



Regards, RK

A former forced labourer's point of view

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The author of this column is a former forced labourer who spent three years working in Nuremberg (Germany) during WW2. In his comments he reflects poignantly his first hand experiences with agencies involved in the compensatory procedures - and draws his own astute and trenchant conclusions. This makes his writing a brilliant summary of what is going on and what is to be expected in the near future.

RIJO is proud to host RK's ideas and would be glad to pass on any feedback to the author.

Compensation program for former forced labourers: Institutional inequality affects 70,000 claimants

Basic facts

When reviewing the state of affairs at the end of 2002 some basic facts and milestones should be kept in mind: Forced labourers were civilians considered by German occupiers in the conquered countries as war bounty. Raw materials, factories etc. so why not human resources? Kidnapped on the streets in eastern countries or hauled from their homes or places of work in western countries, they were deported to Germany and degraded to working tools in the German war machinery. Some researchers conclude that there were about 8 millions of them.

Timetable December 1999 - 15 June 2001

In December 1999, after years of negotiations, a deal was coined; the *project of mass compensation* of the former forced labourers came into being, some 54 years after the end of World War II. The need for urgency, because of the advanced age of survivors, was generally stressed.

On the 12.8.2000 the German Bundestag passed the law creating the Foundation "Remembrance, Responsibility and Future". The administration machinery could commence to work. The *compensation program* came into being.

This was followed by bickering between U.S. judges and German industrialists insisting on watertight legal immunity from claims in the U.S.A. which has been resolved end of May 2001. Green light for payments has been given on 15th of June 2001.

... and afterwards

Compensation project and compensation program are obviously different concepts than compensation itself. *Compensation* is effected when the amount due reaches the hands or account of the *beneficiary*.

What is the present situation at the end of 2002, that is 3 years after the *intention* of mass compensation has been formalised? Press releases and communiqués of two of the seven partner organisations paint the following picture:

The International Organisation for Migration (IOM), Geneva is in charge of claimants who are not Jewish and who do not live in Czech Republic, Poland, the Russian Federation or a country that was a republic of the former Soviet Union. In their press release 1/2002, they wrote:

"IOM paid almost 10 percent of presumably eligible claims.

Geneva, 30 January 2002 - Upon the expiration of the filing deadline the International Organisation for Migration (IOM), one of the partner organisations of the German Foundation "Remembrance, Responsibility and Future", has received 320,000 completed claims: 306,000 for slave and forced labour and for personal injury (that is four times the initial estimate) and 14,000 for property loss in the framework of the German Forced Labour Compensation Programme (GFLCP). By the end of January 2002, IOM has made first instalment payments to 6,070 former slave and forced labourers. 'Though we are not yet out of the woods, this means that roughly ten percent of our presumable eligible claimants have received a first payment', Dirk De Winter, the Director of the German Forced Labour Compensation Programme, points out. Indeed, based on current projections, less than one third of the claims IOM has received will be compensable under the German Foundation Act."

And

"As a rule we give priority to processing claims of victims themselves, rather than those of heirs, because we are very concerned that any of the elderly claimants will not receive this humanitarian gesture while they are still alive", De Winter emphasises.

Here comes press release 11/2002 of IOM:

"First instalment payment for slave labourers will be increased. German Foundation's Board of Trustees approves request submitted by IOM.

Geneva, 13 September 2002 – At its session on Thursday, 12 September 2002, the Board of Trustees of the German Foundation "Remembrance, Responsibility and Future" adopted a draft resolution of the International Organisation for Migration (IOM), approving an increase of the first instalment payment to claimants in the slave labour category. In the next payment tranche, in mid-November, IOM will pay victims detained in a concentration camp, ghetto or another place of confinement under comparable conditions during the Nazi regime 75% of the maximum compensation amount of DEM 15,000 (EUR 7,669).

The first instalment payment for former forced labourers has not been increased. They continue to receive 50% of the maximum compensation amount of DEM 5,000 (EUR 2,556) with the first cheque.

'We highly welcome the decision of the Foundation's Board of Trustees', Dirk De Winter, the Director of IOM's Compensation Programmes, stated. 'The approval of our proposal will help the elderly victims to benefit one from this gesture and to receive a higher amount of money during their lifetime.'"

And

So far, IOM has made first payments to almost 30% of the estimated 70,000 eligible claimants under the German Forced Labour Compensation Programme. Approximately 260,000 of the applicants who filed a claim with IOM will not receive, as they do not satisfy the criteria of the German Foundation Act. This figure includes, for example, more than 130,000 claims from Italian Internees (IMIs) and 70,000 from Western European forced labourers. The compensation is paid in two instalments; the second of which will only be paid after all eligible victims have received their first instalment payment.

The words "*during their lifetime*" are noteworthy.

Ex oriente lux

The above press releases of IOM must be compared with the following relevant excerpts from communiqué 19/2002 of the Polish-German Reconciliation Fund, Warsaw (unofficial translation from Polish language):

"Payment of 1st instalment of the compensation from the means of the German Fund 'Remembrance, Responsibility and Future' for the beneficiaries of the X tranche commenced on 31st October 2002. This time 32,500 entitled persons will jointly receive over 113 mill. PLN."

And

"The Polish-German Reconciliation Fund has commenced payment of the 1st instalment of compensation (75% of the whole amount due) at the end of June 2001. So far beneficiaries of tranches I to IX have received payment. Until the end of September of this year over 348 thousands entitled persons have jointly received about 1 billion 412 million zloty. Totally (together with tranche X) there will be about 380 thousands beneficiaries of the German Fund in Poland and the value of the paid compensation will exceed 1.5 billion PLN."

Email correspondence with the Fund in Warsaw indicates that payments of the 12th (the last) tranche for living beneficiaries will be completed around April 2003. Thereafter payments to heirs, appealed (initially rejected) claims, and claims awaiting verifications, will be effected.

Duty and speed

Consequently at the end of 2002 the following picture emerges: Surviving former forced labourers are now 80-95 years old. The need for urgency is stressed as follows in the recent website of the German Fund, Berlin:

"Ziel der Stiftung ist es, Zwangsarbeitern und anderen NS-Opfern schnell (emphasis added) finanzielle Leistungen zu gewaehren".

Meaning

"The purpose of the Fund is to speedily offer financial merits to forced labourers and other Nazi victims".

Here following impressive achievements and a case of apparently deliberate slow motion program must be recorded: In all fairness one achievement of the compensation program must be applauded: According to its website until 16th October 2002, 1.810 billion Euro has been channelled to 7 partner organisations for 1,035,110 eligible claimants. Quite staggering a result within an 1 year 4 months period.

Similarly, the results and speed of action of the Polish German Fund, Warsaw must be commented. As already stated, they will complete payment of 1st instalments in the very near future, at any rate in the first half of 2002. This means that the task will be performed within two years!

Duty and speed, Geneva style

Now contrasting bad news: There is an evident, ongoing *delay by unduly slow pace* of processing claims and of payments in Geneva. This pace of some 1,500 payments per month as in 2002 is totally inadequate to the assignment of channelling 1st instalments to an army of 49,000 octogenarians *within a reasonable time frame*. Simple arithmetic reveals how long it will take. In this equation "*benefit during lifetime*" sounds a bit strained.

Unduly slow progress means that in an unduly high percentage of cases *recognition* will arrive too late. "Schnell" turned here into "langsam". ***This is the very essence of the problem.***

Here it must be emphasised that there is no doubt whatsoever that the management and staff of IOM do their very best in the existing circumstances and within the constraints apparently imposed on them.

There must be an undisclosed background for the much, much slower (as compared to Warsaw) pace of processing claims in Geneva. It stands to reason that it is either decreed or tacitly sanctioned.

The principle of inequality

One would have thought that the *principle of equality* would apply to exactly the same category of victims. Here it is substituted by unequal treatment. IOM's clients (the majority of them are ethnically Poles, Ukrainians etc.) dispersed over the globe have no leverage at all. There is no government which would speak for them, no forceful organisation which would represent their interests. Western media and hence general public opinion assume smooth implementation of the program and hence lost interest. Silence, compensation ceased long ago to be news.

Next, for equally undisclosed paramount reasons it has been decided, within the frame of the Foundation Act, that IOM's claimants deserve 50% of the first instalment whilst their Polish colleagues qualify for 75%. Another example of institutional disparity affecting some 70,000 persons. The paraphrased bon mot "here everyone is equal but some are less equal than others" comes to one's mind.

The management of a huge program has, obviously, its own logic and priorities requiring tough, unpopular decisions. All of this poses a dilemma whether to assume that an ex-Pole or ex-Ukrainian in Canada does not need to know or to elaborate in press releases and leaflets on the *reasons* behind decisions which affect and frustrate thousands of people. No one, whether she/he is 20 or 80, likes to realise that for reasons unknown she/he has been relegated to a second league or side-tracked to a slower lane.

Regards,
RK, Denmark, December 7, 2002

Compensation for former survivors? Expectations End of 1999 - Realities October 2001

After several years of negotiations the "compensation deal" has been concluded at the end of 1999. Former forced labourers could now, some 54 years after the end of World War II hope for some financial reward labelled "noble initiative" or "compensation". At that point of time everyone concerned realized and stressed in numerous speeches and written statements that speed of action was essential as the still remaining former forced labourers were in their 70ties upwards. If you really wanted to compensate them you have had to move fast. "Entschaedigung moeglichst bald" (compensation as soon as possible) - see Pressemitteilung der Bundesregierung of 17-12-1999 - was the phrase of the day. Instead, delays of every sort and description followed. Finally, the 10 bill. DM was made available and the "green light" for commencement of payment were given end of May 2001, i.e. 17 months after the announcement of the compensation program.

Living in Denmark, this columnist focuses on facts and time table pertaining to International Organization for Migration (IOM), Geneva, one of several partner organizations of the German Compensation Fund. IOM is entrusted with dealing, processing and paying claims from non-Jewish claimants living in countries other than the former Soviet Union, Poland and the Czech Republic.

Obviously the work of IOM had to be prepared from scratch.

The first visible step: Claim Forms have been distributed (at least in Denmark) at the beginning of January 2001.

Second step: IOM Office in Helsinki has on 23-5-2001 confirmed that the claim presented on 11-1-2001 has been received and that "The claim contains all the necessary information required for processing. IOM will inform you of its decisions as soon as it is taken".

Third visible step: IOM's most recent up to date Press Release dated 27-7-2001 informing, inter alia that:

"IOM today paid out DM 514,000 to 99 former German slave and forced labourers. The payments to victims now living in 12 countries were the first made by IOM ..."

And

"IOM has already received since January 2001 over 168,000 claims ..."

"It now anticipates more than 200,000 claims before the 31st December 2001 deadline ..."

The reader may draw his own conclusion based on the above dates and figures.

Email correspondence between your columnist (who criticized the slow progress as compared with Poland where currently some 100,000 claimants, i.e. 25% of all victims in that country are NOW collecting the money) and the management of IOM Geneva has resulted in following statements from IOM:

"Claim Forms had to be printed in 19 languages on request of the victim's associations and according to decision taken in conjunction with the German Foundation".

"Claims are processed in sequential manner as they are received as well as according to their ease of verification".

Reacting to the following question posed by your columnist:

"In other words, the question (which surely is not only of my concern) is whether, taking all relevant factors into consideration, survivors of slave or forced labour dispersed all over the world have realistically the same chance to receive payment whilst they are still around as their colleagues in e.g. Poland. To say it differently: Is IOM's claim processing capacity really geared to deal with the task or, for one reason or another, slower pace of compensation has been programmed for Geneva than that which presently produces results in Warsaw.

Administrative bottlenecks translate into post mortem payment. Effort which produces 'Too little, too late' is a wasted effort."

IOM replies:

"Naturally IOM is committed to a fair, transparent and efficient service to all of its claimants. In this regard our goal is to make payments to claimants as quickly as possible. As our view is that payments symbolise 'recognition' rather than 'compensation', our strategy is aimed at

making payment to victims. Processing of claims with corresponding payments to be made represents an ongoing process until the end of the program. Claims are processed in a sequential manner as they are received as well as according to their ease of verification. Those that require extensive archival searches logically take more time to process than those with sufficient evidentiary documentation attached.

Regrettably for IOM's claimant group there will not be the same opportunity to receive as timely a payment as claimants in countries such as Poland. Although IOM is committed to efficiency and to the equitable treatment of its claimant group, it has been continually reminded by the Board of Trustees of the German Foundation that the German Foundation Act does not aim for equal treatment of all claimants.

As you have indicated in respect of IOM's claim processing capacity, IOM constantly needs to achieve a balance between perfection and cost efficiency. A Steering Group consisting of representatives of the majority of involved victim's associations is most instrumental in helping us to do so."

Reading the above it is difficult not to ask:

What about the democratic principle of equal treatment?

Is there any well founded reason for "two speed" processing of claims; one reasonably normal in Poland, another, much, much slower by IOM?

Is someone saving money at the disadvantage of one large group of claimants (slow processing of claims means smaller staff expenses).

Moreover, IOM informed that:

"The second round of payments proposed by IOM provides for compensation to be paid to over 2,500 victims. This figure illustrates the fact that IOM is proceeding in order to gain the momentum achieved by other partner organizations regarding its volume of payments, notwithstanding the unique challenges with which we commenced and the distinctive geographical scope and complexity of our task."

Comment: In all fairness, 2,500 is solely a tiny percentage of 168,000 and the calendar says that it is beginning of October 2001, i.e. 22 months after the announcement of the "deal".

The Danish Newspaper "Politiken" of September 25 reports that a representative of IOM Geneva has visited Denmark to meet the press and the Danish victims' associations.

According to this newspaper IOM's representative has stressed that it takes time to process so many claims and that the Danish victims can only expect to receive payment in the next two to three years. This is, of course, a very clear, courageous statement. The article does not reveal how victims' associations reacted to this statement. Now IOM's timetable, the processing of claims capacity is known. It's it and that's that. Normality of a project to be completed in 2004. No dark feeling that something is not quite right, that those for whose benefit this work is in progress have entirely different perception of urgency? Can they be blamed for being impatient? Can they be blamed for considering compensation paid out after their departure much less useful than that, which could be used for e.g. private doctors' bills etc. whilst they are still around? Is it too pessimistic of them to feel that their time is running out, and that the promise made at the end of 1999 did not imply years of waiting for its fulfillment? Have they not waited long enough?

In No. 1 of the publication "Ueberleben" issued May 2001 by "Bundesverband Information & Beratung für NS-Verfolgte", appeared an appeal to the German Industry and Bundestag signed by several German intellectuals.

Its title is "Gerechtigkeit für die Ueberlebenden der NS-Zwangsarbeit JETZT" (Justice for survivors of Nazi forced labour NOW) and points out that two years ago prominent German personalities announced that the survivors can soon expect compensation. The appeal called for immediate commencement of payment irrespective of the elusive "legal immunity".

The statistical average remaining life span or, to put it differently, the mortality rate of former forced labourers is well known to everyone concerned.

IOM's timetable results in the following calculation:

Period from end of forced labour in Germany until "compensation deal" has been concluded end of 1999	54 1/2 years
Delays of every sort until end of May 2001	1 1/2 year
Procedural etc. delays May 2001 to Oct.2001	1/2 year
IOM forecast of next 2 to 3 years	3 years
Total	59 1/2 years

The above results in a genuine "*compensation lottery*":

By the end of 2004 some survivors will receive the promised reward some (unfortunately many) will be unable to survive the slow pace of claim processing. They will never be compensated. But who knows, perhaps some will live long enough to collect also the second instalment. Biological process is one thing, savings on number of persons required to deal with compensation claims at a pace comparable to that of other partner organizations is entirely another thing.

Is this the true meaning and effect of "moeglichst bald"? Is this the institutional approach to "Gerechtigkeit für die Ueberlebenden"?

All of this is a classic example of the difference between lofty intentions and sad reality. A victory of administrative directives and measures over what should have been "noble initiative" and "humane gesture". These require compassion, wholehearted action and respect for the fact that everyone would prefer that reward, once promised, is received before one ceases to breathe. There is no "humane gesture" in which point of time of rewarding is irrelevant. How much and when payable are two sides of a coin.

The above considerations and parts of correspondence with IOM would otherwise be kept private. The recent announcement of another 2-3 years of waiting for the benefit of the first instalment of compensation (for example DM 4,000 in two instalments for three years of forced labour) prompted publication of this protest.

Regards,

RK, Denmark, September 29, 2001

The Non-compensation debacle

Announcements and promises ...

Negotiations commenced in the early 90ties and resulted in an agreement reached end of 1999. It has been **announced** in a press release issued on **17th December 1999** by the Press and Information Authority of the German Government containing a statement made by Bundespraesident Mr. Johannes Rau.

Excerpts from this important statement: "Ich bin dankbar dafuer und erleichtert, dass endlich eine Vereinbarung über die Entschaedigung der Zwangsarbeiter zustande gekommen ist."

meaning:

"I am grateful and relieved that finally an agreement on compensation for forced labourers has been reached."

And:

"Um so wichtiger ist es, dass jetzt alle Ueberlebenden moeglichst bald die heute vereinbarte humanitaere Leistung bekommen."

meaning:

"The more so, it is important that all survivors possibly soon benefit from the humanitarian achievement, which has been concluded today."

Consequently it could have been **assumed**, that finally, 54 years after the end of World War II survivors of forced labour in Nazi Germany will be compensated. More than that, survivors, politicians, journalists, TV commentators basing on the above statements have had every reason to expect that:

a) It concerns genuine compensation dictated by humanitarian reason.

b) Because of the advanced age of the survivors it will be effected with necessary urgency.

Above all, the survivors conceived it as a **promise**: "We will assist you in your old age". Most of the oldies in Eastern Europe live in poor conditions and receive very small pension. In, for instance, Denmark DM 4,000 is an insignificant amount. The same DM 4,000 would be a god-send to a person living in the Ukraine.

To everyone concerned, especially to the potential beneficiaries the question: "When will the cheque arrive?" was and still is much more important that "How much will I receive?"

Hope was created.

... turning out to be a Mega flop ...

At the time when the **announcement** was made little was known that **reality** was and still is different than suggested. Survivors living in villages in Eastern Europe, or anywhere else, have neither access to nor the habit of reading 'small print' in agreements of this kind. In all fairness, it must be taken for granted that had the President been aware of the 'small print' his statement would have been less optimistic and laudatory.

By and by it emerged that it was not so much a humanitarian gesture but a botched business transaction: Legal immunity for German commerce in the U.S.A. against individual claims (in Million U.S. \$ class) in exchange for creation of 10 Bill. Fund for "mass compensation". In other words unhindered trading in USA for German industry was the central object of the deal. A classical "tit for tat" deal. - The incentive is understandable, but the plan does not work.

This transaction in Mega \$ class turned out to be a Mega flop. Seventeen months later there is no legal security and there is no compensation. Is there at all any **time bar** after which US courts will reject individual claims? Must all potential claimants die to exhaust the possibility for litigation? So far the hope of German industry that US judges will succumb to pressure proved to be futile.

As to "small print" - Section 17 item (2) of the Compensation Law provides that funds for compensation will be not released before "establishment of adequate legal security for German enterprises. The German Bundestag shall determine whether these preconditions exist." This reveals the true nature of the deal and effectively destroys the most vital aspect. In one stroke **the urgency of compensation is transformed into compensation in a distant, unpredictable future.**

... leaving former forced labourers in despair

Today, May 2001, that is some 17 months later, no one has been compensated from the 10 Bill. DM, which are or should be available for this purpose. The prospect of when payments will begin and when the last application will be processed is extremely bleak. As to the humanitarian aspect of the agreement it appears appropriate to quote the observation made (in a

different context) by Baroness Margaret Thatcher: "No one would remember the Good Samaritan if he'd only had good intentions. He had money as well." Is there anything humanitarian in the confusion created in the minds of hundred thousands of survivors of Nazi persecution who fail to see any connection between the endeavours of a German Bank or a major insurance company to trade profitably in the USA and their expectation (created end of 1999) to be compensated? Is there anything humanitarian that **hope** has been dashed and turned into **despair**?

Not long ago Polish TV has shown scores of old applicants in the corridors of the Polish-German Compensation Fund seeking assistance. Their faces reflected this despair. After all they have every right to insist that end of 1999 they have been promised compensation. Where is it? Here it is legitimate to ask a simple question: Is this serious treatment of old people who went through so much? Those in charge of the whole affair seem to be convinced that the urgency or otherwise of payment is irrelevant (their actions or inactions matter, not their words) and anyhow their conscience is calm - it is, of course, not them who cause the delay. They apparently feel that justice will be done irrespectively whether the Ex-forced labourer or his heir receives one day his princely DM 4,000 (in the case of this writer DM 3.75 per day of forced labour). All is relative, it depends who should be the recipient; those who matter, have the necessary influence or make the rules would certainly feel that any money due to them should arrive and be spend whilst they are still alive. The majority of f.f.l. (former forced labourers) if asked would opt for DM 400, to be received whilst they live, instead DM 4,000 after their death. This with all due respect for their relatives. Compensation after one's death has the value of orders and crosses pinned on coffins. It lends a self-satisfying feeling to the high persons decreeing the symbolic act of distinction. There was a commercial slogan "fly now, pay later". The present rendition apparently is "*die now, be compensated later*".

Payments to relatives in case of death of the applicant are, of course, the only sensible and natural solution but unfortunately it has a very negative psychological effect on those who in their respective capacities are in charge of this "humanitarian achievement". The need for urgency is diluted - with one stroke paying after the death of the applicant is a neat solution too and "Alles ist in bester Ordnung" (everything is OK) as envisaged in the Compensation Law. The "safety measure" is understandable in individual cases but here it becomes applicable to "mass disappearance movement".

Is there anything humanitarian in the fact that the administration of the Fund sits on a mountain of money whilst for the majority of the survivors of slave/forced labour some DM 200 **now** would make all the difference? It must be as frustrating as being in charge of a trove of medicaments and having to deny any help to the ill, suffering and dying.

There is something obscene and absurd in the fact that a huge amount of money collects interest and dust whilst those for whose benefit it has been made available fade away. Each day of delay means damage to the image of those who created the hope of compensation. But does it really matter? After all, the only really interested are the insignificant oldies, in Poland, Ukraine, Belarus etc who most probably would have a better peace of mind had the promise, or should we call it "conditional time-wise open ended possibility of mass compensation" been not invented.

The question is whether it would be unreasonable to assume that instead of 'humanitarian achievement' a serious psychological damage has been inflicted upon hundreds of thousands of survivors who after the 1999 announcement commenced to plan how they will spend the money and are now so deeply disappointed. They may feel humiliated too. Some of the disappointed survivors may cry, despair, feel deceived or write laments as this one. The worst is not the feeling of helplessness, lack of any assistance or solidarity even of the governments of the countries in which they live.

No one wants to rock the boat

The worst is the shattering and indifferent silence in which the compensation flop continues. There are no massive appeals from the world opinion, from governments of the countries in which the majority of f.f.l. resides and no protests from, especially, German intellectuals and humanists. Surprisingly no political party, be it in Germany or abroad considers it worthwhile to voice their solidarity with the "Ex". Apparently their political instinct tells them not to rock the boat.

The Stiftung or its Partner Organizations? They seem to concentrate solely on their task of administering the Fund, of processing the claims and assisting the claimants in having the claim forms properly filled in. Bigger issues are apparently left to others. Not long ago a number of prominent personalities have published an open letter to President George W. Bush appealing to him for reversal of his decision not to accede to the Kyoto environment protocol. Where are the voices of conscience in Germany? Where is a similar open letter to the leaders of that country, signed by personalities whose opinion cannot be overheard, appealing for real and fast action instead of hollow sounding declarations of awareness of "moral responsibility". Is there anything humanitarian in the tacit approval by the establishment (the Government, Bundestag) of the status quo although it is commonly known that the survivors rapidly change their description into 'Ex-survivors'?

All of this means that the f.f.l. are left to themselves and must defend their interests on an individual basis. They are not organised into a single body which could with a strong voice made their grievances heard. All in all, what an embarrassing mess engineered by shrewd lawyers, top industrial tycoons with their sharp minds and by infallible politicians. A mess in which the 75-90 old survivors became pawns in a power game with high stakes. Big business at its best. Pragmatism in its finest form. Compassion? Generosity? An unaffordable luxury even for the most affluent. They already paid; never mind that the recipients are denied the use of the money.

Embarrassing to whom? Or to put it differently, is it so embarrassing that an end should be made to this lamentable fiasco by, for instance, separating the money provided by true noble, "humanitarian achievement" (remember Dec. 1999?) from the equally large amount made available for the purchase of legal peace?

One can hear the voices. "This cannot be done, the law etc." but the Catholic Church pays **now**, the Austrian Government pays **now**, Polish-German Fund pays an advance (out of their financial reserves) to those over 80 years of age. Some German communities pay out of their free will and own initiative, to survivors who worked in their area but, of course, all of the above have no trading interests in the USA.

Apparently, German tax payers (who provided 5 Bill. DM), members of Bundestag, prominent writers, journalists, panelists in TV programs, leading politicians in that country have no opinion on or interest in **action now**. In this game "who blinks first", the affluent German industry and US judges can hold out indefinitely. The survivors cannot.

It is astonishing that one of the worlds leading insurance companies (vitaly interested in the deal) is unwilling or unable to devise a **mutual insurance scheme** (out of the 5 Bill. DM provided by the Industry) protecting German companies against so dreaded risk of paying twice (once through the Compensation Fund and in U.S.A. litigation). It is similarly conspicuous that the otherwise resourceful and ingenious captains of German industry are unable or rather unwilling to come with a compromise solution which would put an end to this lamentable stalemate. Apparently, any positive change in the inflexible procrastination embodied in the compensation law can only be brought about by solid pressure. Judge Shirley Kram has demonstrated this. But the point is that there is no further pressure.

Abandon all hope?

Now, let us revert to the "**moeglichst bald**" ("possibly soon") hope expressed in the governmental press release issued 17.12.1999. Are you prepared for the following "question and answer" provided by IOM, Geneva?

"How long will it take to decide on my claim?" - "IOM will start processing claims at the spring of 2001. Given the high number of claims that is likely to be filed with IOM, it is currently expected that the last claim will be processed before the end of 2003."

There is the famous quote from Dante's "Divina Comedia": "Abandon all hope, you who enter!" It can now be paraphrased into "Abandon all hope, you who enter compensation claim". "Moeglichst bald" is buried and must be substituted by wishes of a very long levity to all survivors.

What a wasted opportunity of employing thousands of currently unemployed persons in order to speed up processing of the claims. The cost? First compare it with fees of lawyers involved in the deal, secondly it is totally irrelevant (even if it had to diminish the compensation cheque) considering that post mortem compensation is of no use at all, although the personalities in charge of this colossal blunder may think otherwise. They have taken, of course, care of it, by providing that in worst case the money will go to (a deserving or undeserving) relative so why feel unhappy?

Wait a second, you just read "end of 2003" as prospect for completion of claims by IOM, Geneva but what about the following? According to Para 9 item 9 of the Compensation Law solely 50 percent will be paid out when the Bundestag switches on the "green light". The remaining 50 percent "shall be paid out after conclusion of the processing of all applications pending before the respective partner organisations, **to the extent possible within the framework of the available means**". So there is some uncertainty here. Anyhow those (who are now anyhow old) and who will live long enough to receive the second instalment would qualify to be mentioned in the Guinness Book of Records as modern time Methusalems.

Too little, too late

The idea of "mass compensation" has been totally frustrated by ongoing delay. This is exactly what happened here before the eyes of the world. Never mind, especially politicians are fully aware that the world has entirely different worries. In a genuine compensation project the former forced labourers should obviously be those who matter. However, they do not have political clout, no leverage. They can at the highest boycott "Werthers Echte" or another German produce. They are not an economical force and no prospective buyers of luxury cars. The disappointment and bitterness of some 800,000 f.f.l. is apparently not a factor which would dictate immediate and constructive changes in the "noble initiative" operation, which infamously grinded to a halt.

The attention of the establishment, of those who have launched the project is focused instead on judges in US who cherish the opportunity to display their independence.

In the opinion of this writer, precisely this orientation is at the root of the colossal failure. The odd thing is that the engineers of the undertaking appear not to notice that it is a **failure** (= the opposite of **achievement!**). Everything continues according to the initial plan. No one sees the need for a dramatic correction.

Flexibility in business is a must. It is incredible that in the present case all is frozen stiff because top industrialists and political brains are hypnotised by their goal: to win over US judiciary. The whole matter is, obviously complex and there are many conflicting aspects. Nonetheless, finding a solution, which would enable **commencement of compensation** and at the

same time eliminate the risk of 'paying twice' should be possible for the cream of the cream of the managers of Germany. Unfortunately, the search for such solution is not on the agenda.

According to recent statistic 30,000 f.f.l. died in the last two years in Poland alone. The accelerating biological elimination process takes its course. The project is transferring itself into 'mass compensation for the relatives of the deceased f.f.l.'

If there is one prediction, which can be reasonably made, it is that what was hailed as "humanitarian achievement" will be remembered as "*too little, to late*" exercise. We have a compensation, which compensates nothing. It has some religious undertones "Nicht hier auf der Erde ...".

Forced labour is a historic fact. The handling of the compensation initiative 54 and completed ??? years after the War is in the process of becoming a historical fact too.

*Regards,
RK, Denmark, 5.5.2001*

Paying lip service to the concept of "moral responsibility"

Instant effect

Judge's Shirley Kram decision rendered on 7th March had really an instant effect. A few weeks ago the speaker of the German industry sitting on board of directors of the compensation fund still declared that irrespective of the outcome of the claim suit to be judged by her, there will be no payments into the fund before beginning of June.

Now, it took solely a few days after her 7th of March judgement for the German industry to announce that they are ready to channel the missing 1.4 bill. DM into the fund without further delay. It is not clear whether, as things stand today, it boils down merely to a guarantee of payment or has this amount been actually paid into the account of the fund so as to generate considerable interests. Anyhow, the lecture has been understood.

A phrase repeated endlessly

German Chancellor Schroeder expressed satisfaction with this development. "We are interested that payments to the former forced labourers begin soon" he said, but stressed that although the German industry is aware of its "moral responsibility" the question of legal peace for the German industry is a pre-condition, which must be fulfilled before first cheques to "Ex" (former forced labourers) can be send.

Yes, the words "moral responsibility", coined end of 1999 when the compensation deal has been announced, have now their renaissance, politicians, not only in Germany, repeat this phrase endlessly in a vain effort to blow a smokescreen over the fact that actually nothing real, which could help the "Ex" happens, and that they are dying away at an ever accelerating rate. This, however, is less important than the overriding "Rechtssicherheit" requirement.

Let us see, how the "moral responsibility" is distributed among the participants of this ongoing drama, which commenced 60 years ago.

The players in the drama: German government

When millions of persons have been kidnapped in their respective countries, and forced to work for their captors, the concept of morality has had no application.

What about those who, as "The Economist" of 17.3.2001 writes in an article aptly titled "The Cheque isn't in the Post" bear the moral responsibility "for the sins of their fathers and grand-fathers"? It must be the German government and the German Bundestag.

So far, it boiled down to passing appropriate law, creation of the compensation fund and a hefty contribution of 5 bill. DM. The law makes, of course, "Rechtssicherheit" a precondition for any real assistance to the "Ex". This is the extent of moral responsibility of these players in the ongoing drama so far. A detachment of "Rechtssicherheit" from the pressing urgency of financial assistance to survivors who rapidly change their status into "have been-survivors" is an unthinkable taboo irrespective of its effect on the image of Germany.

Politicians

What about politicians? The recent contribution of the Polish Prime Minister delivered with a befittingly concerned expression on his face: "I will take up the question of the delay in conversation with Chancellor Schroeder". One can hold the view that the Polish Prime Minister cannot do more than that. The leaders of Russia, Ukraine, Belarus where together with Poland the majority of "Ex" live and die away are equally "bold", or should we better say meek. One can also hold view that the leaders of these countries should be more outspoken, more critical of the eternal postponements of payment forecasts. Their rhetorical "boldness" is apparently reserved for other topics, which yield political gains.

To refresh our memory: The "delay" is 54 years since the end of World War II plus (until now) 15 months since the compensation "deal" has been announced.

And in Germany? Yes, "moral responsibility" are very fashionable words when politicians in that country are interviewed by the media. There are forceful, passionate, indignant speeches in the Bundestag. What is the topic of these speeches? It is an offensive description of one member of the Bundestag by another member of this gathering of representatives of the population. It is conspicuous and amazing that there are no "oratory heroes" pleading for putting the foundered "compensation initiative" on the right track. Are they afraid of straining their vocal cords, of endangering their political career? Let us face the unpalatable truth; topics like pigs' mouth and claw disease rank higher than the fate of some poor souls in Eastern Europe. Must this (more or less) important subject totally eliminate the subject of "non-compensation"? Does it require another courageous judge in the U.S.A. to get things moving in Germany so as Judge Shirley Kram has done? Must the establishment be prodded into some action?

The fund, its partner organizations and bureaucracy

The moral responsibility of the Stiftung and its partner organizations? Their passivity stems from the law providing for "Rechtssicherheit" first. Their leadership seems to be united – those who represent the industry point AGAIN to U.S. Courts as the source of ongoing delay. The representatives of victims seem to agree, no strong statements, no resigning in protest. They have a tremendous responsibility on their shoulders. It is not to prolong the delay (once the legal bickering is over) by slow, bureaucratic etc. processing of compensation applications. The prospects are ominous, as they seem to scrupulously check every details of the filled in claim forms, according to the maxim "better delayed payment to hundred thousands than allow a 'swindler' run away with DM 5000, never mind that the 'swindler' delivers a wealth of details on his stay in Germany". Mr. S. Wozniak's fate described in our previous contribution is a frightening example of this attitude.

Just consider that Red Cross in Arolsen (who knows how large is their staff?) has to process some 90,000 to 100,000 requests for search of evidence of force labour period which the "Ex" are themselves unable to produce. Any reasonable guess how long this will take? I would not

be a surprised if many months after presentation of the claims applicants will receive request for supply of additional details supporting their claims. Have you the courage to image how many applicants will pass away while busy clerks will be struggling with uniform and proper transcriptions of Russian, Ukrainian names into Latin alphabet? Improper spelling of these names may lead to grave complications including rejection of the claim. The number (and qualification) of staff assigned to reviewing respectively approving hundred thousands of applications is a well-guarded secret. Most probably, there would be uproar if it was revealed. It would be immediately obvious that completion of this task would mean additional undue and apparently generally ignored or at least underestimated delay in payments.

It is reputed, that when German troops entered Paris in 1940, two older chaps were encountered in a public office struggling with a mountain of papers. The job? War property damage claims settlement from the Prussian-French War 1870-71.

I refer to this ridiculous story (ironically, we approach some 60 years of "non-compensation"!) because I am deeply convinced that the greatest danger of delay incompatible with the remaining life span of "Ex" is bureaucratic processing of the claims as if these were applications for permission to trade on the local vegetable market.

In all probability we will be witnessing a victory of procedure over substance. Here will be the tragic bottleneck when the scissors between the per day dying rate of "Ex" (according to estimates 200 per day) and the daily claim processing capability will be wide open.

We now often speak of endangered species in the animal world. Former forced labourers living in poor condition in Eastern Europe are extremely endangered species. A few hundreds DM now would be of immense help to them before they fade away, and perhaps prolong their lives when spent on purchase of medicine.

Claimants in the U.S.A.

What about the responsibility of former inmates of concentration camps living now in U.S.A. (there seem no ex-forced labourer who would lodge claims in the U.S. courts)? Should they have moral scruples, show solidarity with the 800,000 to one million "Ex" living outside U.S.A. and withdraw their claims from the courts? Are they morally entitled to act according to the quip "Jeder denkt an sich. Nur Ich denke an mich. " (roughly: "Everyone cares for her/himself. Solely I care for myself")?

In all fairness, each of these U.S. claimants has full right to decide for him- or herself, and it is certainly not their fault that, for manifold reasons, the victors of the war failed to include in peace treaties Germany's obligation to compensate the victims of Nazis.

U.S. judges

They are answerable to their conscience, to their professionalism of weighing all pro and contra and to their independence inherent to their responsible job. They must not, in the nature of things, succumb to outside pressure by U.S. government, by German industry, by the fact that some hundreds of thousands "Ex" outside U.S.A. wait for compensation. They must be loyal to the extremely important function of their office.

The "Ex" themselves

And finally, what about the "Ex"? They have a responsible role, which is "be patient and wait - if you can. Stay alive until this unreal and absurd show is over". More than that, they should be civilised enough not to throw eggshells filled with paint on some selected buildings, and not to post lists of those who, like Mr. S. Wozniak passed away to the leaders of their respective countries and to update these lists each day until cheques are really in the mail.

Why the compensation project has turned into a disgraceful and sordid affair

On 17.12.1999 it was announced as "humanitaere Leistung" (humanitarian act) to be implemented "soonest possible". I am convinced that this statement was made with the best of intentions and with utmost sincerity.

The point is, however, that since times immemorial politicians habitually use words and phrases to hide the very essence of the matter they are talking about, like soldiers use multi-coloured nets to camouflage an artillery piece or a tank.

If it was "humanitarian" why was it not launched in the 70ties when Germany was already an affluent country?

The reality is, that shrewd, aggressive U.S. lawyers "sold" the project to German interests as the cheapest method of assuring big business activity in the U.S.A. without being exposed to compensation class action claims in mill. of U.S. \$ in the future. This reality has been clearly embodied in the law passed by Bundestag in August 2000 - "Rechtssicherheit" (legal peace) first, payment to former forced labourers thereafter.

A question of priorities

This **sequence of priorities** is, to my mind, at the root of the present quagmire in which the "Ex" became pawns in a high-powered tactical gimmick. The "soonest possible" turned for thousands of "Ex" into "possibly post-mortem payment". Judge Shirley Kram has recently unmasked one of these tactical ploys intended to press the U.S. judicial system.

One ponders, what would be a workable **compromise** (because pleading for clear cut reversal of priorities - compensation first, Rechtssicherheit as logical consequence, would be a heresy). There surely must be one. Top industrial managers have delivered thousands of imaginative or bordering on ingenuity solutions in turning almost bankrupt enterprises into blossoming and profitable, and successful, bold, innovative moves. Why not, in this case of lamentable compensation stalemate damaging the image of German efficiency and turning declarations of moral responsibility into tragic farce?!

A workable compromise must be acceptable to all involved parties. What about the following suggestion, which is so simple that it must be an undiluted brainwash (what point am I missing?) as otherwise more clever and above all influential persons would have suggested it and fought for it.

Things could be so simple

What about separating from the 5 bill. DM provided by German industry, some 150 - 500 mill. DM (actual amount to be agreed with U.S. Dept. of Justice) as a special reserve or potential coverage for any successful claim trial in the U.S.A. (some 16 are pending) and to obtain assurances that further claims will not be admitted after March 31, 2001, considering that there was ample time to lodge such claims with U.S. courts before this time limit? A solution known in shipping for taking heat from seemingly unsolvable disputes when immediate measure is paramount, is placing the disputed amount into escrow and into joint account with a reputable bank pending outcome of arbitration or litigation.

Would such solution be not satisfactory to U.S. judges who could work at their usual pace? Creation of such "reserve fund" could in principle allow immediate commencement of payments to the oldest "Ex" (Polish example: Those born before 1.1.1921 receive now advance payments out some reserves held by the Polish-German fund). Would it not eliminate for the German industry the risk of paying twice on orders of U.S. courts and through contribution to the fund?

The principal thought in the above suggestion is that really immediate on account payment (as contrasted with "moeglichst bald" - "as soon as possible" - lasting now 15 months and who knows how much longer) out of say 9.5 billions is better than out of 10 bill. DM in a distant and uncertain future. For many "Ex" this future unfortunately will end abruptly and in not so distant future. Apparently those in charge of this calamity are convinced that a cheque which will pay for a nice tombstone is also a fulfilment of the "moral obligation".

Action instead of words

A house to house and on the streets of German towns collection for the benefit of the most needy and oldest "Ex" in Eastern Europe would result in a visible and valuable assistance, no more humiliating than the verbal assurances of moral responsibility coming from the cream of the cream of German industry. Words instead of deeds have value of DM 0,0. I am not advocating such collection. I refer to it solely as alternative to **no action at all**. In this context it is worthwhile to mention that recently the community of a German village collected DM 2000 for a Polish former forced labourer who worked during the war in the local dairy. The representation of the village went to Poland and handed the cash to him. This was **moral reponsibility in action**, which puts to shame the manoeuvres of the establishment focussing on doing unhindered business in U.S.A.

By the way, is there anyone who is really in charge and where can he be found? Most probably among the serious gentlemen emerging from chauffeured limos (as seen on TV) on the way to the recent meeting between leaders of German industry and Chancellor Gerhard Schroeder. The contrast between this picture and the pictures from the squalid huts of "Ex" in Eastern Europe (shown on TV too) reflects best the hollow sound of moral responsibility assurances and the gap between two sets of people with different priorities on their minds and their different realities.

Realistically, the "Ex" will instead of quick compensation hear another prediction "maybe in August, or maybe around Christmas so try to be still around". In the meantime, "we, industrialists, politicians, lawmakers continue to be extremely concerned and fully aware of our moral responsibility".

Regards,

RK, Denmark, 19.3.2001

Judge Kram piercing the hoax

Surprise, surprise! Judge's Shirley Kram Wohl decision has had the effect of a cane stuck into an anthill. Now the journalists have a story: They are unanimous in criticizing the German establishment and not her decision (in contrast to some German politicians who express the opinion that her decision is wrong and causing further delay). The German press speaks of "Hohn" (mockery) of "Ex", of "noble initiative" which expects a "Gegenleistung" (service in return) and of "biological solution by disappearance" of compensation applicants. If there is a massive critical press, politicians wake up and adopt their "crisis management" postures.

This development (actually an utter misnomer considering that "development" signifies progress whereas in this case it means standstill for months to come) prompts me to express the following totally useless comments.

The bluff did not work out as planned

The 3.6 plus 1.4 billion DM poker bluff did not work out as planned by German tycoons. They wanted to wait with payment until "Rechtssicherheit" (legal immunity) would be granted. The New York lady judge decided that there is no hindrance to further claim suits against German banks precisely because German industry failed to pay into the Fund the full amount agreed in the "compensation deal". Neither of the two participants in this poker game ends up as a loser (unless actually one or another claimant is awarded a few million US\$). The insignificant bystanders, the "Ex", are the losers.

The judge (I doubt that she would admit it in her reasons for the award) has thrown light on the following important aspect of the whole issue:

- That the judicial system in U.S.A. is truly independent and all the noises made by U.S. or German politicians (who are, of course, fully aware of this fact) who refer to assurances of U.S. ex-President etc. are nothing more than play for the gallery. They express now their indignant opinions to create the impression that they care, that they are really compassionate for the poor souls somewhere in Eastern Europe.
- She has pierced the hoax that the aim of the whole exercise was to compensate survivors. It was from the outset and still is to buy at the lowest price immunity from claims and peaceful trading in U.S.A. for eternal future. All the sweet talk about humanitarian initiative can be compared to (excuse the metaphor) pissing into survivors' pockets and telling them it is warm rain.
- She has at one stroke made it known that it is the German industry's failure to pay the full-agreed amount into the Fund, which creates the now indefinite delay. So now, the convenient excuse of "it is not us, it is them" is gone.

The real winners

Lawyers participating in forging the "compensation" (the description "non-compensation" fits much better) deal are sooner or later due to receive huge remuneration, although "Rechtssicherheit" two years on (and no one knows how much longer) has not been achieved. Here we have the real and smart winners - whatever the outcome. As I see, the cream of the cream of German industrialists and the representatives of the tax payers (5 billion DM contribution) do not come across as equally smart, considering that they will pay not on a basis of "no cure, no pay within say, 9 months time limit" but for "Rechtssicherheit mit ungewissen Ausgang" (maybe Christmas 2000 or 2002?), meaning that in spite of the fabulous lawyers' fees German companies would be either limited in their U.S. operations for an undefined period of time, or still exposed to claim litigation in this country. Somehow I find it difficult to understand that a shrewd businessman would pay so much for a practically time-wise open-ended deal. This is, however, not the only strange aspect of the compensation mess.

There is no small thing that since the "deal" has been announced as a great breakthrough (you know by whom) at the end of 1999, thousands of "Ex" have passed away and, according to estimates their number dwindles by 10 per cent annually. Does anybody care?

The alternative

It seems that the ongoing stalemate (27 months now) fertilized the ground so that the following dilemma is perfectly ripe for German Government, German Bundestag and *responsible* politicians:

To continue "Vogel Strauss" (ostrich) behavior of not wanting to see the fiasco and to maintain rigidly that the 12.8.2000 law's requirement of "Rechtssicherheit" is paramount, although by now it makes a mockery of the "compensation initiative".

or

To act decisively and quickly now, considering that the whole matter may blow up as a scandal of colossal dimensions and a disgrace. Then by now not only the "Ex" but the general world opinion cannot avoid to see that what has been advertised end of 1999 as noble gesture is actually a miserable flop. The myth that the "Stiftung" or the lone judge in U.S. court and not the German government presides over this flop lost its credibility long ago.

What could be done? Changing a German federal law is always possible, so what about deciding that the 5 billions provided by German Government (meaning tax payers) be used now for payment of first installments leaving the reminder and the industry to wrangle with U.S. courts for the next few years? This is, of course, daydreaming. Nothing of this sort will occur.

Regards,

RK, Denmark, 9.3.2001