

Joachim Rumpf

**Norbert Wollheim’s Lawsuit against I.G. Farbenindustrie AG i.L.**

Introduction . . . . .	1
Norbert Wollheim . . . . .	2
The Inspiration for the Lawsuit . . . . .	3
Approval for Institution of Legal Proceedings . . . . .	5
The Proceedings in the Trial Court, the Frankfurt am Main Regional Court . . . . .	6
The Filing of the Action . . . . .	6
The Representatives of I.G. Farben i.L. and Their Reply . . . . .	7
The Subsequent Proceedings and the First Settlement Proposal . . . . .	7
The Examination of Witnesses . . . . .	8
The Decision of the LG Frankfurt am Main . . . . .	9
The Support of the Claims Conference . . . . .	10
The Interest of the I.G. Farben Successor Companies . . . . .	11
The Political Campaign of German Industry . . . . .	13
The Proceedings in the Appeal Court, OLG Frankfurt am Main . . . . .	14
Grounds of Appeal and Reply . . . . .	14
Rudolf Wachsmann’s Lawsuit . . . . .	15
The Negotiations for a Settlement . . . . .	16
The Settlement . . . . .	24
Result . . . . .	26

**Norbert Wollheim Memorial**

J.W. Goethe-Universität / Fritz Bauer Institut

Frankfurt am Main, 2010

## Introduction

Norbert Wollheim's action against I.G. Farbenindustrie AG i.L. (henceforth referred to as I.G. Farben i.L.) was certainly not the first lawsuit brought by forced laborers,<sup>1</sup> but it was the first test case in which the plaintiff aimed to obtain a judgment from a German court establishing a principle for himself and for his fellow sufferers.

The distinctive feature of this litigation lies in the fact that the regional court (*Landgericht*, LG) in Frankfurt am Main granted permission for Wollheim's suit to take place in the initial trial court and thus wrote German legal history. The verdict is one of the few handed down in favor of a forced laborer. The suit finally was concluded in the appeal court with a settlement that was negotiated among I.G. Farben i.L., the Conference on Jewish Material Claims Against Germany (henceforth, the Claims Conference), and the plaintiff's attorneys, with the support of the German Government and the Allies. The settlement provided for the payment of a total of DM 30 million to former forced laborers of I.G. Farbenindustrie AG. The money for the forced laborers was distributed to the victims by a separate organization, comparable to the Foundation "Remembrance, Responsibility and Future" (Stiftung "Erinnerung, Verantwortung und Zukunft"), which was established years later. This settlement led in addition to the enactment of a law that regulated the compensation of the former forced laborers of I.G. Farben i.L. and precluded further claims against I.G. Farben i.L. In this respect, the development of the late 1990s follows the history of the Wollheim suit and its settlement.

This article is an attempt to briefly recount the chronology of the lawsuit. In the process, Wollheim's inspiration for the suit, its initiation, the conduct of the case by Wollheim's attorneys, and, above all, the interests of the parties involved will be expanded upon. Finally, the article will show how the parties reached the settlement, in which I.G. Farben i.L. paid compensation in the amount of DM 30

---

1 Previously, there was the suit of a forced laborer against Rheinische Hoch- und Tiefbau AG, see LAG Mannheim, *Süddeutsche Juristenzeitung* 1947, p. 516f., with note by Dr. Adolf Arndt, and the suit of a female forced laborer, presumably against Siemens & Halske AG, on both actions, see also Joachim Rumpf: "Die Entschädigungsansprüche ausländischer Zwangsarbeiter vor Gericht." In: Helmut Kramer / Karsten Uhl / Jens-Christian Wagner, eds.: *Zwangsarbeit im Nationalsozialismus und die Rolle der Justiz* (Nordhausen: Stiftung Gedenkstätten Buchenwald und Mittelbau-Dora, 2007), pp. 86–102, here p. 86f.

million to the concentration camp inmates who had been exploited by the corporation at Auschwitz.

### **Norbert Wollheim**

Norbert Wollheim, who was born in Berlin in 1913 and grew up there, had to abandon his study of law and economics because of the Nuremberg Race Laws of September 15, 1935. He then sought retraining as a welder and worked from September 1941 to March 1943 in Berlin-Lichtenberg at a factory for transportation equipment.

On March 8, 1943, Wollheim, along with his wife and their three-year-old son, was arrested as a member of the Jewish faith and first taken to the assembly camp for Jews on Grosse Hamburger Strasse in Berlin. By March 12, the family, together with around 1,000 other persons, had been deported to Auschwitz. Upon his arrival there the following day, Wollheim, along with about 250 other men deemed "fit for work," was selected at the ramp of the Auschwitz freight depot for deployment at forced labor. He was separated from his wife and child, whom he never saw again. Wollheim was placed in the Buna/Monowitz concentration camp and then made to do forced labor for I.G. Farbenindustrie AG at the construction site for a major new chemical plant. The Buna/Monowitz concentration camp, where the prisoners were quartered, was controlled solely by the SS, while at the plant construction site it was I.G. Farben or the firm's subcontractors who supervised the concentration camp inmates working there. Wollheim was first assigned to work in detachment 4, which was known in camp jargon as the "murder detachment" because of the high mortality rate of the inmate laborers. There he had to tote bags of cement, structural steel, and other building materials, moving at a rapid pace. Wollheim was repeatedly beaten as he worked. Eight days later he was transferred to another energy-sapping detachment. Next, in late March, he was assigned to a detachment that did excavation work, where he again was mistreated. On the basis of his training as a welder, Wollheim finally was assigned in late April to work with a heating contractor.<sup>2</sup> This enabled Wollheim to survive until the evacuation of Auschwitz by the SS on January 18,

1945, as the Red Army approached. On one of the so-called death marches of evacuated concentration camp prisoners, Wollheim managed to escape. After the war, he settled in Lübeck, where he soon became involved in the rebuilding of Jewish community life.

### **The Inspiration for the Lawsuit**

The idea of demanding compensation from I.G. Farben i.L. for the forced labor performed at I.G. Auschwitz came to Norbert Wollheim when the general call to creditors of I.G. Farben i.L. caught his attention.

The I.G. Farben corporation had been sequestered by the Allies immediately after the war. Allied High Commission (AHC) Law 35, "Dispersal of the Assets of I.G. Farbenindustrie AG," which was enacted in August 1950, sealed the liquidation of the corporation and its break-up into several independent and distinct enterprises.<sup>3</sup> Under German law, the creditors of a company that is to be liquidated must be requested three times, in public notices, to file their claims. After these claims have been satisfied, the residual assets are paid out to the interest holders, the stockholders. I.G. Farben i.L. published the first such call to creditors in the newspaper on August 1, 1950. When Wollheim read the announcement, he asked himself, "My God, if the stockholders are entitled to assert claims, what about us [forced laborers]?"<sup>4</sup>

On the basis of the creditors' call, Wollheim put together a few questions that, in his opinion, had to be clarified before any raising of claims by former forced laborers with respect to I.G. Farben i.L.: for example, the legal basis on which claims could be put forward. Wollheim was a law student before the war, of course, but for the clarification of the legal issues and conduct of a potentially necessary lawsuit, he needed the help of an attorney.

---

2 Norbert Wollheim, Tatsachenbericht [factual report], July 20, 1951. Institut für Zeitgeschichte (=IfZ), Nachlass Ormond, ED 422, vol. 9.

3 On the decartelization of I.G. Farben in the postwar period, see here and in the following: Peer Heinelt: "The Decartelization and Postwar History of I.G. Farbenindustrie AG." Fritz Bauer Institut / Goethe Universität Frankfurt am Main: Norbert Wollheim Memorial, 2011, [http://www.wollheim-memorial.de/files/1067/original/pdf\\_Peer\\_Heinelt\\_The\\_Decartelization\\_and\\_Postwar\\_History\\_of\\_IG\\_Farbenindustrie\\_AG.pdf](http://www.wollheim-memorial.de/files/1067/original/pdf_Peer_Heinelt_The_Decartelization_and_Postwar_History_of_IG_Farbenindustrie_AG.pdf).

Wollheim was living in Lübeck in 1950 and was a member of the board of directors of the Central Council of Jews in Germany and chairman of the Central Committee of Liberated Jews in the British Zone, both headquartered in Hamburg. The meetings of the organizations were followed by casual rounds of talks, frequently held in the Hotel Reichshof, the Atlantic-Hotel, or the home of film producer Walter Koppel. Here Wollheim had become acquainted with the lawyer Henry Ormond. In the service of the British military, Ormond had been, after April 1948, control officer and licensing adviser, first for Lower Saxony and then for the entire British Zone. In April 1950, after leaving military service, Ormond opened a law office in Frankfurt am Main. Wollheim wrote Ormond and told him his thoughts. At this time he was already intending to have the issue of compensation for forced laborers resolved in the courts as a matter of principle. Should the lawsuit be allowed to proceed, "this ought to create an important precedent regarding all the claims that underpaid prisoners can assert against their former employers."<sup>5</sup>

Henry Ormond, born Hans Ludwig Jacobsohn in Kassel, had studied law in Heidelberg and Berlin. In 1930 he became a state prosecutor in Mannheim, and as of 1933 he was a district court judge. On the basis of the National Socialists' Law for the Restoration of the Professional Civil Service, he was "placed on the retired list" that same year. After the Night of Broken Glass, he was arrested by the Gestapo. He was placed in protective custody and taken to the Dachau concentration camp. After his release, he emigrated to Great Britain via Switzerland, and later changed his name to Henry Lewis Ormond.

Ormond had first-hand experience of the arbitrariness of the National Socialist regime and was characterized by a deep sense of justice. Therefore Ormond was immediately interested in the idea of a test case and agreed to represent Wollheim. Ormond's personal and financial commitment was also instrumental in the successful outcome of the action.

---

4 Norbert Wollheim: "Wir haben Stellung bezogen." In: Richard Chaim Schneider, ed.: *Wir sind da! Die Geschichte der Juden in Deutschland von 1945 bis heute* (Berlin: Ullstein, 2000), pp. 108–120, here p. 118.

5 Letter from Norbert Wollheim to Henry Ormond, November 27, 1950. IfZ, Nachlass Ormond, ED 422, vol. 9.

## **Approval for Institution of Legal Proceedings**

With the sequestration of I.G. Farben in 1945, the corporation's leadership had also been dismissed. The business was continued, of course, at the plant level by directors who were appointed by the Allies. Legally, the corporation was under Allied control and was managed and represented to the outside world by the Tripartite I.G. Farben Control Group (TRIFCOG). TRIFCOG was an administrative body located in the headquarters of I.G. Farbenindustrie AG in Frankfurt am Main and presided over by three control officers of the three Western Allies.

In preparing for the initiation of proceedings, Ormond first contacted Randolph H. Newman, the American control officer. Newman asked Ormond to submit a well-founded written request describing Wollheim's claims. Ormond complied, reported Wollheim's history, and briefly stated the grounds for Wollheim's assertion of claims against I.G. Farben i.L. for compensation and damages for pain and suffering. He inquired at the same time whether permission for such an action before German courts would be granted.<sup>6</sup> Permission for institution of proceedings was required because German courts no longer had jurisdiction over I.G. Farben i.L. following its sequestration in 1945.

TRIFCOG, however, did not feel called upon to take a position on the claims asserted by Ormond on Wollheim's behalf regarding the forced labor performed by Wollheim at the I.G. Auschwitz plant, or the damages for his pain and suffering. AHC Law 35 had provided for the installation of an I.G. Farben Liquidation Committee (IGLC). TRIFCOG appointed the subsequent liquidators of I.G. Farben i.L. to serve as the committee members. The committee held its first meeting on January 17, 1951, and was to undertake the practical implementation of the liquidation of I.G. Farben i.L. on the basis of TRIFCOG's orders. Now the verification of Wollheim's claims was also assigned to this committee. The chairman, Dr. Walter Schmidt, an attorney, drew up a legal opinion, which he presented to TRIFCOG on June 11, 1951. Schmidt arrived at the conclusion that, except for unusual circumstances in individual cases, no claims of former forced laborers against I.G. Farben i.L. could be recognized.

---

6 Henry Ormond, conference memo, December 18, 1950. IfZ, Nachlass Ormond, ED 422, vol. 6; also letter from Henry Ormond to Randolph Newman, December 30, 1950. IfZ, Nachlass Ormond, ED 422, vol. 10.

TRIFCOG, through Ormond, informed Wollheim of the outcome of the legal analysis and left it to his discretion whether to have the complicated factual and legal situation decided by adjudication. After talking with Ormond, Wollheim decided that he wanted to take legal action against I.G. Farben i.L.

As Wollheim was seeking to obtain compensation not only for himself but also for all former workers at the I.G. Farben plant in Auschwitz, their interests, too, had to be kept in mind. All legal claims are subject to a limitation period. That means that after the expiration of a certain legally established deadline, the party liable can refuse to satisfy the claim because of the passage of time. This limitation period is suspended only by way of exception, for example, because of the institution of legal proceedings. Ormond negotiated with TRIFCOG, with the result that not all former forced laborers would be required to file suit in order to maintain their claims. Wollheim's suit was to be conducted first as a test case. During the trial and for a period of six months after it ended, I.G. Farben i.L. would not invoke the limitation period with regard to the claims. Until then, additional forced laborers, like the ordinary creditors, were to file their claims with a registration office designated for the call to creditors. Permission to institute legal proceedings was granted to Wollheim on August 4, 1951.<sup>7</sup>

## **The Proceedings in the Trial Court, the Frankfurt am Main Regional Court**

### **The Filing of the Action**

Consequently, Ormond drew up the complaint and filed it with the regional court in Frankfurt am Main on November 3, 1951. Because only permission for a so-called declaratory action had been granted for the moment, no concrete amount could be sought at first, merely the legal declaration that Wollheim was entitled. After this obstacle disappeared, Wollheim decided to claim a sum of DM 10,000 in compensation.

In the complaint, Ormond described Wollheim's lot as a forced laborer at Auschwitz. He recounted Wollheim's portrayals of the poor housing and rations of the prisoners who were laborers, the primitive occupational safety measures and

long work hours, the poor treatment by I.G. Farben employees, and the fact that the concentration camp prisoners had received no pay of any kind from I.G. Farben. Ormond argued that Wollheim therefore had a legal claim to compensation and damages for pain and suffering, and that I.G. Farben had profited from Wollheim's labor, for which it now must pay a settlement.<sup>8</sup>

### **The Representatives of I.G. Farben i.L. and Their Reply**

Every party involved in a lawsuit before the regional court must be represented by counsel, and that applied to I.G. Farben i.L. as well. At that time, the so-called localization principle was still in effect, requiring that the lawyer be accredited in the court before which he wished to appear. Therefore I.G. Farben i.L. needed a lawyer from Frankfurt am Main. The attorney it chose was Dr. Jakob Flesch from the prestigious firm of Rasor, Wilhelmi, Wedesweiler, Flesch, in those days the largest law office in Frankfurt. On behalf of I.G. Farben i.L., Flesch requested dismissal of Wollheim's suit. Under German civil law, the plaintiff must prove the facts that support his claim, and Ormond had not yet presented any concrete evidence. In his initial brief, therefore, Flesch limited himself to a notification of the lack of proof. From the legal point of view, he alleged, among other things, that an agreement had existed between I.G. Farben and the SS in Auschwitz regarding the deployment of concentration camp prisoners as forced laborers at the plant construction site. This agreement, he argued, was operative, and the only illegal point was the imprisonment and exploitation of the prisoners' labor and health by the SS, which bore sole responsibility for this.<sup>9</sup>

### **The Subsequent Proceedings and the First Settlement Proposal**

At first, the proceedings were characterized by the exchange of additional briefs. In the process, Ormond examined for Wollheim the documents compiled by the Allies and the prosecution for Case 6 of the Subsequent Nuremberg Trials, in-

---

7 Letter from TRIFCOG to Henry Ormond, August 4, 1951. IfZ, Nachlass Ormond, ED 422, vol. 10.

8 Klageschrift [statement of claim], November 3, 1951. IfZ, Nachlass Ormond, ED 422, vol. 1, or Henry Ormond, Klage [charge], November 3, 1951. Hessisches Hauptstaatsarchiv Wiesbaden (=HHStAW), Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. I, pp. 1-6. A copy of the statement of claim from the Archive of the Fritz Bauer Institut is available at [http://www.wollheim-memorial.de/files/964/original/pdf\\_Anklageschrift\\_Wollheim-Prozess\\_3-11-1951.pdf](http://www.wollheim-memorial.de/files/964/original/pdf_Anklageschrift_Wollheim-Prozess_3-11-1951.pdf).



volving 24 management board members and executives of the I.G. Farben corporation. These documents, as well as the names of former forced laborers who could testify about their exploitation as concentration camp prisoners by Farben, were brought in by Ormond as evidence of fault on I.G. Farben's part.

In his written pleadings on behalf of I.G. Farben i.L., Flesch, in turn, attempted to show that the documents proved no responsibility on the part of I.G. Farben, indicating instead that all the fault lay with the SS and thus with the German Reich.

The court first gathered evidence by bringing in the original documents from the I.G. Farben Trial, housed in the Nuremberg State Archives. After studying them, the court appeared to be receptive in principle to Wollheim's complaint. In a special hearing, therefore, the court urged the parties to enter into a settlement. I.G. Farben was to place DM 1 million at Ormond's disposal through a trustee, and Ormond was to distribute this sum to the plaintiff and other former forced laborers. Each claimant was to receive a maximum of DM 10,000 or, in hardship cases, up to DM 15,000. Any remaining funds were to be returned to I.G. Farben i.L.

The proposed settlement, however, was not accepted by I.G. Farben i.L. At this point in time, it considered the settlement amount far too high. Notwithstanding the above, however, the decisive point for I.G. Farben i.L. was that with the settlement, the entire complex of forced laborers' claims for compensation should at last be a closed chapter for all formerly employed forced laborers in equal measure. This was something that a simple court settlement could not guarantee. Furthermore, I.G. Farben i.L. saw no reason to back down at this point. It first wanted to get an opportunity to present additional evidence in its favor. Therefore Flesch also named witnesses and in turn presented a compilation of documents from the I.G. Farben Trial at Nuremberg that were intended to exonerate I.G. Farben; the court studied these as well.

### **The Examination of Witnesses**

Consequently the court ordered the witnesses listed in the briefs of the parties to be heard, in order to collect evidence regarding the housing and rations, occupa-

---

9 Replik [reply], January 9, 1952. IfZ, Nachlass Ormond, ED 422, vol. 1.

tional safety devices, work hours, and pay, as well as the behavior of I.G. Farben's employees toward the forced laborers. The examination of the witnesses was spread out over eight court days, beginning on November 20, 1952, and ending on February 19, 1953, with 14 witnesses questioned for the plaintiff and nine for the respondent.

The examination of the witnesses could scarcely have provided a greater contrast. The plaintiff's witnesses, former slave laborers from Auschwitz, described how the prisoners were housed in overcrowded barracks that were periodically without heat in winter, fed an inadequate diet, and forced to do hard labor six days a week, for 10 hours and more each day, at the plant construction site, without acceptable occupational safety equipment.

The witnesses for I.G. Farben i.L. attempted to whitewash and downplay the conditions. One such witness even let himself get carried away, alleging that "The Monowitz camp was practically a sort of recuperation camp [...]."<sup>10</sup> No I.G. witness admitted to having observed any systematic extermination of prisoners through work.

Once the hearing of the witnesses was concluded, the court granted both parties an opportunity to submit another written pleading. On May 11, 1953, the summations were made, and the verdict was scheduled for June 10, 1953.

### **The Decision of the LG Frankfurt am Main**

On June 10, 1953, the 3rd Civil Chamber of the Frankfurt am Main Regional Court, with Dr. Werner Kunkel as presiding judge, handed down its decision. The court proclaimed in the name of the people that I.G. Farben i.L. was obligated to pay Wollheim the sum of DM 10,000 plus interest.<sup>11</sup> The court had granted Wollheim's claim in its entirety. The treatment of Wollheim at the plant construction site, the court ruled, was "to be regarded as bodily injury and impairment of his health."<sup>12</sup> It found further that I.G. Farben bore the responsibility for this, for it

---

10 Protokoll der mündlichen Verhandlung [record of the hearing of complaint], December 11, 1952, p. 21. IfZ, Nachlass Ormond, ED 422, vol. 1.

11 Urteil im Wollheim-Prozess [verdict in the Wollheim suit], June 10, 1953. HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. III, pp. 446–488. A copy of the judgment from the Archive of the Fritz Bauer Institut is available at [http://www.wollheim-memorial.de/files/1027/original/pdf\\_Urteil\\_im\\_Wollheim-Prozess\\_10.06.1953.pdf](http://www.wollheim-memorial.de/files/1027/original/pdf_Urteil_im_Wollheim-Prozess_10.06.1953.pdf).

12 Urteil im Wollheim-Prozess, June 10, 1953, p. 474.

had failed as an organization to ensure that the forced laborers, like other workers, were treated humanely.

In any event, from the abovementioned statements of the witnesses for the accused, the court infers an appalling indifference on the part of the accused and its people to the plaintiff and the Jewish prisoners, an indifference that is comprehensible only if one assumes, with the plaintiff, that the defendant and its people at that time really did not consider the plaintiff and the Jewish prisoners to be full-fledged human beings, toward whom a duty of care existed.<sup>13</sup>

In light of this "appalling indifference," the court saw damages for pain and suffering in the amount of DM 10,000 as far from excessive for two years of slave labor at Auschwitz.

The judgment caused a sensation. The news of the success of Wollheim's lawsuit against Europe's erstwhile largest chemical corporation was spread by the press agencies, and numerous newspapers published a short report on the decision.

### **The Support of the Claims Conference**

In the trial court, the suit was conducted by Ormond alone, as Wollheim's attorney, and, what is more, it was financed by him as well. Wollheim, who had decided to emigrate, had left in late September 1951 for the United States, where he settled in New York. He needed all his financial resources to build a new life there. Thus he could afford to give Ormond only an advance of DM 150. The costs of the proceedings, excluding attorney's fees, mounted to around DM 5,000 by the time of the lower court's judgment, however. Ormond himself put up the money from his own assets and forewent his fee for the time being.

Wollheim attempted from the outset to obtain financial support. The creation of an interest group made up of the forced laborers at the I.G. plant construction site in Auschwitz fell through because the approximately 8,000 to 10,000 forced laborers who survived the evacuation of the Buna/Monowitz camp were scattered all over the world. The forced laborers of Auschwitz had lost everything when they were deported, and after the war they were destitute and completely engaged in building their new life.

---

13 Urteil im Wollheim-Prozess, June 10, 1953, p. 481.

The Jewish organizations that Wollheim asked for support were also unwilling to finance a lawsuit with an uncertain outcome. Letters of request from Hendrik George van Dam, the General Secretary of the Central Council of Jews in Germany, for example, to the American Jewish Joint Distribution Committee (AJDC) or the World Jewish Congress (WJC), were declined. Not until Wollheim called on WJC President Dr. Nahum Goldmann personally, in February 1953, did a turnaround come. Through the United Restitution Organization (URO), Wollheim was promised an advance on expenses in the amount of DM 5,000 in March 1953, and the funds were paid out to Ormond in June. Then, after the successful verdict in the regional court, there was a willingness to make additional money available.

### **The Interest of the I.G. Farben Successor Companies**

After its assets were confiscated by the Allies, the I.G. Farben corporation continued to be run at the plant level by managing directors. In consequence of Allied Law No. 35 on the "Dispersal of Assets of I.G. Farbenindustrie AG," dated August 1950, the plans of a German group of experts, the Bizonal I.G. Farben Dispersal Panel (FARDIP), to create three large successor companies were implemented. In late 1951/early 1952, BASF AG, Bayer AG, and Hoechst AG were newly established as joint-stock companies under German law. Then the assets and capital of I.G. Farben i.L. were transferred into these entities, which began as shell companies. For example, the Leverkusen, Uerdingen, Elberfeld, and Dormagen plants were transferred to Bayer AG. Appointed to the boards of the new enterprises were managers who previously had already held significant positions at I.G. Farben, but had not been sentenced at Nuremberg and were classified as sufficiently unencumbered.

Although the new companies, too, continued to be under Allied control, the freedom granted to the management was markedly greater than before, when the plants were still part of I.G. Farben i.L.

The Farben successor companies were legally independent and thus unaffected by Wollheim's action. In addition, the Allies had ensured that the companies would not be responsible for I.G. Farben's liabilities resulting from the employ-

ment of forced laborers.<sup>14</sup> The old managerial staff in its new functions categorized Wollheim's lawsuit as extremely important, however. First, it was feared that a decision in favor of Wollheim would cost I.G. Farben i.L. a great deal of money. Second, there was concern that the verdict might set a precedent for compensation claims against the former managing board members personally, both those who were sentenced at Nuremberg and potentially even those who were acquitted there. Third, the reputation of I.G. Farben was at stake, as well as the reputations of the board members and employees, and all of these reputations were already seen as attacked by the verdict in the I.G. Farben Trial at Nuremberg. While the Nuremberg verdict alone could still be vilified as "victor's justice," a decision by a German court would endorse the previous one and do lasting damage to the reputation of I.G. Farben and its executives.<sup>15</sup> Finally, a decision in Wollheim's favor would set a precedent for claims by forced laborers against other German industrial firms.

Therefore a group of former I.G. employees decided to support I.G. Farben in its fight against Wollheim's lawsuit. In December 1952, after a discussion with numerous former defense attorneys from Nuremberg, the chief legal officer of Bayer AG, Dr. Friedrich Silcher,<sup>16</sup> arranged for the lawyers Dr. Alfred Seidl<sup>17</sup> and Dr. Hellmuth Dix<sup>18</sup> to lend their support to Dr. Flesch in representing Farben. Hoechst AG assigned legal adviser Dr. Rupprecht Storkebaum<sup>19</sup> for the Wollheim suit. Bayer made available to the legal team all the documents from the I.G. Farben Trial at Nuremberg that were stored in the plant archives.<sup>20</sup> This additional

---

14 Karl Winnacker: *Nie den Mut verlieren. Erinnerungen an Schicksalsjahre der deutschen Chemie* (Düsseldorf/Vienna: Econ, 1971), p. 192f.

15 Rolf W. Müller to Friedrich Silcher, November 26, 1952. Bayer AG, Unternehmensgeschichte/Archiv 358/1.

16 From 1935 to 1947, Silcher was employed by I.G. Farben as a lawyer in the head office. In Nuremberg, he was the assistant to the defense counsel for Dr. August von Knieriem, the former board chairman and general counsel of I.G. Farben.

17 Seidl defended the "Führer's deputy," Rudolf Hess, before the Military Tribunal at Nuremberg. In the I.G. Farben Trial, he defended Dr. Walther Dürrfeld, who, as the representative of board member Dr. Otto Ambros, managed the construction of the plant in Auschwitz. Dürrfeld was sentenced at Nuremberg to eight years in prison. On Seidl, see also [http://de.wikipedia.org/wiki/Alfred\\_Seidl](http://de.wikipedia.org/wiki/Alfred_Seidl).

18 In the I.G. Farben Trial at Nuremberg, Dix was the defense counsel for I.G. Farben board member Christian Schneider. He is not to be confused with his older brother, Dr. Rudolf Dix, who represented Hjalmar Schacht in the trial of the major war criminals at Nuremberg.

19 In the I.G. Farben Trial at Nuremberg, Storkebaum was the associate defense counsel and thus the assistant of Dr. Hellmuth Dix.

20 Bayer AG to Rupprecht Storkebaum, February 24, 1953. Bayer AG, Unternehmensgeschichte/Archiv 004-C-021.

support led to a change in procedural tactics, which, however, failed to prevent the decision of the regional court in Frankfurt am Main to allow the suit to go forward. Similarly, an aggressive PR campaign against Wollheim's suit was pursued from that time on. Ormond also sought, however, and with success, to stimulate press reports that supported Wollheim's cause.

### **The Political Campaign of German Industry**

The Federation of German Industries (Bundesverband der Deutschen Industrie, BDI) had been keeping an eye on Wollheim's action since December 1952, and it issued a circular letter to make its members aware of the problem of compensation claims by former concentration camp prisoners against firms based on performance of forced labor.<sup>21</sup>

In April 1953, the BDI decided to write to the Office of the Federal Chancellor.<sup>22</sup> Making reference to Wollheim's suit and possible subsequent lawsuits, the letter pointed out the financial implications for German industries. The BDI proposed that German industries be freed of liability by means of a nationwide regulation. At the same time it announced that the Federal Republic would be made a third party in the Wollheim proceedings. A third-party notice is given when the respondent believes that, should the suit be lost, it would have claims of its own against a third party. Hereby the BDI implied that it was not German industry that bore the responsibility for the exploitation of the forced laborers, but the Federal Republic of Germany that must answer for the damages; further, it indicated that the industries would hold the Federal Republic liable.

During the Wollheim suit, the lobbying campaign for granting German industry an exclusion from liability was continued. In particular, during the amendment of the 1953 Federal Compensation Law, or *Bundesentschädigungsgesetz*, the industries attempted to influence the legislative procedure and embed in the text

---

21 Circular letter: BDI Rundschreiben Nr. 155/53, September 14, 1953. Hoechst Archiv (Histocom), Dr. A. Menne-Nachlass, with reference to a circular letter from BDI's legal department: BDI-Rechtsabteilung, Rundschreiben 247/52, December 16, 1952.

22 Letter from BDI-Rechtsabteilung to Staatssekretariat des Bundeskanzleramtes, April 4, 1953. Politisches Archiv des Auswärtigen Amtes (PA/AA), B 81, No. 337.

of the law an exclusion from claims brought by former forced laborers.<sup>23</sup> This initiative, however, failed on account of the constitutional protection. An exclusion from liability without compensation of the forced laborers by the state would have been an inadmissible expropriation under Article 14 of Germany's Basic Law (Grundgesetz).<sup>24</sup> But the Federal Republic, in turn, was unwilling to shoulder the compensation burden of German industries alone, as requested, particularly since international agreements gave the FRG itself protection for the time being against claims filed by foreign forced laborers.<sup>25</sup>

## **The Proceedings in the Appeal Court, OLG Frankfurt am Main**

### **Grounds of Appeal and Reply**

In view of the interest of the Farben successor companies in preventing financial and moral damage, as well as the interest of German industry in preventing a precedent-setting decision on compensation for forced labor, it was inevitable that the verdict of the regional court in Frankfurt am Main would be challenged by the filing of an appeal with the higher regional court (Oberlandesgericht, OLG) in Frankfurt am Main.

In those days, the appellate court was a further venue for determining facts, so that what lay ahead was effectively a complete repetition of the proceedings, including the examinations of witnesses, hearing of the complaint, and summations.

Because the proceedings were by now politicized and of great import for all of German industry, both parties invested more in the conduct of the case. For the grounds of appeal, the attorneys for I.G. Farben i.L. required six months: until early December 1953.<sup>26</sup> Ormond, in turn, was unable and unwilling to continue conducting the case on his own. Recommended to him as a fellow combatant

---

23 Remarks of Dr. Adolf Arndt in the plenary session of the 2nd German Bundestag, 60. session, December 10, 1954, p. 3096; memo to Alexander Menne, February 14, 1955. Hoechst Archiv (Histocom), Dr. A. Menne-Nachlass.

24 Rauschenbach to Ludwig Kattenstroth via Franz Walter, October 21, 1955. Bundesarchiv, B 102/60762.

25 Rumpf: "Entschädigungsansprüche," pp. 88ff.

26 Berufungsbegründung [grounds for appeal] I.G. Farben i.L., December 12, 1953. HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. IV, pp. 537–628.

was attorney Dr. Alfred Werner, an outstanding lawyer, who had the reply to the appeal ready by July 22, 1954.<sup>27</sup>

### **Rudolf Wachsmann's Lawsuit**

The success of Wollheim's action inspired two American lawyers and their client, Rudolf Wachsmann, likewise to file a suit against I.G. Farben i.L.<sup>28</sup> Wachsmann had been deported in April 1943, at the age of 17, to Monowitz, where he, like Wollheim, had to do forced labor for I.G. Farben until the camp's evacuation on January 18, 1945. After the war, Wachsmann left Germany for the United States, became an American citizen in 1950, and was drafted into military service because of his age. In fall 1952, he was transferred to Germany.

On July 23, 1953, Wachsmann filed a suit with the American court of the Allied High Commission in Mannheim, asking that he be granted compensation in the amount of DM 550,000.

When they occupied Germany, the Allies had set up a court system of their own, which was intended primarily to decide complaints against military personnel. The denial of jurisdiction over military personnel was designed to keep the occupied from sitting in judgment over the occupiers. Wachsmann's attorneys had realized that his status as a serviceman gave them access to the military courts in Germany, and they wanted to take advantage of this for their client.

The Wachsmann suit finally ended in a settlement on February 5, 1954, supposedly giving Wachsmann the amount of DM 20,000, out of which he had to pay the attorneys' costs incurred on his behalf.<sup>29</sup>

There were various reasons why these proceedings were brought to an end so quickly. The action was viewed with skepticism by the Allies as well. The Allied court system had originally been created to decide legal conflicts between Germans and military personnel that stemmed from the occupation period, such as cases involving traffic accidents. The courts had not been set up to deal with the

---

27 File memo of Henry Ormond on the period from April 20 to May 6, 1954. IfZ, Nachlass Ormond, ED 422, vol. 17; Berufungserwiderung [reply to appeal] Wollheim, July 22, 1954. IfZ, Nachlass Ormond, ED 422, vol. 2.

28 Klageschrift [statement of claim] Wachsmann, July 23, 1953. Bundesarchiv, B 102/424018.

29 Vergleich [settlement] Wachsmann – I.G. Farben i.L., February 4/5, 1954. Bundesarchiv, B 102/356.



injustices of the Third Reich. At a time when the Allies were gradually reducing their influence in Germany, this lawsuit gave a false impression.

For I.G. Farben i.L., the risk of litigation was incalculable. American procedural law was followed in American courts in Germany, of course, but German substantive law was applied. Nonetheless, it could not be ruled out that the American judge in the Mannheim court would allow himself to be guided by American dimensions when determining the amount of the compensation. A large compensation amount would set an undesirable precedent.<sup>30</sup> Moreover, the judge had let it be known that he viewed the case as a sensational trial and was willing to render a decision, although it actually was not the Mannheim court but the American court in Frankfurt am Main that was the appropriate one. He continued to affirm this opinion after Law No. 38 of the U.S. High Commissioner for the American Zone put an end to the jurisdiction of the American courts in civil matters as of January 1, 1954. After that date, pending litigation could either proceed until concluded or be handed over to a German court.<sup>31</sup>

The Federal German Government, with which the liquidators of I.G. Farben were in conversation, also favored a speedy and silent conclusion of the proceedings, for the same reason. Finally, I.G. Farben witnesses who had testified before the regional court in Frankfurt am Main or were prepared to testify in the event of an examination of witnesses before the appeal court, OLG Frankfurt am Main, were not willing to testify before the American court in Mannheim.<sup>32</sup>

It was agreed that silence would reign over the settlement in February 1954, and only a short, coordinated press release was issued.

### **The Negotiations for a Settlement**

In the aftermath of the Wachsmann settlement on February 23, 1954, Ormond sought to enter into conversation with the liquidators of I.G. Farben i.L. He likewise called for settlement talks, saying he could not prevent legal actions by

---

30 IGLC to Bundesministerium der Wirtschaft, February 19, 1954. Bundesarchiv, B 102/356.

31 Henry Ormond to Norbert Wollheim, February 23, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

32 Rudolf Dix to Friedrich Silcher, December 4, 1953. Bayer AG, Unternehmensgeschichte/Archiv 358/2.

other clients who had come to him because of Wollheim's suit. If necessary, they would also institute proceedings with the help of a different lawyer.<sup>33</sup>

At first the liquidators were reserved with regard to Ormond, but after an internal discussion on March 17, 1954, in which representatives of the successor companies also took part, they signaled that they were willing to negotiate with him. The hard line of strict refusal of a conclusion by means of settlement was softened. As the prerequisite for a conclusion, I.G. Farben i.L. envisioned that future litigation by forced laborers receiving the settlement would be prohibited and that the Jewish organizations would participate. The latter, after conclusion of a settlement, were to urge their members not to take any further legal action beyond the compensation payment.<sup>34</sup>

During a talk between the liquidators and representatives of the federal ministries on April 7, 1954, the latter also encouraged the liquidators to take up settlement negotiations. The ministry officials recommended that contact with the Claims Conference, specifically with its director for Germany, Dr. Herbert S. Schoenfeldt,<sup>35</sup> be sought.<sup>36</sup> Schmidt promptly approached Schoenfeldt, and the two entered into confidential negotiations. These talks were conducted privately by both Schmidt and Schoenfeldt, without involving Ormond or Wollheim.

As further conversations between Ormond and the liquidators subsequent to March 17, 1954, resulted in no progress, Ormond met with the judges of the OLG Frankfurt am Main. He reported on the negotiations and urged that they be continued before the court. The court was receptive to this suggestion and selected July 10, 1954, as the date for a so-called conciliation hearing.<sup>37</sup>

The negotiations between Schmidt and Schoenfeldt, on the other hand, continued to progress, and they agreed on June 24, 1954, as the date for further exploratory discussions.

---

33 Henry Ormond to Norbert Wollheim, February 23, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

34 Memo Heinz Kaufmann, March 18, 1954. Hoechst Archiv (Histocom), Dr. A. Menne-Nachlass.

35 Before World War II, Schoenfeldt had been an attorney and a civil law notary, as well as a lawyer at a bank. In 1939, he decided to emigrate to the United States and assigned the winding up of his office to Dr. Walter Schmidt, currently the liquidator of I.G. Farben i.L.

36 Vermerk, Ansprüche von KZ-Häftlingen gegen die I.G. Farbenindustrie A.G. i.L. [Memo, claims of concentration camp prisoners against I.G. Farbenindustrie A.G. i.L.], April 7, 1954. Bundesarchiv, B 102/424018.

37 File memo of Henry Ormond on the period from April 20 to May 6, 1954. IfZ, Nachlass Ormond, ED 422, vol. 17.

In the meantime Ormond, as well as Wollheim, had learned of the confidential negotiations through acquaintances at the Claims Conference. Wollheim was aware that an agreement would come about only with the participation of the Jewish organizations, and he indicated to Ormond his willingness to compromise, also with regard to the pro rata settlement amount. Nevertheless, he was annoyed that Ormond and thus he himself as well were ignored by the Claims Conference.<sup>38</sup> Ormond regarded the currently offered settlement amount of DM 10 million as too low. In the meantime, more than 2,000 former forced laborers had filed their claims with I.G. Farben i.L. He estimated, therefore, that the total number of persons entitled to compensation following a settlement would increase considerably once it became known that an agreement was reached, so that the share apportioned to each claimant would be too small.

Once again, the negotiations on June 24, 1954, took place without Ormond. In addition to Schmidt, representing I.G. Farben i.L., the participants were Herbert S. Schoenfeldt, Kurt May from the URO, and Benjamin B. Ferencz from the Jewish Restitution Successor Organization (JRSO). No agreement could be reached, however.

The main obstacle was the issue of the limitation of the claims. I.G. Farben i.L. did not wish to be exposed to any additional claims after payment of a settlement. It wanted the claims to lapse within a short limitation period once the funds had been allocated. Because of foreign currency control, claims by foreigners would expire only at the end of the calendar year in which the requirement to obtain an export permit for currency was dropped. The discontinuation of the authorization requirement was not yet foreseeable. In addition, the lack of certainty regarding the number of persons entitled to compensation made it difficult to speak about amounts of money.<sup>39</sup>

In the conciliation hearing in court on July 10, 1954, only the provisional failure of the negotiations could be ascertained.<sup>40</sup> As a result, the litigation continued, with undiminished dedication.

---

38 Norbert Wollheim to Henry Ormond, May 12, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

39 Letter from Franz Reuter/Walter Schmidt to Ludwig Kattenstroth, Günther Joël, Ernst Féaux de la Croix, July 1, 1954. Bundesarchiv, B 101/424018, B 102/356, and B 102/60762.

40 Henry Ormond to Norbert Wollheim, July 22, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

After the preparation of the reply brief, there was another court hearing on September 16, 1954, at which the court urged the parties to reach a settlement after all and called for another conciliation hearing. The court let it be known that it was seeking to avoid having to arrive at a decision itself.<sup>41</sup>

I.G. Farben i.L. reiterated its negative position. Schmidt added, however, that the Allies were working on the final liquidation law for I.G. Farben, which was to conclude the decartelization of the corporation. This law established a uniform limitation period for all claims against I.G. Farben i.L., so that this obstacle to settlement would be removed. The court was able to persuade I.G. Farben i.L. to resume negotiations with the representatives of the Jewish organizations. In addition, it fixed January 4, 1955, as the date of an additional court hearing, and I.G. Farben i.L. was given until December to draw up a response brief to the reply.<sup>42</sup>

The next meeting between representatives of I.G. Farben i.L. and the Claims Conference, on November 13, 1954, did indeed bring the positions closer together, especially with regard to the amount of the settlement. In the meantime, Wollheim also had persuaded Goldmann to let Ormond join the representatives of the Claims Conference in Germany in the out-of-court negotiations.<sup>43</sup> Subsequent to the hearing, Schmidt informed the chairmen of the boards of the three Farben successor companies<sup>44</sup> and explained that in his view, a good point of departure for further negotiations now existed. An additional meeting between the liquidators and the representatives of the successor companies regarding the Wollheim suit had been scheduled for December 9, 1954, and Schmidt was hoping for a mandate to continue negotiation of the settlement. This was denied him, however. The decisive factor remained the inability of the Claims Conference to guarantee that no additional lawsuits would be filed after the settlement. By entering into a settlement, I.G. Farben i.L. would weaken its defensive position in further proceedings, as the settlement would be interpreted as an

---

41 Henry Ormond to Norbert Wollheim, September 21, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

42 File memo Ormond, September 16, 1954. IfZ, Nachlass Ormond, ED 422, vol. 2.

43 Norbert Wollheim to Henry Ormond, November 2, 1954. IfZ, Nachlass Ormond, ED 422, vol. 9.

44 Letter from IGLC to Bayer AG, November 24, 1954. Bayer AG, Unternehmensgeschichte/Archiv 301/010.

admission of guilt. Moreover, the participants felt an obligation to the rest of German industry. The settlement, they thought, weakened the position of other firms that were refusing to pay compensation to their former forced laborers.<sup>45</sup> Therefore Schmidt was forced to end the negotiations.<sup>46</sup> A settlement thus appeared to have moved off into the distance.

The court hearing on January 4, 1955, was postponed to March 1, 1955; on this date, however, the court expected to hear the summations of both parties. The summations of Ormond and Otto Küster, Wollheim's third lawyer, who was engaged by the Claims Conference in fall 1954, were published in the *Dachauer Hefte*.<sup>47</sup> The summation of attorney Werner and the summations of the opposing party's team of lawyers have not survived. The court had tried to keep the parties from making summations. But as the parties could not be certain that the hearing was simultaneously the last session before a decision was handed down, both sides wanted to do their utmost to sway the court and public opinion as well in their own favor.

On March 15, 1955, the OLG Frankfurt am Main made public its decision: an order to hear evidence.<sup>48</sup> The court saw additional issues that needed clarification, and to assess them it wanted to obtain two expert opinions. First, the court wanted an investigation of the extent to which it was possible for a company of the type and size of I.G. Farben to supply food and protective clothing for its entire workforce, including the forced laborers in its employ. Second, it wanted a discussion of whether it was possible for companies to refuse to employ concen-

---

45 August von Knieriem to Wolfgang Heintzeler, November 28, 1954. Bayer AG, Unternehmensgeschichte/Archiv 301/010.

46 Walter Schmidt to Benjamin Ferencz, December 14, 1954. IfZ, Nachlass Ormond, ED 422, vol. 8.

47 Henry Ormond: "Entschädigung für 22 Monate Sklavenarbeit. Plädoyer." In: *Sklavenarbeit im KZ. Dachauer Hefte* 2 (1986), pp. 147–156, or Henry Ormond, Plädoyer in 2. Instanz [summation in the appellate court], March 1, 1955. HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. II (exhibits), 8 pages. A copy of Ormond's summation from the Archive of the Fritz Bauer Institut is available at [http://www.wollheim-memorial.de/files/1022/original/pdf\\_Plaedoyer\\_Henry\\_Ormond\\_OLG\\_Ffm\\_01.03.1955.pdf](http://www.wollheim-memorial.de/files/1022/original/pdf_Plaedoyer_Henry_Ormond_OLG_Ffm_01.03.1955.pdf); Otto Küster: "Das Minimum an Menschlichkeit. Plädoyer." In: *Sklavenarbeit im KZ*, pp. 156–174, or Otto Küster, Plädoyer [summation], March 1, 1955. HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. II (exhibits), 26 pages. A copy of Küster's summation from the Archive of the Fritz Bauer Institut is available at [http://www.wollheim-memorial.de/files/1028/original/pdf\\_Plaedoyer\\_Otto\\_Kuester\\_OLG\\_Ffm\\_01.03.1955.pdf](http://www.wollheim-memorial.de/files/1028/original/pdf_Plaedoyer_Otto_Kuester_OLG_Ffm_01.03.1955.pdf).

48 OLG Frankfurt am Main, Aufklärungs- und Beweisbeschluss [clarification and evidence order], March 15, 1955. IfZ, Nachlass Ormond, ED 422, vol. 3.

tration camp prisoners, and what repercussions that would have had on the company.

However, the process of getting the experts designated by the German Association of Chambers of Industry and Commerce (Deutscher Industrie- und Handelstag, DIHT) dragged on for months and delayed the proceedings. Six months later, after all the experts still had not been found, Ormond urged the court not to let the proceedings slide any further.<sup>49</sup> As a result, the court scheduled an additional hearing for October 21, 1955. Once again, it emphatically urged the parties to take up negotiations for a settlement, but viewed itself as unable to put forward a proposal of its own. Further, the court conveyed its understanding of the status of the proceedings. This perception indicated once again that the court balked at a conclusive decision. It intimated that it could find in favor of the claim on formal grounds if necessary, and that I.G. Farben i.L. thus would lose nothing by entering into a settlement. Addressing the plaintiff, the court warned that he must not try to push his compensation claims to the maximum. In case the parties were not prepared to negotiate, the court announced the examination of witnesses.<sup>50</sup>

Wollheim and his lawyers decided to send a signal that they were at least willing to negotiate further. The liquidator Schmidt stated that the leading decision-makers had agreed to new negotiations. He and one other colleague were now authorized to work out the general outline of the settlement. It was agreed to start the negotiations on January 6, 1956.

In the settlement negotiations, which lasted until the initialing of the settlement by all parties on December 13, 1956, mention was made of the following points which could have induced I.G. Farben i.L. to conclude the agreement:

Wollheim's lawyers had named in their briefs witnesses who lived in the United States. The OLG Frankfurt am Main had announced its wish to examine these witnesses. The witnesses living in the United States were to be heard provisionally in New York, Wollheim's new home. In World War II, all the assets held in the United States, worth approximately US \$450 million in those days, had been sequestered by the U.S. Government. The United States planned to liquidate the

---

49 File memo Henry Ormond, October 12, 1955. IfZ, Nachlass Ormond, ED 422, vols. 14 and 17.

assets to cover its reparations demands. The recovery of the assets was a major concern of German foreign and economic policy. Precisely in the years 1955 and 1956, German industries and the FRG had launched a promising campaign to obtain the release of the assets. The opponents of a return of this property argued, among other things, that the victims of the Nazi regime should be compensated from the assets. An examination of Wollheim's witnesses would have drawn a high level of media attention and bolstered the arguments of the opponents of a release. As it was not only I.G. Farben i.L. but all German industries that were affected, their interests, too, had to be taken into consideration.

In the course of the decartelization and break-up of I.G. Farben, assets had already been transferred to the three big successor companies. After the satisfaction of all the rest of the creditors, these companies had been promised additional capital resources. From the remaining assets of I.G. Farben i.L., they were to receive a sum of up to DM 135 million.<sup>51</sup> The residual assets, however, could not be distributed as long as the former forced laborers' claims—which were unspecified as to amount and hard to estimate in terms of volume—were tying up the assets in the form of a reserve for accrued liabilities on the balance sheet. Once the proceedings were concluded and all the forced laborers' claims were paid off, the capital would be released.

The shares of Hüls-Holding AG were also part of the reserve for the claims of the forced laborers. Each of three large successor companies had an interest in acquiring the company. The Allies, however, were opposed to a takeover of the company by one of the successors, because this was not consistent with dispersal. But as long as the shares remained part of the I.G. Farben i.L. assets and were not distributed to the shareholders, it was possible to exert direct influence on the liquidators, and the shares remained united, as a block. In 1955, the I.G. Liquidation Conclusion Law had terminated the breaking up of I.G. Farben i.L., and the firm was released from Allied control. In 1956, it was rumored at the stock exchange that the shares of Hüls-Holding AG from the I.G. Farben i.L. as-

---

50 OLG Frankfurt am Main, Beschluss und Beweisbeschluss [decision and evidence order], October 21, 1955. IfZ, Nachlass Ormond, ED 422, vol. 3.

51 Kreifels to Heinz Kaufmann, Friedrich Silcher, Heinrich von Rospatt, March 14, 1953. Bundesarchiv, B 102/1466, and memo Felix Prentzel, January 5, 1954. Bundesarchiv, B 102/134001.

sets were to be distributed to the shareholders, and that one of the successor companies was planning to take over the company. To accomplish that, however, the provision of shares for the claims of the forced laborers first had to be resolved.

The settlement negotiations were proceeding doggedly, by and large. On both sides, every concession had to be agreed upon internally. Ormond had to talk with Wollheim, and the representatives of the Claims Conference in Germany had to talk with Saul Kagan or Benjamin Ferencz, or even with the board of directors in New York. Ferencz flew in for the negotiations, but could not always be present. The liquidators, in turn, made certain of the agreement of the successor companies and the chairman of the supervisory board of I.G. Farben i.L., Dr. August von Knieriem.

During the negotiations, it became increasingly clear that a settlement without the involvement of the Allies and the German legislature would not offer I.G. Farben i.L. the desired legal certainty.

I.G. Farben i.L. wanted the former laborers to assert their claims quickly, once the settlement was concluded, and also wished these claims to lapse permanently after a short period, unless legal proceedings were instituted. The limitation period set forth by the Allies in the I.G. Liquidation Conclusion Law seemed too long by comparison. Therefore the Claims Conference was requested to ask the Allies for a change in this limitation period.

Another crucial point was the fact that I.G. Farben i.L. intended to compensate not only former forced laborers of the Jewish faith, but all forced laborers who had worked at Monowitz and survived. The Claims Conference, however, was not willing to negotiate on behalf of the non-Jewish forced laborers and handle their compensation as well.<sup>52</sup> Apart from that, however, the issues of the concrete implementation of the settlement came to the fore.

On the issue of the limitation period, the Claims Conference made contact with the State Department in Washington, and in negotiations succeeded in obtaining

---

52 See Katharina Stengel: "Competition for Scant Funds. Jewish, Polish, and Communist Prisoners of Auschwitz in the Negotiations for the Wollheim Agreement." Fritz Bauer Institut / Goethe Universität Frankfurt am Main: Norbert Wollheim Memorial, 2010, [http://www.wollheim-memorial.de/files/1064/original/pdf\\_Katharina\\_Stengel\\_Competition\\_for\\_Scant\\_Funds\\_Jewish\\_Polish\\_and\\_Communist\\_Prisoners\\_of\\_Auschwitz\\_in\\_the\\_Negotiations\\_for\\_the\\_Wollheim\\_Agreement.pdf](http://www.wollheim-memorial.de/files/1064/original/pdf_Katharina_Stengel_Competition_for_Scant_Funds_Jewish_Polish_and_Communist_Prisoners_of_Auschwitz_in_the_Negotiations_for_the_Wollheim_Agreement.pdf).



the willingness of the United States in principle to consent to a shortening of the deadlines.<sup>53</sup> I.G. Farben i.L., in turn, initiated talks with the Federal Ministry of Justice to secure the FRG's support. The liquidators also presented a draft of a corresponding law.<sup>54</sup>

The ministries considered the draft, but had numerous reservations "of a legal and political nature,"<sup>55</sup> and for this reason chose to develop a draft of their own, which was based on the legal call to creditors. However, it provided for the lapsing of the creditors' claims as soon as the deadline for filing their claims had expired. The legal call to creditors, on the other hand, allows a distribution of the assets of the company being liquidated to be made after expiration of the deadline. Creditors who are tardy in putting forward their claims are satisfied only if additional assets of the liquidated company come to light. After repeated re-workings, a version was presented in mid-September; it was to be submitted to the Allies and, after their approval was given, presented to the German federal cabinet.<sup>56</sup>

Meanwhile, the settlement negotiations had made significant progress. Finally, on November 28, 1956, a consensus was reached by the Claims Conference and I.G. Farben i.L. regarding the compensation of non-Jewish forced laborers. Simultaneously, agreement was reached on the amount of the settlement: in all, DM 30 million. The sum was to be divided into a large fund of DM 27 million for Jewish forced laborers and a small fund of DM 3 million for non-Jewish forced laborers. I.G. Farben i.L. itself wanted to handle the distribution of the money to the non-Jewish forced laborers.<sup>57</sup> The final wording of the settlement was put in writing on December 13, 1956.

### **The Settlement**

After approval by the board of directors of the Claims Conference in late January 1957, the official signing of the settlement took place on the morning of February

---

53 Benjamin Ferencz to Herbert Schoenfeldt, April 30, 1956. IfZ, Nachlass Ormond, ED 422, vol. 8.

54 Memo (Gessler), April 28, 1956. Bundesarchiv, B 141/7453.

55 Memo (Saage), May 29, 1956. Bundesarchiv, B 141/7453.

56 Ernst Gessler to I.G. Farben i.L., September 17, 1956. Bundesarchiv, B 141/7453.

57 Kurt May to Saul Kagan, November 28, 1956. IfZ, Nachlass Ormond, ED 422, vol. 8.

6, 1957.<sup>58</sup> In front of the assembled members of the press, it was announced that I.G. Farben i.L. would pay a total of DM 30 million to former forced laborers who were compelled to work for I.G. Farben in the Auschwitz area.

However, the settlement also contained three conditions that had to be met before it could enter into effect and Wollheim's suit could be definitively concluded. First, the stockholders' meeting of I.G. Farben i.L. had to approve the settlement. Second, the so-called Notice to Creditors Act (*Aufrufgesetz*) had to be established, regulating the limitation of the forced laborers' claims against I.G. Farben i.L.; and third, both parties had a right of withdrawal within a limited time. If they failed to exercise this right to withdraw within the stipulated time period, the settlement would remain in operation.<sup>59</sup>

The stockholders' meeting of I.G. Farben i.L. took place on April 5, 1957. Although the settlement was the subject of controversial discussion and there were a great many critics, the liquidators were able to convince the majority of the stockholders to assent to the arrangement.<sup>60</sup>

The legislative procedure was quickly steamrolled through. I.G. Farben i.L. and the Claims Conference succeeded in getting the parliamentary groups to join together in introducing the draft to the Bundestag.<sup>61</sup> Thus a quick passage of the bill was to be expected.

At the same time, I.G. Farben i.L. and the Claims Conference were engaged in talks with the Allies. The latter had some additional requests for changes, with which the parties to the settlement complied. The first reading of the bill took place on March 14 and 15, 1957, and the Bundestag referred the draft to the economic policy committee. This committee placed the bill on the agenda promptly, in the next session on March 21, and in joint second and third read-

---

58 Henry Ormond to Norbert Wollheim, February 6, 1957. IfZ, Nachlass Ormond, ED 422, vol. 9.

59 Abkommen zwischen der I.G. Farbenindustrie Aktiengesellschaft in Abwicklung und der Conference on Jewish Material Claims against Germany Inc. [agreement between I.G. Farbenindustrie AG in Liquidation and the Conference on Jewish Material Claims against Germany], February 6, 1957. Deutsches Museum Archiv, Munich, FA 001/535, or HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. II (exhibits) (a copy of the agreement from the Archive of the Fritz Bauer Institut is available at [http://www.wollheim-memorial.de/files/1024/original/pdf\\_Abkommen\\_zwischen\\_IG\\_Farben\\_und\\_Claims\\_Conference\\_05.03.1955.pdf](http://www.wollheim-memorial.de/files/1024/original/pdf_Abkommen_zwischen_IG_Farben_und_Claims_Conference_05.03.1955.pdf)); as well as Erster Brief von I.G. an C.C. [first letter from I.G. to C.C.] and Zweiter Brief von I.G. an C.C. [second letter from I.G. to C.C.], each in Bundesarchiv B 136/4917.

60 Letter of Kreis der Gründer und Freunde, April 12, 1957. Bayer AG, Unternehmensgeschichte/Archiv 301/010.

ings, the Bundestag passed the law on April 12, 1957. Right after the bringing in of the bill, the Foreign Office forwarded memorandums to the ambassadors of the Allied nations and requested their approval for the Notice to Creditors Act.<sup>62</sup> After the parties to the settlement had finetuned the draft beforehand, the declarations of consent came in quickly, on May 3, 1957. On this day, the Bundesrat, or Federal Council, also decided that it would require no changes in the law. The Federal President executed the law on May 27, 1957, and it was published in the *Bundesblatt*, the official law gazette, on May 31. Thereby the law came into effect. The second condition for validity was thus also met.

After the parties to the agreement declined to exercise their right of withdrawal, the settlement remained in operation. Thus Wollheim's lawsuit was withdrawn and hence concluded.<sup>63</sup>

## Result

Upon settlement, the Claims Conference received DM 27 million for distribution to Jewish forced laborers. But it also had pledged to work toward ensuring that all persons entitled to compensation renounced their claims against I.G. Farben i.L. in exchange for payment of this money. Thus the Claims Conference had maneuvered itself into an uncomfortable position between the victims and I.G. Farben i.L. This was the price that had to be paid for the money, however.

I.G. Farben i.L. had to pay a sum totaling DM 30 million. In return, however, it had succeeded in having Wollheim's promising lawsuit end without a judgment. Thus there was no legally binding decision of a court establishing that I.G. Farben i.L. was legally obligated to pay compensation. By paying a settlement, the company had succeeded in satisfying all the claims of former forced laborers of the Jewish faith with regard to their exploitation in the plants of I.G. Farben in the Auschwitz region. Also included in the settlement were all the subsidiaries and subcontractors of I.G. Farben. Most important, however, was the Notice to Creditors Act, which provided for a time limitation in the near term on all claims

---

61 Bundestags-Drucksache 2/3278.

62 Auswärtiges Amt to Bundesministerium der Justiz, April 3, 1957; verbal note AA 507-SE-101, April 3, 1957. Bundesarchiv B 141/7453.

63 Schriftsatz [brief] I.G. Farben i.L., April 3, 1958. HHStAW, Abt. 460, No. 1424 (Wollheim v. IG Farben), vol. VI, p. 93.

that were not asserted early enough. Forced laborers who had not worked in the Auschwitz area and therefore had no claim to the funds from the settlement were forced to file lawsuits forthwith; otherwise, their claims would expire by limitation. Hereby, I.G. Farben i.L. was relieved of all liabilities resulting from the employment of forced laborers. Thus the residual assets could be distributed to the original shareholders.

The history of the settlement and particularly of the Notice to Creditors Act that accompanied it also shows that absolute legal certainty and protection for I.G. Farben i.L. from further lawsuits could be achieved only with the support of the legislature. It was precisely this legal certainty, however, that the firm regarded as the basic prerequisite for any agreement. In this respect, history repeated itself in the 1990s. German industries demanded legal certainty and protection from further demands. This requirement could be met only with the support of the legislature.

The history of compensation of forced laborers only began with the end of Wollheim's suit. The success of the efforts made by Wollheim and the Claims Conference inspired numerous forced laborers to file their own actions. Most of these lawsuits were unsuccessful. The Claims Conference, too, sought to conclude similar compensation agreements with other industrial companies that had exploited forced laborers, and it was relatively successful in doing so. With the failure of the last test cases at the end of the 1960s, however, compensation for forced laborers appeared to be a closed chapter. But in the mid-1980s, the compensation discussion experienced a rebirth. Starting in 1990, new legal actions were instituted by forced laborers, and in many instances their course was similar to that of Wollheim's lawsuit. In this respect, we refer you to the additional essay on this website by Peer Heinelt, "Financial Compensation for Nazi Forced Laborers."<sup>64</sup>

(Translated from German by Kathleen Luft)

---

64 Peer Heinelt: "Financial Compensation for Nazi Forced Laborers." Fritz Bauer Institut / Goethe Universität Frankfurt am Main: Norbert Wollheim Memorial, 2010, [http://www.wollheim-memorial.de/files/1066/original/pdf\\_Peer\\_Heinelt\\_Financial\\_Compensation\\_for\\_Nazi\\_Forced\\_Laborers.pdf](http://www.wollheim-memorial.de/files/1066/original/pdf_Peer_Heinelt_Financial_Compensation_for_Nazi_Forced_Laborers.pdf).