

From Critique: Black Tom

7,000 Claims Stand Unpaid By Germany

Awards involve millions due Americans as war indemnity granted by Mixed Claims Court.

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WASHINGTON, Nov. 1—

Twenty-one years after the end of the last war, the United States is just finishing up its "settlement" of more than 20,000 war damage claims filed by civilians, though no new payments have been forthcoming from Germany since 1931.

Last big block of claims arising out of the Black Tom and Kingsland, N. J., fires and explosions in 1916 and 1917 was decided this week in favor of the American claimants. Whether full payment will ever be made is doubtful, in view of the fact that the Hitler Government is now using its funds for another war.

Since its establishment in 1922, the Mixed Claims Commission, presided over by a succession of American umpires of whom Justice Owen J. Roberts of the U. S. Supreme Court is the latest, has ruled that Germany owes American citizens almost \$350,000,000, including interest, for more than 7,000 individual cases of loss of one kind or another suffered on account of the last war.

Germany has only paid \$135,735,070 of this huge bill. Officials are frank to say that with another war sweeping Europe it looks as unlikely that the United States Government will be able to collect for its citizens as it does that it will ever get back the billions it lent to the Allies for war purposes.

No Payments Since 1931

To satisfy its obligations Germany deposited in the U. S. Treasury bonds valued at \$505,000,000 on which it intended to pay semi-annual installments until 1931, but since 1931, it hasn't paid a cent. Officials of the Mixed Claims Commission estimate that not more than \$24,000,000 can be raised on these bonds and other German property held by the United States. All the time, the claims are mounting up, as they carry a 5 per cent interest charge.

The irk felt by Americans on the Commission accounts largely for the final settlement of the Black Tom case in the absence of the German Commissioner, Victor L. F. H. Huecking, who had withdrawn from the case.

The United States has long since paid back what it owed Germany on property seized when it entered the war. Ten years ago, it paid off \$85,750,000 judged by a war claims arbiter to be "just compensation" for ships, patents and a radio station seized and turned over to the Alien Property Custodian for the duration of the war.

The Mixed Claims Commission was set up by the Treaty of Berlin in 1922 after the German Government had been forced by the Treaty of Versailles to assume the obligations for all nations that fought on her side.

20,000 Claims Filed

The 20,000 claims filed with the Commission before the 1922 deadline ranged all the way from 3,450 requests for War Risk Insurance collections to loss of life arising out of the sinking of the Lusitania. Most interesting and most time-consuming group of claims were the sabotage cases, involving alleged destruction of war materials in the United States in a period of neutrality by specific authority of the German Imperial Government. The Black Tom and Kingsland cases were the biggest of these, with 153 claims filed amounting to over \$23,000,000.

Awards that have not yet been paid and are most likely to be largely defaulted are those in excess of \$100,000.

There is indication that those who have not been paid may fight over the remaining \$24,000,000 in the courts. The first suit of this kind was filed yesterday in the District of Columbia Courts by Zimmerman & Foshay Assets Realization Corporation of New York.

The Corporation seeks to enjoin payment of the Black Tom claimants on the ground that money owing on its own unsettled claims and those of other holders should be paid first. The Zimmerman & Foshay Company reports that it has been paid only \$264,048 of the \$1,175,918 awarded it by the Commission.