Glossary of Terms

Inter-Allied Declaration Against Acts of Dispossession Committed in Territories Under Enemy Occupation or Control. Known as the London Declaration of January 5, 1943, it was issued as a formal warning that the Allies would not recognize the transfers of property taking place in Axis-occupied territories, whether the transfers appeared to be legal or not. The seventeen signatories reserved the right to declare such transfers of property invalid, whether they appeared to be legal or voluntary or took the form of open looting.

Gold Declaration. Issued simultaneously by the United States, Britain, and the Soviet Union on February 22, 1944, it warned that the Allied nations would not recognize the transfer of title to looted gold that the Axis had held or disposed of. The declaration also warned that the Allies would not buy gold from countries that had not broken relations with the Axis, unless the Allies were fully satisfied that the gold had not been acquired directly or indirectly from the Axis powers or had not been released by the country because it had acquired other gold from the Axis powers.

Safehaven. The Safehaven program was begun during the War as Germany's defeat became more certain and the United States became concerned that Germany would hide gold and other assets abroad to finance a postwar resurgence of Nazism. The specific goals of Safehaven, formulated in spring 1944, were to restrict and prevent German economic penetration beyond Germany, to block Germany from transferring assets to neutral countries, to ensure that German wealth would be accessible for war reparations and for the rehabilitation of Europe, to make possible the return to legal owners of properties looted from countries occupied by the Germans, and to prevent the escape of strategic German personnel to neutral havens. Responsibility for the Safehaven program in the U.S. Government belonged to the Foreign Economic Administration, assisted by the Departments of Treasury and State and the Office of Strategic Services. By 1945 the Department of State assumed leadership of the Safehaven program.

Bretton Woods Resolution VI. Adopted at the U.N. Monetary and Financial Conference of July-August 1944, the resolution called on neutral countries to take immediate measures to prevent any disposition or transfer within their jurisdiction of assets belonging to governments, individuals, or institutions in occupied countries, as well as looted gold or other assets. The neutrals were also called on to prevent the concealment of such assets. The scope of the resolution was restricted to assets located in enemy-occupied territories.

Allied Control Council Law No. 5. First proposed at the Potsdam Conference of July-August 1945 as the Vesting and Marshalling Decree and adopted by the Allied Control Council on October 30, 1945, ACC Law No. 5 was the ultimate legal document that entitled the Allies and the Allied Control Council to vest or claim title to all German property outside the territorial boundaries of the former Reich. ACC Law No. 5 gave the Allied Control Council control of all German external assets and the right to divest the assets of their German ownership. Switzerland and Sweden contested its legality during their postwar negotiations with the Allies.

Paris Reparations Agreement. The eighteen-nation Allied Conference on Reparations met in Paris November 1945-January 1946. Article 6 of Part I of the final agreement of January 1946 called for German assets in neutral countries to be removed from German ownership and liquidated or disposed of in accordance with the authority of France, Britain, and the United States after negotiations with the neutral countries. This excluded the Soviet Union from any claim to German external assets and left to the Western Allies the responsibility for their disposition, laying the basis for the subsequent Allied negotiations with Switzerland, Sweden, Portugal, Spain, and Turkey.

Paris Reparations Fund. Article 8 of Part I of the Reparations Agreement contained the governing principles and mechanisms for the distribution of reparations from Germany to provide assistance for the non-repatriable victims of Nazism. A $25 million fund comprised of proceeds from the liquidation of German external assets was established as part of a package for the rehabilitation and resettlement of non-repatriable refugees. Also in the package was all non-monetary gold found in Germany and the assets in neutral countries of victims of the Nazis who left no heirs ("heirless assets"). The fund and the non-monetary gold would be administered by the Intergovernmental Committee on Refugees (IGCR) and its successor, the International Refugee Organization (IRO).

Monetary gold. Part III of the Reparations Agreement established principles for the restitution of monetary gold looted by Germany, and stipulated that all monetary gold found in Germany by the Allied forces, or recovered from a third country to which it was transferred by Germany, was to be pooled for distribution among the countries in proportion to their losses of gold through looting. In determining what gold should be transferred to the gold pool in 1948, the U.S. Military Government in Germany (OMGUS) decided to use the definition of monetary gold devised by the U.S. representative to the Paris Conference, i.e., monetary gold consisted of gold coins, except those of numismatic value, and gold in such form as to permit it to be used as a medium of exchange. The United States, France, and Britain were made responsible for the distribution of the monetary gold.

Non-monetary gold. All gold found in Germany by U.S. troops was gathered in the Foreign Exchange Depository in Frankfurt, administered by OMGUS. The "Non-Monetary Gold Directive," a cable from the U.S. Joint Chiefs of Staff to OMGUS of November 16, 1946, defined non-monetary gold as "all valuable personal property" looted from Nazi persecutees. It was generally considered to include gold objects looted from private citizens and Holocaust victims; SS loot collected from concentration camps, including dental gold and personal jewelry; and rare coins that had no identifiable owner.

Tripartite Commission for the Restitution of Monetary Gold. The Allies established the Tripartite Gold Commission (TGC) in September 1946 to adjudicate the claims submitted by nations for a share of the gold pool and to distribute the gold. Administered by the United States, Britain, and France, the TGC remains in existence in early 1998, although steps are being taken by its co-trustees to close out its work after more than half a century. The three co-trustees have urged that countries with outstanding claims with the TGC contribute an amount equal to their final share or a substantial portion of their final share to a bank account, announced by British Foreign Secretary Robin Cook and Under Secretary of State Stuart Eizenstat at the London Gold Conference on December 2, 1997, which is now established in the Federal Reserve Bank of New York. The Bank of England serves as the account holder for this account.