

BRITISH EMBASSY,
WASHINGTON D.C.

July 3rd 1939.

No. 732.

My Lord,

654/2/37

With reference to correspondence ending with my despatch No. 610 of the 10th July 1937 regarding the "Black Tom" sabotage case, I have the honour to report that on the 15th June Associate Supreme Court Justice Owen J. Roberts, after hearings held in December and January last, gave a decision on behalf of the German-American Mixed Claims Commission to the effect that the decision favourable to Germany reached by the Commission at Hamburg in 1930 was based upon false and misleading testimony offered at the Hague on behalf of Germany and that the American claim for a rehearing should be allowed. A copy of Mr. Roberts' decision, together with salient extracts from the American Commissioner's 498 page opinion, has been obtained from the United States agency of the Mixed Commission and is enclosed.

2. The decision is interesting in that it has been given in the absence of the German Commissioner, Dr. Victor L. F. H. Huecking, who resigned from the Commission on March 1st on the grounds that its proceedings showed bias, and has not been replaced. A set of copies of correspondence connected with Dr. Huecking's resignation (also supplied by the United States agency of the Mixed Commission) is enclosed.

From/

The Right Honourable

The Viscount Halifax, K.G.,

etc., etc., etc.

RCL:GHSP:FRHM:ACEM:MS

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From one of these letters Your Lordship will observe that on the 10th June, the German Chargé d'Affaires informed the Secretary of State that the Reich Government considered the Commission incompetent to make decisions in the absence of a German Commissioner and would ignore its acts accordingly. A statement to this effect was also given out to the press by the German Embassy simultaneously with the publication of the umpire's decision. Reports from Berlin, published in the "New York Times" on the following day indicate that the decision has been received with indignation by the German press.

3. According to the press some \$25 million (mainly represented by the retained portion of the value of German property in the United States) is reported to be available in the Treasury for payment of awards of the Mixed Claims Commission. The Black Tom claims will enjoy a high order of priority against the available funds, but these claims amount to some \$55 million. Moreover it is reported that certain other claimants under earlier awards which have not yet been satisfied in full may start litigation in order to dispute the priority of the Black Tom claims.

4. I am sending a copy of this despatch, with the first enclosure only, to His Majesty's Ambassador at Berlin.

I have the honour to be,
with the highest respect,
My Lord,
Your Lordship's most obedient,
humble servant,

(SGD) R.C. LINDSAY.