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HOLOCAUST AND RESTITUTION

Part I
Ethical and
Property Dilemma

THE SALE OF CONFISCATED JEWISH IMMOVABLE PROPERTY IN SERBIA DURING WORLD WAR II FOR FINANCING WAR DAMAGES TO GERMANS*

Original Scientific Article

Dragan ALEKSIĆ, Institute for Recent History of Serbia, Belgrade

This paper describes two financial operations German occupational authorities in Serbia undertook and performed simultaneously in order to finance German war production. The first one is confiscating and selling Jewish immovable property, at first directly through German institutions, later through Serbian Državna hipotekarna banka Bank. The second one is payment of war damages to Germans in Serbia and Banat, citizens of the Reich and Kingdom of Yugoslavia, personally or to their firms, they incurred between March 27, 1941 and the end of April war.

Key words: Državna hipotekarna banka Bank, Jewish property, Jewish community, war damages, Commissariat for Jewish immovable property, auction.

ÆWS IN SERBIA DURING OCCUPATION IN WORLD

War II shared destiny with their compatriots that happened to live in areas under Nazi rule or political influence. Regarding policy of German occupational authorities towards Jews in our country, domestic historiography mainly focused on phys-

^{*} This article has been written within the framework of the scholarly project *Serbs and Serbia in the Yugoslav and International Context: Internal Development and Position within European/World Community* (No. 47027), financed by the Ministry of Education, Science and Technological Development of Republic of Serbia.

ical extermination of Jewish population, while issue of their property, especially immovable one, was always collateral topic. Historiography attempts to perceive destiny of Jewish property were mostly limited to seizing of valuables and art treasures, plundering of movable property and confiscation of immovable properties. This paper perceives the destiny of Jewish immovable property in Serbia during World War II, from its seizing in first months of occupation until final sales, in mid 1943. The research simultaneously follows two issues that are, when it comes to practice of local Nazi authorities towards Jewish property in occupied countries, always present and correlated. One of them resulted from general Nazi policy towards Jews, to grab their property and use it for financing war efforts of the Reich, the other one being endeavors of corrupted local officials in occupational institutions to profit personally as much as possible from seized Jewish property.

Jews in Serbia until World War II

According to census of 1931, around 30,000 Jews lived in Serbia (Ристовић 2008, 172). Jewish population in Serbia lived almost exclusively in towns. Most of Jews – 10.388, in 1939 lived in Belgrade (Кољанин 2008, 56), where, by historical accident, after formation of Kingdom of Yugoslavia developed both Sephardim and Ashkenazi community. Sephardim communities in Serbia also existed in: Niš, Kragujevac, Šabac, Leskovac, Pirot, Požarevac, Novi Pazar, Priština, Kosovska Mitrovica. In Vojvodina Ashkenazi communities were organized in: Novi Sad, Sombor, Subotica, Petrovgrad, Senta, Pančevo (Lebl 2002).

Issue of seized Jewish property in Serbia during World War II was not investigated in separate studies, although it was discussed in almost all papers in a context of Nazi policy towards Jews. In a very voluminous historiography on holocaust, lots of studies and contributions in scientific periodicals, Jewish property is secondary topic, mostly fragmentarily observed. Prosecution and killing of Jews and grabbing of their property are not regarded as a historical entity, at least not in domestic historiography, not as two clearly defined and firmly correlated events, for only that approach can give overall picture of the holocaust. Jewish property as an aspect of Jewish tragedy was considered in papers by: Jaša Romano, Milan Ristović, Milan Koljanin, Vesna Aleksić, Jovanka Veselinović, Haris Dajč and Maja Vasiljević.

² Before forming of Kingdom of Yugoslavia, in Vojvodina, in regions under Habsburg monarchy, dominated Ashkenazi, and south of Sava and Danube, in the Ottoman empire, Sephardic community. After unification in 1918, both populations form their communities in Belgrade and develop at the same time (Dajč and Vasiljević 2014, 141)

Jewish community in the Kingdom of Yugoslavia was legally equalized and socially integrated. Jews were, by the Vidovdan Constitution (*Vidovdanski ustav*) of 1921, secured full equality with all legally accepted religions.³ Among Jews in Serbia existed social differentiation, so many different professions were present (Dajč and Vasiljević 2014, 142). Anyway, professional structure of Jewish population was adapted to historical circumstances they lived in and to activities they traditionally pursued. Approximately 80% of all employed Jews worked in commerce, banking, industry and craftsmanship with another 10.8% engaged in other professions: physicians, lawyers, clerks in state and local administrative institutions, and other (Mosbaher 1940/1941, 127; Кољанин 2008, 63). Since they were practicing the most profitable professions, importance of Jews in economic life of Serbia exceeded manifold their percentage in overall number of inhabitants.⁴ Traditionally enterprising, Jews in Belgrade managed to accumulate significant capital and come into possession of valuable properties and buildings at attractive locations in the city center.⁵

Already during their preparations to attack Yugoslavia during March and beginning of April 1941, Germans contemplated "Jewish issue". The preparations included gathering of intelligence on Jewish community in Yugoslavia. This task was given to German intelligence officers and numerous group indoctrinated by Nazi ideology – the *Volksdeutsch* (Кољанин 2008, 506). With their help, German occupational authorities very quickly managed to compile precise lists of Jews in Serbia and Banat and catalogue their property (Dajč and Vasiljević 2014, 144)

Occupation and first measures of German authorities against Jews

The first discriminatory measures against Jews at the territory occupied by their troops, German occupational authorities performed even before the signing of act on capitulation of Yugoslav army. Already on April 16, 1941 in Belgrade a commissioner of Special unit of political police issued a decree that was published

³ Jewish denomination was even ranked among four most important in Yugoslavia, together with Orthodox, Catholic and Muslim ones (Petranović and Zečević 1987, 127–128).

⁴ Participation of Jews in commerce was ten times more than that in general population (Кољанин 2008, 63).

⁵ On Jewish buildings in Belgrade, see: (Šuica 2014).

by posters all over the city that all Jews, under threat of death penalty, have to report until 8 A.M. on April 19 to city police headquarters at Tašmajdan. Of approximately 12,000 Belgrade Jews, 9,145 reported to be enumerated. Enumeration was performed by Gestapo, in charge of Jewish issue. Three sets of card indices were made: general, property and card index of spouses of those Jews in civil service (Manošek 2007, 42–43).

Right after invasion of Yugoslav capital German soldiers and *Volksdeutsch* made real coursing on Jewish shops in Belgrade. According to data of Chamber of commerce in Belgrade on April 6, 1941 there were altogether 837 Jewish shops, 432 out of them textile and wear articles shops.⁶ First merchandise to be grabbed was the one in goldsmith and jeweler stores and fashion wear stores, later in the others as well.

Impression on situation in Belgrade and the way Jewish property was treated in the first days of occupation can be perceived from the post-war report of State Mortgage Bank:

"At the very beginning of occupational rule terror started: people of Jewish nationality were registered and marked with yellow ribbons on their hands, and straight after they were used for forced labor. Decrees were issued that banned Jews to visit all public places. Right after that, their shops were marked as Jewish, which meant German soldiers and Germans were free to plunder them. Flats of Jews were taken to accommodate members of German minority that came in numbers to Belgrade to take away Jewish possessions and merchandise. German army wholeheartedly supported compatriots in that. The whole convoys of military trucks and cars were carrying possessions and merchandise from Belgrade to German settlements in Srem and Banat."

Real organized plundering of Jewish property, however, started after imposition of occupational rule. First Jewish stores were marked, and in Jewish flats in Belgrade were accommodated members of German national minority in Serbia, and there were around 20,000 of them in Belgrade only.

⁶ Arhiv Jugoslavije/AJ (Archives of Yugoslavia), Državna komisija za utvrđivanje zločina okupatora i njihovih pomagača/DK (State commission for determining crimes of occupier and its helpers), fund 110, Report of Survey commission for State Mortgage Bank.

Two institutions were instrumental for implementation of Nazi policy towards Jews in the Third Reich: Chief office for Reich security (RSHA) for physical extermination and Commissariat for four-year commerce plan of Reich for plundering Jewish property. Since the vertical of Nazi state administration and its institutions truly reflected in the system of German occupational authorities in Serbia (Aleksić 2010, 52–72), in the headquarters of Military commander in Serbia there were two centers dealing with Jews. Implementation of policy measures was entrusted, as in all occupied territories in Europe, to police-security apparatus led by Wilhelm Fuchs, while Jewish property was in competence of Headquarters of General Representative for Commerce in Serbia, led by Franz Neuhausen.⁸ This institution was only formally subordinated to Military commander in Serbia, since Neuhausen received his directives on how to deal with commerce directly from Herman Goering (Aleksić 2008, 301-318). Military commander of Serbia issued at the end of May a decree that formally empowered Neuhausen to control Jewish property.9 Both institutions built diversified bureaucracy apparatus, so in each of field commander offices, territorial military authority, in Serbia there were officials responsible for Jewish issues and Jewish flats (Browning 1992, 408).

After establishing their rule on Serbian territory and forming occupational administration institutions in April, Germans started to elaborate systematic seizing of immovable Jewish property. Already in May a decision was made that against Jews should be applied same measures implemented in occupied part of France and the Netherlands (Manošek 2007, 44).

Commander of German occupation command in Serbia issued first legal act on May 30, 1941 and it related to position of Jews and their property. By this

⁸ AJ, 110, F. No. 959, Indictment against Franz Neuhausen. An excerpt of indictment states: "Office of general commissioner for commerce in Serbia dealt with immovable property, directly all the way to 1943. Until that time, said institution sold significant part of it. Since 1943 indict dealt with mentioned property through State Mortgage Bank, the one he previously conceded to immobilities confiscated from Jews, so afterwards State Mortgage Bank was selling goods instead of General commissioner and amounts received transferred into a German account with that bank. Money received from sales of Jewish property was used to pay huge occupational expenditures imposed to Serbia" (Koljanin 1992, 21–22; Browning 1992, 408).

⁹ AJ, DK, 110, F. No. 959, Indictment against Franz Neuhausen. Franz Neuhausen himself at the trial after the war stated that his headquarters was responsible for implementation of decree on confiscation of entire Jewish property in Serbia; *Лисш уредаба војної зайоведника у Србији* No. 8 of May 31 and No. 16 of July 25, 1941; More details in: (Божовић 2012, 102–103).

legal act of German occupation authority, all Jews in Serbia were deprived of legal functions and professional titles, and were banned from practicing following professions: lawyer, physician, dental surgeon, pharmacist, veterinary surgeon etc. Imposed was forced labor for all Jews of both genders from 14 to 60 years of age. Also, Jews were banned to change place of residence without consent of Regional command. They were banned to dispose of property they had to report to Regional command within ten days of that decree, with details about its whereabouts. All transactions performed in violation with said decree became invalid. 10

All commercial enterprises whose owners or co-owners until April 5, 1941 were Jews, had to be reported until June 15 to appropriate German Regional command, as per enterprise seat. That Decree related also to Jewish commercial enterprises whose seat was outside territory of Military commander in Serbia, for those businesses performed in occupied territory. Jewish enterprises were considered all those whose owners or lessees were Jews, and companies whose at least one holder was a Jew, limited liability companies, then companies with one third of Jewish shareholders or with more than one third in possession of Jewish shareholders, and finally companies with Jewish manager or more than one third of supervisory board members Jewish. Jewish property also comprised joint-stock companies whose president of executive board or more than one third of executive board were Jews. General Representative for Commerce in Serbia could declare some company Jewish if it was largely under Jewish influence. All Jewish commercial enterprises, and all legal entities apart from commercial enterprises that had more than one third of Jews among their members or management, had to report their bonds, shares in commercial companies, secret shares in commercial enterprises and their immovable property and asset rights. 11 Until June 14, 1941 with Regional command in Belgrade, property was registered by 3498 Jews and Roma, huge majority of them being Jews (Veselinović 1992, 173).

In the next period several amendments to that legal act and some new acts relating to Jews ensued. At the end of June 1941, Military commander in Serbia declared act that appointed German commissars for all property lots that remained

^{10 &}quot;Decree regarding Jews and gypsies", *Лисш уредаба Војної зайоведника у Србији* No. 8, 31st May 1941, 85–88.

^{11 &}quot;Decree regarding Jews and gypsies", *Лисій уредаба Војної зайоведника у Србији* No. 8, 31st May 1941, 85–88.

after deportation of Jews.¹² Commissar managers were appointed also for companies and shops whose owners were Serbs opposing Reich, that is clearly evident from the list of Serbian and Jewish enterprises and shops claimed by the occupier, kept in Belgrade Court of Commerce. Known is the case of pharmacy of Svetislav Trajković, situated at the address Knežev spomenik 2, whose whole family was shot and property confiscated.¹³ According to said decree the commissars were empowered to sell Jewish property and use that money to cover their expenses, and pay remainder to one of the banks specified by Military commander.¹⁴

By the end of first war year in Serbia, Germans finished a process of seizing Jewish immovable property. Since most of Jewish men were shot in summer and autumn of 1941, under pretext that is a part of reprisal for losses army suffered by partisans, those who survived massacre, mostly women and children, were ordered on December 8, 1941 to come to police and bring food for three days and keys to their apartments with names and addresses (Browning 1992, 409–410).

Commissar managers for Jewish immovable property

After they grabbed Jewish movable property, merchandise and valuables, Military commander in Serbia, at the end of July, issued decree appointing German commissars for all property lots that remained after deportation of Jews. ¹⁵ Commissars were appointed not only to Jewish shops and companies, but also to those whose owners opposed Nazis. ¹⁶

At the beginning of September 1941 General Representative for Commerce in Serbia organized Commissar Administration for Jewish immovable property in order to sell Jewish property. The Commissariat was typical institution of the kind Franz Neuhausen founded in Serbia. Since Commissariat was directly under competence of his headquarters, the control over sales was in accordance with the policy he implemented in Serbia. Although policy towards Jews in all occupied ter-

^{12 &}quot;Act related to amendment of decree regarding Jews and gypsies of May 30, 1941", Лисш уредаба Војної зайоведника у Србији No. 16 of 25th July 1941.

¹³ AJ, DK, 110, Report of DHB, 6.

¹⁴ AJ, DK, 110, Report of DHB.

^{15 &}quot;Act related to amendment of decree regarding Jews and gypsies of May 30, 1941", Лисш уредаба Војної зайоведника у Србији No. 16 of 25th July 1941.

¹⁶ The list of Jewish and Serbian companies occupier seized is kept at Belgrade Court of Commerce.

ritories was a part of general Nazi policy, under competence of two most important persons of the Third Reich, Heinrich Himmler and Hermann Goering, with sale of Jewish property Neuhausen pretty much worked on his own, especially when it meant personal benefit for himself and his associates. He made bold moves, no doubt because he had personal support of Hermann Goering, the second man in state hierarchy of the Third Reich.¹⁷ That proved true already during selection of officials to manage Jewish property on behalf of Commissar administration. The Commissariat was led by Nicholaus Würth, a German from the Reich, who was commercial representative in Belgrade before the war. No doubt his acquaintance with Neuhausen, who was also representative of German companies, dates back to that period. His assistant was the architect Leopold Stefl, a German from Sarajevo, while legal representative of Commissariat was Slavko Barle, lawyer from Belgrade. Out of 70 officials of this institution, most were Germans; others were Russian emigrants and Croatians. 18

How institution that was supposed to be in charge of Jewish property functioned in Serbia is illustrated by a report of State Mortgage Bank, whose leaders were, during occupation, in position to closely cooperate with Neuhausen and so had direct insight in the manner his headquarters operated: "Commissar management was miserable, their technical service useless. All was directed towards maximizing the profit from properties, so nothing else was done, no renovations of buildings, not even most urgent repairs. Commissar management was interested solely in money: gather as much income as possible, sell as much properties as possible. It was evident there was no control over actions of commissars, so Commissariat was a nest of most unscrupulous corruption."19 That obtaining personal benefit from sales of Jewish property and houses was the most important goal of this institution is proved by the fact that salaries in the Commissariat were 8,000 to 30,000 dinars monthly, while at the same time in State Mortgage Bank average officials salary was 2,200 dinars.

The manner in which Commissar management sold Jewish property shows the character of that institution. Sales of immovable property the Commissariat

¹⁷ More details in: (Алексић 2008).

¹⁸ AJ, 110, DK, Report of DHB. Among high officials of the Commissariat are also mentioned: Genadije Malkov, engineer Vasilije Baumgartner, Irina Koteljnikova, Hauska, Turin, Dasović.

practiced through direct negotiations, without advertising, and buyers were acquaintances of officials or were sought through agents. Properties were sold at prices much lower than in free property market. Representatives for ownership transfer were Belgrade lawyers Slavko Barle, who was also official of Commissariat, and Janko Olip. Sale of Jewish property through Commissariat began in September 1941 and lasted about a year. In that period in Belgrade only 136 properties were sold, in total value of 147,600,822 dinars. Germans bought majority of Jewish immobilities, 68 mostly large ones, Serbs 61, Russian emigrants 4 and Croatians 3. Commissariat sold most valuable properties to Germans under very favorable conditions, so proportion of sales to Germans in total income was proportionally the largest. Serbs were buying mostly smaller objects, so their percentage in total income from sales was 33%. Most Serbian buyers were small capitalists and small scale savers who, following traditional mentality of that social layer, tried to purchase property cheap. The social layer is a control of the property cheap.

After extermination of Jews and confiscation of their immovable property were almost finished at the beginning of 1942, German authorities started with the gathering of Jewish property that was left with citizens for safekeeping. At the end of May 1942, Military commander in Serbia ordered that all persons who were keeping movable or immovable property or are in debt with Jews, have to declare its value to German authorities.²² This legal act of German occupational authorities, unknown to international public law and morality, reached new heights in ruthless plundering of Jewish property in Serbia. Documents and securities bonds, bank-books, bills of exchange, checks and shares were all considered to be Jewish property with third party. All transactions that were legally concluded before April 5 1941 General Representative for Commerce in Serbia could nullify if there was a doubt they were fictive transactions and their validity was unproved. Domestic authorities and citizens were obliged to report Jewish property to General Representative for Commerce in Serbia. In this Order term of Jewish property in possession of other persons was precisely defined with detailed and all-encompassing explanation what this obligation relates to:

²⁰ AJ, 110, DHB, 7.

²¹ AJ, 110, DHB, 7.

^{22 &}quot;Act related to amendment of decree regarding Jews and gypsies of May 30, 1941", Лисш уредаба Војної зайоведника у Србији No. 16, 25th July 1941.

"The obligation to report is extended to all contracts concluded with Jews from April 6, 1941 even if they were not concluded with intention to hide or put aside Jewish property. The obligation to report is extended to those property values and requests from Jews, where owner, the one who keeps them or debtor has to assume that it is Jewish property in question."²³

Execution of these orders was responsibility of Serbian authorities. To avoid any hiding, obligation of reporting Jewish property was severely legally sanctioned. Punitive measures for ignoring this order prescribed by German occupational administration included fine sentence and imprisonment, in more severe cases penal servitude or death sentence.

Sale of Jewish property through State Mortgage Bank

Although Commissar administration over Jewish property sold properties at favorable price and at a time when axis powers were constantly advancing at all fronts, sales were going slow for citizens were abstaining from such a purchase. At the end of summer 1942 *Vermacht* had no longer dominance over its opponents so buyers of Jewish property were no longer to be found no matter what conditions were. Since sale of Jewish property through Commissariat stopped altogether, Germans had to find better way to revive sales of these properties. That way was found by Germans ceding Jewish immovable property to Serbia, so it can sell it over State Mortgage Bank and forward money to them. Procedure through which German commercial authority in Serbia used to sell remaining Jewish immovable property is an example of impertinent, treacherous and absolute grabbing of valuables. Germans envisaged handing over management of Jewish property to State Mortgage Bank, so that deposit guarantee is Jewish property.²⁴

This unexpected decision is connected with urgent need Germans had for finances. Already in the first half of August 1942 the chief of principal finance group with Administrative headquarters, Dr Lindermann, started talks with representatives of State Mortgage Bank, Ministry of finance and Serbian national bank on a loan with State Mortgage Bank, where seized Jewish property, managed by Commissariat for immovable properties, would be ceded to Serbia as a compen-

^{23 &}quot;Act related to amendment of decree regarding Jews and gypsies of May 30, 1941", Листи уредаба зайоведника Србије, No. 32, 10th April 1942, 227–228.

²⁴ AJ, DK, fund 110, Državna komisija za utvrđivanje zločina okupatora i njhovih pomačaga u Srbiji F. No. 959, Indictment against Franz Neuhausen.

sation for credit received. After that, hastily was made legal framework to enable this transaction. Military commander in Serbia on August 13, 1942 signed Act on compensation of war damages to Germans.

"German citizens and members of German nation who sustained any kind of damage on occupied Serbian territory in movable and immovable things since March 27, 1941 can be compensated, if that damage occurred due to combat activities, theft, plundering, anti-German activities, interning or profit loss. Cost of compensation is covered by Serbia." ²⁵

The procedure of damage evaluation was performed by field commands, and deadline for applications was October 31, but later it was extended to the end of 1942. Administrative headquarters, before that Decree was passed and before Germans had any possibility to apply for eventual damages, estimated that amount will be two billion dinars. Government of national salvation enacted this financial operation. By the end of August 1942 Presidency of ministerial board of the Government of national salvation enacted Act on ownership of Jews in Serbia.

"Property of those Jews, who were citizens of Kingdom of Yugoslavia or were with no citizenship, if it is situated on Serbian soil, belongs to Serbia without any compensation. Exempted from this is property of Jews – former citizens of German Reich, now with no citizenship."²⁷

Implementation of this Act was entrusted to Minister of finance. By decision of Minister of finance already on August 31 1942 management of all Jewish property German authorities ceded to Serbia was entrusted to State Mortgage Bank.²⁸

Transfer of immovable Jewish property to Serbia happened unexpectedly and through very speeded up procedure. Background of this hasty transaction is urgent and pressing German need for finances. That can be undoubtedly concluded from agreement on sale and income collection of Jewish property between German occupational authorities and institutions of Serbian administration. At the meeting between representatives of German occupational authorities, Ministry of finance and Serbian national bank, on September 8 1942, conclusion was: "As a payment of material damage suffered by Germans in Serbia, State Mortgage Bank approves

²⁵ Act on compensation of Germans for war damages, *Лисш уредаба зайоведника Србије*, бр. 38, August 15 1942.

²⁶ AJ, DK, 110, Report of State Mortgage Bank.

²⁷ Службене новине бр. 69, 28. August 1942.

²⁸ AJ, fund 125, State Mortgage Bank, F. No. 538.

to Serbian state a credit of 2 billion dinars."²⁹ That sum was later reduced to one billion. Since it was impossible to assume at what rate Jewish properties would sell, Germans extorted from domestic authorities to make State Mortgage Bank by the end of 1942, according to the Act on compensation for war damages, disposable to Administrative headquarters a billion dinars. The first tranche of 250,000 dinars, State Mortgage Bank approved already on September 19, before it took over Jewish property from Germans.³⁰

The procedure with handling and cashing Jewish property that Germans handed over to Serbia was managed by Administrative headquarters. By that, General Representative for Commerce in Serbia was denied direct control over Jewish property. That issue will not be discussed in this study, although it is very important for the insight of relations between certain institutions in occupation system in Serbia. It could be concluded that main reason for that were large malversations by Commissariat for Jewish immobilities and slow sale of Jewish property.

General representative had right to transfer and handle Jewish property until properties were handed over to State Mortgage Bank. Using doubtful interpretation of one of the articles of mentioned Act, Neuhausen was delaying full handover of Jewish property, as can be concluded from one letter to the Ministry of finance: "Regarding handling and hand-over to Serbia of said property, crucial is Art. 4 of said Act (refer to mentioned gentlemen noted author D. A.) that says it is generally still under my competence. Only if I cede handling and sale, then handling and sale are entrusted to State Mortgage Bank in Belgrade." In his competence Neuhausen also kept handling and sale of Jewish immobilities and property of Jews, foreign citizens who happened to be in the territory of Serbia, and those Jewish properties and houses for which Commissariat already received deposit and commenced sale procedure. He also kept under his control certain companies with Jewish capital that were performing well, under pretext he will better organize their business since these companies are very profitable. 32

²⁹ AJ, DHB 125, F. No. 539, Report of chairman of Managing board, Dr Harold Turner of September 8, 1942.

³⁰ AJ, DHB, 125, F. No. 538.

³¹ AJ, DHB, 125, F. No. 538, A letter of General representative for commerce in Serbia to Ministry of finance of Serbian government of October 6 1942.

³² AJ, DHB, 125, F. No. 538, A letter of General representative for commerce in Serbia to Ministry of finance of Serbian government of October 6 1942.

Council for administering property of Serbia

State Mortgage Bank approached this business professionally and responsibly, although it was clear the whole operation was imposed in order to collect additional finances to serve exclusively to occupier. In September 1942 the management of the bank defined necessary codes and acts and formed bodies needed to sell Jewish property. The bank was ordered to do whatever needed to take over that property from present managers and to start sales of all property straight afterwards. For managing Jewish property, bank operations were exempted from Act on state bookkeeping and Law on principal control. For direct managing of these operations it was decided to form a Council for administering Jewish property that would have, as one of its members, a representative of Ministry of finance.³³ Executive board of the Bank, following that decision, on September 2 appointed members of the Council for control and management of state property.³⁴ (In official document that council is titled Council for administering Serbian property at State Mortgage Bank). It approached business in accordance with defined Bank practice. For estimation of each property it appointed a commission that established property value according to bank's Code on estimations for intended sale.35 Each commission for city homesteads consisted of two bank representatives and one representative od Ministry of finance. Out of two bank representatives, one had to be an engineer from Technical department of the bank. For estimations of agricultural estates representative from bank's Technical department was replaced by an agricultural clerk. The Council also determined the order in which sales are to be made, date of auction and other terms of sale. Sales were performed according to the Code for sale of immovable properties of Serbia, by which public invitation for sale had to be appear twice in joint ads in dailies: Novo vreme, Obnova,

³³ AJ, DHB, 125, F. No. 538, Decisions of Ministry of finance of August 31 1942.

³⁴ AJ, DHB, 125, F. No. 136, Minutes of I session of Council for administering property of Serbia of September 14 1942. Council members from Bank became: Brana Stefanović, Rista Zlatanović, Kosta Krnajski – Council president, Nikola Skrbić and engineer Vasa Spasić. Directorate of the Bank deputised as Council secretary Dušan Mandarić, department chief of DHB, and Ministry of finance for their Council member delegated Dr Stevan Milačić, department chief in Ministry of finance.

³⁵ AJ, DHB, 125, F. No. 536, Minutes of VI session of Council for administering property of Serbia of October 8 1942.

Donauzeitung and Srpski narod.³⁶ The sale was performed by public auction or direct negotiations, as per Council's discretion. The sale became finally effective when approved by bank's Executive board and announced to buyer in writing. The sale was not performed if at least estimated value was not reached for auctioned property. The sale through direct negotiations could be performed only if on previous auction estimated value was not reached for that property.³⁷

State Mortgage Bank received on October 3, 1942 from Commissar management for Jewish immobilities first lists with 339 Jewish houses and estates with data for registration. Council for administering property of Serbia straight away appointed persons in charge for received objects and ordered to have objects assessed, so they could be sold,³⁸ and required from Ministry of finance empowerment so State Mortgage Bank can enter ownership rights of Serbia, to sell and validly transfer ownership to buyers and make valid settlements and other legal actions, as envisaged by the Act on transferring Jewish property to Serbia.³⁹

The first public invitations for sale of Jewish property in Belgrade, where houses and flats on attractive locations in city center were offered, State Mortgage Bank published at the end of November 1942. Anyway, out of nine offered objects at auctions on November 26 and 28, only one was sold. The objects in streets Vlajkovićeva, Prote Mateje, Kralja Zvonimira, Lamartinova and Visokog Stevana were not sold since price determined by the Commission was not met at auctions, while for those in streets Dositejeva and Uzun Mirkova, due to high asking price, no bids were made.⁴⁰

In the January 1943 the Council for administering property of Serbia offered, at public auction, sale of lot of houses and flats in Belgrade center and estates on the

³⁶ AJ, DHB, 125, 536, Minutes of VIII session of Council for administering property of Serbia of October 12 1942.

³⁷ AJ, DHB, 125, 536, Minutes of VIII session of Council for administering property of Serbia of October 12 1942.

³⁸ AJ, DHB, 125, 536, Minutes of VI session of Council for administering property of Serbia of October 8 1942. For managers of Jewish houses taken over from the Commissariat the Council mostly choose former officials of State Mortgage Bank, who were for meager compensation, sometimes only for a right to live in, overseeing houses until their sale.

³⁹ AJ, DHB, 125, 536, Minutes of V session of Council for administering property of October 6 1942.

⁴⁰ AJ, DHB, 125, 536, Minutes of 24th session of Council for administering property of Serbia, held on November 30 1942.

periphery and in the area close to city, but number of interested buyers was small, so for Jewish property on majority of locations there were no bids whatsoever.

Having in mind interest of buyers for larger objects, public sales of Jewish properties were going slow, so already in March 1943, the Commissar of State Mortgage Bank, Dr Kam, asked Bank manager to modify determining of starting bid price. At the meeting of representatives of Bank and Ministry of finance on March 15, it was agreed to offer property for sale at prices determined by commission that would be gradually decreased by 20% until they reached prices at which those properties could sell faster.⁴¹

The other obligation imposed on State Mortgage Bank regarding ceded Jewish properties was payment of war damages who after March 27 were in Serbia. Executive board of State Mortgage Bank on September 19, 1942 decided that in bank books in a group "Active current accounts" should be opened an account titled "Administrative headquarters — Jewish property, immobility I" (*Ver Waltungsstab — Judenvermoegen, Immobilien I*) at disposal solely by Administrative headquarters. To that account were registered amounts received from sales of Jewish property that was ceded to Serbia according to already mentioned Act. From this account were paid adjudicated war damages by the Act issued by Military commander in Serbia on August 13, 1942. 42

The total amount of war damages paid to Germans through State Mortgage Bank was 1,003,014,531.59 dinars. Of that, funds received from sales of Jewish property given to Bank by the Council for Serbian property made 226,894,441.21 dinars, for that was amount of net purchase price of properties. From Jewish property, including immovable properties, Jewish deposits in banks and valuables, General Representative for Commerce in Serbia collected through Bankarsko društvo a.d. Beograd altogether 330,000,000 dinars (147,600,822 from sale of immobility only). The remainder of amount that bank gave Germans at disposal came from own sources, and was just fictively secured by oral mortgage on Jewish property.⁴³ Total amount collected from sale of Jewish property in Serbia, therefore is 556,894,441.21 dinars, and from immobility were gathered around 375 million

⁴¹ AJ, DHB, 125, 536, Minutes of conference held at State Mortgage Bank on March 15 1943.

⁴² AJ, DHB, 125, 538, A letter of Directorate for banking business of State Mortgage Bank to Department of general secretariat of September 19 1942.

⁴³ AJ, 110, DHB, 11.

dinars. It is difficult to establish what the real value of confiscated Jewish property in Serbia was, but it was certainly manifold higher than the sum collected through sales. One of the reasons was that significant part of value went into pockets of greedy officials of German occupation administration. The second one is that properties were sold at law prices, since buyers were reluctant to buy immobilities of such origin. How the public regarded these sales is convincingly illustrated by a note of one of contemporaries. Grigorije Gliša Babović, protopresbyter of Šabac, on July 14, 1943 wrote in his diary:

"Today the community bought from Hipotekarna banka (a commissar of German army) the Jewish synagogue for 480,000 dinars. They will cede it to Red Cross for child nursery and day care. Several other Jewish houses remained unsold although prices were very low. Many, actually majority, condemn buying these houses.

Najdan Milićević, an inn keepe, whose house and inn at Makiška burned totally in the autumn of 1941, bought a Jewish house in Karađorđeva 44. When the bank clerk handed him the keys, he told him:

- Well, now just pray to god the war finishes soon.
- Good willing, said Najdan.

But one present shoemaker interfered:

- But also pray to god for whom to win. For if the Russians and the English win, you know what to expect.

Proprietor Najdan lowered his head at that" (Babović 2005, 492-493).

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Rezime:

Prodaja oduzete jevrejske nepokretne imovine u Srbiji u Drugom svetskom ratu za finansiranje isplate ratne štete Nemcima

Sistematsko otimanje i prodaja nepokretne jevrejske imovine u Srbiji u Drugom svetskom ratu može se podeliti u dve faze. Prva, kada je odmah posle preuzimanja, u prvim mesecima okupacije do kraja leta 1942. godine, jevrejska imovina bila neposredno u nadležnosti nemačke okupacionih vlasti. U tom periodu oduzetim jevrejskim nekretninama raspolagao je Komesarijat za jevrejsku imovinu, pri Štabu Generalnog opunomoćenika za privredu u Srbiji. Za to vreme organi nemačke privredne uprave direktno su rukovodili prodajom $_{\parallel 37}$ najvrednijih oduzetih jevrejskih imanja i stanova. U drugoj fazi, od septembra 1942. do decembra 1943. godine, Nemci su raspolaganje jevrejskom imovinom nametnuli srpskim vlastima, a obavezu prodaje poverili Državnoj hipotekarnoj banci, najvećem državnom novčanom zavodu u Srbiji. Banka je bila dužna da jevrejsku imovinu rasproda i da od dobijenog novca isplati ratnu štetu Nemcima iz Rajha i državljanima Kraljevine Jugoslavije, pretrpljenu od 27. marta 1941. godine do završetka Aprilskog rata. Srpske vlasti se u ovom periodu pojavljuju kao posrednici u raspolaganju jevrejskom imovinom, a State Mortgage Bank (Državna hipotekarna banka) samo kao izvršilac prodaje i čuvar novca, s obzirom na to da ovu operaciju nije sprovodila s ciljem da ostvari profit već kao organ državne uprave. Prodajom jevrejske imovine prikupljeno je mnogo manje sredstava nego što se to očekivalo. Prvo, zato što je odziv kupaca na javnim oglašavanjima za prodaje bio slab, i drugo, što je nemačko privredno vođstvo u Srbiji nastojalo da od prodate jevrejske imovine, u prvom redu sebi obezbedi materijalnu dobit.

Ključne reči: Državna hipotekarna banka, jevrejska imovina, jevrejska zajednica, ratna šteta, Komesarska uprava za jevrejska nepokretna imanja, licitacija

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