

CLAIMS RESOLUTION TRIBUNAL

In re Holocaust Victim Assets Litigation
Case No. CV96-4849

Certified Award

to the Estate of Claimant [REDACTED 1]¹
also acting on behalf of [REDACTED 2]
represented by Dr. Walter Friedrich

in re Accounts of Sigmund Freud

Claim Number: 501441/AC²

Award Amount: 216,000.00 Swiss Francs

This Certified Award is based upon the claim of [REDACTED 1] (the “Claimant”) to the published accounts of Sigmund Freud (the “Account Owner”) at the Zurich branch of the [REDACTED] (the “Bank”).

All awards are published, but where a claimant has requested confidentiality, as in this case, the names of the claimant, any relatives of the claimant other than the account owner, and the bank have been redacted.

Information Provided by the Claimant

The Claimant submitted a Claim Form identifying the Account Owner as his paternal grandfather, Dr. Sigmund (Sigismund) Schlomo Freud, who was born on 6 May 1856 in Freiburg, Austria (now Pribor, Czech Republic), and was married to [REDACTED], née [REDACTED], on 14 September 1886 in Wandsbek, Germany. The Claimant explained that his grandfather, who was Jewish, resided at Berggasse 19 in Vienna, Austria, until 1938, when he fled to London, England.³ According to information provided by the Claimant, his grandfather had six children, including the Claimant’s father, [REDACTED], and his father’s siblings, [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED]. The Claimant indicated that his grandfather passed away in London on 23 September 1939. In support of his claim, the Claimant submitted a memoir of his family written in May 2001,

¹ In a letter dated 12 March 2004, the Claimant’s son, [REDACTED 2], notified the CRT that the Claimant had passed away in February 2004. The Claimant’s son provided the CRT with his father’s will and death certificate.

² The Claimant submitted additional claims to the accounts of [REDACTED], [REDACTED], and [REDACTED], which are registered under the Claim Numbers 501390, 501420, and 501437, respectively. The CRT will treat the claims to these accounts in separate determinations.

³ Additional research conducted by the CRT indicates that Sigmund Freud fled Vienna for England on 4 June 1938. See www.freud-museum.at/freud/chronolg/1938-e.htm.

indicating his grandfather was the renowned psychiatrist and founder of psychoanalysis Sigmund Freud, who resided at Berggasse 19 in Vienna.

The Claimant indicated that he was born on 3 April 1921 in Vienna. The Claimant is representing his son, [REDACTED 2].

Additional Information Obtained by the CRT

The CRT notes that the life of Sigmund Freud has been the subject of numerous volumes of scholarly and historical works. In considering the Claimant's claim, the CRT has reviewed materials available in the Freud Museum in London, the United Kingdom; in contemporaneous newspaper articles written about Sigmund Freud's flight from Austria; as well in as books and articles cited in various reference guides, including numerous sites on the world-wide web.

According to these sources, even before the incorporation of Austria into the German Reich (the "*Anschluss*"), diplomatic efforts were being made to ensure Freud's safety. According to a diary kept by Freud and edited by Michael Molnar, John Wiley, the *Chargé d'Affaires* at the American Embassy in Vienna, visited Freud in Vienna on 10 March 1938.⁴ On 15 March 1938, Wiley sent a telegram to William C. Bullitt, a former patient and close associate of Freud who was the American ambassador to France, alerting the U.S. authorities that Freud was in danger. According to Molnar, Bullitt was a friend of President Roosevelt, and President Roosevelt instructed the U.S. Secretary of State, Cordell Hull, to supervise Freud's departure from Vienna. On 15 March, Wiley cabled Hull: "Fear Freud, despite age and illness, in danger."⁵

That same day, on 15 March, groups of S.A. men raided the premises of Freud's publishing house and his home at Berggasse 19. Among the items seized during those raids were the Freuds' passports, approximately 6,000.00 Austrian schillings, and a copy of Freud's will, which referred to assets he held outside Austria.⁶ Ownership of foreign-held assets was subject to registration within the Reich and Freud's will, therefore, could have prompted the Nazis to take yet more serious measures against Freud. However, the person assigned by the Nazi authorities to supervise the liquidation of Freud's press and other assets, Dr. Anton Sauerwald, had studied chemistry under one of Freud's old friends and, according to Molnar suppressed the information regarding his foreign-held assets until after Freud had left Vienna with his belongings, so that his emigration would not be jeopardized.⁷ Meanwhile, according to Freud's diary, that day, Ernest Jones, a pioneering psychoanalyst and Freud's official biographer, visited Freud and convinced him that he must leave Austria.⁸ The next day, 16 March, Bullitt cabled Wilson, the American Ambassador in Berlin, instructing him that if Wiley should contact him for assistance to Freud and his family, he should render "every possible assistance, including financial, for which I will

⁴ The Diary of Sigmund Freud, 1929 – 1939 A Record of the Final Decade (hereinafter "Molnar"). Translated, Annotated, with an Introduction by Michael Molnar, The Freud Museum, London.

⁵ Molnar, p. 229.

⁶ Molnar, pp. 231, 243.

⁷ *Id.* According to Molnar, Freud's daughter [REDACTED] said that Sauerwald "not only had [] 'behaved very decently' toward them, but that it was 'thanks to him that we came out alive.'"

⁸ Molnar, p. 231.

be responsible.”⁹ Freud was also able to rely on the financial and moral support of Marie Bonaparte, Princess George of Greece, a former pupil and devoted friend of Freud’s, who arrived in Vienna on 17 March and remained until 10 April.

Freud’s home was again raided on 22 March, this time by the *Gestapo*. This time, Freud’s daughter Anna was arrested and brought to *Gestapo* headquarters, where she was interrogated for several hours. Ernest Jones, in his later biography of Sigmund Freud, writes that the Nazi authorities were thorough in their investigation of the Freuds.¹⁰ Thus, for example, when they learned that Freud’s son Martin had put aside a set of Freud’s Collected Writings (*Gesammelte Schriften*) in a neutral country, Switzerland, for safekeeping, they insisted that he and his father issue instructions for these works to be returned to Vienna, where they were “more or less ceremoniously burned.” “Of course,” continues Jones, “Freud’s bank account was confiscated.”¹¹

On 25 March, three days after the *Gestapo* raid, Jones succeeded in persuading the British Home Office Secretary Sir Samuel Hoare to intervene personally on Freud’s behalf and thus was able to secure entry visas to the United Kingdom for Freud’s family and for a number of his Viennese co-workers.¹² Before Freud was permitted to emigrate, however, he was required, like others seeking to leave the country, to report his assets and pay flight tax (“*Reichsfluchtsteuer*”) set at 25 percent of a person’s total assets. On 25 May, Freud’s assets were valued at 125,318.00 Reichsmark (“RM”). His flight tax of RM 31,329.00 was paid by Marie Bonaparte.¹³ On 2 June, Freud was granted the certificate declaring him free of any tax obligations (“*Unbedenklichkeitserklärung*”), which was required before any emigrant could legally leave the country.

Two days later, on 4 June 1938, the Freud family left Vienna for London. As reported in the 5 June issue of the *New York Times*, “Dr. Freud’s publishing house and ‘all his money’ were confiscated, and, although he was permitted to keep his own library, all new books in his Vienna publishing office were destroyed, friends said.”¹⁴ On a stopover in Paris on 5 June, Freud was greeted by friends, including Bonaparte and United States Ambassador Bullitt. Freud told reporters there, “They let me bring some things out of Austria – just enough to work with. I still have my manuscript on the Bible and my own personal books and papers. Everything else – all

⁹ Molnar, p. 230.

¹⁰ Ernest Jones, M.D. *The Life and Work of Sigmund Freud, Volume 3, The Last Phase 1919 – 1939* (hereinafter “Jones”). New York: Basic Books, 1957, p. 223.

¹¹ *Id.*

¹² On 25 March 1938, Jones wrote in his diary: “Saw Hoare’s secretary, A. S. Hutchinson, re Immigration. Success!” According to Molnar, Jones obtained entry visas for several of Freud’s co-workers, numbering eighteen adults and six children in all. Molnar, p. 232.

¹³ Jones, p. 223.

¹⁴ *New York Times (1857 – Current file)*; Jun 5, 1938; ProQuest Historical Newspapers The New York Times (1851 – 2001) pg. 1.

my money and property in Vienna – is gone.”¹⁵ The Freud family arrived in London on 6 June 1938.

According to the sources reviewed by the CRT, Freud was targeted by the Nazis even after his arrival in London. Apparently, Nazi officials became aware of Freud’s Swiss bank accounts within weeks after his 6 June 1938 arrival in London. Indeed, as the Bank’s records demonstrate, as discussed *infra*, the demand deposit account containing Dutch guilders was closed on 30 June 1938. However, based upon Freud’s contemporaneous letters, he had no knowledge of the account closure. According to an entry in Freud’s diary dated 18 July 1938, the Nazi foreign currency office demanded that he turn over his Swiss bank account denominated in Dutch guilders. According to Molnar,

This money was in an account in Zurich. Freud’s lawyer in Vienna, Dr. Alfred Indra, wrote that the foreign currency office had demanded it, although the *Gestapo* had previously promised Freud could keep it to build up ‘... a new existence in a foreign country.’ Neither [Freud’s] furniture nor the collection had yet arrived from Vienna and might be held as ransom until the sum was surrendered. Freud therefore authorized Indra to forward the gulden [guilders] as soon as he received their household effects. But he really wanted the money to be transferred to the account of Marie Bonaparte, to pay back the refugee tax [*i.e.*, flight tax] which she had paid.¹⁶

On 20 July 1938, Freud wrote to Dr. Indra, his attorney in Vienna, about the Dutch guilder account:

Your news that the foreign exchange office demands the sale of the Dutch gulden [guilders] on deposit in Zurich came to me as a painful surprise. On this subject I have the following remarks to make: You yourself were present at the negotiations during which the *Gestapo* gave us the assurance that we could keep this account, and you will probably remember their reasoning, which sounded considerate. Officially it was granted to give us the means of building up a new existence in a foreign country....

If the Dutch gulden [guilders] really have to be sold, the sum will probably be deposited to our credit in a blocked account. Could you not arrange, sir, to have the money transferred to the account of

¹⁵ *New York Times (1857 – Current file)*; Jun 6, 1938; ProQuest Historical Newspapers The New York Times (1851 – 2001) pg. 8. However, according to Molnar, Freud was able to take to London, in addition to his library and working papers, his collection of antiquities, deliberately undervalued at RM 30,000.00 by the sympathetic curator of the Vienna Kunsthistorisches Museum, as well as his furniture and personal belongings. Molnar, p. 236.

¹⁶ Molnar, pp. 243 – 244.

Princess Marie of Greece, who has paid the emigration tax for us? In this event we would be enabled to settle one of our debts.¹⁷

On 28 July 1938, Freud executed a new will in compliance with U.K. legal standards. The new will refers to stocks and bonds, but does not indicate where they were held. That same day, Freud purchased a house in London for 6,500 British Pounds (“£”), which he financed in part with a £ 4,000 loan from Barclays Bank in London. According to his diary, Freud’s personal belongings arrived in London on 8 August 1938.¹⁸

On 11 October 1938, Sauerwald, the Nazi commissar who had managed Freud’s departure from Vienna, visited Freud in London. Although the purpose of Sauerwald’s visit is not clear, Freud’s nephew, Ernst Waldinger, believed it had to do with Freud’s assets that Sauerwald had helped conceal temporarily: “The *Gestapo* had graciously left him [Freud] in possession of a sufficient sum of money to tide him over the first days of his exile. Shall we call it naiveté or shamelessness when a Nazi official [Sauerwald] visited him in London a long time afterward and demanded this amount back?”¹⁹

In a letter, dated 12 November 1938, just two days after the *Kristallnacht* (“night of broken glass”) pogrom, Freud wrote to Marie Bonaparte of his concern for his four elderly sisters, who remained in Vienna. “The latest horrifying events in Germany aggravate the problem of what to do about the four old women between seventy-five and eighty. To maintain them in England is beyond our powers. The assets we left behind for them on our departure, some 160,000 Austrian schillings, may have been confiscated already, and are certain to be lost if they leave.”²⁰ Bonaparte visited Freud in London on 4 December 1938 to discuss ways to help them. Ultimately, neither Freud nor Bonaparte could save the women. Eighty-two-year-old Marie and

¹⁷ The Letters of Sigmund Freud, Selected and Edited by Ernst L. Freud. NY: Basic Books, 1960, p. 303. See also Molnar, p. 237 (“Since Freud’s bank account and the assets of the press had been seized, he could not have paid any of the taxes demanded if Marie Bonaparte had not loaned him the money (which he was to pay back, after emigration, out of his foreign account)) and p. 245 (“[Imago Publishing Company] brought out the new *American Imago* and began a new German edition of Freud’s collected works. This was financed by Marie Bonaparte using the \$4,824 she had advanced Freud to pay the refugee tax and which he had insisted on paying back to her.”) According to Jones, Freud repaid the flight tax amount to Bonaparte in the summer of 1939 after arriving in England. Jones writes that the sum of the repayment amounted to 12,000.00 Dutch guilders, or 4,824.00 United States dollars (“US \$”). Jones, p. 223. Both Molnar and Jones seem to imply that Freud repaid Bonaparte from his Swiss bank account denominated in Dutch guilders, though there is no evidence to support this. In fact, Freud’s letters at that time indicate that the Nazis were demanding that Freud surrender his Swiss account in Dutch guilders, and, as detailed *infra*, the Bank’s records indicate that the account had already been closed prior to Freud’s letter to Indra requesting his assistance to access the account. It appears likely, therefore, that any sum that Freud repaid to Bonaparte for flight tax came from a source other than his Swiss bank accounts. The CRT notes that the amount assessed against Freud as flight tax does not correspond to the Dutch guilder or US dollar amounts cited by Jones and Molnar. As noted above, Freud was assessed flight tax totaling RM 31,329.00, which was equivalent to 55,013.72 Swiss Francs (“SF”). However, 12,000.00 Dutch guilders were equivalent to SF 28,860.00 and US \$4,824.00 were equivalent to SF 21,080.88.

¹⁸ Molnar, p. 247.

¹⁹ Ernst Waldinger, “My Uncle Sigmund Freud,” *Books Abroad*, Vol. 15, No. 1, Jan. 1941, p. 4, as quoted in Molnar, p. 306.

²⁰ Molnar, quoting letter from Freud to Marie Bonaparte 12.11.1938, p. 252.

eighty-year-old Pauline were killed in Treblinka; eighty-four-year old Rosa died in Auschwitz, and eighty-one-year-old Adolfine perished in Theresienstadt.²¹

On 24 August 1939, Freud made a notation in his diary, “Money from bank...” Molnar notes that Freud’s record of correspondence does not reveal any correspondence with Barclays Bank in London at that time, and that the London bank no longer had records that might reveal whether this notation refers to Freud’s dealing with that bank. He suggests, instead, that the entry relates to money transferred from Freud’s Swiss account. However, and as described more fully below, the Bank’s record indicates that, by this time, all Freud’s Swiss bank accounts had been closed.²²

Freud died in exile at the age of 83 on 23 September 1939. According to Molnar, he left an estate of £ 22,850.00, which, in 1939, was equivalent to 449,459.50 Swiss Francs (“SF”). The estate included his collection of antiquities and books on psychology and psychoanalysis, as well as the copyrights on his work.

Information Available in the Bank’s Record

The Bank’s record consists of a customer card. According to this record, the Account Owner was Prof. Dr. Sigmund Freud, who resided at Berggasse 19 in Vienna, Austria. The Bank’s record indicates that the Account Owner held a custody account, numbered L48120, and two demand deposit accounts, one denominated in Swiss Francs and one in Dutch guilders.

The Bank’s record indicates that the demand deposit account in Dutch guilders was closed on 30 June 1938, that the demand deposit account in Swiss Francs was closed on 31 July 1938, and that the custody account was closed on 19 September 1938. The amounts in the accounts on the dates of their closure are unknown. There is no evidence in the Bank’s record that the Account Owner or his heirs closed the accounts and received the proceeds themselves.

The CRT’s Analysis

Identification of the Account Owner

The Claimant has plausibly identified the Account Owner. The Claimant’s grandfather’s name, city, and country of residence match the published name, city, and country of residence of the Account Owner. The Claimant also identified the Account Owner’s street address and professional title, which match unpublished information about the Account Owner contained in the Bank’s record. The CRT notes that the Account Owner was a public figure, and that this

²¹ Martin Gilbert, *The Holocaust: A History of the Jews of Europe during the Second World War* (NY: Holt, Rinehart & Winston, 1985, pp. 475-476. According to Gilbert, “An eye-witness has recorded how, at Treblinka, after the arrival of a train from Vienna, Sigmund Freud’s sister approached SS Second Lieutenant Kurt Hubert Franz, who that day was supervising the arrival of the victims, and ‘asked to be given lighter work on account of her poor health.’ Franz ‘assured her that her arrival in Treblinka was a mistake, in view of her poor health, and that as soon as she had had her bath, she would be put on the first available train back to Vienna.’” *Id.*

²² Molnar, p. 263.

information is easily obtainable and widely known. However, the Claimant also provided biographical information about his family that demonstrates that he is the grandson of the Account Owner.

Status of the Account Owner as a Victim of Nazi Persecution

The Claimant has made a plausible showing that the Account Owner was a Victim of Nazi Persecution. The Claimant stated that the Account Owner was Jewish, and that he resided in Nazi-controlled Austria before fleeing to England on 4 June 1938. Both primary and secondary sources confirm that much of the Account Owner's property and assets were confiscated. Further, all four of the Account Owner's sisters perished in concentration camps: one sister was killed in Auschwitz, two in Treblinka, and one perished in Theresienstadt.

The Claimant's Relationship to the Account Owner

The Claimant has plausibly demonstrated that he is related to the Account Owner by submitting specific information, demonstrating that the Account Owner was the Claimant's grandfather. The CRT notes that the Claimant's obituaries published in *The Daily Telegraph*²³ and *The Guardian*²⁴ state that he was the grandson of Sigmund Freud.

The Issue of Who Received the Proceeds

The CRT notes that Dr. Anton Sauerwald, the Nazi commissar who had managed Freud's departure from Vienna, has been credited with temporarily concealing the fact that Freud held assets outside Austria, and in so doing with facilitating Freud's emigration. However, the records are ambiguous at best as to what happened to these assets, including those held in Swiss bank accounts, after Freud left Austria on 4 June 1938. Indeed, biographical information about Freud indicates that the Nazis continued to target him and his assets even after he had fled Vienna, and that at least one of his Swiss bank accounts may have been closed without his knowledge or consent. As noted above, Freud learned on 18 July 1938 that the Nazi authorities demanded that he turn over his Swiss bank account denominated in Dutch guilders, and on 20 July 1938, Freud authorized his attorney in Vienna to comply with this demand. However, the Bank's records indicate that Freud's demand deposit account in Dutch guilders was closed on 30 June 1938, eighteen days *prior* to his learning of the Nazis' demand and twenty days before he authorized the closure.

Freud's remaining demand deposit account, denominated in Swiss Francs, was closed on 31 July 1938, and his custody account was closed on 19 September 1938. Given that the Bank's record does not indicate to whom any of the accounts were closed; that the Account Owner fled his country of origin due to Nazi persecution; that the Account Owner believed that the demand deposit account denominated in Dutch guilders was still open over two weeks after it had been closed, and that he believed that he still had control over the account; that the Account Owner had four sisters remaining in Vienna, who were eventually deported to concentration camps,

²³ See http://www.64-baker-street.org/obituaries/obit_2004_walter_freud.html.

²⁴ See <http://www.guardian.co.uk/military/story/0,11816,1165159,00.html>.

where they perished, that he may have had other relatives remaining in his country of origin and that he may therefore have yielded to Nazi pressure to turn over his accounts to ensure their safety; that biographical information about the Account Owner clearly demonstrates that the Nazi regime was aware of the Account Owner's assets in Switzerland, and demanded that the Account Owner surrender many of his assets in exchange for his personal belongings and for being allowed to emigrate, that the Account Owner and his heirs would not have been able to obtain information about his accounts after the Second World War from the Bank, even for the stated purpose of obtaining indemnification from the German authorities, due to the Swiss banks' practice of withholding or misstating account information in their responses to inquiries by account owners because of the banks' concern regarding double liability, and given the application of Presumptions (h) and (j), as provided in Article 28 of the Rules Governing the Claims Resolution Process, as amended (the "Rules") (see Appendix), the CRT concludes that it is plausible that the account proceeds were not paid to the Account Owner or his heirs. Based on its precedent and the Rules, the CRT applies presumptions to assist in the determination of whether or not Account Owners or their heirs received the proceeds of their accounts.

Basis for the Award

The CRT has determined that an Award may be made in favor of the Claimant. First, the claim is admissible in accordance with the criteria contained in Article 18 of the Rules. Second, the Claimant has plausibly demonstrated that the Account Owner was his paternal grandfather, and that relationship justifies an Award. Third, the CRT has determined that it is plausible that neither the Account Owner nor his heirs received the proceeds of the claimed accounts. Further, the CRT notes that the Claimant, as the Account Owner's son, is more entitled to these accounts than his son, [REDACTED 2], whom he is representing.

Amount of the Award

In this case, the Account Owner held one custody account and two demand deposit accounts. Pursuant to Article 29 of the Rules, when the value of an account is unknown, as is the case here, the average value of the same or a similar type of account in 1945 is used to calculate the current value of the account being awarded. Based on the investigation carried out pursuant to the instructions of the Independent Committee of Eminent Persons ("ICEP" or the "ICEP Investigation"), in 1945 the average value of a custody account was SF 13,000.00 and the average value of a demand deposit account was SF 2,140.00. Thus, the total 1945 average value of one custody account and two demand deposit accounts is SF 17,280.00. The current value of this amount is calculated by multiplying it by a factor of 12.5, in accordance with Article 31(1) of the Rules, to produce a total award amount of SF 216,000.00.

Division of the Award

According to Article 23(1)(c) of the Rules, if the Account Owner's spouse has not submitted a claim, the award shall be in favor of any descendants of the Account Owner who have submitted a claim, in equal shares by representation. In this case, the Claimant, as the Account Owner's grandson, is more closely related to the Account Owner than his son, [REDACTED 2], and is

therefore entitled to the entire award amount. The Claimant's son, [REDACTED 2], is not entitled to a share of the award.

Scope of the Award

The Claimant should be aware that, pursuant to Article 20 of the Rules, the CRT will carry out further research on his claim to determine whether there are additional Swiss bank accounts to which he might be entitled, including research of the Total Accounts Database (consisting of record of 4.1 million Swiss bank accounts which existed between 1933 and 1945).

Certification of the Award

The CRT certifies this Award for approval by the Court and payment by the Special Masters.

Claims Resolution Tribunal