

Germany: Still no compensation for Nazi forced labour victims

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Representatives of German industry continue to look on callously as the last surviving Nazi forced labour victims die off. With their insistence on “legal guarantees” before paying out a penny, the German companies are making clear that their avowals of “moral responsibility” are utterly hypocritical.

The basic aim of the talks on compensation payments is to do away with a potential obstacle to the prospects for German companies in the US: joint claims by former forced labour victims could prove expensive, and are, as part of a repayment scheme, to be excluded once and for all. This is the idea behind the establishment of the foundation “Remembrance, Responsibility and the Future”, as well as the accompanying German-American agreement in July of last year.

The law setting up the foundation stipulates that every claim by former forced labour victims must be directed to the foundation. In a “Statement of Interest” the American government called on US law courts to reject separate claims against German companies by former victims of the Nazis.

This regulation constitutes on the part of the American and German governments a guarantee of comprehensive protection for German industry against any further claims by victims of fascism, and is thereby intended to help bury by mutual consent the unimaginable crimes of Nazi rule in Germany.

A problem in this respect is posed by certain democratic traditions in the US, according to which the legal system retains a substantial degree of independence. The US government has no authority to issue directives to the country's courts. It can only offer recommendations. Last week Judge Shirley Wohl Kram in New York refused to throw out a collective claim against three German banks—Deutsche, Dresdener and

Commerzbank—which, in the course of the Nazi policy of “Aryanisation”, accumulated substantial amounts of Jewish property.

In justifying her decision, Wohl Kram referred to the fact that German industry has yet to collect the promised 5 billion marks (US\$2.27 billion) to finance the Foundation. It is unreasonable, she said, to refer plaintiffs, who have been waiting decades for compensation, to an institution whose financial base remains unclear.

This entirely plausible decision met with a howl of protest from the conservative media in Germany, and the protest was not restricted to such circles. The speaker of the Green Party on legal issues, Volker Beck, called on the American government to act immediately to counter the judge's ruling and uphold the legal position of the Foundation. Representatives of Jewish organisations quite correctly accused Beck of coming to the aid of German business by calling for quasi-dictatorial measures in the US.

Peter Struck, the chairman of the SPD (Social Democratic Party) fraction in the German parliament, spoke of a “scandal” in which “[German] business first endangers the legal situation by its immoral delay in making payments, and then cites the resulting legal problems as justification for its refusal to pay.”

At least Wohl Kram was able through her decision to ensure that within the space of a few days the 17 original members of the Foundation initiative completed payments to the promised total of 5 billion marks, with the exception of some half million marks for which the Foundation has agreed to act as guarantor. To place the sum collected in perspective, it is necessary to note that the contribution made by the group of largest German companies to the fund amounted to just two thousandths of its yearly turnover.

Nevertheless the spokesman for the Foundation initiative, Wolfgang Gibowski, reiterated that payments could only commence when “legal security” had finally been established. At best it would be possible to begin payments of a part of the fund that has been contributed by the German state. In the meantime, it was, he said, questionable whether payments could begin before the German parliament's summer break.

According to the law governing the Foundation, it is up to the parliament to declare that sufficient legal security exists, but before that takes place the parliament plans to wait for a claims process in the US which is due to be heard at the end of June.

With every week that passes and the disputes continue, the cynicism of German big business becomes clearer. Following German re-unification in 1990, the issue arose of compensation for victims of German fascism in the former Stalinist countries. The whole process was dragged out for years on the grounds that existing treaties prevented such compensation.

It was only after a test case in 1996, which decided that individual claims could be valid, after which Swiss banks undertook large-scale compensation payments, that Germany found itself in a tight spot. In collaboration with high-ranking business representatives, the SPD-Green Party government set about establishing a foundation for the purpose of warding off claims against individual companies.

Beginning in January 1999, discussions were held with representatives of the American government and organisations representing the victims. The process turned into a demeaning haggle over the extent and methods of payment. Afterwards, most German companies refused to pay anything into the fund. The law for the establishment of the Foundation “Remembrance, Responsibility and the Future” took effect in August 2000. The first payments were finally due to begin—55 years after the end of the Second World War.

Most of the estimated 8 million forced labour victims from Russia, the Ukraine and smaller East European countries who were deported to Germany between 1941 and 1945 were at the time between 15 and 25 years of age. It now is estimated that just over one million of the victims are still alive. They are now of an age that exceeds the average life expectancy in the countries

where they live. According to the Czech victims' organisation 15 such victims living in the Czech Republic and entitled to compensation die every day.

In reality, there can be no talk of genuine compensation. A former forced industrial labourer can expect to receive 5,000 marks (US\$2,270) and is initially to receive only a partial payment. Evidently German big business regards even such limited material relief for the victims as unreasonable.



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