relatives of the emigrants who, for the most part, reside in the United States. In consequence, the money has to be obtained from the United States. The writer admits that it is now a practical impossibility to transfer money from the United States for such purposes and thereupon proposes a means whereby the American control might be circumvented. He suggests that the sum in question be deposited to the bank's account either in the United States or in England, and that an equivalent of the amount in pounds at a rate of \$4.40 to one pound sterling could be credited in England.

The letter naively, or stupidly, suggests that since transfer to the Germans is not required until the end of the war, it is certain that the original donors would be able to recover the money deposited by them.

I enclose herewith a copy of this letter in the German language and a translation thereof.

Needless to say, my British colleague has ignored this proposal as "preposterous" and has filed the letter only for information purposes. The ransom price, which would average only 20,000 Swiss francs for each person, is considerably lower than prices in individual cases which have come to my attention, as noted above. This bargain rate is presumably offered by the savage traffickers in human woe because the delivery proposed is wholesale.

The

I-11/4

The Case of Hans E. Gottschalt.

Another case which has come to my attention involves one Hans E. Gottschalt, Sophialaan 3, Amsterdam, who, under date of September 22, 1942, wrote to a refugee relative in Switzerland who had only recently escaped by underground routes from Holland to this country and asked the latter's assistance in putting him in touch with Swiss connections who might assist in expediting Mr. Gottschalt's departure from Holland. This letter is enclosed in the original German text as it was passed by German censors. A translation thereof is also enclosed.

The letter requests the addressee to communicate as quickly as possible with "Director Landauer, Calle 25 de Mayo 195, Buenos Aires", with the request that Director Landauer place at Gottschalt's disposal in a Swiss bank the sum of 100,000 Swiss francs or its equivalent. The writer says that he has heard that it will be possible to obtain from the German authorities permission to leave Holland if this sum can be sent in free exchange to the German Reich.

The Case of the Perlberger Family.

Information secretly obtained by the Legation covers a specific case which is, at the present writing, in process of negotiation. It involves one Oscar Perlberger, who was the head of a coffee importing firm, N.V. Hegoma, Amsterdam, and was in the United States on business when Holland was invaded in 1940. His wife and three children, of whom the oldest is 13 years of age, were in Holland and are now reportedly in an internment camp at Westerbork, Holland. It is this case which is above referred to, wherein the statement has been made that a total ransom of Swiss francs 300,000 for the four persons has been demanded. Mr. Perlberger now uses the address 15 Park Row, New York City, from which he is corresponding with agents in Switzerland in an effort to pay the ransom sum and obtain the release of his wife and children. He has enlisted the assistance of Congressman Samuel Dickstein. The Swiss Legation in Washington has been approached by Congressman Dickstein and the American Legation at Bern has also received from him a telegraphic request for assistance, to which a telegraphic reply was made through the Department on September 15, 1942. At that time the Legation was unaware that the family of Mr. Perlberger was the subject of ransom negotiations. The Perlberger case will doubtless be the subject of further correspondence and will be made the subject of a separate communication from the Legation.

Swiss Agents Identified with System.

The following named persons have been identified

as

as agents for ransom transactions:

Dr. Arthur Wiederkehr (Swiss), Attorney-at-Law, Bahnhofstrasse 98, Zürich. Regarding this person the following confidential information has been obtained from two Dutch refugees who arrived clandestinely in Switzerland on August 25, 1942: "Wiederkehr is very well known in Holland as the man who can get refugees into Switzerland at a price which is said to range anywhere from Swiss francs 125,000 up. Wiederkehr is a frequent visitor to Holland.... Informants told of a friend of theirs who escaped to Belgium where he was detained by the German authorities, whom he asked for a visa to Switzerland for the \$30,000 which he had on deposit in Switzerland. The Germans told him to get in touch with Wiederkehr who came to Belgium to get things fixed and the authority to withdraw these dollars. After Wiederkehr got the money, he informed the Dutch refugee accordingly. The Dutch refugee was allowed to travel to the French border only to be nabbed by the Gestapo and shipped back to Amsterdam where he is now in hiding. Informants told of another case of a Jewish furrier in Amsterdam, who had to give his entire fortune to Wiederkehr to go to America where he is now. This happened two years ago. Another friend of my informants wanted to get somebody in from Holland and inquired about it from the Swiss police in Basel, who told him not to use Wiederkehr without, however, giving any reason for this advice. Informants say the Swiss police in Basel know Wiederkehr very well and are fully acquainted with his activity."

Bernard Gaesche. This man is said to be a German residing at Berlin, who visits Switzerland frequently and is believed to be acting as a go-between for refugees and agents in effecting their release.

J. B. de Haay, Noordsingel Street 21, Rotterdam. An agent engaged in selling protection to Dutch Jews. de Haay recently collected 30,000 Guilder from a Dutch refugee who is now in Switzerland.

Dr. René Niederer, Freudengasse 134, Zürich, who is understood, among other activities, to represent the Reich's Wirtschafts-Ministerium in Switzerland. Niederer is a member of the following law firm with headquarters at Talstrasse 11, Zürich: Dr. René Niederer, Dr. Werner Kraft, Dr. Werner Niederer.

Information contained in this despatch may be of interest to the Treasury Department and the Board of

Economic

I-11/6

Economic Warfare, in addition to the Visa Division of the Department of State.

Respectfully yours,

Leland Harrison
Leland Harrison.

*cc with one / VD / Keckis
ms 11/17*

4 ✓ / ms

Enclosures:

1. Copy and translation of letter dated October 14, 1942 from Messrs. Hans Seligman-Schürch & Company;
2. Copy and translation of letter dated September 22, 1942 from Hans E. Gottschalt.

File No. 840.1

KH/mk/mjb

In quintuplicate to the Department.

*2 copies
w/wh in despatch
ackd PF
keep one copy
para 11/17/42*

Carbon Copies
Received

[Handwritten signatures and initials]



ASSISTANT SECRETARY OF STATE
RECEIVED
NOV 14 PM 12 20
MR. LONG

LEGATION OF THE
UNITED STATES OF AMERICA
Bern, October 28, 1942.

No. 3675

Subject: Ransom Procedure as now Practiced
by the German Governmental Authorities.

Strictly Confidential

FOREIGN FUNDS CONTROL DIVISION
1 copy FF

I-11/A-L

The Honorable
The Secretary of State,
Washington.

NOV 17 1942
DEPARTMENT OF STATE
INTERNATIONAL ECONOMIC RELATIONS
NOV 18 1943

Sir:

How the National Socialist Government of Germany extorts ransom monies from or in behalf of persons desirous of emigrating from Germany or from European territory under German control has recently been the subject of an inquiry by this Legation and the several American consular establishments in Switzerland. I have the honor to give below a description of this inhumane and outlawed procedure as revealed by a number of specific cases which have come to attention and which are believed to be factual.

The ransom system as practiced at present seems to be an extension of the practice instituted by the Nazi Government whereunder emigrants were permitted to leave Germany if the state were compensated on their departure by all of their visible wealth, with the exception of a small percentage, usually reduced in effect to about ten or twelve and one-half percent, which the emigrant was permitted to retain and to export abroad. It is very apparently designed to provide foreign exchange for the furtherance of the German war effort (though there may be reason for suspicion that individual members of the Nazi Party may personally profit by it). The United States is looked upon as the most fruitful source of the expected funds; and banking agents, or other intermediaries, have been canvassing means for circumventing American laws and the Treasury Regulations governing money exports, in an effort to provide the ransom sums demanded.

In the hostage and ransom system the victims are subjected to terrorization whereby their desire to find refuge in one of the United Nations or a neutral country is immeasurably increased. First, they are made the victims of unbearable restrictions designed to make life not worth living, usually under confinement in vile concentration camps; and, second, they are faced with the threat of deportation to domains in Eastern Europe, with the prospect of an unknown and possibly horrible fate awaiting them there.

RE 59 DEC FILE 1940-44
LIM 1945 REEL 16

file
RAM

1 copy
The
RAM

JAN 23 1943

662.5131/2587

PS/LG FILED

CLASSIFIED
730032
NND

PP 828-33

2387

The privations to which these persons are subjected in prisons or internment camps are now matters of international public knowledge and concern, and with accumulating reports there seems to be less and less reason to doubt that their deportation to the east would lead to the dreadful results they so greatly fear. Even if the mass extinctions which have been rumored are not resorted to, there is little reason to doubt that the effects of the journey and the conditions which deportees would face in the desolate regions of the Polish and Russian steppes will ultimately result in individual and group demise.

The result is that the prospective victims are making frantic efforts to obtain their release, having naturally no compunctions whatever that any monies which may be turned over to the German Government authorities in effecting their freedom are but additional aid to their persecutors.

The situation is strikingly like that which confronted American authorities in the early thirties in their efforts to combat the operations of brutal bands of kidnapers. The relatives and friends of the victims are only activated by their humane concern in their endeavors to provide and pay over to the captors the ransom monies which may be demanded.

The Legation's inquiry has been, for the time being, particularly directed to cases of hostages in Holland, since it appears that in these the large sums demanded may be most readily procurable and that there has arisen what may be considered a more or less regular traffic by which refugees are permitted to leave Holland for neutral countries, including Switzerland.

The amounts demanded seem to vary, depending on the financial resources of the victims. Figures as high as \$30,000 or Swiss francs 125,000 for single persons are quoted. In a case of a family of four persons, the Legation has been confidentially and reliably informed that a figure of 100,000 Swiss francs for each person has been reduced to date by bargaining to a total for the four of Swiss francs 300,000. In a group proposal the sum of Swiss francs 20,000 per person has been mentioned.

The ransom monies are paid into accounts in Swiss banks or Dutch banks. In this connection the names of the Union des Banques Suisse at Zurich, and the Wester Bank, Keizersgracht, Amsterdam, have been mentioned. It is difficult to procure information regarding the names of banks which are used and has thus far been impossible to identify the individual accounts into which the sums are paid and from which they may again be

transferred,

I-11/3

transferred, but it has been learned that credits are made from these accounts to the Reichsbank.

Proposal of the Banking Firm, Seligman-Schürch, Basel.

My British colleague has brought to my attention an astonishing communication which the British Consulate General at Basel has received under date of October 14, 1942, from Messrs. Hans Seligman-Schürch and Company, bankers at Basel. This company is listed in the Proclaimed List.

The letter states that a gentleman has arrived in Switzerland from Holland who has proposed, with German approval, that 250 Jews now in Holland be permitted to leave Holland for overseas destinations against a payment of 5,000,000 Swiss francs. The contract must be assured by a Swiss bank and payment is due when the 250 hostages involved have reported at the Swiss Consulate in Lisbon. One of the provisions of the proposal is that the 5,000,000 Swiss francs shall remain on deposit in Switzerland until the end of the war.

The letter goes on to suggest that, for practical purposes, it is clear that such sums of money can only be obtained from relatives of the emigrants who, for the most part, reside in the United States. In consequence, the money has to be obtained from the United States. The writer admits that it is now a practical impossibility to transfer money from the United States for such purposes and thereupon proposes a means whereby the American control might be circumvented. He suggests that the sum in question be deposited to the bank's account either in the United States or in England, and that an equivalent of the amount in pounds at a rate of \$4.40 to one pound sterling could be credited in England.

The letter naively, or stupidly, suggests that since transfer to the Germans is not required until the end of the war, it is certain that the original donors would be able to recover the money deposited by them.

I enclose herewith a copy of this letter in the German language and a translation thereof.

Needless to say, my British colleague has ignored this proposal as "preposterous" and has filed the letter only for information purposes. The ransom price, which would average only 20,000 Swiss francs for each person, is considerably lower than prices in individual cases which have come to my attention, as noted above. This bargain rate is presumably offered by the savage traffickers in human woe because the delivery proposed is wholesale.

The

I-11/4

The Case of Hans E. Gottschalt.

Another case which has come to my attention involves one Hans E. Gottschalt, Sophialaan 3, Amsterdam, who, under date of September 22, 1942, wrote to a refugee relative in Switzerland who had only recently escaped by underground routes from Holland to this country and asked the latter's assistance in putting him in touch with Swiss connections who might assist in expediting Mr. Gottschalt's departure from Holland. This letter is enclosed in the original German text as it was passed by German censors. A translation thereof is also enclosed.

The letter requests the addressee to communicate as quickly as possible with "Director Landauer, Calle 25 de Mayo 195, Buenos Aires", with the request that Director Landauer place at Gottschalt's disposal in a Swiss bank the sum of 100,000 Swiss francs or its equivalent. The writer says that he has heard that it will be possible to obtain from the German authorities permission to leave Holland if this sum can be sent in free exchange to the German Reich.

The Case of the Perlberger Family.

Information secretly obtained by the Legation covers a specific case which is, at the present writing, in process of negotiation. It involves one Oscar Perlberger, who was the head of a coffee importing firm, H.V. Hegoma, Amsterdam, and was in the United States on business when Holland was invaded in 1940. His wife and three children, of whom the oldest is 13 years of age, were in Holland and are now reportedly in an internment camp at Westerbork, Holland. It is this case which is above referred to, wherein the statement has been made that a total ransom of Swiss francs 300,000 for the four persons has been demanded. Mr. Perlberger now uses the address 15 Park Row, New York City, from which he is corresponding with agents in Switzerland in an effort to pay the ransom sum and obtain the release of his wife and children. He has enlisted the assistance of Congressman Samuel Dickstein. The Swiss Legation in Washington has been approached by Congressman Dickstein and the American Legation at Bern has also received from him a telegraphic request for assistance, to which a telegraphic reply was made through the Department on September 15, 1942. At that time the Legation was unaware that the family of Mr. Perlberger was the subject of ransom negotiations. The Perlberger case will doubtless be the subject of further correspondence and will be made the subject of a separate communication from the Legation.

Swiss Agents Identified with System.

The following named persons have been identified

as

as agents for ransom transactions:

Dr. Arthur Wiederkehr (Swiss), Attorney-at-Law, Bahnhofstrasse 98, Zürich. Regarding this person the following confidential information has been obtained from two Dutch refugees who arrived clandestinely in Switzerland on August 25, 1942: "Wiederkehr is very well known in Holland as the man who can get refugees into Switzerland at a price which is said to range anywhere from Swiss francs 125,000 up. Wiederkehr is a frequent visitor to Holland.... Informants told of a friend of theirs who escaped to Belgium where he was detained by the German authorities, whom he asked for a visa to Switzerland for the \$30,000 which he had on deposit in Switzerland. The Germans told him to get in touch with Wiederkehr who came to Belgium to get things fixed and the authority to withdraw these dollars. After Wiederkehr got the money, he informed the Dutch refugee accordingly. The Dutch refugee was allowed to travel to the French border only to be nabbed by the Gestapo and shipped back to Amsterdam where he is now in hiding. Informants told of another case of a Jewish furrier in Amsterdam, who had to give his entire fortune to Wiederkehr to go to America where he is now. This happened two years ago. Another friend of my informants wanted to get somebody in from Holland and inquired about it from the Swiss police in Basel, who told him not to use Wiederkehr without, however, giving any reason for this advice. Informants say the Swiss police in Basel know Wiederkehr very well and are fully acquainted with his activity."

Bernard Gaesche. This man is said to be a German residing at Berlin, who visits Switzerland frequently and is believed to be acting as a go-between for refugees and agents in effecting their release.

J. B. de Haay, Noordsingel Street 21, Rotterdam. An agent engaged in selling protection to Dutch Jews. de Haay recently collected 30,000 Guilder from a Dutch refugee who is now in Switzerland.

Dr. René Niederer, Freudengasse 134, Zürich, who is understood, among other activities, to represent the Reich's Wirtschafts-Ministerium in Switzerland. Niederer is a member of the following law firm with headquarters at Talstrasse 11, Zürich: Dr. René Niederer, Dr. Werner Kraft, Dr. Werner Niederer.

Information contained in this despatch may be of interest to the Treasury Department and the Board of

Economic

I-11/6

Economic Warfare, in addition to the Visa Division of the Department of State.

Respectfully yours,

Leland Harrison
Leland Harrison.

*cc with one / VD / Hooks
ms 11-17*

4 ✓ / ms

Enclosures:

1. Copy and translation of letter dated October 14, 1942 from Messrs. Hans Seligman-Schürch & Company;
2. Copy and translation of letter dated September 22, 1942 from Hans E. Gottschalt.

File No. 840.1

SKH/mk/mjb

In quintuplicate to the Department.

*2 copies
with in diplomat
ackd PF
prep one copy
pre 11/17/42*

Carbon Copies
Received *[Signature]*

*1 copy returned to
[Signature]*