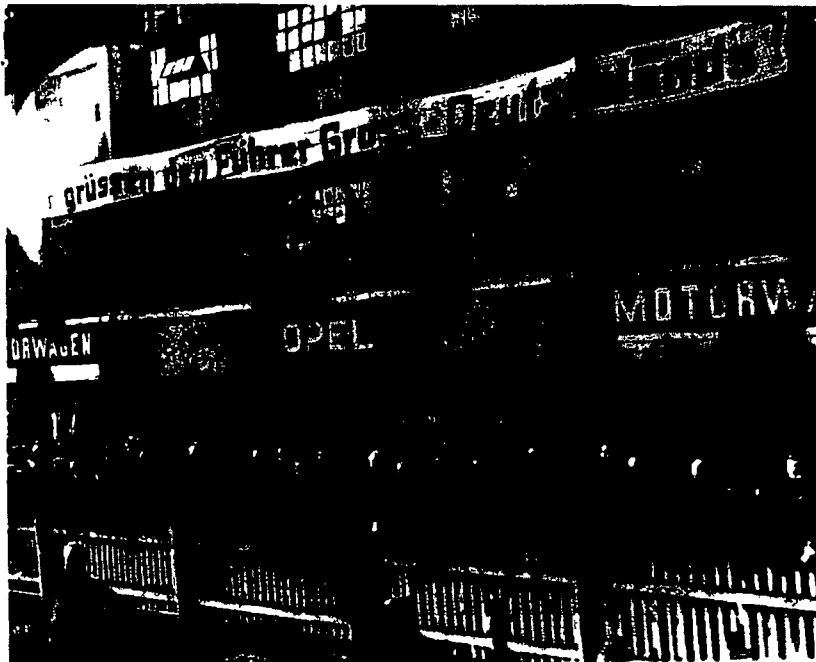
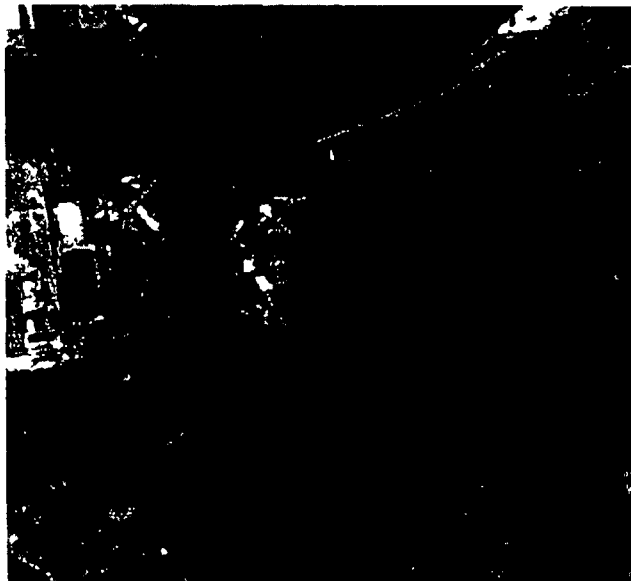




"We Welcome the Leader of Greater Germany!"—Hitler's train passes by the Opel factory in Rüsselsheim, 1938 (A16) Below (A17), USAF aerial reconnaissance of the Opel factory in 1943. The foreign workers' barracks are marked at left in solid black (#18)



CHAPTER 2

1945. HOW THE AMERICANS TOOK OVER COLOGNE—AND DISCOVERED FORD WERKE'S ROLE IN THE WAR



Dirty Business" was the headline given to a sensational December report in *Newsweek* about the role of American banks and business in Nazi Germany after 1933. "America had its own Nazi connection," the magazine wrote "Chase, General Motors and Ford all had some links to Berlin. And now they may have to face the consequences."¹

Sold as a major revelation, this was not terra incognita to researchers. American historians began already in the early 1960s to explore the political and economic role of the Ford Motor Company in Europe and Germany after 1933;² the results are informative and important, but do not delve too deeply into the politics and ethics of the company's role in German war preparation and production. The use of forced laborers at the Ford Werke subsidiary in Cologne is given little or no attention, even in Charles Higham's harsh critique of the support for Hitler.³

After the attack on Pearl Harbor in December 1941, when the United States entered the Second World War against Japan and Germany, Ford Motor became the third-largest American arms maker. The company presented itself as part of the "arsenal of democracy." But during the prewar years, in the first years of the war Ford Motor had raised production capacity at its advanced automotive factory in Cologne and taken up military production. The company headquarters in Dearborn, Michigan was well aware of Ford Werke's importance to Hitler's "fast divisions." Was the U.S. parent company simply unscrupulous in lending support to a totalitarian regime that was preparing war with the goal of a reactionary new world? Were Henry and Edsel Ford indifferent to the idea of a Europe under the swastika? Or did they see only an opportunity to increase their own business power and gain a share in a new, single European market?

These and similar questions were asked repeatedly at the U S Treasury and Justice departments after 1939 During the war the two ministries looked into Ford's policy in France, and they investigated Ford Werke in Cologne right after the war The inquiries produced informative reports, but in the end neither resulted in any political or legal consequences

The following examines the U.S government investigations of Ford in the spring and summer of 1945, while necessarily drawing a far broader context of the U.S. occupation and policy in western Germany, from the first days of victory amid a destroyed and depopulated Cologne to the quarrel over the revival of the German economy and the appropriate forms of "industrial disarmament" and control. The investigations did not occur in a vacuum of normality, but during a time of great transformation and sudden developments

Shattered Cologne Falls to First Army

The advancing U S soldiers first crossed the border from Luxembourg into Germany, north of Trier, on the early evening of 11 September 1944, about one hundred days after the Allied landing in Normandy on 6 June⁴ Advance units of the U S 1st Army reached the outskirts of Aachen twenty-four hours later. The German commander of the town garrison was ready to surrender In Paris, at the Supreme Headquarters of the Allied Expeditionary Force (SHAEF), the joint command for U S and British forces, it was anticipated that a rapid push forward might capture the city of Cologne before the end of the month

However, the German Wehrmacht succeeded in rallying their disintegrating troops in the west, blocking the Allied advance Eight thousand American soldiers were killed in a battle that stretched out over the next six weeks before Aachen was reduced to rubble and the garrison finally surrendered. Under the headline, "Aachen A Test of Nazi Fanaticism," the *New York Times* warned in mid-October that this pointless and total resistance would have fatal consequences, above all for Germany "What is happening [in Aachen] is bound to happen to other German cities if the nature of the war does not change"⁵ To the east of Aachen, the German front held up under American pressure. In mid-December the Wehrmacht launched a counterattack in the Ardennes The Allies were not to reach the river Rhine until late February 1945 This five-month delay entailed utter devastation for the Rhineland and especially for Cologne, the Western Allies' next destination on their way to Berlin

Years of air war had already wrought havoc on that ancient city Of the pre-war population of 772,000 people, 40 percent had by September 1944 fled or been evacuated. Despite this, Cologne remained an important center for military transport, industry, and supply. It was therefore once again designated a main target for the British and U S air fleets. From late September 1944 to early March 1945 upwards of 4,000 Royal Air Force and 7,000 U S Air Force bombers dropped their payloads there The destructive

force visited upon Cologne in these five months, a cumulative 30,000 tons of explosives, was over twice as great as in the preceding war years⁶ Much of the damage was impossible to fix or counteract in the short term, rendering meaningless the desperate efforts at repair⁷ In mid-November 1944 there were still 250,000 people remaining in the city Seventy thousand of them departed in December, leaving 180,000 behind Transport, communications, power and water systems were brought to a standstill, many until well after the end of the war Nearly all of the key military producers—who had still achieved astonishing output numbers in the first three quarters of 1944—were forced to suspend operations. By the end of the year the city had ceased to function as a war resource

The U S 1st and 9th Armies launched their decisive move towards the Rhine at Duren and Julich on 24 February 1945. Their success was immediate and spectacular. Within days, U S war reporters were writing "of spreading panic, coupled with signs that the Germans are beginning to withdraw across the Rhine"⁸ Nevertheless, with the horror of Aachen still fresh, SHAEF decided to smooth the conquest of Cologne by means of prolonged shelling and a final blow from the air.

Cologne came within range of U.S artillery fire on 26 February 1945. Two days later the remaining 85,000 civilians—civil servants, police officers and fire brigades included—were ordered to leave the city On 2 March, at 1000 hours, just as the local authorities and an SS unit began to force all stragglers to move to the eastern bank of the Rhine, downtown was paralyzed by the last RAF attack. "850 planes swept over the city diligently, block by block, using the RAF's technique of night-pattern bombing against a city under full daylight observation"⁹ "More than 150 RAF bombers returned during the afternoon to repeat the blow Airmen said Cologne's famous cathedral was standing, but that most of the rest of the city 'looked like a heap of rubble'"¹⁰

A great flight of civilians ensued and "after the exodus came a period of waiting, during which there was almost no movement in the streets of the ruined city," except for isolated patrols of the squads who were supposed to mount a defense An unknown number of German civilians, deserters from the Wehrmacht, members of the underground resistance, and foreign forced laborers hid in cellars, bunkers, and amid the ruins, waiting for the arrival of the victors¹¹ The "Rome of the North" had been transformed into a depopulated and terrifying wasteland, "a perfect illustration of what modern war means—total destruction, with the survivors driven to existence in cellars and caves."¹² The war photographer Margaret Bourke-White remarked in March 1945 that Cologne was the first city of ruins she had ever seen "It was a measure of the catastrophe that had befallen the Nazis."¹³

The British bombers were followed by U.S. infantry and tank divisions Ground units moved in on the morning of 5 March 1945 and occupied the city west of the Rhine by the evening of 6 March Allied fears of a new Battle of Aachen, or even a "Stalingrad on the Rhine," proved groundless. But their hopes of capturing an intact bridge over the river went unfulfilled.

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The U.S. soldiers were astonished by the friendly reception from the remaining civilians. One of the first Americans to enter the city on 5 March, tank corps Sergeant Mitchell, was sent back to SHAEF in Paris to report his experiences at a press conference. His description turned so euphoric that the journalists began doubting whether the U.S. Army's ban on fraternization with the enemy was being upheld.

The Americans were treated practically as liberators, the sergeant said. The Germans, of whom disproportionate numbers were children or elderly people, at first waved white flags and held up their hands. They broke into joy and relief the moment they realized they were out of danger.¹⁴

As American intelligence units confirmed, the sergeant was not describing an isolated case. "The first interrogators in Cologne noted without exception, as they went through the town in the wake of the combat elements, the 'terrific' welcome given to American troops. Free beer and wine were offered by several beerhouse proprietors. . . Civilians showed an inclination to pat soldiers on the back and addressed jokes to them. Everywhere a spirit of 'liberation,' genuine or synthetic, was in evidence and tanks were stopped by civilians, who in broken English or in plain German simply said: 'Endlich seid Ihr gekommen, seit Jahren haben wir auf Euch gewartet.' (At last you have come, for years we have been waiting for you)"¹⁵

The enthusiasm faded in the days that followed. "Nevertheless, a sober sense of release, akin to 'liberation,' is reported to exist still in Cologne. Much of this is patently false, expressions of enthusiasm and smiling goodwill have always come easily to the people of this area. The opportunists reveal themselves inevitably by their eagerness to 'spill the beans' or 'put the finger' on the remaining Nazis left in the town. Quite obviously, the shoe is now on the other foot."¹⁶

THE AMERICANS' ELATION at encountering minimal resistance gave way to mounting sobriety with each new discovery of the crimes of the Nazi regime. "Of Cologne's normal Jewish population of 16,000, all but 100 were deported, members of that remnant reported," *New York Times* correspondent Gladwin Hill cabled his editors on 7 March. "They hid out in the city, constantly hunted by the Gestapo like criminals, for fear of being sent to execution camps."¹⁷ On the same day a first unit of the Military Government liberated the inmates at two of the city's most notorious torture centers, Klingelputz Prison and the Gestapo Headquarters at EL-DE Haus near the Cathedral. Right up to the moment they took flight the Gestapo agents at both sites had tortured and executed political prisoners.¹⁸

The eighty inmates liberated by the Americans, women and men of various nationalities, had been left behind by their guards because they were too weak to move. After the Gestapo withdrew, the prisoners spent five days in their cells without food or water before being rescued. It took three days for the Americans to bury the dead and make arrangements for the sick and dying. At Klingelputz and EL-DE Haus the U.S. medical officer, Captain Moreland and his assistants found tools of torture and parts of a gallows

designed for executing several prisoners simultaneously. They discovered that mass executions had been carried out in late February, just days before the city fell. Several dead prisoners were still in their cells, where they had been buried by rubble during the bombing and shelling.¹⁹

U.S. and British reporters were given an opportunity to speak with the liberated prisoners on 10 March. "Many wept—men as well as women. Others laughed. . . Some could scarcely walk. More than 20 had already been taken to a hospital. . . Each story of the reasons for their imprisonment was different, but in each story was some heroism, great or small. A Frenchman forced to work in a Cologne restaurant had given food to Russian slave laborers. A Belgian woman of 22 had refused to do espionage. A young Dutchman had listened to BBC broadcasts and had reported news to friends. Odette, 19 years old, had spent nearly 20 months in prison for helping French prisoners to escape from Paris, where she was living when the Gestapo seized her. Her home was in Charleroi, Belgium." The youngest of the prisoners, the reporter found out, "was a French boy of 16, who had been seized for slave labor when he was fourteen, and later imprisoned for attempting escape and suspicion of espionage. . . Seeing these people, you could begin to comprehend what the Nazi system meant. This was only one of many such prisons. Here lives were shattered by terrible, organized cruelty."²⁰

That day the journalists also visited the first camp set up by the new Military Government of Cologne to accommodate the many thousands of "displaced persons" (DPs). Most of them were foreign nationals who had been used as forced laborers at companies on the west bank of the Rhine, and who had gone into hiding amid the ruins in the first days of March.²¹

MILITARY GOVERNMENT DETACHMENT E1H2, pinpointed for Cologne officially assumed its duties on the morning of 9 March 1945. During the next hundred days, in which the unit took responsibility for the city and county (*Regierungsbezirk*) of Cologne, its staff grew to fifty-two career officers and thirty-three noncommissioned officers and recruits, making it one of the largest Civil Affairs units in the U.S. Army at that time. E1H2 had earned a good reputation for its service in the Aachen region in the fall and winter of 1944 to 1945. Its officers were chosen carefully, and had backgrounds as engineers, doctors, businessmen, civil servants, and lawyers. Six of the twenty-one men who formed the core of the Cologne MG had attended the U.S. School of Military Government from 1943 to 1944. Eleven others had taken special preparatory courses at elite colleges and universities.²²

The detachment came to Cologne with five primary tasks. They were expected to stem the acute typhus epidemic, establish a supply of drinkin water and minimal energy needs, build a functioning German administration, shelter and feed the liberated political prisoners and foreign force laborers, and revive the city economy. Under the command of Lieutenant Colonel John Patterson, E1H2 soon succeeded in containing the typhus and in mastering the repair of ruptured water and power lines.

They also established contact with Konrad Adenauer, who had been the High Mayor of Cologne from 1917 until 1933, when he was removed by the Nazis. Adenauer (who in 1949 became the first Chancellor of the Federal Republic of Germany) served first as an advisor to E1H2 and was then appointed by the Americans to his old post as *Oberbürgermeister* on 4 May²³

During the one hundred days Cologne was ruled by Americans, E1H2 headquarters became the nerve center of the paralyzed city. It attracted numerous British and American correspondents, high ranking politicians and military officers, Allied intelligence units, and field teams from specialized American and British services. George Orwell, who visited Cologne in March on assignment for the British *Observer*, drew a conclusion that would be seconded by many in the weeks to follow: "When the Americans first entered, many of the streets were quite impassable until the bulldozers had swept them clear. The town has no piped water, no gas, no transport, and only enough electrical power for certain vital jobs such as keeping the electric ovens of a few bakeries working. However, ... the Military Government—in this area a purely American concern—is tackling the job of reorganisation with praiseworthy energy."²⁴ The daily reports of E1H2 (completely preserved by Patterson) bear convincing witness to the unit's exceptional engagement, effectiveness and improvisational talent.²⁵

Foreign and Forced Laborers in Cologne

When the thunder of Allied artillery was first heard to the west, in mid-September 1944, about 30,000 foreign nationals were still working in Cologne. The largest contingent of DPs, representing over 40 percent, were Soviet citizens, mostly Russians and Ukrainians. There were also large groups of French, Italians, Belgians, and Dutch. Nearly all had been rounded up by force and expelled from their countries for "labor deployment" in Germany (*Reichseinsatz*). Almost eight million foreign workers were so "deployed" in German agriculture and industry, most of them as cheap laborers, as of autumn 1944. The regime was desperate to alleviate the growing shortage of labor, especially in the arms industry where production was at full tilt.²⁶

As they approached the Rhine, the Western Allies liberated 100,000 "Allied and neutral deportees in German territory, generally referred to in the British [and American] Press as slave labour, but known officially as Displaced Persons. By the first week in April [1945] the number had risen to about 1,000,000, and it is now thought to be round about 2,000,000, with the prospect of many more to come, for there are at least 7,000,000 of these people in Germany and German-held territory..."²⁷

The officers who were in charge of solving the DP problem knew little of the history or practice of "foreigner deployment" (*Auslandereinsatz*). Even the U.S. Psychological Warfare Division (PWD) experts were unable to investigate it in detail until they were on German soil. PWD issued a first report,

based on information from "forced labor groups, mainly from Belgians who worked in various parts of the Reich," in late December 1944.²⁸

In most places foreign workers were separated into three categories, each of which was always referred to as 'voluntary' by the Nazis: (1) Western workers (French, Belgian and Dutch)—these were allegedly treated like German workers and received the same pay; (2) Polish workers—these wore a large square yellow insignia with a "P" on it. They were paid according to the German wage scale, but were made to return a considerable amount through the device of a heavy 'Ostabgabe'. In public places and transport they were subject to many restrictions; (3) Russian and Ukrainian workers—these were clearly the worst handled category, recognized by their large blue square bearing an 'O' for 'Ostarbeiter'. They received a little spending-money, but this could not be spent legally since they were not permitted to enter any stores or other public places. The money was used mainly to purchase items on the black market run by Western workers—Both Russians and Poles were treated on a sub-human level. In some places, it is reported, Eastern workers were systematically starved.

Whether with "Ostarbeiter" or "Western workers," the Germans had acted like a master race, as the Americans discovered. "Belgian workers ... claim that despite their membership in the first category they were treated as second-class persons." On public transport and in the movies "they were forced to give up their seats to Germans and 90% of all restaurants were closed to them. Industrial workers, who were obliged to wear a badge marked 'A' for *Ausländer* (foreign) suffered more severely from the slogan '*Feind bleibt Feind*' (Once enemy, always enemy) than workers in rural districts. Here it should be noted that conditions of foreign workers vary largely from area to area, and even from plant to plant. During the recent past, the Party [NSDAP] has issued various guidance notes to correct excesses of both generosity and cruelty. There is a fair amount of evidence that foreign workers were treated kindly by German fellow-workers and by well-disposed civilians, particularly women, who would secretly slip them some extra bits of food."²⁹

Poles and French deployed to agricultural work may have represented the majority of foreign laborers from 1940 to 1941, but the number and importance of civilian workers from the Soviet Union increased with each year of the war. In Cologne the trend was obvious in the workforces of the major state and private military producers. A catalogue of the labor and prisoner-of-war camps in the city, derived from a survey of companies carried out in 1949, lists 107 camps in 1943 and 1944, all of which were located at or near businesses and organizations of vital military importance. Seventy-one of these camps held civilian laborers, thirty-four were for prisoners of war. The survey arrives at a cumulative camp occupancy of 21,000. Many of these figures were too low. For example about 2,500 foreign workers were deployed at Ford Werke in mid-1943, and about 2,000 at Klockner-Humboldt-Deutz (KHD), whereas the 1949 camp catalogue lists only 2,000 for Ford and 1,100 for KHD.³⁰

According to a more recent estimate, there were at least 250 labor camps in Cologne. In June 1944 the local Labor Agency (*Arbeitsamt*) counted

28,198 "Auslander" and "Ostarbeiter" among the total of 170,000 workers then registered in the district of Cologne.³¹ Whatever its shortcomings, the 1949 survey allows a ranking of operations employing foreign and forced laborers at the high point of war production efforts in the years 1943 and 1944, before the bombs of fall and winter 1944 crippled the city's industry and transport. Besides private companies, foreigners were employed by the Reichsbahn (the railway authority), Organisation Todt (a special labor army established for the construction of infrastructure and military installations), Kommando Reichsautobahn (highway building and maintenance squads), and the Deutsche Arbeitsfront (DAF, the Nazi labor front). The 1949 catalogue names forty-seven companies in all, with foreign labor forces ranging from 20 to 2,000 people. Measured by approximate camp occupancy, the Reichsbahn topped the hardly flattering list of Cologne's "slave-masters" with an estimated 3,600 forced laborers—followed by Ford Werke, where in mid-1943 about 50 percent of the workforce were from abroad. At the same time the number of foreign workers in the German automotive industry amounted to about 31 percent.³²

In the case of Ford, the indispensability of compulsory labor to the intensified German war production effort is made clear in the minutes of the company's advisory council (*Beirat*) of 17 August 1942. "The war program until now ran at about 4,000 units per quarter. The authorities have ordered a rise in output to about 7,000 units per quarter. That requires a more intensive use of prisoners, especially Russians, who already make up nearly $\frac{1}{4}$ of the personnel."³³ At that time, total personnel was at around 4,000, meaning about 1,000 were "Russians." The mounting losses of the Wehrmacht demanded an ever higher tribute in the form of male German conscripts, exacerbating the labor shortage. "Military recruitment is no longer sparing our key people. The gaps in the factory, in purchasing, and in other departments are growing, and the hired foreigners no longer suffice. This is another matter causing major worries at the Ford plant."³⁴

The "labor question" became a constant theme among Ford's top executives. The managing director and wartime custodian, Robert Hans Schmidt, reported to the advisory council on 1 July 1943 that "about 50 percent of the employees are now foreigners, and of these about 1,200 are Russians, mostly women," Schmidt

Insofar as they already were industrial workers, the Russians are reported to have familiarized themselves with their work in surprisingly rapid order. But the training of the agricultural workers was very difficult. The capacity (*Arbeitskraft*) of the average Russian is at about 90 percent of a normal German worker's, while that of the German personnel has declined to about 75 percent as a result of the air raids. This trend is unfortunately exacerbated by the need of having the people work 54 to 60 hours per week, a constraint imposed by the so-called 'combing-out' commissions

These were roaming conscription squads who drafted laborers they judged redundant, and "whose will cannot be denied, if even more workers are not to be lost."

The excessive number of hours is counterproductive. More can be achieved with 48 hours at a plant like Ford, but that could only be implemented gradually. The sick rate is rising dramatically, amounting at times to 17% of the personnel, with the women showing the highest rates. Everything is being done to assure that unnecessary sick calls are avoided through the use of company doctors, but we cannot ignore that this level of output cannot be expected from a labor force compelled to spend two to three hours in a bomb shelter every night, though their spirit and will are astonishingly high. The foreign workers are getting their own specially cooked meals. They are housed in a now completed, separate barracks city. Five different kitchens have been set up according to nationality, also birthing wards, homes for babies, and other measures of this kind.³⁵

In the second week of June 1943, during a business trip to Spain and Portugal, Robert Schmidt visited the U.S. embassy in neutral Portugal, where he reported, among other things, that "approx[imately] half of the employees were females; the male workers are mostly foreign, Russians predominating with a scattering of Belgians and other nationalities. The employees are fed in a tremendous mess room at the plant; three different types of rations are distributed according to the heaviness of duty performed, overtime was partly paid in an increased food allowance."³⁶

Schmidt seems to have avoided figures, and his report on food and pay did not touch on the different fates the foreign laborers suffered, depending on their country of origin.³⁷ By 1943 the situation on the eastern front had turned clearly against Germany. Schmidt apparently hoped to demonstrate Ford Werke's good treatment of its forced laborers, knowing that in a not too-distant future he might be held responsible for their fates. Why did he choose the U.S. embassy in Portugal? Possibly Schmidt had learned from Ford representatives he met in Spain, on his way to Lisbon, that the embassy there would be willing to transmit his message.³⁸

The vast majority of foreign workers at this stage of the war were adolescents and young adults, men and women working against their will, even if the company was offering "five different kitchens," "birthing wards" and "homes for babies" in the barracks camp on the plant grounds. Even in the "underdeveloped East," word had by then spread about the true status enjoyed by "Ostarbeiter" in Germany, how they were fed and accommodated, and how many hours they had to work each day for a few pfennig at best.³⁹

Rescuing the Displaced Persons

Before the occupation of Germany, the Allies were in the dark about how many foreign workers and refugees they would have to shelter and feed, possibly without advance warning. Following a mid-May 1944 press conference with senior U.S. Civil Affairs officers at Allied Headquarters, then still in London, the *New York Times* wrote of "some 16,000,000 displaced persons in Europe, who at the first inkling of German surrender probably will

attempt to rush like an ant horde over the Continent to their former homes. The problem further is complicated by the physical and economic conditions of the homeless souls. A great percentage is known to be undernourished, ill-clothed and diseased. Many from eastern Germany are reported to be typhus victims. No army in history ever faced such complex problems in the field of civil affairs, as those to be met on the continent."⁴⁰

After the first regions of Germany were occupied, the press obtained more realistic information. Reports in the winter of 1944 to 1945 revolved around "only" nine million DPs, of whom 7.7 million were presumed to be in Germany. That was still more than enough to pose one of the main problems facing the occupiers. For this reason SHAEF emphasized, in its "Handbook of Military Government," that commanding officers were responsible for looking after foreign nationals. Displaced persons from Allied countries were to be gathered "in Assembly Centers until they can be repatriated in an orderly fashion." Securing food and shelter for the DPs was defined as an absolute priority, to be met if necessary at the expense of the German population. Presumably the most important message in the handbook's twenty-five paragraphs on displaced persons was that combat forces were *also* required to view the DP situation as a priority.⁴¹ SHAEF in the following months issued more precise instructions, based on experiences gathered in liberated Western Europe.⁴² Six thousand officers and 12,000 noncommissioned officers (NCOs) were assigned the "breath-taking" task of housing the DPs, by then estimated at 4.5 million people, in 1,500 camps for 3,000 people each.⁴³

Untold thousands of foreigners were thought to be awaiting liberation in the industrial city of Cologne. Three DP detachments were assigned to the E1H2 Military Government. They had a commitment for support from U.S. Army transport units, but in the first weeks of the occupation the burden proved far lighter than anticipated. The German forces had herded the majority of foreign laborers to the regions east of the Rhine just before the Allies occupied the main part of the city on the western side.

The Americans within a week of their arrival established the first "Assembly Center for Displaced Persons," on the outskirts of the city. They there provided shelter for about five hundred people, most of them liberated foreign workers from Russia, France, Poland, Belgium, Italy and several other countries.⁴⁴ As the number of incoming DPs rose, two more camps were set up in late March. There was a camp for Soviet citizens, one for Poles, and one for French and Italian nationals. Food for the refugees was drawn in equal parts from local stocks and U.S. Army supplies. By 7 April 1945 the three camps sheltered 12,000 people, and the initial food shortages had been overcome.⁴⁵ However, the most dramatic phase of the DP crisis still loomed.

The German front collapsed in mid-April 1945. U.S. forces occupied the regions east of the Rhine, setting off a westward flood of freshly liberated DPs. "The city is overrun with forced laborers, and the situation will be getting much worse in the next days when other areas are liberated. The food situation is acute, and at the moment the Military Government is not functioning except for the police. The eastern end of the Hohenzollern Bridge

was closed off in order to keep Displaced Persons from moving into western Cologne."⁴⁶ Groups of liberated *Ostarbeiter* looted throughout eastern Cologne, spreading fear and terror among the German population. "Numerous incidents of plundering and acts of violence by Russian and Polish Displaced Persons have been reported during the last 24 hours. These include damaging machinery, attacking German policemen and looting civilian homes."⁴⁷

E1H2's good preparation and cooperation with combat units proved vital in overcoming the crisis. Bread production was centralized and equipment stocked up at the three existing camps.⁴⁸ Working with Russian and Polish contact officers, E1H2 on 21 April found in the suburb of Dellbrück a barracks complex suitable for a new camp to house the several thousand Russian DPs from the areas east of the Rhine.⁴⁹ A further center, this one for *Westarbeiter*, was set up just across the river from the Cathedral. Many of the French, Belgian and Dutch nationals who gathered there clamored to go home. U.S. Navy boats brought them across to the western bank, and Army trucks drove them to Brauweiler in the west of Cologne, where they could set off on their own. Two more camps were opened in early May for Western Europeans and Poles.⁵⁰

In the parts of Germany controlled by the Western Allies, May 1945 witnessed the high point of migrations towards the west. The "repatriation rate" for Western Europe, running at 35,000 people per week in April, jumped to 200,000 a week. By June only about 5 percent of the former "*Westarbeiter*" still remained in Germany.

The return of over two million Russian DPs began in late May. Like most of their fellow sufferers from the West, they were sent home on cargo cars. By the end of August 95 percent of the Russian DPs had been transported out of Germany. The Allied forces and their military governments had mastered the massive logistics of repatriating several million foreign and forced laborers. The last large group to be brought into motion were the Poles, for many of them were hesitant to return to their country now that it was dominated by the Soviet Union.⁵¹

Germany in Ruins? "A Policy of Hard Realism"

About one third of the E1H2 officers sent to administer occupied Cologne in March 1945 were responsible for economic matters.⁵² All they knew of Cologne in advance was provided by SHAEF intelligence: pre-war maps, scattered data on companies and industrialists, a series of aerial reconnaissance photos that gave an idea of the destruction. After months of preparation, they arrived in Cologne to discover that very few experts of any kind were still left in the city.⁵³ The first written information the officers received from Germans were two lists of Cologne companies that were still in operation before the carpet bombings of 2 March 1945. The first representatives of a local company they met were "two officials of the Ford plant."⁵⁴

"A preliminary survey of one of the most highly industrialized sections of the city" was made on 10 March 1945. "This included twenty-four of the largest plants in the area. All of these factories were in very bad condition and the indications are that the extent of the damage in most cases is almost 100%."⁵⁵

The officers inspected twenty-nine companies during the next week. They focused on plants where a resumption of production was allowable under the guidelines of the military occupation, which read "You will instruct the German authorities to reactivate such plants as may be absolutely required for the production of supplies or for the maintenance of public services as may be immediately necessary in the support of military operations. You will take no other steps toward the economic rehabilitation of Germany."⁵⁶

The first report from early March certainly raises the impression that the bombing had put an end to the local economy: "Plant was damaged 100%, was burned and 100% destroyed, is 90% destroyed, .. was 75% destroyed by fire and bombs, . only slightly damaged, . . 95% damaged, is 40% burned, . is undamaged, . was badly damaged, was 80% destroyed, . was completely destroyed, . was completely destroyed, . was completely demolished, .. 100% destroyed, completely destroyed, . in fair condition, not damaged, completely destroyed, ... 80% destroyed, .. 90% damaged"⁵⁷

Washington Post correspondent Marquis Childs drew the conclusion "Germany is finished as a modern industrial nation for at least 30 years. I am convinced of that after seeing the destruction in Aachen ... and other towns in the Ruhr and Rhine valleys—and now this once populous city." "According to the estimate of engineers on the staff of the Allied Military Government, 90 percent of Cologne's industry has been destroyed. That may be a high estimate, but . . . the job of reconstruction is plainly overwhelming." "Public opinion in both England and America has solidified in favor of stern treatment of the conquered nation, and we have begun to plan how this shall be meted out. Who will be left to rebuild Germany, where will the energy come from, where will the capital come from?"⁵⁸

Childs was voicing a fear shared by many U.S. officers and politicians that an excessively hard policy in a destroyed Germany would rouse bitterness and resistance against the "barbaric Americans." In the United States the long-running argument within the Roosevelt Administration about the future of an occupied Germany, in which liberal-reformist "hardliners" faced off against business-oriented "realists," was entering its decisive phase.⁵⁹

JOHN MCCLOY, the assistant secretary of war, traveled to the Rhineland in early April 1945 to gather an impression of the state of affairs. EIH2 Commanding Officer Patterson briefed him in Cologne. In his diary McCloy wrote, "There were the usual problems—sewers, water, power, food and displaced persons. There were reserves of food but when these reserves have gone there was going to be real distress. —Not one of Germany's enemies could wish for a more complete sight of destruction than the town of

Cologne. Every home seems to have been hit—rubble throughout the town, and still people living in it." McCloy was overwhelmed by the extent of destruction he saw in the whole region. "Here was this beautiful [Rhine] valley—prosperous, industrious and seemingly contented . . . and now it is a wasteland in large parts. Its industry mostly destroyed, its towns laid waste. . . I do not see how this country can ever recover. All Europe hates her and harbors well seated grudges. The slave labor under which she operated is now gone and the prisoners [of war] will not return perhaps for years. How are the crops to be sown and gathered? They will have to go back to a medieval existence and, even so, they will starve. There has been nothing like it since the Thirty Years War and I have an idea that was mild compared to this."⁶⁰

Back in Washington, McCloy on 26 April spoke with the press. One reporter wrote: "In presenting a grim picture of the situation inside the country, ridden by famine, desolation and hatred, the Assistant Secretary revealed that food stocks captured by the Allies in the sectors he visited will be exhausted in thirty to sixty days. 'The problem is going to be food and manpower,' he declared. . . Everywhere he saw 'complete destruction' and 'dissolution of society—complete collapse of social and political economy.'"⁶¹

Whatever the threat of starvation in Germany, the American public in those weeks was far more absorbed with the crimes of the Nazi regime, the scale and horror of which were just becoming clear to the Allied soldiers and journalists.⁶² "The most devastating experience of the war for most of us was the first visit to a concentration camp," a senior intelligence officer later recalled.⁶³ The pictures from Buchenwald and Bergen-Belsen were radicalizing the mood of both the eyewitnesses and the people back home. "The newsmen hold to the view that the uncovering of almost countless examples of Nazi sadistic cruelty and brutality in prison camps has convinced the troops that they are fighting a nation steeped in evil instincts, and that this knowledge is preventing fraternization on anything but a very minor scale."⁶⁴

Thus, the advocates of a moderate and pragmatic occupation policy in Germany saw themselves faced with a horrified public who apparently had nothing against a severe peace and a rigorous security policy of restriction, supervision and reform. "Topic 'A' in the Press during the week was the way we are treating the Germans," the press officers at SHAEF noted with dismay on 26 May 1945. "Quite a hot blast was directed against the Allies by the U.S. and U.K. newspapers, and there is obviously more to follow. Although peace has come to Europe, the Allied public are uneasy about apparent weaknesses in our grip on the Germany of today and newspapers have been quick to emphasize the danger of any soft attitude to a defeated but still dangerous people. —'Don't let them get away with it' is a fair summing up of what the Press is saying."⁶⁵

The overall occupation authority, known as U.S. Group, Control Council (USGCC, reorganized in the following months as OMGUS, the Office of Military Government for Germany, United States) was forced to take account of the reigning mood. General Lucius D. Clay, deputy military governor for General Eisenhower and head of USGCC, called a press

conference on 15 May to announce "a policy of hard realism for the American zone in occupied Germany," to "be applied through a military government of twelve departments." His top priority, he promised, was "to smash whatever remaining power Germany may have for making war and the elimination of the Nazi party."⁶⁶ Responding to questions of why the anti-Nazi regulations had at times been interpreted leniently, Clay said "that 'men with a Nazi viewpoint and who have been active in the Nazi Party will be purged, and purged quickly.' He also promised that although some Nazis might be used to 'get electricity on'—a favorite phrase of Military Government officers—the history of every applicant would be carefully considered."⁶⁷ Clay introduced some of his advisors and a few department heads, but the press had to wait until the end of the month for more hints about the program and more detailed information about the future decision makers. On 26 May, Clay announced that German cartels would be abolished and future exports strictly supervised. Further "Plants which cannot be converted to production of essential civilian goods will be destroyed."⁶⁸

The published details about the "leading American civilians and Army officers appointed to help carry out the policies of the United States and Allied authorities in controlling Germany's economy" proved more instructive—and triggered immediate criticism. "The Americans just named as advisors to the U.S. Control Council include top executives of steel, automobile manufacturing, copper, oil, explosives, lumber and investment firms.... In many cases, the persons just named have long represented American industrial interests in Germany and bear heavy responsibility for the industrial practices pursued in Germany during the inter-war years."⁶⁹

A critical USGCC internal paper named the men responsible for the recruitment of "big business officers" to control the German economy. "This pattern of recent appointments had been shaped by the industrial representatives already in military government, notably General Draper of Dillon Read, Lewis Douglas of General Motors and Mutual Life, and Graeme Howard of General Motors."⁷⁰ Assisted by senior War Department officials, these men* influenced American occupation policy by selecting personnel

*Lewis Douglas, head of the Mutual Insurance Company of New York since 1940, also accepted directorships in other major corporations, of which the most prominent was General Motors. Douglas "became a strong advocate of German economic reconstruction as the key to promoting European recovery and curbing communism." He played an important role in accomplishing these objectives as the U.S. ambassador to Britain (1947–1950). Graeme Howard represented General Motors in Germany starting in 1929 as the regional director for Europe. He formally remained a member of the Opel directorate until March 1942 (See Ch. 1). In 1944 and 1945, as a colonel with the U.S. Army, Howard influenced postwar planning and personnel appointments in the U.S. occupation authority. "Colonel Howard was in charge of the Economic Planning Group at Bushy Park, England, and was later assigned to the U.S. Group CC (Germany). He returned to the United States 20 March '45 and worked in recruiting personnel for the Economics Division, U.S. Group CC [USGCC]." In 1945 and 1946 Howard again served as General Motors's vice-president in charge of Europe. He then took a new job with Ford Motor in 1947, and accompanied Henry Ford II to Europe (and Cologne) in February and March 1948 as a consultant on overseas matters. (Henry Ford II was the grandson of

for key positions. It is astonishing how smoothly and successfully John McCloy, as assistant secretary of war, and General William H. Draper, as designated head of the Economics Division, modified post-war planning and recruitment procedures during the very early stages of the occupation to gain a greater role for the War Department and its representatives in Germany.⁷¹

The recruitment of economic officials undertaken by McCloy and Draper in April 1945 focused on "outstanding civilians" and experts from big business. A contrary effort was backed by the secretary of the treasury, Henry Morgenthau, who favored a lasting weakening of Germany's war-relevant industries. One of Morgenthau's long-standing advisers, Bernard Bernstein, had been appointed acting director of Finance Division USGCC. In March and April he assembled about forty people on his staff, mainly anti-trust specialists from Treasury and Justice now focusing on German industries and cartel investigation. No wonder that Colonel Bernstein's group was viewed with suspicion by General Clay's political advisers.⁷²

U.S. occupation policy in the spring and summer of 1945 was shaped by directives comprising both punitive and "elastic clauses." It was influenced by the unexpected death of President Roosevelt, growing anti-German feelings at home, and by planning for the upcoming first postwar conference of the victorious Allies, at Potsdam in July 1945. U.S. policy became a confusing mixture of strongly worded announcements and instances of tough action against selected German industries, even as most of the key positions in Clay's military government were filled with "pragmatics" arguing that first of all "German economic activity must be restored."^{73*}

Henry and the son of Edsel. He became chief executive after the death of Edsel in 1943 and of Henry in 1947.) A New York Times article of 27 May 1945, "U.S. Board Named for Reich Control," remarked that of six further managers just named to the occupation authority, two had histories with General Motors. "Edward S. Zdunek, formerly head of General Motors at Antwerp" was appointed to supervise the MG Light Machines Production Department, which oversaw vehicle production in the U.S. zone. The GM Vice President "Peter Hoglund, on leave from General Motors and an expert on German production" was appointed "to serve as Colonel Boyd's deputy" in overseeing industrial production. Elias "Pete" Hoglund had held power of attorney for GM's businesses in Germany, i.e., Opel, from February 1940 to February 1941 (See Ch. 1). Edward Zdunek had been employed continuously by GM since 1925 and became regional director for Europe in 1946. He later took over as chief executive at Opel.

*"For your secret information, Lew Douglas has just sent back a message to Secretary of War Stimson. Douglas emphasizes the basic necessity for central control and the urgent necessity of avoiding during at least the next eighteen months any limitations (except the obvious ones covering the production of armament and material of this character) on the productive capacity of Germany already badly smashed, necessary to the essentials of life. He goes as far as insisting that temporarily we should use whatever German production of synthetic oil and synthetic rubber we can, confident that when the strain is over we will be able to take the decision to liquidate these industries. In other words, the trend here is that our hands should not be tied by a rigid directive in the economic field. General Clay is working out well and I think we can count on him for intelligent and effective cooperation." Eisenhower adviser and "pragmatic" Robert Murphy, letter to Emile Despres, Chief, Division of Financial and Monetary Affairs, Department of State, 3 May 1945 (BA Koblenz, RG 260, POLAD/737/26–28).

THE INITIAL REPORTS of "total destruction" were overdrawn, as became clear already in the first weeks of the occupation. The U.S. Reparations Commission sent economist Moses Abramovitz on a tour of fourteen west German cities in early May 1945. He was cautious. "No reliable evaluation of the present condition of industrial facilities is now available in any quarter. It is generally agreed that, given transport, coal, certain other raw materials, a usable monetary system, and government authorization, the recovery from the present desperately depressed condition could be rapid and substantial." Abramovitz emphasized that the evidence the group encountered "varied in extreme fashion. A preliminary survey of facilities in Cologne made by MG showed that most establishments were completely destroyed. A similar survey of plants in the Duesseldorf area employing more than 250 workers showed few plants destroyed, and the rest either undamaged or partially damaged."⁷⁴

Even in Cologne, the dramatic conclusions of mid-March 1945 gradually gave way to a more optimistic appraisal. At the start of their industrial survey the MG officers were astonished to discover two large plants had both withstood the bombing nearly untouched: the chemicals producer Glanzstoff-Courtaulds, and, not far from it, Ford Werke, the largest factory in the city west of the Rhine. A survey was made of the Ford plant on 11 March 1945. The office building was burned and destroyed by the evacuating Germans, but "with the above exceptions, the plant was undamaged by bombs or shell fire and is in excellent condition. The stock room was in very bad disorder from the activity of our own troops—many parts of motors and much desirable material have been wasted."⁷⁵

The Americans found the company's chief executive was waiting for them and eager to answer their questions.

R. H. Schmidt, General Manager of Ford Motor Co., made [an] initial report as follows: (a) Capital—32,000,000 RM. (b) 52% owned by Ford Motor Co. in Detroit. (c) 6% owned by Ford Motor Co. in London. (d) Balance—42%—by unknown German nationals. (e) Prewar output 20,000 trucks, 20,000 passenger cars yearly. (f) Output third quarter 1944: 5,000 trucks, 20,000 motors, 4,000 tons spare parts. (g) Employment: (1) Third quarter 1944, total of 5,000, consisting of 800 on salary roll, balance of payroll—2,000 Germans, 2,200 foreigners of which 800 were Russians, 400 Italians and balance Dutch, French and Belgian. (h) Production, February/45—250 trucks, 500 motors. Decreased production due to loss of energy and supply of parts. (i) Financial condition 12,000,00 RM (approx.) in Reichsbank and Dresdner Bank on deposit. 20,000,00 (approx.) bank credits. 16,000,000 due from German Govt. (j) Since October/44 approximately 80% of machinery has been moved east of the Rhine to points from ten to twenty miles from the Rhine. Some machinery is still on freight cars near the plant. (k) About sixty key employees have remained in Cologne. Approximately 300 foreigners, mostly Italian, are still in Cologne.⁷⁶

The above report was useful but far from complete. Schmidt failed to mention the chemicals empire I.G. Farbenindustrie, a major shareholder in Ford Werke, and did not indicate the full extent of his factory's military output or

the higher number of foreign and forced laborers used during the peak periods of war production in 1943 and 1944.⁷⁷ But the MG officers were not charged with examining Ford Werke's role in the war. They were instructed to focus on Schmidt's optimistic conclusion: "A considerable number of trucks can be produced within a short time when conditions permit."⁷⁸

The discovery of an intact automotive factory, one of potentially great use to the U.S. Army, was welcome news amid the depressing impressions of the Military Government's first days. It was also a bombshell for the journalists. The "war correspondents who called today," *EI*H2 reported on 14 March, "were particularly interested in the Ford plant, which escaped damage in the air raids on Cologne."⁷⁹ The reporters' curiosity was understandable given the thousands of Allied bombers that had flown over and past the large car factory many times on their way to other targets in the Cologne area. Had the planners of the bombing campaign against Germany's automotive industries been unaware of the plant's importance?

An Allied military intelligence report on Ford Werke, dated 29 May 1943, had left little doubt: "Principal wartime activities are probably manufacture of light trucks and of spare parts for all the Ford trucks and cars in service in Axis Europe (including captured Russian Molotovs)." "There may also be some production of light Army vehicles and especially of engines for them. The addition during the war of three new buildings suggests that the works are operating at a high level." The paper argued that destruction of Ford's large machine hall, which housed many hundreds of irreplaceable tools that had been made in the United States, might immediately halt production.⁸⁰

Ford Werke was designated Target Category 1 ("major plants in industries of major importance") by the British Ministry of Economic Warfare, but no action was taken until early October 1944, one and a half years later. "Intelligence sources (10-5-44) state Ford, Cologne, was never bombed, was working full speed, is protected by barrage balloons and produces 1000 3-ton trucks per month."⁸¹ The tone of this later report suggests that the failure to raid Ford may have been causing discontent among those involved in choosing targets. The Allied foot soldiers landing in Normandy in June 1944 had been astonished to see that the enemy's favorite truck brands were from Ford and General Motors.

In the course of the war, both sides had learned that precision attacks were especially effective against plants with complex production processes, as in an automotive factory.⁸² The Ford factory grounds were first included in "area attacks" on northern Cologne on 2 and 3 October 1944. The 2 October attack left craters on the plant grounds and in nearby fields, and hit barracks in the forced labor camp, causing casualties there. Ford Werke was specifically targeted in USAF "precision attacks" by daylight on 15 and 18 October 1944 but was not hit in the raids.⁸³ No further bombings were scheduled, although aerial reconnaissance only days later verified that the attacks had failed. Definitive evidence to explain why this important production plant was not again targeted has yet to surface.⁸⁴

Production at Ford Werke nevertheless declined precipitously in fall 1944, when massive bombings in the Ruhr and Rhine valleys often shut down transport and energy supply.⁸⁵ "September and October 1944 became the worst months of bombing raids and our production came to a complete standstill from October 1st through November 16th," Schmidt reported in late May 1945 to Lord Perry, the head of British Ford in Dagenham. "From then onward on a reduced schedule compared with the monthly average of 1944 production was kept up until the occupation of Cologne."⁸⁶

In 1943 the Reich Ministry for Armaments and War Economy had set high production targets of 24,000 Ford trucks.⁸⁷ Mainly because of a "lack of material," Ford-Werke AG fell short of that by some 20 percent in 1944, producing about 40,000 trucks in the two years 1943 and 1944 combined, but also covering unscheduled orders for 10,000 Maultier half-tracks (military transporters with caterpillar tracks in the rear).⁸⁸ Armaments Minister Speer had to make do. After the destruction of Opel's truck factory in Brandenburg on 6 August 1944, Ford in Cologne and Daimler-Benz in Mannheim were the most important remaining suppliers of the vital three-ton transport and supply vehicles.⁸⁹

The lines of the Cologne plant stood still on 28 February 1945.⁹⁰ With the exception of 290 Italian military internees, the foreign and forced laborers left in the Ford camp were evacuated east of the Rhine, just before the U.S. 3rd Armored division occupied the factory grounds on 6 March 1945.⁹¹ In the weeks after the occupation and before the Rhine front collapsed, "several hundred shells hit the roof of our premises so that practically no glass was intact. The roof was holed in hundred[s] of places. The structure, however, was not damaged to any extent."⁹² Because 80 percent of the machinery had been moved since mid-November 1944 to five dispersal factories in the surrounding region, neither the German shells nor the vandalism of the U.S. combat troops were to cause Ford any lasting concern.⁹³

U.S. Treasury vs. Ford Motor Company

When SHAEF in Versailles received word that Ford Werke had been taken intact, a team was dispatched from Military Intelligence (G-2) Economic Section. Arriving at Ford Werke on 13 March 1945, the men spent five days searching for papers and questioning the top management and Schmidt's secretary, all of whom "gave information willingly and were helpful in our obtaining considerable economic data." The G-2 men blew a safe at the factory and twice visited Schmidt at his house. On 20 March, having removed a number of documents and prepared a report, they left the plant. The target presented "no further interest" to them.⁹⁴

This may have given impetus to a far more ambitious probe being prepared under the auspices of Colonel Bernstein and the Finance Division USGCC. Morgenthau's associate, Colonel Bernstein, had proposed in the summer of 1944 "that the Military Intelligence (G-2) Services adopt a program

to investigate Germany's international assets and to uncover and prevent transfers through searching the files and interrogating the personnel of the large German firms." Military Intelligence at first gave serious consideration to the idea but decided against participation on the grounds that it lacked enough qualified personnel. Finance Division therefore assumed the responsibility for planning "a program of financial investigations" within USGCC, aimed at the heart of the country's industry and finance.⁹⁵

U.S. Attorney General Francis B. Biddle, a staunch defender of the New Deal antitrust and reformist factions, put their programmatic stance in plain words:

The German Government and the German people as a whole have never accepted the doctrines of economic liberalism which run through American history. The monopolistic firms of Germany have survived in that country through two wars and constitute a definite menace to the future peace of the world. As long as they survive in their present form it will be exceedingly difficult to develop independent industry outside of Germany. . . [Therefore the victorious allies should] break the power of the German monopolistic firms. The purpose of such a program would not be to destroy German economic life in its entirety, but to put its industries into a form where they will no longer constitute a menace to the civilized world.⁹⁶

Bernstein had spent several weeks in Washington in February 1945 to recruit experts from the Treasury and Justice departments. He worked on his plan with senior officials from the State Department and from the War Department Civil Affairs Division.⁹⁷ In principle there was agreement on the goals of reordering the German economy and imposing effective controls and enforcement measures towards "industrial disarmament," as official policy held in 1944 and 1945.⁹⁸ The "realists" at War and State, however, were mainly concerned with "securing German potential," in part due to the presumed threat of a more powerful Soviet Union. They therefore favored a rapid reconstruction of the German economy, and opposed anything that might endanger it. From the beginning they attempted to keep Colonel Bernstein and his "trust-busters" under control.⁹⁹

The influential "pragmatist" Robert Murphy, the political adviser to Eisenhower and Clay, wrote on 11 April that while the State Department was "sympathetic to the view that large corporate combines should be disestablished and that there should be elimination of interlocking directorates," nevertheless "a well-conceived program for this purpose should contemplate the establishment in Germany of vested interests which would prevent the reconstruction after withdrawal of Allied control of such combines and interlocking directorates." "The Department of State believes," he concluded, "that such a program should not be formulated and executed solely by the Finance Division but should be the joint responsibility of all appropriate Divisions in the Control Council. The Department adds that if possible the program when formulated should be referred to Washington for final approval."¹⁰⁰

Murphy was only partly successful. A "Committee on German Cartels" called forth by Clay in early May, included both hardliners and realists. T

pressure of events forced its suspension, however, and a further reorganization followed in June.¹⁰¹ There was growing criticism in the United States of the German occupation policy for being too soft, and the government felt compelled to send a clear signal. On 5 July General Clay ordered the seizure of all I.G. Farbenindustrie properties in the American zone. Looking to the upcoming Potsdam conference, he announced that the German industrial empires would be broken up. Don Whitehead in the *New York Herald Tribune*, 6 July 1945: "This would mean the end of the great combines, such as Krupp's, IG Farben, Siemens, Hermann Goering Stahlwerke, which have poured steel, armaments, chemicals, rubber and aluminum into the maw of the German war machines and given Germany the industrial domination of Europe." Whitehead's readers could have easily drawn the conclusion that Morgenthau's hard line had taken hold among the makers of U.S. occupation policy. That was not the case. Morgenthau, who had stated that "a weak economy for Germany means that she will be weak politically and .. won't be able to make another war," tendered his resignation on 5 July 1945. The protagonists of his political credo lost their stronghold in the reshuffling of the Truman Administration.¹⁰²

THE STRUCTURE OF THE MILITARY OCCUPATION was still being defined during the months from March to September 1945. This was a period of constant new tasks, inconsistent directives, political uncertainties and a general shortage of personnel. Under these circumstances Colonel Bernstein found he had a lot of room to maneuver. By early April 1945 a team of civilian professionals from Treasury and Justice prepared a list of 230 "leading financial houses and industrial firms in German iron and steel, chemicals, electrical equipment, aircraft components and motive power, machinery, and naval equipment." The directory served as a travel route for several "file searching teams with a group of interrogators." One set of teams covered the major financial houses and firms important in iron and steel and related industries; the second "the major chemical firms and their financial houses."¹⁰³ Group No. 1 began its search in the Rhine-Ruhr industrial region. Its list of objectives for Cologne included two banks and nine industrial enterprises, including Ford-Werke AG.¹⁰⁴

Why did Bernstein and his investigators view Ford as a primary objective? Besides Ford Werke's importance in German rearmament and war production, the long-running antagonism between the company and the Roosevelt Administration surely played an important role.

In the 1930s, the autocratic founder of the Ford Motor Company was among the most aggressive opponents of President Roosevelt's New Deal and anti-Nazi stance.¹⁰⁵ From 1921 to 1927, Henry Ford publicly propagated an extreme anti-Semitism through a number of self-financed publications. He made no secret of his admiration of the Germans and their Fuhrer.¹⁰⁶ That would have sufficed to make plenty of enemies within the Roosevelt government. Two events in the late 1930s served to galvanize the aversions against Ford. On the occasion of Henry Ford's 75th birthday, Hitler bestowed upon

him the "Grand Cross of the German Eagle." This was the highest honor reserved for a foreign supporter of the German Reich, and came with the Fuhrer's personal congratulations to the pioneer of automotive engineering. Celebrated with great pomp on 30 July 1938, the medal-pinning, carried out in Dearborn by a German consul, set off a storm of indignation in the United States. A growing number of Americans were disgusted to see Henry Ford accepting honors from a regime that had established totalitarian conditions and was openly preparing to wage war on its neighbors.¹⁰⁷

The criticism did not prevent Henry Ford from withdrawing, in mid-June 1940, his company's participation in a deal negotiated between Washington and London, under which Ford Motor Company would have produced 6,000 aircraft engines for the British government. At that point the Wehrmacht had conquered a half-dozen European countries. Hitler was parading into Paris and the Luftwaffe was gearing up for the Battle of Britain. Looking to soothe the renewed surge of outrage against him, Henry Ford published an editorial in the London *Daily Mail* of 26 June 1940, in which he conceded to the British and Canadian members of his corporation the right to pursue their patriotic duties, but without reversing his decision. "Ford Motor Canada and England are using their facilities to the utmost for production of military equipment for defense of the British empire and will continue to serve their countries as they should do. While I am against war nevertheless I believe our facilities in America should be preserved for American defense when and if so required."¹⁰⁸ Ford's article kept quiet about the activities of German Ford.

That week the same incident was also causing headaches for Ford executives in Germany. The chairman of the Ford Werke directorate, Heinrich Albert, who was loyal to Henry Ford and to the Nazi government, was confronted with a false report circulating among Wehrmacht High Command (OKW) officers: that Ford Motor Company in Dearborn was delivering war material to Britain. Albert fired off a defense to General Zuckertort of OKW. "These kinds of rumors always come up. We assume that they originate with American competitors who are uncomfortable with Henry Ford's stance. They have always been proven wrong. The rumor is refuted in detail."¹⁰⁹

Henry Ford and Adolf Hitler

In his article on Henry Ford in the 1999 edition of *American National Biography*, the automotive historian James Flunk writes "Apart from Ford's increasing callousness toward his work force—from key executives to floor sweepers—the main blot on Ford's reputation was his blatant anti-Semitism. Ford's magazine, the *Dearborn Independent*, began publishing anti-Semitic articles in 1920. Between 1920 and 1922 Ford reprinted them in four brochures and in a more comprehensive book, *The International Jew*, which was translated into most European languages and widely circulated throughout the world. Among other things, Jews were accused of controlling the world's banks, starting World War I, and plotting the destruction of Christian civilization."

At the time of these publications, Ford the carmaker was regarded by millions as a kind of pope of the modern age. He was receiving thousands of letters a month from admirers and advice-seekers. A reading of *The International Jew* alongside the sections about the Jews in *Mein Kampf* (1924) reveals a largely identical content: a diffuse nation of Jews, pretending to be based on a religion, "getting" instead of "making," as the secret power within every country, running high finance, labor unions, Communism, liberal press, gangsterism, pro-sex ideology, atheism, internationalism, jazz music and modernist art. Ford called upon the white race to take up the fight by "Naming the Enemy."

Of course, Hitler and Ford were both drawing from the same broad European anti-Semitic tradition and, more specifically, from the "Protocols of the Elders of Zion," an early-century forgery by the Czarist intelligence. Contrary to Flink's assertion, Ford is not mentioned in the edition of *Mein Kampf* available to us. However, Flink is correct in writing: "Ford was considered a 'great man' in the Nazi pantheon of heroes. A picture of Ford was displayed in a place of honor at the National Socialist party headquarters. By late 1933 the Nazis had published some twenty-nine [by 1942 thirty-seven] German editions of *The International Jew*, with Ford's name on the title page and a preface praising Ford for the 'great service' his writings on the 'World Jewish Program' had done to the world." At the main Nuremberg war crimes trial, Baldur von Schirach, the leader of Hitler Youth, testified that he picked up his ideas at age seventeen from Ford's book.

Privately, according to his associates, Ford also saw Jews behind General Motors and the banks that were "out to ruin him." In the democratic United States, Ford came under political pressure for his publications, and the company was subjected to a boycott. Henry Ford publicly retracted *The International Jew* in 1927, and arranged for the destruction of all copies that could be gathered. He made no further public statements against Jews. The bad press did not let up, however. Despite his failure in politics, Ford seems to have continually applied a pathology of total control at his company. In his classic on *The Automobile Age*, Flink writes (p. 125): "Citing the Ford Motor Company as the world's outstanding example of an industrial dictatorship, the *New York Times* on January 8, 1928 called Henry Ford 'an industrial fascist—the Mussolini of Detroit.'" Henry Ford set up a troop of company informants and strongmen called the Ford Service Department and led by the boxer Harry Bennett, who came to be Henry Ford's most trusted associate. "From Edsel Ford on down, the Ford executives came to fear and despise Bennett as his influence grew, and by the mid-1930s Ford workers wondered whether Hitler had derived the idea for his Gestapo from Bennett's Ford Service." That trivializes the Gestapo, but the company joke is revealing.

Ford and Hitler were not necessarily conspiring together, but they seem to have shared important traits and behaviors. Many writers mention, however without a primary attribution, the rumor that Ford presented Hitler with high cash gifts every year on the latter's birthday. In December 1932, with the Nazis preparing their decisive move, *Berlin Tageblatt* reported rumors that Ford was financing Hitler, and submitted an official protest to the American embassy in Berlin. For all this, whether and which of the Ford Motor Company's activities in Nazi Germany were related to Henry Ford's personal beliefs, or were a

function of "business as usual," or were forced by the regime, is a question for case by case scrutiny.

Today, Henry Ford remains a legend. He was named "Businessman of the Century" by *Fortune* magazine in November 1999. Of all of the above, the magazine saw fit to mention only "In his latter years he surrounded himself with goons, spouted ugly anti-Semitic bile, and left his company in terrible shape." In this case, "anti-Semitic" is a euphemism, as though it were a private fault. If we are to remember Ford for his accomplishments in business and engineering, then we cannot at the same time de-emphasize his highly public political persona. (RB/NL)

Collaboration with Dearborn's Consent

Many people in the U.S. government who reviled Hitler never forgot or forgave Ford's unwillingness to help the besieged British ally—or his company's business-as-usual policies in Axis Europe before and after 1939. Social reformers and opponents of Hitler saw in Henry Ford the epitome of a reactionary capitalist, a man who pursued his own foreign policy outside democratic control, and who seemed not at all disconcerted by the thought of a Europe united under the Nazis, as long as his own empire remained intact.

In spring 1943, Treasury investigators paid a surprise visit to Dearborn and demanded to see the personal files of the company president, Edsel Ford (son of Henry), and the vice-president, Charles E. Sorensen, neither of whom were informed of the reason for the investigation.¹¹⁰ The agents hoped to find out about Ford Motor's "relationship and its control over its French subsidiary."¹¹¹ They discovered many letters and telegrams sent back and forth between Edsel Ford and Maurice Dollfus, the managing director of Ford SAF in Paris, in the period from the German conquest of France in June 1940 to September 1942, when contact was interrupted.¹¹²

Randolph Paul, acting secretary of the treasury, encapsulated the findings to Morgenthau in May 1943 as follows: "From the fall of France to July 1942—the date of the last letter in the files from Ford of France to Ford of America: (1) the business of the Ford subsidiaries in France substantially increased, (2) their production was solely for the benefit of Germany and the countries under its occupation, (3) the Germans have 'shown clearly their wish to protect the Ford interests' because of the attitude of strict neutrality maintained by Henry and Edsel Ford, and (4) the increased activity of the French Ford subsidiaries on behalf of the Germans received the commendation of the Ford family in America."¹¹³ The seventy-page report of the Treasury investigators in every way confirms these points.

In late August 1940, Dollfus informed Dearborn that Ford of France had begun producing trucks for the Wehrmacht and would be raising output in the following weeks, "which was better than our less fortunate French competitors are doing. The reason is that our trucks are in very large demand

by the German authorities and I believe that as long as the war goes and at least for some period of time all that we shall produce will be taken by the German Authorities " Dollfus appears to have been enthusiastic in serving the new masters once Berlin issued assurances that the conditions of ownership would not be changed "In order to safeguard our interests--and I am here talking in a very broad way--I have been to Berlin and have seen General von Schell himself [the "Reich Plenipotentiary for the Vehicle Industry under the Four-Year Plan"], who is the highest executive responsible for the motor industry both from the military and civilian points of view I will satisfy myself by telling you that my interview with him has been by all means satisfactory, and that the attitude you have taken together with your father of strict neutrality has been an invaluable asset for the protection of your companies in Europe "114

Dollfus returned to the last point on 27 November 1940 "Even in the case of a completely victorious German peace, the rights of the shareholders will be protected . and your right of control will remain " "If we admit the possibility of a German victory, in my opinion, we certainly must (a) maintain the independence of the French company and eventually that of the British company; (b) have a company or organization comprising representatives from every country, all the more so that then the United States of Europe will be contemplated, and each state will have to be represented there In that company you should have independent men of your own choice, and not satellites placed there to protect Cologne's interest."

Edsel Ford answered by telegram and letter "Appreciate your efforts to continue development Ford interest France Hope it unnecessary to change status of company control " In his next letter, Edsel Ford hinted where his own priorities lay "It is gratifying to learn of the efforts you have made to continue the Ford manufacturing program which began prior to hostilities and especially to know that you have been able to get the cooperation of various interested parties and to make some progress towards the completion of this program."115

Ford SAF's cooperation with the German occupiers began to bear fruit. By August 1941 the Paris factory was producing 1,000 units a month Six months later, Dollfus informed Dearborn of net profits on the year 1941 of 58 million francs. But Robert Schmidt and Heinrich Albert, the heads of Ford Werke, were by then causing Dollfus great worries They were out to establish a European Ford corporation under German control Edsel Ford showed sympathy for Dollfus's distress, but kept quiet about his own views 116

Despite the ample evidence that Ford managers in Paris collaborated with the Germans with Dearborn's consent, Randolph Paul and John Lawler (the author of the 1943 Treasury report) saw no grounds for an indictment under the Trading With the Enemy Act, since the United States had not been at war with Germany until 11 December 1941 117 Years later, in July 1945, Dearborn would even cite the Treasury investigation in defending Ford against charges that it acted illegally by doing business with Hitler 118

Historian Charles Higham's bitter commentary, forty years later: "No attempt was made to prevent Ford from retaining its interests for the Germans in Occupied France, nor were the Chase Bank or the Morgan Bank expressly forbidden to keep open their branches in Occupied Paris It is indicated that the Reichsbank and Nazi Ministry of Economics made promises to certain U.S. corporate leaders that their properties would not be injured after the Fuhrer was victorious. Thus, the bosses of the multinationals as we know them today had a six-spot on every side of the dice cube. Whichever side won the war, the powers that really ran nations would not be adversely affected "119

Colonel Bernstein's Revenge: Investigating Ford Werke

The contacts Colonel Bernstein had forged at SHAEF while preparing his large-scale investigation started paying off as early as March 1945 He learned of the documents which Military Intelligence had secured in Cologne These were examined carefully by one of his teams. The head of the Finance Division was called on short notice to other concerns, however. Military Intelligence had secured a large store of documents belonging to the Cologne bank J H Stein, a private firm which was considered one of a group of "some of Germany's most aggressive combines, among them IG Farbenindustrie A.G and Krupp of Essen " In early April, Bernstein dispatched a large group of investigators to Cologne and a second one to the IG Farben plants in the Frankfurt area. IG Farben became target No. 1, and most of Bernstein's field teams ended up involved in the campaign against Germany's largest and most powerful industrial complex 120

The Ford Werke investigation therefore had to wait until early June, when the U.S. Army officers responsible for the plant had already left for the American zone and the Cologne area was about to pass to British control. The field team assigned to Ford Werke was centered on a civilian expert, Henry Schneider After searching for documents and questioning the wartime executives, they arrested Schmidt and took him to their headquarters in Frankfurt, where he was held and interrogated for three months Once the most powerful Ford manager in German-occupied Europe, Schmidt was compelled to write fifty-two statements (of varying quality) on himself and other executives at the Cologne plant, production schedules, wartime products for the Wehrmacht, the history and politics of Ford in Germany, and the brief European empire of Ford-Werke AG Schmidt provided a great deal of information to his interrogators, helping to structure their final report but also influencing its content by the way he used his knowledge. 121

The "Ford Boys"--as the team was dubbed by a superior officer at the Finance Division--finished the inquiry in late August 1945 They submitted their "Report on Ford Werke Aktiengesellschaft" on 5 September. Colonel Bernstein passed it on to General Clay four days later 122 The main text was just eight pages long, but the notes ran thirty pages, and 221 exhibits were

included. Schneider's investigators did not learn about a further set of meaningful documents kept by Johannes Krohn, the Reichskommissar for the Treatment of Enemy Property, whose office had been responsible for overseeing Ford Werke during the war.¹²³

Nevertheless, the conclusions in the "Report on Ford Werke" proved highly reliable. Schneider and his team presented the case like charges in an indictment:

- "The Reich used German Ford and its cooperative parent in Dearborn as a direct means of stockpiling the raw materials needed for war." "Even prior to the War, German Ford arranged to produce for the Reich vehicles of a strictly military nature. This was done with the knowledge and approval of Dearborn."
- "When war came German Ford stepped into the position of a major supplier of vehicles for the Wehrmacht." In addition "as much as 7 or 8% of total output during the war years consisted of more specialized war material."
- "As was common in other German enterprises Ford increasingly resorted to use of prisoners of war and other slave labor" who had to live "behind barbed wire." "The foreigners employed rose to over 40% of its labor supply in 1944. The usual Nazi discriminations in wages and working conditions were practiced."
- "Because one of the Ford companies was located in Germany, absorption of its other members in continental Europe into the Nazi war economy and utilization of their resources by the Reich war machine were simplified." Consequently "an organization of most of European Ford under hegemony of German Ford was accomplished during the war."¹²⁴

Exhibit 1 in the "Report on Ford Werke" was a memorandum from Heinrich Albert, dated 25 November 1941, concerning the question "as to whether a complete Germanization would be necessary or advisable." Writing at a time when hostilities with the United States seemed imminent, Albert was arguing preemptively against those who might wish to see "enemy property" expropriated by the Nazi state. Ford Werke, he claimed, was a fully German company that also enjoyed the privileges of membership in a global corporation. The benefits to Germany were obvious in the country's current accounts, which profited by Ford Werke's exports.

Albert recalled how Ford arranged to import vital raw materials into Germany before the war. "All needed foreign raw materials were obtained through the American company... to cover the production needs of the German plant and above that, in part for the whole industry." "Already during the peace the American influence had been more or less converted into a supporting position for the German plant." Albert claimed that Ford's international network would be invaluable in resuming German export sales after the war, and that new American models would be made available for production by Ford Werke at no development cost. To Germany, Ford had and would again offer invaluable "insights into the American methods of production and sales."¹²⁵

Upon discovering Albert's memorandum in June 1945, the investigators submitted it to Colonel Bernstein's deputy, Orvis Schmidt, a Treasury director. Orvis Schmidt flew to Washington later that month to testify at Senate

hearings on "German penetration into the industry and finance of foreign countries," presided over by Senator Harley Kilgore.¹²⁶ Describing the aggressive conduct of German banks and companies between the world wars, Orvis Schmidt stressed "the extent of the investments by American firms in various types of German industries and of the types of American concerns which are known to have had substantial interests in German industry."¹²⁷ He did not mention Ford by name. That task fell to a widely syndicated columnist, Drew Pearson, who exposed the Albert memorandum for the *Washington Post* and other newspapers under headlines like, "How Ford Helped Nazis" and "Ford to be Used as a Cloak." The column was published on 17 July 1945, the same day Truman met Stalin and Churchill at Potsdam to discuss how to deal with defeated Germany. Pearson made a clear link between the revelations on Ford and the "Berlin talks."

Senators probing the question of the extent to which American business helped Hitler have unearthed a very interesting document written by Dr. H. F. Albert, chairman of the Ford Auto Works in Germany, in which he urges upon the Nazi government the importance of cooperation with American business. This whole question of whether American business will continue to cooperate with Germany after this war as after the last, is sure to lurk in the background of President Truman's Berlin talks. There is a definite school of thought in both Britain and the United States which advises building up Germany again as a buffer against Russia. Unfortunately the presence of representatives of Standard Oil, the Mellon interests, J. P. Morgan, and other powerful business corporations now in American uniform does not allay these Russian suspicions.¹²⁸

Surprised and worried by the surfacing of the Albert memorandum and the public accusation of having helped Hitler, Dearborn struggled to formulate a credible defense. Since Albert had been known as one of the company's most important representatives in Europe long before the war, the statement on Pearson's column, written at Ford Motor headquarters and dated 26 July 1945, did not criticize the incriminating paper or its author, but instead emphasized the legitimacy of the "common business procedure." Dearborn and Cologne executives followed up until the United States entered the war.¹²⁹ If Ford had arranged for imports into the Reich of otherwise unavailable raw materials beyond Cologne's own needs, then only because the

alternative was to close down our Cologne operations or to sell out the Ford interest to German capitalists, with little or no chance of being able to convert the proceeds of this sale into dollars due to German government exchange controls. At the time this export-import arrangement was submitted to our German company officials and referred to us by them we investigated the matter very carefully and had an authoritative opinion by an attorney specializing in matters of this kind. Although it was not satisfactory from a business standpoint, the entire transaction, however, was common business procedure as carried on by many other American manufacturing organizations and banks and was strictly within the provisions of a ruling made by the U.S. Treasury as by Treasury Department Release 9-25 dated December 23, 1936. It was a case of having a substantial investment in a country and attempting to protect it in hopes that eventually the general situation would improve so that we could continue our business in a more satisfactory manner.¹³⁰

There was no serious reservation towards the new regime but only concern that Ford might lose the struggle for German market share to competitors with better connections among the Nazis.¹³¹ Moving out of Germany was never an option, in part because Ford did not want to show weakness in the face of its true arch-enemy, General Motors, and furthermore it was expected that the German market would offer good business opportunities. The German Ford management had issued a jubilant annual report for 1933. "The predominant feature of the business year 1933 was the revolutionary change of the conditions prevailing in the automobile market. The repercussions of the crisis of 1932 were still being felt in the beginning of 1933 when the energetic measures taken by the Government with a view of motorising Germany, and especially the exemption of passenger vehicles from taxation, caused an exceedingly increasing demand for passenger cars and trucks resulting in the revival of the automobile industry."¹³²

After 1933 Dearborn increased its equity in the Cologne company, supported almost all of its Cologne executives' initiatives to improve cooperation with the German authorities, and enjoyed success. Production and turnover increased rapidly in 1935, and in 1936 Ford-Werke AG reported its best operating result in Germany to date. In the meantime production had been aligned to use more materials produced in Germany; the number of domestic suppliers rose dramatically. In addition Dearborn gave permission for the Cologne daughter company to produce the high performance V8 engine, which had up to then been produced only in the United States.¹³³

Dearborn supplied Cologne with raw materials, parts, and machines that were difficult or impossible to obtain in Germany. In 1937 Ford managed to once again greatly raise production and was the only carmaker in Germany to do so other than Daimler-Benz.¹³⁴ The regime honored this cooperation by officially naming Ford a "German company," but at the same time demanded that Dearborn provide additional deliveries of raw materials and machines. Albert issued one of his dramatic appeals to Ford Motor: "If you leave Cologne in the lurch, the effort of an increased program breaks down—not only for 1937, but also for 1938 as the negotiations with the authorities about the again increased program for 1938 are based on your readiness to provide us with pig iron."¹³⁵ Again and again Dearborn consented, paving the way for large and lucrative state orders. After years of lobbying the German authorities, Ford in Germany finally became a major Wehrmacht contractor.¹³⁶

To cope with the growing requirements of the military Albert, who had replaced Lord Perry of British Ford as the chairman of the Ford-Werke AG directorate in June 1937, proposed setting up additional truck production at the Berlin factory of the automotive supplier Ambi-Budd. This was at the military's behest. Although one U.S. Ford executive criticized the proposed vehicle as "war munitions," Dearborn decided in favor of the project. "In principle we have no objection to the plan," Ford Motor Vice President Sorensen wrote to Albert, and he traveled to Germany in April 1938 to get the project going.¹³⁷ "Sorensen had no qualms about working

for the government," Wilkins and Hill write. "He scoffed at the danger of war and felt that orders from the regime would simply help the company."¹³⁸

With the German armaments effort at a fever pitch, the danger of war in Europe became increasingly obvious. This failed to prompt any eleventh-hour reservations at Ford. By approving the new factory in Berlin, Dearborn was communicating to the Germans that Ford Motor had no problem either with armaments or Germany's threats of war. The "Report on Ford Werke" comments: "The relatively unimportant productivity in specially designed vehicles in no way detracts from the fact that even before the War a portion of German Ford had with Dearborn's consent become an arsenal of Nazism, at least for military vehicles."¹³⁹

Ford Werke sales zoomed, as did year-end results. Revenues rose by 400 percent from 1934 to 1938. Since the profits had to be used in Germany, they mainly served to raise capital and expand production plant. Although it now retained profits, rather than repatriating to the U.S., and had switched to "German vehicles" with "German parts," Cologne remained dependent on Dearborn. Starting in 1935, according to one of Schmidt's statements, the Cologne managers and many suppliers traveled regularly to the United States to learn about the latest technology from their American counterparts. Licenses and patent rights were granted and a few of the contacts led to new business for German suppliers.¹⁴⁰ In 1938, after considerable plant extensions and installations of more high-end machinery from the United States, the Cologne plant ranked as the second most advanced auto factory in Europe. Ford Werke was fourth on the German market in passenger car sales after Opel, DKW and Mercedes, and second in trucks after Opel.¹⁴¹

In the same year the rubber arrangement, "which in 1937 had already been utilized to cover imports of non-ferrous metals and 5,000 tons of pig iron was extended to include such strategic material in express terms. The Reich Ministry of Economics conditioned its consent upon German Ford's increasing its export of vehicles to 10,000 out of a total production of 40,000 and exacted for its own disposition not only 30% of the rubber imported by German Ford but also 20% of the pig iron so imported." The incredulous comment of the "Report on Ford Werke": "This did not deter Dearborn from supplying these raw materials to Germany."¹⁴²

Summing up 1938, Cologne informed Dearborn that business with the authorities had developed so well that demand could only be met by importing a considerable number of American trucks. When the Reich ordered 3,150 trucks in June 1938 for the planned occupation of Czechoslovakia, Dearborn secretly delivered pre-built components to Cologne for rapid assembly in special night shifts.¹⁴³ The "Grand Cross of the German Eagle" was bestowed upon Henry Ford the following month.

In the summer of 1939 a top executive from Dearborn visited the plant and endorsed a further expansion of the factory, as strongly recommended by the Cologne management.¹⁴⁴ At the end of July the company received the "Germanized" new name it bears to this day, Ford-Werke AG. When the war started in September, German Ford joined fully in the German homefront

effort. Within ten months it had assumed control over most of the Ford subsidiaries on the Continent

Dearborn does not seem to have been seriously disturbed by Germany's invasions of its neighbors in 1939 and 1940. Cologne continued drawing materials and machine tools from the United States. In late 1940 Dearborn approved Albert's proposal to raise equity by 12 million RM, to 32 million RM. Despite its high profits, Cologne needed additional capital to satisfy Wehrmacht demand. Even in 1941, the headquarters sent vital machinery from the United States to Cologne, helping to expand the plant's capacity for war production.¹⁴⁵ The German plans for a new European economic order after victory seem to have been of little interest to anyone at the company. "It is, of course, somewhat early to discuss what should be done after the war," Albert wrote to Edsel Ford on 18 September 1940. "But not only in official quarters but also in business circles, the opinion prevails that a radical change will take place after the war economically and that the German sphere of interest will be immensely enlarged whatever the political settlement may be. It is assumed that the greater part, if not the whole, of Europe will economically form one unit and that import and export will be possible only according to a uniform plan and that also in the motorcar business a united program as mentioned before may have to be set up for the whole of Europe, Germany taking the lead."¹⁴⁶

Wartime Operations and the Domination of Ford Companies on the Continent

Anticipating that the United States would enter the war, Schmidt and the IG Farben director Carl Krauch,* who served as Albert's deputy on the Ford Werke directorate, wrote to Reichskommissar Krohn in June 1941 to claim that Ford Werke was "a purely German company, and has taken on the accordant obligations with such success that the American majority share—quite apart from the for us favorable political attitude of Henry Ford—has even sometimes functioned as an asset for the German economy." Schmidt and Krauch listed the many services Ford rendered to the Reich, citing much the same points that Albert later brought up in his memorandum of November 1941: "The product is made entirely from German materials (insofar as the required material is not only available abroad, such as rubber or copper)" and by a "German workforce." Ford's "maximum growth in

*Carl Krauch, a top IG Farbenindustrie AG manager who later chaired the Farben directorate, was one of the most influential industrialists in the apparatus of the Nazi regime. In 1936 he was named the Reich's Plenipotentiary for Special Questions of Chemical Production as part of the four-year plan implemented that year under Hermann Goering. Krauch and many of his technical employees were committed followers of the Nazi Party. Found guilty of "enslavement" in connection with Farben activities and sentenced to six years imprisonment by a US military court in 1948. He was released in 1950 (USGCC, Finance Division, *Ermittlungen gegen die IG Farbenindustrie* [Nordlingen 1986], pp. 17f.)

TABLE 3: Ford-Werke AG in Facts and Figures, 1932-1945

Year	Production			German Motor Veh. Industry		Export		Capital Stock & Annual Accounts in Reichsmark (RM)			Work force		Management (Vorstand)		Directorate (Aufsichtsrat)	
	Fassen per Car	Sched. Trucks & Trucks Halftrucks (5 ton)	Trucks for Wehrmacht	Trucks & Pans. Cars	Turnover Export	Capital Stock	Turnover Engines & Parts	Turnover Total	Net Profit	Dividend	Employees	Workers	Managing Director & Other Board Members	Chairman & Deputy		
1932	2,214	867		320		15,000,000		17,740,000					Edmund C. Heine (1926-28 May 1935)	Sir Percival Perry (16 May 26-11 Jun 37)		
1933	3,795	1,161		163				30,020,000	3,825		1,139		Dr. Erich Diestel (1 Jun 35-14 Dec 38)	Prof. Dr. Carl Bosch (1934-11 Jun 37)		
1934	7,638	2,097	1,764	160		17,000,000		42,570,000	62,778		1,707					
1935	8,126	4,210	7,053	311	775,000	20,000,000		64,993,000	368,900		2,297		RH Schmidt, E. Viger (11 Jun 37-16 Jun 41)	Heinrich F. Albert (11 Jun 37-27 Apr 40)		
1936	13,029	7,763	7,284	1,048	3,359,000			94,317,000	1,014,303		3,383			Prof. Carl Bosch (27 Apr 40-15 Mar 45)		
1937	22,039	9,681	12,739	7,325	15,408,000			120,970,000	1,213,358	5%	4,262					
1938	23,969	19,000	12,145	22,792	19,421,000			140,260,000	1,287,876	5%	3,847					
1939	17,374	18,000	17,886	32,558	25,282,000			118,830,000	1,716,603	5%	3,476		Robert H. Schmidt (16 Apr 41-15 Mar 45)			
1940	4,735	16,000	13,423	63,296	3,810	32,000,000	45,000,000	128,108,000	1,809,185	5%	4,182		Erhard Viger			
1941	927	16,000	15,361	62,400	3,000		75,000,000	184,340,000	2,082,460	5%	4,986		Alfons Streit			
1942	41	16,000	14,591	81,279	2,500		57,000,000	152,274,000	2,169,385	5%	5,742		Hans W. Lückmann (16 Apr 41-15 Mar 45)			
1943	-	24,000	23,472	109,085	1,500											
1944	-	24,000	19,015	500												
1945	-	3,100						15,000,000								

By Reinhold Billstein

*Figures for 1939 and 1940 include command cars built at the Berlin plant, those for 1943 and 1944 include halftracks (*Maultier*) built as part of a special program. Sources: Report on Ford-Werke AG (as in Ch. 5, Note 85), Exhibits 21, 22, 27, 29, 34-36, 41-49, 51, 52, 57, 61, 89-91, 94 and 204, Reichskommissar für die Behandlung feindlichen Vermögens, Bericht über die Verwaltung der Ford-Werke AG, 1 Aug. 1945 (BA R87, 2066), Minutes of Ford Werke AG advisory council meetings (as in Ch. 5, Note 33), United States Strategic Bombing Survey, Munitions Division, German Motor Vehicles Industry Report, 3 Nov. 1945 (NA, RG 243, Box 883), Wilkins and Hill (as in Ch. 5, Note 2), pp. 330f. and 436f., Rosellen, "and trotzdem vorwärts" (as in Ch. 5, Note 36), pp. 174, 240-45. Note: The financial decline discerned by Simon Reich starting already in 1943 (*The Fruits of Fascism*, p. 123f., based on Palumbo, "Germany 1943: Economic and Political Review," Ford Industrial Archives) is no longer convincing in light of the currently available company documents.

export and provision of raw materials beyond its own needs" helped the country's current accounts "The plant is in every regard an armaments operation" and it was integrated in the war economy from the start. "Even before the war, it helped the army on the occasion of its march into Czechoslovakia with large deliveries from abroad" ¹⁴⁷

After the outbreak of war the top Ford Werke executives became more independent of Dearborn and assumed more clearly defined roles within the company's hierarchy. Schmidt officially became the chief executive. He received the title *Wehrwirtschaftsführer* and was named company custodian under the Reich Enemy Property Decree. In 1943 Armaments Minister Speer delegated to Schmidt the task of organizing the European Ford program. On 1 April 1941, Albert wrote to Edsel Ford: "The plants in Antwerp and Amsterdam in particular require a good deal of his [Schmidt's] time. We shall have to appoint two assistant managers: Mr. Streit who is at the head of the production and Mr. Loeckman who takes care of the purchasing department, substituting at the same time [for Schmidt] in his general functions when he is away."

Erhard Vitger, in 1939 still a managing director like Schmidt, until his demotion in 1941, was later characterized by the British Control Office for Germany as "a Danish national with strong Nazi sympathies though not a member of the Nazi party." In the Schmidt/Krauch memorandum of June 1941, Schmidt's financial manager was described as follows: "Vitger is Danish, but he has lived in Germany and worked for the Ford company for 20 years. His basic conviction and way of life are purely German, and he has remained on the board with the approval of the responsible authorities. He covers finances and has nothing to do with operations" ¹⁴⁸

Schmidt and Krauch did not mention Schmidt's membership in the Nazi Party as an argument to impress the Reichskommissar, but the notorious Baron Kurt von Schroder* did so in a letter to the Legal Office of the Führer (Kanzlei des Führers) in February 1942 ¹⁴⁹ Von Schroder served the Ford Werke management as a banker and financial adviser. He was also a key

In spring and summer 1945 Bernstein's investigators pieced together a report on "a small, select group of Germany's most prominent industrialists," the so-called Keppler Kreis, named after one of Hitler's economic advisers. These men "gathered monthly under the leadership of SS-Brigadeführer Baron Kurt Freiherr von Schroder for the express purpose of furnishing 'our most revered Reichsführer, Heinrich Himmler' with necessary funds," as Colonel Bernstein reported to Lieutenant General Clay on 8 September 1945 (NA, RG 260, USGCC, Box 1). The money to Himmler "was paid into a special account 'S' Bankhaus J. H. Stern, Cologne, in the name of Kurt von Schroder. The 1943 contribution was RM 1,100,000, and that for 1944, RM 1,015,000."

"Baron von Schröder is the dominant figure in the J. H. Stern Bank of Cologne. The bank is one of a group of eight banks which have played the outstanding role in German big business and industry." Kurt von Schroder joined the NSDAP in early February 1933. A few weeks later, the finance minister in the Hitler government appointed him as the German delegate to the Bank for International Settlements in Switzerland, which was known at the time as the "bank of the central banks." Von Schröder later joined a small group of economic advisers who met regularly with Hitler's secretary, Martin Bormann. It is likely that in Cologne he was the person with the best connections to the Kanzlei des Führers.

economic adviser to the NSDAP and a senior SS officer close to SS chief Himmler's inner circle. Von Schroder lobbied actively for the appointment of Schmidt (with Albert as the second choice) as the wartime administrator of Ford-Werke AG, and against a custodian from outside the company. The Kanzlei des Führers agreed, and submitted a concurring opinion to Reichskommissar Krohn: "Due to the German character of this factory, the appointment of a special administrator is unnecessary, especially since there are employees there who will guarantee the protection of German interests" ¹⁵⁰ On 15 May 1942 Schmidt became "enemy property custodian" of Ford Werke for the duration of the war.

Compared to the capacities and production of Ford factories in the United States, Ford Werke's absolute production numbers (or those of any other German producer) seem modest. As a proportion of the German military's needs during the rapid occupation of ten countries and the conquest of the Soviet Union up to the gates of Moscow, they were indispensable. According to a 1946 Allied report, in 1938 "Ford was responsible for 48% of the total German output of 2-3-ton trucks, while in 1942, when the Cologne works were concentrating on the production of medium trucks for the German armed forces and were producing 1,200-1,600 trucks per month, they are estimated to have made 35% of the total German medium truck output." ¹⁵¹ During his interrogation Schmidt wrote, "This company was the second largest producer of trucks in Germany," estimating that 95,000 trucks had been delivered directly to the Wehrmacht during the war years. Another 90,000 civilian Ford trucks were requisitioned by the Wehrmacht in Germany and in the occupied countries. "Of the 350,000 trucks which the motorized German army possessed in 1942, 100,000 to 120,000 were Ford built. Of the Wehrmacht's total of 650,000 mobile units of all kinds, 15 to 20% were built by Ford." ¹⁵² In addition, the company produced tens of thousands of replacement engines and countless spare parts.

While its main role was in motorizing the Wehrmacht and keeping its trucks running, Ford Werke was also involved in the production of high-end munitions. The Schneider report revealed details of a secret arrangement, made in a late-1939 meeting between Ford Werke representatives and OKW, under which "German Ford agreed to assume full responsibility for production of munitions and armament of the kind and to the extent deemed necessary by the High Command." At the same time, "Cologne was permitted to retain the appearance of continuing to produce only its standard Ford trucks (all destined for the Wehrmacht)." For this purpose a cloak company, Arendt GmbH, was set up by Ford Werke in December 1939 to manufacture munitions "throughout the war at a yearly turnover of 1,500,000 marks." ¹⁵³

Albert was pulling the strings in an affair Dearborn apparently knew nothing about. As he wrote to General Zuckertort, his contact at OKW: "The solution of producing the war material under a different name from Ford and outside the Ford factory has been a complete success. The small subsidiary created for this purpose [Arendt GmbH] has absorbed excess

material and personnel from Ford and is producing the war material you have ordered at full capacity”¹⁵⁴

Curiously, “German Ford did not think it necessary to use this or any other cloak for its 1939–1941 production of the command cars [by its Berlin factory], nor for the 1940–1944 production for the Luftwaffe of 505 motors for boats and landing barges, nor for the 1940–1941 production of 20,000 gears for a Junkers aircraft plant; nor for the production of the 10,000 half-tracks begun in 1942 or 1943, nor for its participation in an army repair shop program from 1942 to 1944.”¹⁵⁵

Business at Ford Werke had never been so good. Revenues in 1943 stood at 184 million RM, about six times 1933 levels, and nearly double those of 1938. Net profits had also nearly doubled since the start of the war. The collapse of production in the fall and winter of 1944 and 1945 did not cause a corresponding collapse in the balance sheets. As Schmidt revealed to Lord Perry in May 1945: “Our finances were quite good even after the big bombing raid in September and October of last year, and the consequent downfall of production. Where we stand to-day we are not quite sure. Indications are that the financial position is still good although much material must be considered lost.”

“In order to cover the costs of decentralisation,” meaning the program of dispersing production machinery among various locations to avoid bombing, Ford Werke “had obtained an advance from the German Government which will cover the decentralisation as well as re-centralisation costs. The amount we still have to receive from the Government for trucks and parts is fairly small since we had cashed every possible invoice before the occupation.” Neatly passing over the matter of forced labor, Schmidt added that “rates of pay, both for pay- and salary roll have not changed during the war, only in the cases of promotion or demotion.”¹⁵⁶

ACCORDING TO THE “Report on Ford Werke,”

Robert H. Schmidt, wartime administrator of German Ford by Reich appointment gained stature with the expanding German borders. In addition to Schmidt’s appointment as Administrative Custodian (Verwalter) of German Ford he also became Kommissar of Ford in Belgium, Verwalter in Holland and for a period of 6 months acted as Kommissar of the French Ford plant, his successor being Albert. With all these powers, Schmidt and Albert were able to juggle machinery and productive capacity to serve the best interests of their Nazi rulers, to continue domination of German Ford’s original territory in Austria, Czechoslovakia, and Hungary and to extend German Ford interests in other continental countries. There is no indication that the German management ever was so bold as to lay plans for taking over Dearborn. It is a fact, however, that an organization of most of European Ford under hegemony of German Ford was accomplished during the War. In the peace to follow, immediate objectives were to bolster this control over ‘the European Greatspace’ and effect German domination over British Ford and the few other Ford organizations in Europe not yet fully controlled.¹⁵⁷

In the conquered countries, a “Kommissar” was appointed by the military command, a “Verwalter” (custodian) by the Reich’s civilian occupation authorities. Either type of enemy property custodian had much the same powers. In July 1940 Albert and in September 1940 Schmidt reported to Dearborn in detail on Cologne’s efforts to integrate the Belgian, Dutch and French Ford companies into the German war economy. Albert claimed the measures were in keeping with the Hague Convention and in the interests of both Germany and the Ford family.¹⁵⁸ Edsel Ford answered in October 1940

We have a fairly complete impression of the present status of the Ford Companies in Germany as well as the other occupied territories. It is quite evident and very gratifying that you and your organization are looking after our interests successfully and we appreciate your efforts on our behalf. I am glad to hear that the outside plants are beginning to operate, as it is the only way for rehabilitation to take place, and after all there are many people financially interested in these properties besides ourselves. Anything that can be done constructively to keep these plants in operation will be a great help for the future.¹⁵⁹

“You have a very difficult task to carry out with regard to the companies that have come into your jurisdiction,” Edsel Ford wrote two weeks later to Schmidt, “and I feel sure that you will have cooperation from the other continental organizations in looking after the best interest of the Ford organizations as a whole.”¹⁶⁰ The expressions of fealty seem heartfelt and mutual. Albert wrote confidentially to Schmidt in December 1941 about his negotiations in Berlin with General von Schell. Schell’s office had suggested merging Ford Werke with Volkswagenwerk, Hermann Goering Werke, Mercedes, or Auto Union. Albert told Schmidt, “For us it would go without saying that we would stick wholeheartedly and to the last minute to the American partnership, to the fact to be part of the Ford concern, to build up a German domination within the Ford concern as far as Europe was concerned.”¹⁶¹

Had the Finance Division investigators seen the files of the Reichs kommissar, they would have known that they were by no means underestimating the extent of Cologne’s operations and control over the European Ford units. In addition to the countries mentioned in the passage above, Schmidt also controlled Ford Athens. He pulled all the strings at the Ford Werke subsidiary in Bucharest, although Axis Romania had placed that under a custodianship of its own. Cologne imposed rationalization programs in France, Belgium, and the Netherlands, reorganizing production and supply among these plants to enable them to carry out self-sufficient manufacture for the Wehrmacht and reduce the burden on Ford Werke.¹⁶² But production at Cologne was always the top priority. As Schmidt confessed to Lord Perry in May 1945, during the occupation 232 essential production machines were taken from the Ford plants in France, Holland and Belgium and shipped to Ford Werke.¹⁶³

Schmidt expounded on the “satisfactory” process of “adding the non-German European Ford factories to the war potential” during a meeting of the Ford Werke advisory board on 1 July 1943. He noted that Ford Copenhagen was building gas-powered generators and that Ford in neutral Sweden was

occasionally supplying parts to eliminate bottlenecks. Schmidt was especially thrilled that Ford affiliates in neutral Switzerland had been convinced to supply about 2,000,000 RM in replacement parts.¹⁶⁴

During his imprisonment in summer 1945 Schmidt signed three statements on Ford Werke's influence in Switzerland, one of which read

Switzerland was Belgian Ford territory, but even prior to the war German Ford was quite a factor. After Belgium was occupied, German Ford paid the staff of Belgian Ford in Switzerland and its expenses. The Belgian staff cooperated with Schmidt. He developed the idea of buying Ford spares in Switzerland both for German Ford and other European Ford companies. The German Government guaranteed payment. German Ford's sales also were increased. Moreover, it aided the German government's deal with all Swiss dealers in all makes under which the Swiss dealers agreed to repair 2,000 Army trucks and convert them into gas producers.¹⁶⁵

Always on the Side of the Winners

After six years of feverish war activity on all fronts, of exploiting forced labor and collaborating in every way with the Nazi regime, Ford Werke and its management at first suffered nothing more than shell damage to the plant buildings during the Wehrmacht's pointless last stand. On 18 April the men of the Military Government of Cologne (specifically E1H2 Property Control Section) returned to the Ford plant for their first look since mid-March. The U.S. Army officers were disturbed by the new rubble, but the resourceful Schmidt was not worried. He announced that "500 trucks could be produced within a short time if he is permitted to conserve material which is available."¹⁶⁶ Schmidt knew that most of the plant's machinery was safely stored at dispersal points on the other side of the river. MG Cologne promptly made arrangements to allow plant employees to start cleaning up the grounds, and on 28 April "tentative plans were made to visit the various subsidiary Ford factories east of the Rhine to determine the feasibility of resuming operations here in Cologne."¹⁶⁷ The resources of the U.S. military were put to the task in the next days,¹⁶⁸ and Charles Thacker, former stock superintendent of Ford of England, was called in to take over the factory. He decided to immediately resume production.¹⁶⁹ Ford Werke became the first large factory in Cologne to do so. On 8 May 1945, the day of Germany's unconditional surrender, an American documentary team set up its cameras to record the sight of the first post-war truck coming off the Ford Werke assembly line.¹⁷⁰

In September factory personnel was back up to 2,500 and by the end of the year Ford had built 2,438 trucks.¹⁷¹ "It was a notable achievement, for raw materials were in short supply, steel and tires were at a premium and semi-finished goods were frequently unavailable because suppliers had not resumed production."¹⁷² Of course, very little conversion work was required for peacetime production. All along the factory had "only produced trucks."

These no longer transported German troops and materiel, but they were needed to carry supplies into the city, start the displaced persons on the way home, and haul rubble.

THE MILITARY GOVERNMENT OF COLOGNE began allowing companies to resume production more freely after Germany's unconditional surrender. In Cologne a company could apply for a permit to the new municipal department for economics and labor. Later the task was taken over by the reconstructed city chamber of commerce and industry (Cologne IHK). Even then, companies with more than five (later ten) employees needed permission from the E1H2 Trade & Industry officers. Applicants were required to swear they had never been members of the NSDAP, SS or SA. Decisions on industrial operations, and on what energy sources would be made available to them, were met by the military government alone. But as the E1H2 reports make clear, the military government was intent on avoiding any superfluous delays. By the end of May 1945, E1H2 had forwarded seventy-seven approved applications to the U.S. 15th Army command.¹⁷³

Soon the German institutions were playing the key role in reauthorization. The military government's supervision of the process cannot be described as strict, except that E1H2 remained very persistent about not compromising its anti-Nazi policy. Patterson emphasized Eisenhower's strict orders and mentioned bad experiences due to leniency in Aachen.* Exceptions were granted only when higher U.S. Army staff overruled the Cologne detachment. Because it was directed against *all* "party comrades" and not just "ardent Nazis," the Patterson line called forth great agitation and expressions of outrage, above all from the industrialists who had been involved in the Nazi war economy. As Swiss General Consul von Weiss noted on 18 April "Industry plans diplomatic overtures to Marshall Eisenhower through Mayor Adenauer or the Bishop Count Galen, in order to amend the current regulation so as to acknowledge a distinction between decent and wild Party comrades."¹⁷⁴

Bernhard Hilgermann, the newly appointed chief executive of the city chamber of commerce IHK Cologne, commented on the attitude prevalent among his countrymen as follows: "Most of the Germans believed that everything past would be forgiven and forgotten with the cessation of hostilities, as after a boxing match, one reaches out for a handshake in an act of

*Ernest O. Hauser, a war correspondent who witnessed the establishment of the military governments in both Aachen and Cologne, summarized the origins of the "soft" Aachen and "hard" Cologne policies in the *Saturday Evening Post*, 2 June 1945. "The appointment of Nazis to administrative jobs under MG was left from the start to the discretion of individual teams. All the book said was that 'ardent Nazis' were not eligible, and the Aachen team experimented with some 'nonardent Nazis' until the Allied press communicated the scandal to the world. Thereafter, MG adopted a policy which was pioneered by Lt. Col. John K. Patterson, the military governor of Cologne. It disqualifies all former members of the Nazi Party. This new deal, which constituted a victory of Allied public opinion over MG's experimental frame of mind, created some difficulties."

friendship. After all, preparations are now being made for a peaceful reconstruction." "The businessmen feel that they have a completely clean record, since they were only members of a party that was coincidentally called NSDAP."¹⁷⁵ Hilgermann was one of the rare Germans with an insight into the other side's thinking. "The officers were trained for their missions, but it was not easy for them to cope with the exceptional conditions. They needed the cooperation of the Germans. But these Germans were to them the originators of this long war, the inventors of the extermination camps, the murderers of many millions of people, on purely personal grounds they rejected them. At first this attitude was very clear in direct conversation. They did not extend hands to Germans. The ban on fraternization underlined this attitude. Only when alone with a German would they ask him to take a seat, assuming they had come to like him."¹⁷⁶

With only a few exceptions Germans, if they even came into contact with the occupying power, were far too occupied with themselves to see the difficulties that the Americans faced. "In practice the detachments of the Military Government are running into a great variety of problems, complicated by the temporary helplessness of the German civilians, by the unrestrained loss of control with which the displaced persons are enjoying their newly won freedom and releasing pent-up rancor against their former German masters, and often enough by self-doubts among members of the military government, about whether they will succeed in walking the narrow ridge between strict justice with regard to the Germans and the urgent need to reestablish at least a minimum of administration and economy."¹⁷⁷

In reality the Rhineland business community had little cause for complaint. The American economic officers were competent, pragmatic, and completely free of socialist influence. The general American policy was based on private property and a predictable rule of law. The Americans were making a massive logistical effort to transport home the frightening army of now-superfluous foreign and forced laborers—away from their camps near the factories. Even under Patterson's hardline enforcement of the rules, a common distinction was by then being drawn between a strict policy of de-Nazification for office-holders and a moderate one for trade and industry.¹⁷⁸ "The finance and economic officers that we dealt with back then," Hilgermann later recalled, "were often bankers from the Midwest or businessmen obviously trying to get production moving to the extent allowable within their authorities."¹⁷⁹

Given all that, Robert Schmidt may have felt he was on his way in late May 1945, when he helped Thacker to reorganize the Cologne plant and sought Lord Perry's absolution. That was foiled by the arrival of Bernstein's investigators, who arrested him.¹⁸⁰ Vitger, who had stood by Schmidt's side throughout the war, encountered no such difficulties. Vitger was made plant custodian in September 1945 and hired on as the new boss of Ford Werke after Dearborn normalized its control. Ford also kept Heinrich Albert, but in a subordinate position at the company's Berlin office. Albert had made himself unpalatable through the secret munitions production under the

cover of Arendt GmbH. Schmidt had his difficulties in getting cleared, but after a successful de-Nazification in 1948, he was back with Ford Werke in 1949. He became a top executive again in 1952 and stayed with the company for the rest of his life. (Schmidt died in a car crash on the way to lay a cornerstone for a new factory in Belgium in 1962).¹⁸¹

In their history of Ford's international businesses, Wilkins and Hill stress that "the European companies operated at a handsome profit in all years except 1945. [the last] chiefly due to the impending collapse of Germany," and that the Ford family's net paper profit for the war years stood at about \$11 million.¹⁸² But they suggest the Cologne subsidiary paid a stiff price because it was compelled to use German materials and to standardize according to German guidelines. During the war, exports plunged, profits had to be kept in Germany, and the Reich forced truck development along military lines. "The iron hand" of the Nazi regime "gripped Cologne firmly, although the velvet glove of approbation and profits (which eventually might be taken) made it fairly acceptable."¹⁸³

This seems like an overcomplicated explanation for the activities of Albert and Schmidt during the war. Rather than seeing them as victims of some "iron hand," it would be far simpler to think they were activists, true to the regime, with a double allegiance that proved opportune amid the shifting winds of the war. A decorated civil servant, Albert was typical of many non-Nazis whose conservative loyalties to the Reich and its Wehrmacht in particular were obviously more important than oaths of office taken during the "legalistic period" of the Weimar Republic. The energetic Schmidt was also more than a "willing helper" of the Nazi regime, although his task involved producing and selling motor vehicles, rather than implementing the party's politics. As a *Wehrwirtschaftsführer*, Schmidt belonged to a caste of about 400 directors and industrialists who swore allegiance to the Führer and to the goals of the Wehrmacht. They held substantive and official authority as necessary to meet that responsibility.¹⁸⁴

After the war Ford Werke went through a few years of difficult business but reestablished its prewar position as one of the top European carmakers. Ford cashed in \$1 million for its war-related damages from the U.S. government in the 1960s. For fifty-three years, it upheld a rigorous silence about the forced laborers who had helped make its German unit so profitable during the war.

Epilogue

The presentation of the "Report on Ford Werke" to General Clay on 9 September 1945 did not result in any consequences for either Ford Motor or its German subsidiary.¹⁸⁵ The writers of the report avoided a legal interpretation. Even Colonel Bernstein did no more than assert that. "The activities of Ford Werke AG may serve for comparison with the activities of German owned or controlled subsidiaries located in the United States or elsewhere

in the United Nations¹⁸⁶ That was the end of the matter as far as General Clay was concerned The "Report on Ford Werke Aktiengesellschaft" was filed away as confidential

How did Ford Motor deal with the damaging accusation that it had helped Hitler? The answer is simple The company as far as possible avoided any public discussion of the matter Ford Motor's only known position regarding the accusations in Drew Pearson's *Washington Post* column from September 1945, a memorandum by the company counsel that apparently was never publicized, stressed the legality of Dearborn's activities¹⁸⁷ The lawyerly argument sticks to the purely economic aspects of the involvement, and points to the many other U S companies who also stayed in Nazi Germany.

The political and ethical dimensions go unmentioned: not a word therein is lost on the company's policies, no regret was expressed This was only possible because the accusations raised against Ford were largely ignored by the U S media First of all, as many publishers and editors would have argued, we must try those who are *directly* responsible for the Nazi regime's military aggression and countless crimes against humanity

Eleanor Roosevelt took up that issue when she used her popular column "My Day" to promote the findings of Bernstein's investigators, only ten days after the report was submitted to General Clay "I hope a great many people read the story about the Ford plants in Germany, published in one of our newspapers the other day, with its record of the action permitted to these foreign plants by the majority stockholders in this country. Although the story dealt only with the Ford empire, there are many other great industrial concerns in the United States whose plants function in many countries throughout the world." She made what seems to be an oblique reference to the Lawler Report from spring 1943: "I recall hearing, after France fell and after we went into the war, that the heads of a big industry in this country cabled congratulations to their managers in France because the latter were keeping the plant going—although they were keeping it going by making what the Germans asked them to make." But she avoided concrete details "Business complications do strange things to our patriotism and to our ethics!"

"It is important that every now and then we stop and examine what we have done and what resulted from our actions. In the carefully documented case of the Ford German plants, it was quite evident that Hitler and the Nazis profited by the attitude of the stockholders in this country"¹⁸⁸

Mrs Roosevelt's appeal—to confront the activities of American companies in support of the Nazi regime sooner rather than later—had little effect. Whether in the United States or in Occupied Germany, time was working against the critics of Dearborn and its Cologne subsidiary With Morgenthau's resignation the advocates of a hard peace, especially with regard to the German war industry, had lost their most important backer in government. During a reorganization of the U S Military Government in late September, General Clay stripped Colonel Bernstein of leadership of the

Finance Division Clay offered to make Bernstein the director of the Division of Investigation of Cartels and External Assets (DICEA), a post that had been created with Bernstein in mind Bernstein refused, and returned to Washington.

DICEA was soon demoted to a Decartelization Branch and assigned to General Draper's Economics Division The reformers still left in the "branch" were not quite yet defeated The quarrel over the extent of structural reform and reconstruction in Germany continued In February 1947 Decartelization Law 56 and the similar British Ordinance No 78 enforced new arrangements within their respective branches Intensive investigations were initiated of conglomerates such as Henschel, Siemens, Bosch and Gutehoffnungshutte But when the trust-busters submitted their cases for approval and filing in March 1948, the Military Governor Clay blocked them, citing economic reasons and the poor physical condition of industry

West Germany's economy withstood the critical post-war years without suffering any lasting damage. The automobile industry was one of the beneficiaries of the victory of the "pragmatics" and "realists" over the "hardliners" After the end of the occupation, the carmakers repeated their grandiose rise of the 1930s, this time in a democratic republic and without need of a war program The upward trend was of duration, as Ford Werke's further history clearly demonstrates.

Today Ford-Werke AG is one of Germany's twenty largest industrial corporations, with revenues of 278 billion DM in 1998 on European sales of 1.1 million vehicles¹⁸⁹ The European headquarters of the Ford Motor Company in 1998 was moved from the British town of Dagenham to Cologne. On the brink of the twenty-first century, the whole Ford family of corporations is said "to have a chance of becoming the biggest car maker in the world, a position it lost in the 1920s to General Motors" . The company will be 100 years old in 2003 World leadership would be a fitting way to celebrate¹⁹⁰ It sounds like a good time, surely, for the company to finally rid itself of a history of denial and equivocation by admitting openly the full story of Ford Motor's and Ford Werke's activities during the twelve years of the Nazi regime

— Reinhold Billstein

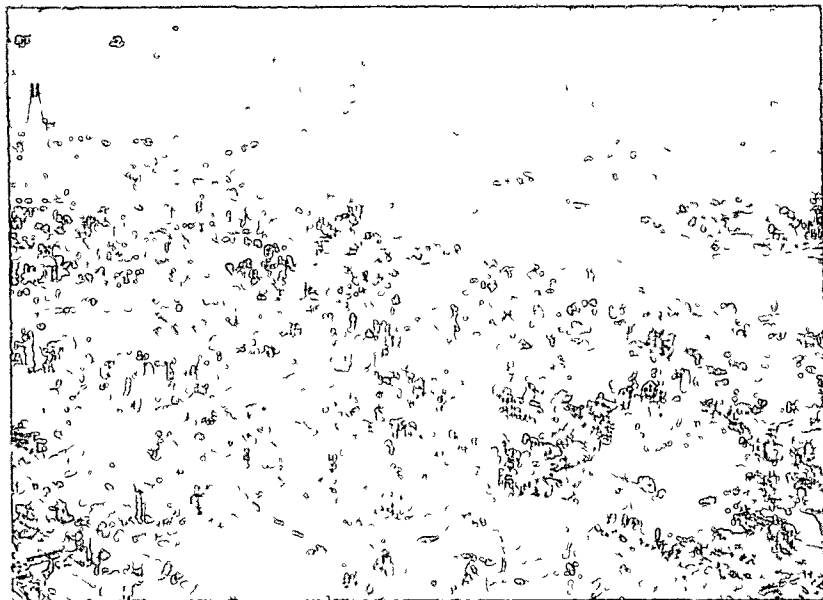
DISCOVERIES



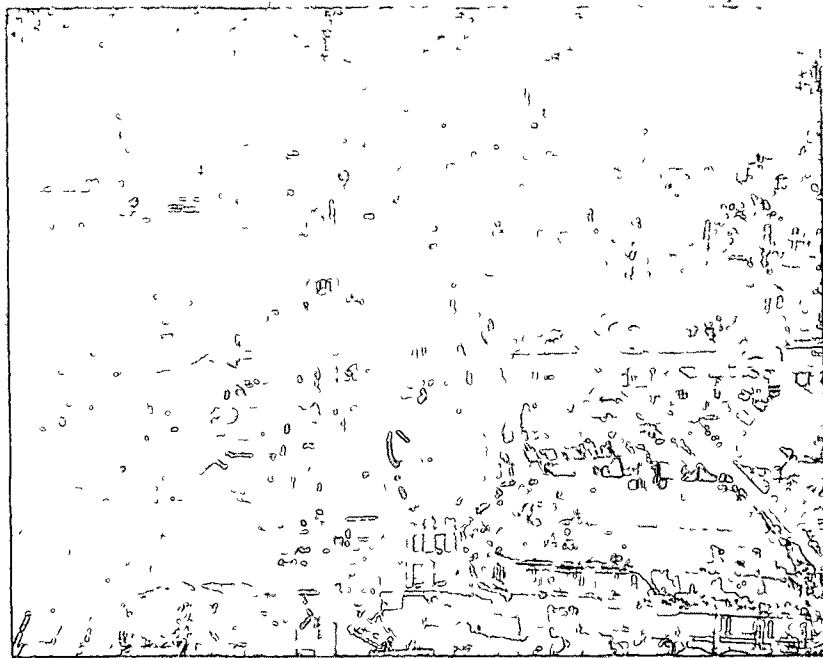
Troops of the U S First Army advancing into Cologne, 6 March 1945 (B1)



U S soldiers watch military parade at a Cologne stadium, 11 March 1945 (B2)



Cologne after years of Allied bombardment, 24 April 1945 (B3)



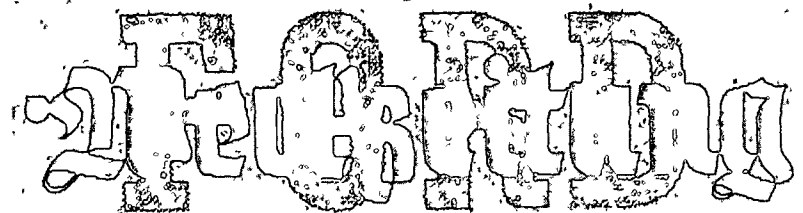
View from the Cathedral, 7 March 1945 (B4)



11 May 1945 Aerial photo of Ford Werke plant (center, standing) with camouflage cover for parking lot in foreground and barracks in the background (B5).



A German edition of *The International Jew: A World Problem* (B6). "The first American book on the Jewish question, edited by Henry Ford," 2nd ed., published in Leipzig in 1921. After seizing power, the Nazis put this book through 29 editions by late 1933. Below (B7), the author of *Mein Kampf* (1924), Adolf Hitler, views the Ford stand at the 1936 Berlin motor show, next to the Ford Werke chief executive, Erich Diestel.



Werkzeugmaschinen- & Betriebsgerätemotoren FORD, HOLN u. BERLIN 2. Jahrg. Okt. 1936



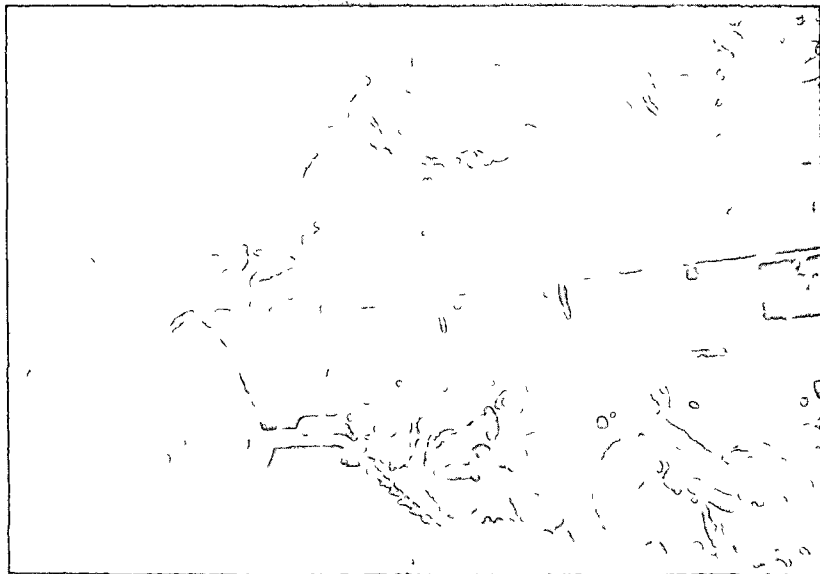
Deutsche Fordwagen auf polnischen Straßen

"German Ford vehicles on Polish roads" — *Ford Werkzeitung* October 1939 (B8)
Exhibit 93 in the U.S. Finance Division's 1945 "Report on Ford-Werke AG"

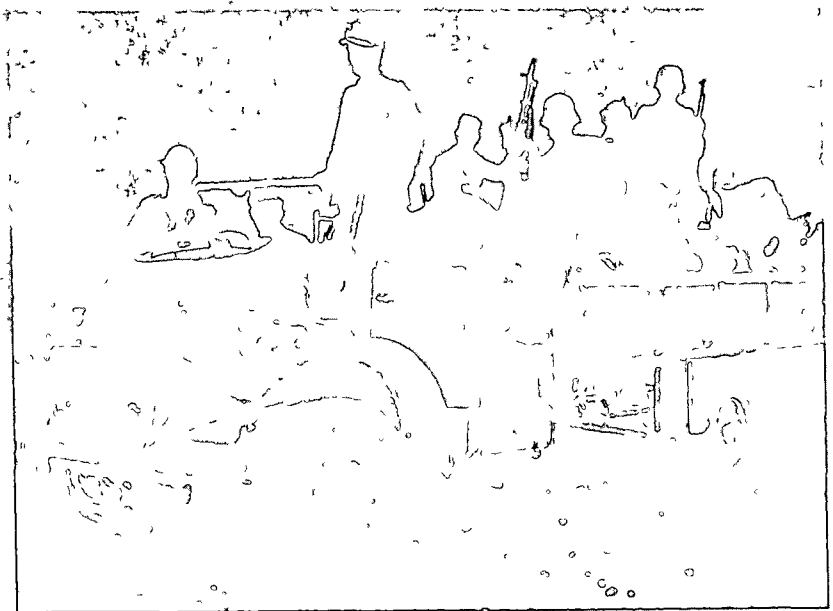
Ford vs. Ford



Outside Kharkov, Ukraine, February 1943 (B9). German Ford V3000S kitchen truck serves the crew of a Wehrmacht Panzer III M

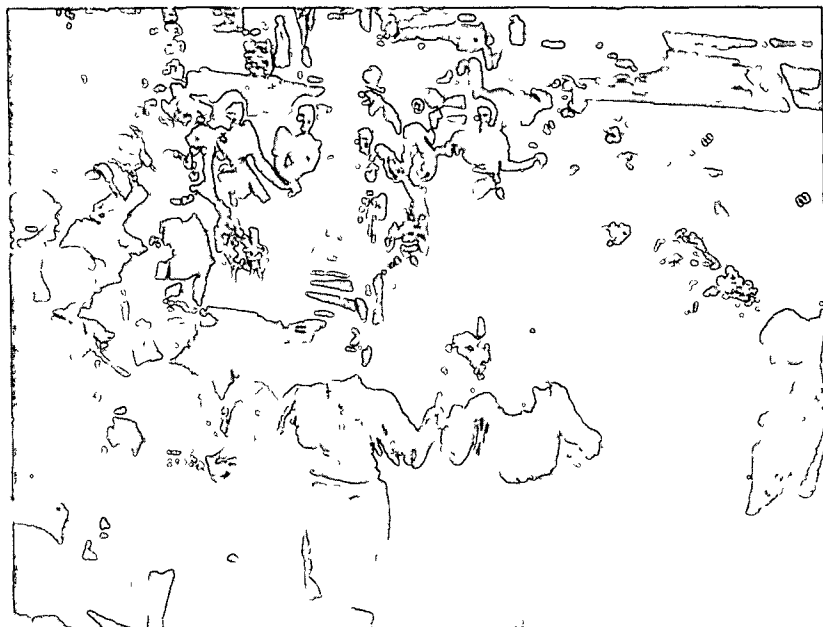


German Ford Maultier half-track caterpillar with 2 cm anti-aircraft flak gun (B10)

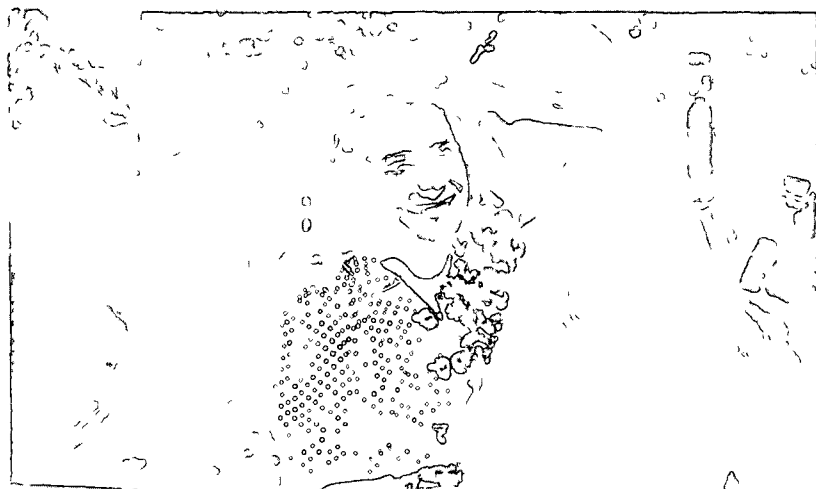


Canadian Ford F60 captured by the Wehrmacht, used in missions behind enemy lines (B11)

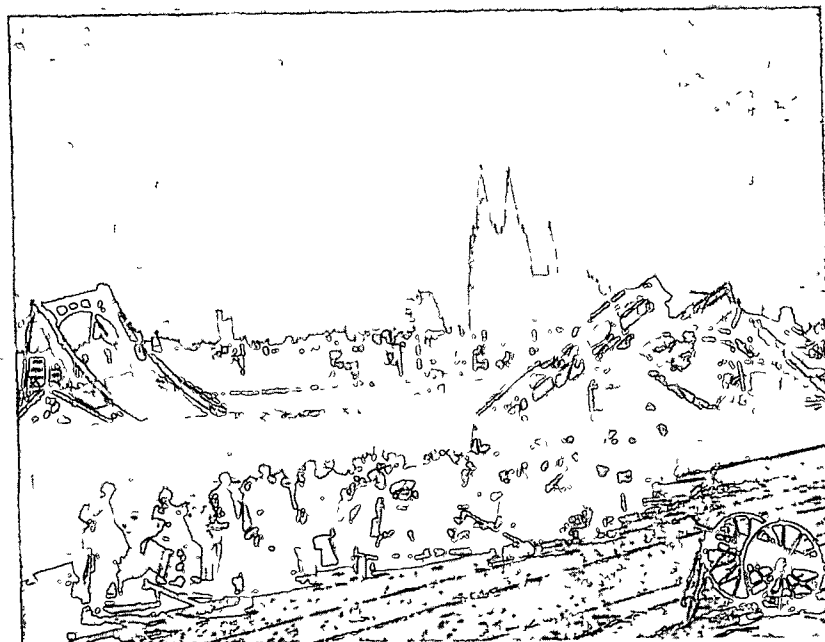
Liberation



On the eve of VE Day in Cologne, Polish women and U.S. soldiers celebrate, 7 May 1945 (B12)



A Polish woman and U.S. soldier celebrate VE Day (B13)



Liberated French and Belgians wait for trucks to take them to a DP camp, the first stop on their journey home, 4 April 1945 (B14).



Walter Rietig (B15)



Walter Rietig (second from left) marches with International Workers Welfare in Langen, 1932 (B16)

CHAPTER 3

WALTER RIETIG AND THE EFFORT OF REMEMBRANCE



Walter Rietig was just thirty-six when he was murdered, in December 1942, by the authorities of the German Reich. He was sentenced to death by the Volksgerechtshof, the so-called People's Court in the Berlin district of Plötzensee. Many of the judges who delivered verdicts there regained high posts and judicial authority after the war. They never had to answer for their misdeeds. Their victims were relegated to the historical scrap-books of the Federal Republic, the recollection of them fading with time.

A short street in the town of Russelsheim is named after Walter Rietig. Despite such scattered symbolic gestures, people after the war more often preferred to do away with the concrete evidence of the Nazi era. This tendency has survived into our own times. The old house at Schäfergasse 20, where the last Jewish residents of Russelsheim were imprisoned in cramped quarters before being transported away, was demolished just a few years ago.¹

Many Germans, even when they are open about the Third Reich in general terms, prefer to avoid dealing with specific Nazi-era events in their own towns. Local studies, which have become common in the last twenty years, tend to reveal the entanglements of individuals in the system. The local approach to history raises questions of personal responsibility. Many people, both young and old, prefer to avoid such questions in their own lives, or wish to conceal feelings of complicity. Some among the old may even be hiding a direct participation. Many Germans who lived through the Nazi era later claimed that they had been apolitical, or "inner emigrants." This manner of self-exoneration might appear dubious when contrasted against examples of people who stood up to the Nazi tyranny.

Walter Rietig was not an outstanding political figure of the German Resistance. He was just a man who remained true to his anti-Fascist

beliefs, in spite of the Nazi terror. By not adapting to the New Order, he showed that assent to the Nazi regime was not simply a function of yielding to irresistible force.

Walter Rietig, born 1906 in Breslau, worked on and off at the Opel factory in Russelsheim starting in 1929. He and his wife moved to the nearby town of Langen in 1931. In the 1920s Walter Rietig was a member of Socialist Worker Youth, as the youth organization of the Social Democratic Party of Germany (SPD) was then known. In 1929 he joined the Langen chapter of the "Friends of Nature," a nationwide association of hiking and travel groups within the workers' movement.²

The last years of the Weimar Republic saw an increasingly dramatic street-level confrontation between the trade unions, the SPD and the Communist Party of Germany (KPD) on one side, and the National Socialists with their million-plus paramilitary stormtroops on the other. In the Gross-Gerau region, as in many other places, the Nazis gained the support of a plurality of the rural population and of the middle classes. In other words, they won over the former voters of the bourgeois and conservative parties.³

Parallel to this life-or-death struggle, the years of the Great Depression also brought polarization within the workers' movement, between an SPD-oriented reformist wing and a KPD-influenced revolutionary wing. The KPD attempted to mobilize a united "Red Front" of all workers in an extra-parliamentary struggle of "class against class." Social Democrat politicians, often in government on the local level, instead felt compelled to uphold due process and the rule of law, if necessary against their own political goals. SPD-led town councils had to enforce the harsh emergency measures imposed by the series of conservative national governments who held power in Berlin during the late Weimar period. Communists, who organized demonstrations against cuts in social benefits and against wage reductions in compulsory work schemes, more often than not aimed their political fire at SPD-led municipal bodies, rather than at the conservative national governments.⁴

As the crisis intensified, the SPD came to be associated with workers who still had jobs, while the KPD became a party of the unemployed and the poor. Communist leaders viewed the SPD as their primary opponent. At Moscow's behest, they accused Social Democrats of being "social fascists." This hyperbole caught on with the KPD rank and file, who were incensed that SPD-led town councils and works councils were enforcing austerity policies. Whatever its superficial rhetorical appeal, the KPD's insupportable accusation of "social fascism" was simply self-destructive, all the more so because the true fascists were preparing to seize power.⁵

Events at Opel in the years 1929 to 1930 illustrate how the incipient division in the Weimar-period workers' movement turned irreconcilable. Shop-floor influence in Russelsheim traditionally was wielded by DMV, the metal workers' union. Social democrat in orientation, DMV was challenged in the Opel works council election of February 1929 by the

KPD-organized "Revolutionary Union Organization" (RGO). In their first ballot-box effort, the Communists captured 39 percent of the votes cast by the Opel personnel.

Despite the factory's advanced production process and technology, Opel, like most companies, faced a serious crisis as the global system of credit and payment collapsed. A family business until the late 1920s, the Adam Opel firm was converted to a stock corporation. Sensing a bargain, General Motors bought 80 percent of Opel shares in 1929. During its first year of control, the U.S. auto giant implemented a strict labor regimen and work speed-ups, and reduced personnel at Russelsheim from 10,000 to 6,500.

Until then, DMV leaders had viewed rationalization schemes positively, believing that higher productivity allows higher wages for those workers who escape redundancy. But General Motors instead forced a new shopfloor agreement to lower wages. The Communists were expelled from the works council for stirring extralegal opposition to the wage cuts. RGO thereupon launched a wildcat strike, on 12 February 1930, without the support of DMV. The action was suppressed immediately by a brutal police crackdown, and denounced by the Social Democrats as the "Opel Putsch." Following this failure, RGO was nearly wiped out in the Opel works council elections of spring 1930. Within two years the Nazi shopfloor organization, the NSBO, gained by election a majority of the seats on the company council for salaried employees. The NSBO also captured a strong foothold on Opel's blue-collar works council.

In the wake of these developments, the Social Democrats came to regard the KPD as no better than the NSDAP, while the Communists believed that their theory of "social fascism" had been confirmed. At that point neither side really imagined what would happen once the Nazis were in power. As a direct result of the "Opel Putsch," Communist and Social Democrat organizations across the nation broke off all but a few isolated points of contact. One of these was the Friends of Nature, within which the conflicts between SPD and KPD were continued on a smaller scale.

Walter Rietig may have felt himself trapped between the two camps. Most of the Langen "Friends" were social democrats. They adopted the anti-KPD policy set by the central headquarters of the Friends movement, and expelled a group of KPD members. The expelled Communists joined the Friends of Nature in nearby Egelsbach, who refused to toe their national organization's line. On the contrary, the Egelsbach Friends were among the few groups who still sought to bridge the splits and unite working people in a common political struggle against the Nazi threat.⁶

It is unknown if Walter Rietig was himself expelled from the Langen Friends, or if he supported the expulsions. But he did take part in a 1932 demonstration of the KPD-oriented "International Workers Welfare" in Langen. That allows for two interpretations.

1 Like many Social Democrats, Walter Rietig had turned away from the SPD and towards the KPD, or

2. He was following the lead of those who hoped to reunite the workers' movement.

Either way, it seems that the young Walter Rietig, like many other Friends of Nature, stood between the SPD and the KPD. It seems likely his convictions were individual and deep-seated, and that he would not have surrendered easily after the Nazi seizure of power in early 1933.

In his surveys of the minority of Germans who resisted the Nazi regime after 1933, the political scientist Axel Ulrich found a disproportionate number of young people who had been in the Friends of Nature, who had stood between SPD and KPD, or who were disillusioned with the SPD and leaning towards the KPD in the final years of the Weimar Republic. Ulrich presents ample evidence that, soon after the Nazis seized power, a clandestine resistance group formed at Opel, with members from both SPD and KPD.

In the first days of May 1933 the Nazis smashed all independent trade unions and rounded up labor leaders and activists, establishing the NSDAP German Labor Front (DAF) as the sole shopfloor organization, with compulsory membership. Ulrich: "Several resistance groups arose in the following years, mostly comprising former trade unionists—Social Democrats, Communists, Christians—and members of the disbanded Friends of Nature." These underground groups were generally tolerant of different political orientations. Communists played a dominant role, in part because they already had the most experience in clandestine activity.⁷ Having seen the political disaster of 1933, the KPD was prepared to reorganize its Communist Youth Association (KJV) along heterogeneous lines, and to bridge the ideological rifts of the late Weimar period.⁸ Various old grudges were overcome to form an incipient common resistance, with the Communists in charge.⁹

This was not a secret to the Gestapo. In February 1935 they launched a nationwide crackdown on resistance groups. The Darmstadt Gestapo reported on the regional results as follows: "119 persons were arrested just in the three Hessian counties of Offenbach, Gross-Gerau and Dieburg. . . It is curious that in Mainz, the reorganized KJV took hold among the dissolved organization known as the 'Friends of Nature,' which before the coup consisted mostly of members and followers of the SPD. It may be inferred that in rebuilding the illegal KJV the KPD is pursuing the goal of a unified front with the SPD, especially with young Social Democrat workers."¹⁰

Witnesses who lived through that time confirm involvement by Friends of Nature in several resistance groups in the county of Gross-Gerau—and at Opel.¹¹ It is known that Walter Rietig joined an illegal group of Social Democrats and Communists in 1933, but nothing is known about the group's activities.¹² After all, opponents of the regime did not keep written records. They were under constant threat of imprisonment, torture and death, and forced to work illegally. This reveals one of the biggest problems in researching the Nazi-era resistance. Axel Ulrich points out the paradox

that historiography has generally accepted Nazi documentary sources as reliable, as though the authorities were all-powerful and all-knowing, while the spoken testimonies of resistance fighters, and even their original documents, are usually treated with far greater skepticism.¹³

With the crackdown of 1935 the Gestapo succeeded in shattering the majority of resistance groups in the Gross-Gerau region. Many Opel workers were arrested. Walter Rietig was not among them. A new, especially paranoid phase began, during which most activists shunned all but the most informal resistance contacts.

The labor situation at Opel got worse in the years that followed. In June 1936 the workers of one department staged a fifteen-minute strike to protest a cut in pay and terrible working conditions. Two hundred strikers were fired on the spot. Thirty-seven were arrested, several of them ended up in concentration camps. Company security and Gestapo thereupon recruited an extensive network of informants, with the design of alerting management and secret police immediately of any organizing or expressions of discontent. In reaction the isolated resistance groups at the Opel plant gave up entirely on their often foolhardy written propaganda, and adopted stricter rules of conspiracy. Only after the outbreak of war, in September 1939, did they cautiously resume their organizing efforts.

Our next concrete information about Walter Rietig dates from 1942. Most of our knowledge about the events leading to his death was gained by Peter Schirmbeck of the Russelsheim Town Museum in interviews with Fritz Zangerle, a resistance activist who worked at the Russelsheim body plant, and who became the first leader of the Opel works council after the Second World War.¹⁴ Fritz Zangerle was the contact man to Walter Rietig: "Actually our cell consisted of just a few people. It was supposed to never be more than five. There were I believe seven of us. One of us had the connection to the next highest level. None of the cells was supposed to know about the others. . ."

Since they were greatly restricted by the Nazi terror, their activities at first consisted in listening to foreign broadcasts. The mere possession of an unauthorized shortwave receiver was a serious crime. At the factory the conspirators met regularly at a metal-grinder to whisper news beneath the roar of the machine.

That was practically our headquarters, everybody would bring something to grind, and we would circulate the news, whatever was going on, how things looked at the front, or that the English [prisoners of war in Russelsheim] were being given this or that as rations. Walter Rietig was also a member of the cell. He wasn't an active member, but more someone who would give and get information. He was the contact man to the prisoners of war, to the French. That's how he ended up under the guillotine, Walter Rietig, a Friend of Nature from Langen. A good acquaintance of mine, whom I saw every day.

Of course, the Nazi shop stewards asked me what Walter Rietig was doing there every day, at my place. I said I had known him from the Friends of Nature, that

we had both been in it and had a few things keeping us together, such as that every week he brought me my laundry from my mother. The Nazi stewards had been assigned to find out who Rietig was meeting every day, and of course it was a big mistake that he came to me every day

Fritz Zangerle recalls the day when "Rietig came to me and said, 'Fritz, they're making me give up my DAF card.'" Rietig had been interrogated by the Gestapo in connection with the spreading of defeatist rumors. Zangerle urged him to take flight. "I told him, Walter, if they're canceling your DAF pass, then you must get out. You can get connections, you can surely escape to Switzerland or France. But he said: 'No, I won't do that, what could happen to me?' In three years at the most, the war will be over." But he had misjudged his situation."

Walter Rietig was arrested and convicted on the testimony of three co-workers. They each received payments of 100 RM. "That was a lot of money back then," Fritz Zangerle says. "The top wage for a foreman was 125, 135 during the war. That was a small fortune that each of them got, just to make a statement in Berlin."

The Gestapo paid a visit to the Opel plant on 13 July 1942, interviewed the informants, and arrested Walter Rietig. He was brought to the State Police Prison in Darmstadt. There he confessed, apparently after torture. He later recanted, but that was of no consequence. Walter Rietig was transferred from Gestapo custody to the Darmstadt Regional Prison on 23 July, where he was kept to await trial. On 13 October he was taken to Alt-Moabit Prison in Berlin. He was tried by the Volksgeschichtshof on 26 October 1942. His retraction was ruled inadmissible.

Herbert Bauch, in his study of Walter Rietig's death, quotes the Reich Lord Prosecutor: "In the following case, the accused has retracted his confession, and claims that the police is incriminating him unfairly on the basis of a nervous breakdown." Bauch writes: "The Berlin judges entertained no doubts. In Walter Rietig they saw 'a very secure personality, someone who would not lose his composure, even in the course of a rough treatment from the police—as may have been made necessary by his behavior.'"15

In her history of Nazi-era Langen, Heidi Fogel writes: "The lay jurors who assisted the two judges in the case of Walter Rietig were all functionaries of the NSDAP. Each held a high position in the Party. The court heard the three informants. They repeated their original testimonies. Walter Rietig objected that the main witness against him was acting on a personal grudge. This was swept away with the observation that the witness did not give the impression of being capable of such an action. No witnesses were called on Walter Rietig's behalf."16

Walter Rietig was sentenced to death for "weakening the inner front of the German people through Communist recruitment speeches" and for a "traitorous promotion of conditions conducive to the enemy, in combination with plans for high treason." The court did not uphold the original accusation of "forbidden communication with prisoners of war." Appeals for clemency and a resumption of the case were denied.¹⁷

The Reich Interior Ministry saw fit to consummate the sentence in the month of December 1942. The war was by then obviously turning against the Wehrmacht, and the German people were waking up to a grim reality. The secret SD "Situation Report" of 29 December 1942 reads: "A degree of disquiet has been roused [among the people] by Wehrmacht reports of difficult battles at Velikiye Laki [in Russia]. This town was believed to be far behind our lines, and one might therefore infer from the reports that the Soviets have advanced along this part of the front. The rumors that divisions are surrounded by the enemy at Stalingrad have also intensified, and are in part causing serious worries."¹⁸

The mood among the Opel workers was also causing "serious worries." Fritz Zangerle

The so-called factory roll-calls—nobody wanted to go there anymore! [The company security forces] would run through the factory departments, yelling: "Get up, let's go, why are you sitting around here? We are having a gathering back there!" [The personnel] had to be pushed into attending the roll-calls. They really only took place under pressure. And the Nazis were really angry about that. Something had to be done, to get all these defeatists to shut up, so that no one would dare say anything he might have heard in an enemy broadcast.

Walter Rietig's execution was intended to set an example, as the reading of the sentence confirmed. "As a deterrent," he would receive the highest penalty. "It is a clear danger that the poison of discord, which the defendant has spread among the personnel of the Opel factory, will continue having its effect, and may seriously impair the will to work at this vital military operation."¹⁹

Walter Rietig had underestimated the punishment he was likely to face and this proved to be his doom. Perhaps he was thinking of earlier, similar cases at Opel. In the first years of the war, several Opel workers had been convicted for making statements critical of the regime. These were no worse than the statements of which Rietig was accused. Most of the offenders were sentenced to one or two years in prison.²⁰

But the times had changed, and the Nazis apparently thought it necessary to set a more drastic example. Following, Walter Rietig was killed at the guillotine on the night of 22 December 1942. On the same night, the Nazis executed the members of the legendary "Rote Kapelle," a group of well-placed Germans who had transmitted intelligence to Russia over some one hundred radio transmitters throughout Europe.

Despite his modest wishes for a cremation, as expressed just hours before his execution in his final letter to his wife and son, Walter Rietig's family was denied a decent funeral. His body was given instead to the anatomical institute of the University of Berlin, an act that expresses exceptional contempt.

The Interior Ministry ordered news of Walter Rietig's execution suppressed, except for a single announcement: a large red poster was put up at the Opel factory to inform the workers of the death of their colleague.²¹

"In my life I did my duty, as I had to do, my life was work and duty
Now I take farewell, my love Do not forget me, I will accept my sentence
with the courage of innocence " Walter Rietig circumvented the censor in
his letter with the ambiguous wish "of an imminent, just victory for the
German people over their enemies, that they may gain a better place in
the sun, work, contentment and happiness " That wish did not come true.
The German people proved unable to overcome their Nazi barbarism on
their own

— *Bernd Heyl*

PART TWO

CHAPTER 4

FORCED LABOR AT FORD WERKE IN COLOGNE



In reply to our request [for information on the use in Cologne of forced laborers from concentration camps] Ford Werke in Cologne-Niehl stated that reliable documents from that time are not available, and they therefore must depend on information from company employees. According to reports, forty to fifty people, believed to have been prisoners from the Buchenwald concentration camp, worked on the factory grounds for about three months. There were no deaths, according to the factory doctor and the deputy of the company security force at that time, at any rate, neither of them could recall any such cases.

Cologne Office of the Registry, October 1949

I still remember well, when we workers from Ford were sitting in the canteen at mid-day, how the young Ukrainians always came over the roof, driven by hunger, and watched us while we ate. There were always colleagues who would open the skylight and pull the boys in. But there were also sadistic people from the company security forces who would guard the canteen, so that no foreign workers, as they were called at that time, could come in.

Fritz Theilen, retired Ford worker, September 1995

Perhaps you can't imagine it, but the tears flowed from my eyes while I wrote. I couldn't recall the camp, the bombings, the humiliations and the return home without breaking into tears.

Stepan Saika, former forced laborer at Ford during the war, February 1995

The three efforts to remember the past cited above each stem from a direct participant, but the way they remember seems to differ greatly. In 1949, the factory doctor and the security officer claim they can no longer recall what happened a few years earlier.¹ Fifty years later, the retired Ford worker Fritz Theilen, who had been active in the resistance against the Nazi regime, says he remembers clearly.² For Stepan Saika, a former forced laborer, looking back on the years at Ford-Werke AG in Cologne is a painful process.³

German society is afflicted to this day by the rationalizations of its Nazi-era perpetrators, by their denial of crime and complicity. But questions of entanglement in Nazi crime also haunt the countries overrun by the German Reich in the war, the victorious Allies of the anti-Hitler coalition, and the countries that tried to stay neutral. The present controversy over wartime forced labor at the Ford auto factory in the Cologne district of Niehl reveals how tortuous the effort of memory remains, fifty-four years after the end of the war.

Historiography in Brief

For decades West German historians mostly ignored the Nazi practice of forced labor, until it was "rediscovered" in the early and mid-1980s. In those years, many researchers abandoned earlier, over-theoretical approaches to the Nazi past, and set out to examine events at particular localities in closer detail. Many histories of Nazi-era events as witnessed in towns, at workplaces, and at sites of persecution have since been published, and quite a few of these concern the use of forced laborers. Ulrich Herbert's *Fremdarbeiter Politik und Praxis des "Auslander-Einsatzes" in der Kriegswirtschaft des Dritten Reiches*, first published in 1985, is now considered the standard general study on forced labor during the Nazi era.⁴

The corporations that made use of forced labor during the war met any and all accusations in later decades with a defense borrowed from the Nuremberg Trial defendants. They argued that the Nazi state forced companies to accept slaves, that businesses were left no choice and no influence in the matter. A long series of studies have exploded this myth.⁵ The debates triggered by important critical works, such as the two books on Daimler-Benz published in 1987 by the Hamburg Foundation of 20th Century Social History,⁶ have encouraged a shift towards a more complex view, even at pro-corporate institutions like the Society of Entrepreneurial History (GUG) in Frankfurt am Main.⁷ However, many companies today still refuse to open their wartime archives, especially to potentially critical historians.

Several works have examined in depth the Nazi-era history of Daimler-Benz and Volkswagen, including their use of slaves.⁸ Less extensive studies deal with other carmakers, such as BMW, Adler, Auto-Union and Borgward. The forced-labor involvements of the U.S. auto giants General Motors and Ford, through their German subsidiaries, have not inspired quite as much scholarship among German-speaking historians. In fact, most of it is gathered in this volume.⁹

The issue of Nazi-era forced labor returned to the political agenda after 1989, following the transformation in Eastern Europe. The vast majority of the German Reich's slaves had been rounded up or recruited in the Soviet Union and Poland. Returning home after the war as "Displaced Persons," many of them were treated as "collaborators" or even deported to the Gulag. For decades, the erstwhile slaves suffered discrimination from the

Communist authorities and from their countrymen, and fell silent about their wartime experiences.

On the other side of the East-West divide, the 1953 London Debt Accords between the Federal Republic of Germany and the former Western Allies included a clause postponing individual restitutions for forced labor until after the signing of a "final" peace treaty for the Second World War. Citing that passage and various technicalities, the Federal Republic and its courts systematically turned away claims to compensation from former forced laborers.¹⁰ But in 1990 the 2+4 Treaty joined the German Democratic Republic to the Federal Republic, with the approval of the four powers that had occupied the two Germanys since the war. Since then 2+4 has been interpreted as a peace treaty by German courts—although this is not yet conclusive—suggesting an incipient lapse in the 1953 stipulation. Meanwhile, the political shift in Eastern Europe has allowed former forced laborers living there to organize associations and pursue their claims more openly. They have used the new opportunities for communication and travel in part to forge links to German groups investigating the historic sites of their persecution. That has fueled further research, in Germany and elsewhere.

In Cologne, a grassroots initiative in the mid-1980s began to research the largely forgotten history of the many labor camps and concentration camp (KZ) satellites that had existed in the city. This "project group" later named itself after the largest of these camps (*Lager*), which was located at the public fairgrounds known as the Cologne Messe "Projektgruppe Messelager" gradually established contacts to Messe camp survivors in Western and Eastern Europe, and invited several of them to a 1989 symposium in Cologne. This originated a visitors' program that, ten years later, remains unique in the Federal Republic. Each year, former forced laborers, prisoners of war, and KZ inmates receive invitations from the mayor of Cologne to visit for ten days at the city's expense. They return to their former prisons, camps and workplaces, speak at gatherings, and are interviewed at length about their experiences on behalf of the city's Nazi-era documents center, NS-Dokumentationszentrum der Stadt Köln, which keeps the transcripts in a public archive.¹¹

The visitors program for 1995 specifically concentrated on forced labor at the Ford factory. Eight survivors from the Ukraine and Poland returned to Cologne and told their stories at a public gathering. Ford-Werke AG was persuaded for the first time to allow program visitors to tour the factory. Ford also provided photos and visual materials for a small exhibition on "Forced Labor at Ford," but made clear that no further documents could be contributed by the company. One executive wrote to Projektgruppe Messe Lager in July 1995, "In reality we comb carefully through our archives in response to such requests, today as in the past, and we speak with employees who might still remember that time. Never have we found document or other information in Cologne about forced labor at Ford. We have had no occasion to press the issue ourselves."

Ford Werke otherwise declined to participate in the 1995 gathering, and rejected the project group's proposal that it finance a study of its Nazi-era

history The company claimed it would instead confront the problem of "forced labor in Cologne in the Third Reich" as part of a "common effort by Cologne companies"

After the 1995 visit, Projektgruppe Messelager published the transcripts of several interviews along with a collection of documents and photographs from the exhibition.¹² The book was intended to show that the company's history in Cologne demanded more study.

THE FORD MOTOR COMPANY plays a major role in any telling of automotive history,¹³ and some U S publications have examined allegations that it collaborated with the enemy during the Second World War.¹⁴ But we lack a general history of Ford Motor's wartime activities in Europe. No study published to date set out to examine as a whole the policies of the Ford Motor headquarters in Dearborn, Michigan, the connections between Cologne and Dearborn before and after the United States' entry into the war in December 1941, and the wartime events at various European Ford units in relation to Cologne and Dearborn.

The only comprehensive approach to Ford in Germany during the Nazi era, in a book by Hanns-Peter Rosellen, deals mainly with production and models.¹⁵ Peter Lessmann explored Cologne's management of Ford Paris in German-Occupied France. Stephan Lindner treats Ford as a case in his dissertation on the "Reich Commission for the Treatment of Enemy Property." Johannes Reiling examines a key figure of the 1930s and 1940s in his biography of Heinrich Albert, the chairman of the Ford-Werke AG directorate in the years 1937 to 1945.¹⁶

The lack of a comprehensive business history of the European Ford units has handicapped research on forced labor there. Since much of the useful material on the topic has yet to be examined by scholars, the most important primary sources so far are the interviews with the former forced laborers.¹⁷ I devoted a chapter to the Buchenwald satellite labor squad "Aussenkommando Koln-Ford" and its fifty prisoners in my book on the Buchenwald KZ satellites in Cologne.¹⁸ Very few of Cologne's municipal records escaped destruction in the war.¹⁹ Ford-Werke AG has stated that it possesses no documents of relevance. More thorough research is required to pick up the trail of documents which apparently still existed in 1945.²⁰ Important sources such as the thorough Military Government report written by Henry Schneider right after the war were kept confidential until very recently (See Chapter 2).

Thus the following account of forced labor at Ford during the war relies on a fragmentary documentation. It provides a context for the statements of the former forced laborers themselves. We may hope that the current wave of new research, begun by Ford in response to a class-action lawsuit, will tap new source material from European and U S. archives towards creating a more complete history.

"Keep These Plants in Operation"

In 1931 the Ford Motor Company moved the head office of its German subsidiary from Berlin to Cologne, where a new, advanced vehicle factory was built to assemble cars for the German market. The company was still in the red in 1933, when the NSDAP seized power in the German Reich. The German Ford management and directorate thenceforth worked to shake off their image as an American company and to please the new regime, to take part in Hitler's "mass motorization of the German people." Starting in the mid-1930s, Ford actively entered bids for Wehrmacht contracts. Ford enjoyed support within the Army High Command (OKH) and was able to position itself well, despite the opposition of its German competitors. The military recognized early on that Ford Werke's production capacities were vital "in fulfilling the pressing tasks of motorization in the country's defense."²²

Ford's direction was set for the years to come: service to the Nazi regime, participation in German rearmament. Ford Cologne adapted its personnel and business policies accordingly, with the full knowledge and approval of Dearborn. The subsidiary's name was changed to support its public campaign of "Germanization." In 1939 Ford Motor Company Aktiengesellschaft became Ford-Werke Aktiengesellschaft.²³ Ford Werke share capital was raised from 20 to 32 million reichsmarks (RM) in summer 1941, at which time Dearborn cut back its share from 75 to 52 percent.

In the course of these efforts Ford apparently forged a partnership of mutual protection with the chemicals giant I G Farbenindustrie, one of the Reich's largest industrial combines. According to a Ford management statement to a Reich agency in 1941, I G Farben held about 6 percent of Ford Werke AG equity. Unless this was false, Farben must have bought massive amounts of Ford-Werke AG in the years that followed. A 1943 tax audit by the Reich reveals Farben's share at 42 percent, with the remaining 6 percent held by Ford of Britain. Ford Werke had effectively turned into a joint venture with I G Farben. Back in the United States, Ford Motor Company held a substantial interest in Farben's U S subsidiary.²⁴

Following the outbreak of war, several heavyweight German industrialists were recruited for the Ford Werke directorate (*Aufsichtsrat*). Dr. Carl Krauch of I G. Farbenindustrie became the deputy chairman and Dr. Wilhelm Botzkes of Deutsche Industrie Bank also joined in 1940. Hans Himelmeier, the vice-president of the regional Chamber of Commerce (I. K. O. Cologne) joined in 1941. But Dearborn was still well-represented. Edsel Ford, the son of Henry Ford, had been on the directorate since 1925, and his associate Charles E. Sorensen since 1929.²⁵

The chairman of the directorate, starting in 1937, was Heinrich F. Allmayer, a Privy Councillor (*Geheimrat*) who had served the Company as legal counsel since 1928. Formerly a high-ranking civil servant, ministerial secretary, and briefly, Minister of the Treasury, Albert had since 1933 maintained the company's contacts to high Nazi functionaries, with Dearborn's knowledge.²⁶

played a key role in Ford's endeavor to run up high revenues in Nazi Germany while maintaining American ownership.

After the German conquests in western Europe in 1940, Albert arranged for the Reich's appointment of Robert Hans Schmidt—chief executive of Ford Werke since 1938—as the “enemy property custodian” of the Ford units in Belgium, the Netherlands, and France. Edsel Ford sanctioned Cologne's takeover of these independent Ford companies in a letter of 10 October 1940.

We have a fairly complete impression of the present status of the Ford Companies in Germany as well as the other occupied territories. It is quite evident and very gratifying that you and your organization are looking after our interests successfully and we appreciate your efforts on our behalf. I am glad to hear that the outside plants are beginning to operate, as it is the only way for rehabilitation to take place, and after all there are many people financially interested in these properties besides ourselves. Anything that can be done constructively to keep these plants in operation will be a great help for the future.²⁷

Cologne was well aware that the United States might soon become involved in the war. In that event, the Reich Commissioner for the Treatment of Enemy Property (hereafter: the Reichskommissar) would be empowered to impose a trusteeship on all companies owned wholly or even partly by U.S. citizens.²⁸ The Ford Werke management therefore strove to reach a friendly arrangement with the Reichskommissar in advance. They argued that Ford Werke was “Germanized” and fully integrated in the Nazi war machine. The management and directorate wrote the Reichskommissar in June 1941 to list in detail Ford's many services to the Nazi Reich. By raising exports, they said, Ford Werke had helped improve the Reich's current accounts. At the Reich's behest, Ford arranged imports of scarce raw materials for other German manufacturers. The company supported the German occupation of Czechoslovakia in March 1939 with “large deliveries from abroad,” according to the letter. The Cologne factory was converted entirely to war production after the invasion of Poland: “The plant is in every regard an armaments operation.” Cologne also oversaw the conversion to Wehrmacht production of the Ford plants in the occupied Netherlands, Belgium and France, the letter notes.²⁹

At a time when Henry Ford was still refusing arms contracts from the U.S. government, Ford Werke Cologne had become an important partner of the German Wehrmacht. Revenues increased from 177 million RM in 1933 to 118.8 million RM in 1940.³⁰ “As elsewhere, the demands of a war economy were the decisive factor in our concluded business year 1940,” the management reported in spring 1941 to the last general assembly before an enemy property trusteeship was decreed for Cologne. “To our satisfaction, we saw Ford vehicles from Cologne standing by the Wehrmacht everywhere in the hundreds—as helpers tried and true.”³¹

Normally a foreign company that evidenced willingness to cooperate with the Reich was neither confiscated nor liquidated, but placed under the

trusteeship of a custodian from the company itself. The Nazis did not substantively attack Ford after December 1941.³² Ford Werke's chief executive, Robert Schmidt, was appointed custodian by order of the Reichskommissar on 15 May 1942. Schmidt had started out at Ford's Berlin sales department in 1926, and worked his way up to General Director (CEO) in 1938. His appointment as custodian was supported by no less a Nazi than Baron Kurt Freiherr von Schröder, a primary financial backer and an architect of the Third Reich, the organizer of the “Friends of Himmler.” Ford transacted some of its business through Schröder's Bankhaus Stein.³³ Schröder called the Legal Office of the Führer (Kanzlei des Führers) to urge Schmidt be appointed, and followed up with a letter to the Kanzlei on 7 February 1942. Therein he wrote that Schmidt enjoyed his full confidence as a “Party Comrade and Wehrwirtschaftsführer.” The latter title (“Arms Economy Leader”) was a Nazi honorific for loyal industrialists. The Kanzlei des Führers was a nerve center for the euthanasia program and the Holocaust. Its support sealed Schmidt's custodial appointment.³⁴

The directorate was thereupon dissolved. Albert Krauch, Botzkes and Hunemeyer—the Germans on the directorate—were appointed to a new “advisory council” (*Beirat*) without the two Americans.³⁵ In practice, the trusteeship had little impact on management at Ford Werke. Schmidt's “certificate of appointment” empowered him to represent the company for all legal and business purposes. He was free to delegate to the management board all of its old powers, although a change in mandate required the Reichskommissar's approval. Otherwise the Reichskommissar held a veto over actions that might expand, divest, or shut down Ford Werke in whole or in part (including its properties, shares in other companies, branches etc.). The files leave no doubt that Schmidt's activities met with the Reichskommissar's approval throughout the war. In difficulties Schmidt ever called upon the Reichskommissar's support. Only on one occasion did the Reich Economics Ministry (RWM) block one of Schmidt's moves—his attempt, in late 1944, to found a Vienna-based GmbH for doing business in Slovakia.³⁶

Officially, all contacts to Ford Motor Company in Dearborn were cut off after the U.S. entered the war and Schmidt was appointed custodian. Whether and how Dearborn was informed about Ford Werke's subsequent operations in the Reich, and to what extent it exercised influence on Cologne's policies and operations, is a major question for future research. Contacts may have been maintained through the branches in France, or in Denmark, where Ford Werke developed and built generators with help from IG Farben. Or in Switzerland, where Ford dealers repaired about 1,000 Wehrmacht vehicles in 1940 and supplied the Wehrmacht with about 2 million RM in replacement parts in 1943.³⁷

It can be stated that Ford Werke's course in the 1940s was followed with the full knowledge and support of the Ford Motor Company in Dearborn and its ownership. By making business with the enemy, Ford became an accomplice in the crimes of the Nazi regime.

The Several Groups of Forced Laborers at Ford Werke

The outbreak of the war on 1 September 1939 caused an immediate collapse in the passenger car market and plunged Ford Werke and other automotive producers into a crisis. The regional military authority for war resource allocation—the “Armaments Commando” (Rüstungskommando) of Cologne—reported on 15 September 1939 that “Ford will be letting go of about 200 to 300 salaried employees and 1,200 workers within the next 10 days, as business in passenger cars is reaching a standstill. Most of the lay-offs can be avoided insofar as mobilization orders for trucks now get going....”³⁸ Ford took on a small number of munitions production and similar military contracts,³⁹ and joined Daimler-Benz and Opel as a main supplier of three-ton trucks to the Wehrmacht for the rest of the war.⁴⁰ According to one estimate, of 350,000 Wehrmacht trucks in 1942, 50,000 had been built by Opel and 120,000 by Ford.⁴¹

As the war went on, Ford lost more and more of its male German workers to the draft. Foreign laborers were needed to meet the constantly rising official production quotas. The “labor question” became a long-running subject at meetings of the company’s custodial advisory council. The council’s minutes of 17 August 1942 read: “The war program until now ran at about 4,000 units per quarter. The authorities have ordered a rise in output to about 7,000 units per quarter. That requires a more intensive use of prisoners, especially Russians, who already make up nearly $\frac{1}{4}$ of the personnel.”⁴² The situation had worsened by January 1943: “The labor question has gotten extraordinarily difficult. Military recruitment is no longer sparing our key people. The gaps in the factory, in purchasing, and in other departments are growing, and the hired foreigners no longer suffice. This is another matter causing major worries at the Ford plant.”⁴³

From the first days of the war, the labor shortage in the German Reich was constant and ever more severe. As a result, the supply of food within the Reich might have fallen off disastrously in winter 1940, if not for the two million foreigners working at German farms. If not for foreign labor, war production would have collapsed after fall 1941.⁴⁴ In August 1944, a total of 10 million non-German laborers accounted for one-quarter of all workers in the German Reich. The proportion of foreign workers at arms makers at that time averaged about 50 percent.⁴⁵ Most of the companies displayed great initiative in attracting laborers through their own campaigns abroad, but above all by lobbying the three main sources for forced recruits: 1) the Arbeitsamt (Labor Offices) for “civilian workers” from the occupied countries, 2) the Wehrmacht and its Stalag prison-camp system for prisoners of war, and 3) the SS-WVHA, the bureaucratic administration and economic agency of the SS, for concentration camp prisoners.

Foreign groups were divided into a strict hierarchy: “Westarbeiter,” “Ostarbeiter,” prisoners of war, KZ prisoners. They were subject to a legal structure of discrimination that specified rules for every detail of their lives, defined their food rations and lodgings, their wages, and the make-up of the

security forces guarding them. Drastic sanctions were approved and enforced in keeping them down, for they were viewed as a threat to domestic security. The basic framework for the treatment of forced laborers was set by various official decrees (*Erlasse*) such as the “Ostarbeiter Decrees” of February 1942. In the course of the war these were modified and reinterpreted, in some ways tightened, in others loosened. But the actual conditions under which forced laborers lived and worked varied greatly from company to company. The companies had a decisive influence upon factors such as the food, medical care, lodgings, and workplace treatment. Companies had an even more important leeway in deciding how many forced laborers they would use, and from which of the available sources they would draw their forced laborers.⁴⁶

The first group known to have worked as forced laborers at Ford Werke, according to the available evidence, were a contingent of French prisoners of war assigned to Niehl at some point in 1940.⁴⁷ That year, many of the war businesses in the jurisdiction of the Cologne Armaments Commando began clamoring for assignments of POW laborers. Groups of prisoners were finally distributed among the companies in July and August 1940.⁴⁸ The Wehrmacht and the German Reich thereby acted in violation of the 1929 Geneva Convention, which prohibits the use of prisoners of war as laborers in military production. The treatment of the POWs also violated the Convention’s requirement of “due respect for their persons and dignity.”⁴⁹

The French prisoners at Ford in 1940 were presumably sent by Stalag VI in Bonn. No French POWs from Ford have been interviewed, and practically no documents from Stalag VI still exist today, so that very little is known about their numbers or the conditions under which they lived and labored at Ford in 1940-41.⁵⁰ It is confirmed that Stalag VI later provided Ford with Italian “military internees” in 1943, as reported by the former Italian prisoner, Mareno Mannucci. The Italians were kept in a part of the Ford camp with the sign “STALAG VI G, ARBEITSKOMMANDO 619” posted at the entrance.⁵¹

Forced laborers of other nationalities report that the French at Ford in 1942 lived under relatively privileged conditions, with better food and lodging than the other groups. They were reportedly allowed to leave the camp area after work and on weekends. We may therefore infer that the first French prisoners of war were gradually redesignated “civilian workers,” or replaced by other French nationals.⁵²

By 1942 at the latest, Ford employed 400 to 500 “civilian workers” or “Westarbeiter” from France, the Netherlands, and Belgium. Some of the “Westarbeiter” were no doubt voluntary recruits, who may have come to Ford with the idea that they could earn good wages there. But the Reich occupation authorities often recruited labor in the conquered Western countries by compulsion. Yvon Thibaut was compelled to sign up for work by the occupation authority in Belgium in October 1942. He was told that otherwise, his brother or his father would be taken by force. Thibaut was one of seventy to eighty Belgians at the Ford camp in Cologne.⁵³ Dutch nationals

are also mentioned as laborers at Ford, in a letter written by Schmidt.⁵⁴ Among the foreigners, the Western "civilian workers" clearly received the best treatment, with better food, lodging and pay, and a degree of freedom including holiday privileges.⁵⁵

Five hundred Italian soldiers were brought to Ford in November 1943 as "Italian military internees" (called "IMIs") and used as forced laborers. They had gone through the Stargard (II D) prisoner camp and the camp at Meppen, where they received numbers from 15,001 to 15,500, before being brought to Ford.⁵⁶ Captured by German forces after the Italian surrender, IMIs were considered traitors and called "Badoglio pigs."⁵⁷ Their treatment in the Reich was especially brutal in the first few months. They were redesignated as civilians in September 1944, at which point their food improved and security measures were loosened.⁵⁸

The first contingent of forced laborers from the Soviet Union came to Ford in April 1942. Called "Ostarbeiter," they soon made up the largest group of "foreigners" at Ford Werke.⁵⁹ Russian, Ukrainian, and Belarussian workers occupied some of the lowest rungs in the Nazi racist hierarchy, and accordingly received the worst treatment of the groups at the factory. They faced draconian rigor under the Reich's Ostarbeiter decrees of February 1942,⁶⁰ which ordered that they be "strictly" isolated from the German population. Sex with Germans was prohibited. That was normally punishable by death. "Ostarbeiter" were subject to a night-time curfew. They were banned from making use of public transport or recreational facilities, attending cultural events, or riding bicycles. Their mail was censored. The "Slavs" were in every regard relegated to the status of "subhumans."

Ford also kept a smaller group of Polish forced laborers. Poles were subject to similarly rigid rules under the "Polish Decrees" (*Polenerlasse*) of 8 March 1940.⁶¹

According to the testimonies of the survivors and company sources, the majority of the 1,200 enslaved Soviet nationals at Ford as of summer 1943 were female adolescents. Aged sixteen or seventeen, most of them had been taken summarily from their villages and towns, by force. Anna Nesteruk describes her abduction:

The soldiers of Fascist Germany marched into our territory in the first days of the war [i.e., the invasion of the Soviet Union in late June 1941]. But we were carried off to forced labor, as it is called, on 3 June 1942, driven by blows from rifle butts to Starokonstantinov in the region of Chmelnytsky. We weren't even given a chance to say goodbye to our families. Armed soldiers went from house to house. They were the local police, commanded by the German occupiers. Hiding was pointless because they could shoot whole villages. And so we sat and waited for the fateful hour when they would come for each of us. Like a herd of cattle we were driven forth on foot, but where and why we scared little girls and boys did not know. We hoped that we weren't being taken to be shot, because a great many Jews, Poles, and other nationalities had already been shot in Starokonstantinov for various offenses, as defined by the German occupiers, in the months from June

1941 to June 1942. We were so many, mostly children and adolescents. Then we were put in cargo cars, bars on the windows, and taken to Germany.⁶²

Anna Nesteruk's transport went straight to Cologne. The Cologne Arbeitssamt distributed the young women among companies "like a commodity," as Klawdia Podobed put it. Other enslaved civilians arrived at Ford through one of the intermediary camps serving the labor offices of the Rhineland, or after a period at a different workplace. Inna Kulagina reports that she and a group of young women were picked out personally by a Ford employee at the Wuppertal intermediary camp.⁶³

One-quarter of Ford personnel as of August 1942 were foreign laborers, about 1,000 people in all, mostly prisoners of war and enslaved Soviet civilians.⁶⁴ The labor bureaus cooperated with the armaments commandos in assigning "Ostarbeiter" wherever they would best serve war production.

For the third quarter of 1942, the Wehrmacht prioritized production of Ford's "Maultier" (mule) trucks. Developed especially for the German armed forces, these three-ton trucks had a center axle to allow the addition of caterpillar tracks in the rear. The assignment of Soviet laborers to Ford was raised to help increase Maultier output.⁶⁵ By June 1943, about half of the 4,985 Ford employees were foreign nationals. The largest group consisted of 1,200 "Ostarbeiter."⁶⁶ Overall personnel rose to 5,742 by the end of 1943, so that Ford was running one of the largest labor camps in Cologne.⁶⁷ These figures do not account for labor at Ford's estimated 350 suppliers.⁶⁸

Life at the Ford Camp and Factory

The assignment to a group within the Nazi hierarchy of "foreign peoples" was decisive in determining a forced laborer's living conditions. At Ford, the racist order was expressed architecturally in the "Ausländerlager," built right next to the factory on Henry Ford Strasse.⁶⁹ The camp was divided into three separate areas: a "Russian Camp" for Soviet forced laborers, a "Westarbeiter" camp, and (starting in 1943) one for Italian military internees.⁷⁰ The three areas were named after German Ford models, so that the "Russian Camp" was also called "Taunus."⁷¹ A portrait of Hitler hung in the bar rack where meals were served to the Soviet civilians. As if in mockery of the inmates, it bore a sign in Russian: "Hitler the Liberator."⁷²

The "Ausländerlager" was built in 1942, and covered twice the area of the factory production halls. Ford spent 830,000 RM for the barracks, 530,000 RM of which was tax-deductible.⁷³ The size of these investments suggest that the company was reckoning with a long-term deployment of the foreign workers. Armed policemen with dogs patrolled the perimeter of the camp. The forced laborers had to show identification on entering or leaving the camp. The sole gate for "Ostarbeiter" ran through the inside of the security barrack.⁷⁴ Prisoners of war were never allowed to leave without guards. The Cologne police had orders to arrest immediately any prisoner of war spotted alone on the street.⁷⁵

Kamila Felinska, a Polish national, was at first mistakenly assigned to the Russian camp and later taken for French, so that she spent time in both camp areas. She describes the difference between the two camps as one between "heaven and earth."⁷⁶ As a rule, Soviet civilians were not allowed to leave the factory or camp. Tamara Nosik, then a Soviet national, relates that the people in her transport to Ford were placed in an eleven-month quarantine immediately after their arrival in summer 1942. Afterwards small groups could request permission to leave the camp on Saturdays.

Barracks in the Russian camp were furnished with three-level wooden bunk beds and mattresses filled with sawdust. Each barrack held 250 to 300 people. There was no privacy. Several families, who had been abducted from the Soviet Union together, were lodged in a "family barrack." The very sparse furnishings stand out in Kamila Felinska's mind: "There was nothing there, only a large room, and in the middle there was a very long table." By contrast a couple in the French camp could even get a small room of their own with a cabinet, a table and two chairs.

Wherever they were, all of the interviewees recall that it was very cold. The small ovens in the barracks were inadequate, with frequent fuel shortages.

The forced laborers were guarded by company security, police, and sometimes soldiers. The commandant in the Russian camp was Police Officer Wierschheim, an older man usually called "the Boss." He was assisted by two Ukrainian deputies.⁷⁷ The inmates received a "company identification" with their camp number. The Soviet civilians were required to wear a badge with "OST" for "Ostarbeiter" in very large letters. The Italians wore a sign with their work number on their chest, and gray uniforms with an "IMI" label on the back.

Identification by number was the seal of deindividualization and degradation. The forced laborers were required to recite their numbers at roll-call and on other occasions. The memory of this particular humiliation still hurts today. "We had no name, we were only a number. We were a labor unit, not people," says Inna Kulagina. The camp order was, as Anna Nesteruk says, "very strict." "Ostarbeiter" were constantly reminded of their general helplessness and of the many rules devised for them. Inna Kulagina: "We had to sign a paper promising we would have no relationships with the Germans. And that anyone caught having a relationship with a German would be shot. I signed that myself." Stepan Saika: "The guard could at any time rap or punch someone on the head. There was no one to complain to, no right to complain, you were just livestock."⁷⁸ According to Saika, guards carried out unannounced inspections at any and all times, inside the barracks and out.

From the barracks the prisoners went to work in columns and under guard. They were used in nearly every department, on the production line, in quality control, loading and unloading, and maintenance and construction around the plant grounds. The usually heavy work was carried out in twelve-hour shifts, day and night. The young women were often exhausted. Risk of injury was especially high on night shifts. Inna Kulagina once fell asleep in the bathroom. Her supervisor found her and beat her unconscious.

Much of this labor would normally have been performed by qualified machine operators and trained craftsmen. Stepan Saika received only a quick explanation of how to turn on the machine that made cylinder heads: "I looked at these machines. Where could I have seen such machines in the village? I thought, they will take off my head!" Overwhelmed and fearful, the young man grew apathetic and stopped taking care of himself. His condition improved only after he was transferred, about a month later, to an easier job brushing metal rods.⁷⁹

The forced laborers at the factory were at the mercy of the German personnel. Many Germans seem to have helped them by secretly giving them food. Some supervisors are described as friendly people. A few acts of sabotage were specifically intended to slow down the pace of work for the forced laborers. But the company security forces never rested in their effort to prevent contacts between their "fellow Germans" (*Volksgenosse*) and the "foreign peoples" (*Fremdvölkische*), by harsh punishment if necessary. One German worker caught giving food to a foreigner was promptly sent off to the front.⁸⁰

The interviewees also report that many of the Germans made use of the opportunity to issue commands and harass the foreigners with impunity. "You could do anything you liked to a Russian or a Pole," one German who worked at Ford relates. "They were fair game."⁸¹ The NSDAP encouraged inhumane treatment by propaganda actions that constantly invoked "the clear line separating our fellow Germans from the foreign peoples, a line drawn in blood."⁸² Anna Nesteruk describes being beaten on several occasions, once for stealing potatoes. "We all felt the rubber truncheon. We were constantly afraid. . . . But we also had moments of happiness, as when a German foreman shared his piece of bread with us or gave us a buttered roll. Those were moments of unlimited joy and gratitude. But there were other moments, when we were humiliated and called 'Russian pigs', when we were struck with rubber truncheons."⁸³

Despite the heavy manual labor, the food was terrible. Reich authorities had established a nationwide table of rations for each foreign group. These were so low that they even roused criticism from German agencies. As the Cologne Armaments Commando reported in September 1942: "For rations for the Ostarbeiter are completely insufficient. Especially with such a low intake of fat, it must be doubted whether the Ostarbeiter can keep up the demands placed on them in the long term."⁸⁴ The forced laborers are unanimous in recalling constant hunger and weight loss. Mareno Mannuc lost over ten kilograms in three weeks. He is all the more grateful to the colleague who secretly gave him bread. The interviewees all stress that they could have hardly survived those years without the extra bits of food that came their way.

Finding ways to get more food was a necessary survival skill. The French received packages from their families or the Red Cross. The Soviets had such privileges. Malnutrition drove many of them to desperate measures. They needed inventiveness, luck, and courage. Those caught stealing from

the canteen were beaten Nadja Schubrawa was locked up in the camp prison for stealing a turnip Below we shall see that many attempts to get food ended in arrests by the Gestapo The company management and personnel were hardly unaware of these conditions: Leaflets decrying the "bread-begging of the Ostarbeiter" were passed out at the factory⁸⁵

Sanitary conditions and medical care were also terrible According to a former German worker, Ford "did just enough to prevent epidemics, nothing more."⁸⁶ The medical care in the camp was limited to absolute necessity Injuries sometimes went untreated Lidija Solotarjewska tells of how she once had her finger slammed very hard by her supervisor. She had to bind her hand herself. Her finger was crippled. According to Mareno Manucci, every two months the Italians were subjected to selections. The sick were exchanged for new prisoners from the Stalag in Bonn

A closer study of known deaths from the Ford camp hints at the living conditions The Westfriedhof cemetery in Cologne has the graves of three babies from the Ford camp. They were aged six, nine, and thirteen months Nothing is known about the causes of their deaths⁸⁷ There were at least eleven other deaths due to unknown causes among the Polish and Russian forced laborers at Ford Conspicuous in most of these cases is that they were very young, seventeen to twenty-one years old.⁸⁸

The Birthing Ward, Children's Barracks, Abortions

One of the most difficult stories is in the treatment of pregnant women, babies and children Anna Obuchowskaja, one of the interviewed Soviet nationals, gave birth to a girl on 14 November 1943 She did not see a doctor or a nurse during her pregnancy. She delivered her baby in the barracks, and was forced to return to work soon after. She was allowed to go to the camp to breast-feed her child. Children at the camp were attended by German and Russian kindergarten teachers. A company document from 1943 creates the impression that Ford showed great concern for families and built maternity facilities and a home for babies⁸⁹ However a controversy that arose in 1947, when Ford Werke re-hired Carl Wenzel, the head doctor at the factory during the war, gives rise to doubts about whether the earlier description was truthful

Having joined the NSDAP in December 1931, before the Nazis took power, Wenzel enjoyed the status of an "old fighter" under the Nazi regime He was let go from his factory doctor's post in December 1945, and put through de-Nazification proceedings There he produced a number of character witnesses. The former paramedic of the "Auslanderlager" wrote, in a November 1947 deposition, that Wenzel was responsible for especially good sanitary conditions at the Russian camp, and added

He saw to the lodgings and clothing, nutrition, mental recreation and so on, and took exceptional efforts to arrange for a birthing station with a children's barracks, and did then set it up Every child had a pretty little bed, strollers were

bought. It was a joy for everyone when they could go out for a stroll with the child He treated women who were pregnant or post-natal and children just like Germans, granting them the same care, extra rations, and time to rest.⁹⁰

Wenzel's own remarks serve as a curious counterpoint. Accused of having carried out racially motivated abortions on "Ostarbeiter" women at the camp, he argued these were humanitarian actions, given the dire straits of the pregnant women, who were usually sick, and given the "impossibility of raising children"⁹¹

Pregnancies among "Ostarbeiter" were a kind of abomination to the Party and much of the public. Until 1942 pregnant Soviet women were sent back home, but later a movement arose towards legitimating abortions for pregnant Polish and "Ostarbeiter" women, as their labor was considered too precious to lose A general order of 11 March 1943 allowed abortion for these groups on the woman's request, given an approval by the local medical association⁹² Kresse, one of the doctors appointed for the Russian camp by Wenzel, claimed that many Soviet women applied for abortions following the publicizing of this order. At first the procedures were carried out in a Cologne hospital ward set up for the purpose The medical conditions there were catastrophic, Kresse said. The operations were done without anesthetics. Many women returned to the Ford camp with infections, and had to stay in bed for weeks⁹³ According to Wenzel's testimony, there were later ten cases in which abortions were carried out at the Ford camp by either Kresse or himself, but always at the woman's request.

Wenzel's claims that his motives were humanitarian and that the women aborted voluntarily were contested at his de-Nazification procedure His former nurse, who on ethical grounds had refused to help him perform the abortions, raised serious accusations The de-Nazification commission of Cologne took the following minutes of her testimony

In questioning, Mrs Str said 2 abortions were carried out within a short time on the same person, who was about 40 years old The woman's health suffered greatly According to the same testimony, an abortion was carried out on a Russian woman who was six months pregnant. Mrs. Str would find it regrettable if Dr Wenzel were to return to the company With regard to nutrition at the Russian Camp, Mrs Str stated that Dr W did not exercise a minimum supervision She claims to have often complained to Dr W about the poor nutrition for the children and the adults, but Dr W never took action⁹⁴

Based on these accusations, the de-Nazification commission asked for a statement from the Cologne Medical Association.⁹⁵ Determining that there had been seventy births in the camp as opposed to ten abortions (the abortions at the hospital were not taken into account), the Association wrote.

It would contradict medical experience to see 10 indications for discontinuation, based on health, out of 80 pregnant women of average health. . The ratio of 70 healthy births to 10 abortions does not confirm Dr W's assertion that abortions were carried out rarely and only for health reasons, but on the contrary demonstrates that other motives were surely decisive Such motives could include. 1

Racial policy or a desire to minimize absence from work. 2. Regard for the surely difficult situation of the expectant mothers, i.e. social indications. We are closest to the truth if we do not view one of these motives, but the sum of them all, as decisive in the decision to abort.

Surveillance and Repression, Wages and Profits

Throughout Germany, company security forces (*Werkschutz*) played a key role in supervising and disciplining all personnel and especially the forced laborers.⁹⁶ Company forces consisted of both full-time guards and part-time recruits from among German personnel. Under the Ostarbeiter decrees, the Werkschutz were expected to work closely with the Gestapo. They took an increasingly paramilitary cast from year to year. A general order to Gestapo offices, dated 20 February 1942, requires all companies making use of Soviet workers to appoint a political "counter-intelligence representative" (*Abwehrbeauftragte*) to supervise the company security force. The same order urged the assignment of full-time Gestapo units to sensitive workplaces.

The Gestapo was, among other tasks, specifically charged with "fighting insubordination." They investigated "plots by enemies of the Reich" and cases of "sexual intercourse with Germans." The latter was to be punished by deportation to a concentration camp or "special treatment" (*Sonderbehandlung*). That was the euphemism for murder. "Less serious cases" were left to company security, who were granted full authority to carry out beatings. "In breaking acute resistance, the watchmen are also allowed to use physical methods on the laborers."⁹⁷ Company security forces, which were already bound to follow Gestapo and military orders starting in March 1939, were officially placed under the exclusive supervision of the Gestapo in October 1943, completing a close intertwining of the state and company disciplinary structures.⁹⁸

"Company leaders" (*Betriebsführer*) were urged to work closely with Party, State and Gestapo in assuring the discipline and productivity of the foreign workers. The counter-intelligence representatives received regular propaganda schoolings from the Gestapo.⁹⁹ The first counter-intelligence representative at Ford was Wilhelm H. Buchwald. His deputy in the counter-intelligence hierarchy was none other than the "Company Leader" himself, Robert H. Schmidt. Schmidt's official "counter-intelligence" authorities were identical to Buchwald's. Buchwald reported regularly to the Cologne Gestapo.¹⁰⁰ To date, no information is available about the size of the security forces at Ford, but a guideline issued by the Cologne Armaments Commando urged that 30 percent of the male German workforce be incorporated into the forces in full-time or part-time capacities.¹⁰¹

Several cases are known of forced laborers from Ford who were turned over to company security or the Gestapo on suspicion of theft, misappropriation, or "plundering." Two of the still-existing case files show that the accused was released after an investigation.¹⁰² Another case went badly

Kambur Gonki left the camp to search for food. On his return, he was captured by a security patrol and turned over to the police. After a brief imprisonment, they sent him to the Gestapo for assignment to a "work education camp."¹⁰³ Run by the Gestapo, these camps were in many ways comparable to the KZs.

In another case, the police held two laborers from the Ford camp for theft from 13 January to 6 February 1945, and later deported them to KZ Buchenwald.¹⁰⁴

The basement of the Cologne Gestapo Headquarters, in the so-called EL-DE Haus not far from the famous Cathedral, was a prison. Several hundred people were interrogated and tortured there during the war. Today, EL-DE Haus is home to the city's NS Documents Center and a permanent historical exhibition on the Nazi era. On the walls of the former cells, little more than brief narrow passageways into which dozens of prisoners would be crammed without room to sit, the many inscriptions carved by the inmates still evoke their hopes and terrors.¹⁰⁵

Cell 8 is full of inscriptions by Nikolai Bulotschnik, a man from the Ford camp who was caught and turned over to the Gestapo for stealing

*Nor is the one happy
who shall return
No lucky day
awaits him
He will be forced
to steal again
and once more
boys
the prison*

Another Russian inscription, inside a heart, makes known the death of Nikolai Bulotschnik.¹⁰⁶

NIKOLAI
BULOTSCHNIK
FORD

sleeps a PEACEFUL SLEEP
City of STALINO
LIVED FOR 21 YEARS
ETERNAL REMEMBRANCE AND ETERNAL PEACE
WAS HANGED WITH THE 3rd GROUP

Nikolai Bulotschnik's execution cannot be dated, because those murdered by the Gestapo at EL-DE House were all buried in unmarked graves.

More is known about Michail Latpow, 32, a Russian, and Piotr Satew, 21, a Ukrainian. They were sentenced to death by a "Sondergericht," one of the Nazis' summary political courts.¹⁰⁷ On 30 August 1943, Latpow and Satew, both forced laborers from Ford, took clothes from the basement of an unoccupied house that had been destroyed some weeks earlier in an air

raid They wanted to bring these back to the Ford camp Back out on the street, they were confronted by a passerby and soon after arrested On 7 September 1943, Sondergericht 3 of the Landgericht Cologne, with a Judge Sudholz presiding, sentenced the two men to death for the crime of plundering Their plunder was a bunch of dirty rags A clerk with the Justice Ministry named Meissner wrote, a few days after the sentencing: "As foreign workers the condemned men treated in a base way the last belongings of our injured fellow Germans. We see no extenuating circumstances to justify a milder treatment. I therefore propose not invoking the right of reprieve, but allowing justice to take its free course."

The men were both married Their wives were also forced laborers at Ford. As the authorities documented, they had acted in desperation. Piotr Satew wanted the clothes for his wife, who was pregnant and in her eighth month In a last letter, addressed to the Russians at Ford, he begged his countrymen to take care of his wife, and to break the news of his fate to her gently Latipow's wife was also expecting. In his last letter, he asked that his child be named after him

The letters were never sent, but added to the case files with the following note: "The contents make these letters inappropriate for delivery, since the story as told by the letter writers will call forth unrest among the Ostarbeiter"

Latipow and Satew were executed at Cologne's Klingelputz Prison on 4 October 1943. "Satew was taken from his cell at 15.15 and brought before the Prosecutor for the announcement of consummation of his sentence He was very upset. He did not admit his guilt and claimed he had been unjustly condemned He begged for religious counsel He remained upset, until the execution"

On the next day, the Municipal Publicity Office put up 330 posters to announce the executions, all around the city There can be no doubt that the news made a lasting impression on the "Ostarbeiter"

Three other forced laborers from the Ford camp fell into the Gestapo's custody in fall 1944 Many "Ostarbeiter" took to hiding amid the ruins of the bombed-out city. They armed and defended themselves against the police and Gestapo The Gestapo reacted to the loss of control with brutal crackdowns, round-ups, executions. In November 1944, the Gestapo arrested two "Ukrainian civilian workers" in the Ford camp on suspicion of plundering They announced an upcoming "major action" at the Ford camp.¹⁰⁸ Later that week, possibly in the course of this "major action," there was a shoot-out at the Russian camp A third "Ostarbeiter" was arrested by Wehrmacht soldiers on suspicion of "gang membership," and turned over to the Gestapo.¹⁰⁹

Escape was almost impossible, especially for the Soviet laborers In his 1992 interview, Ivan Ananitsch was asked whether he had ever thought of escaping from the camp The question seemed so odd that he had to laugh: "You could probably get away, but where would you go? No one paid attention to me They let me through the gate, but it was pointless to run If I had gotten away, they would have arrested me in the city, and sent me back"

Fugitives of course faced worse dangers than being "sent back," as the forced laborers well knew. Stepan Saika tells the story of a group of French men and two Russian women who hid in a train headed from Ford Werke to the Russian Front. At the Polish border the train was searched, and they were sniffed out by the dogs The men were shot on the spot, the women were sent to a penal camp.

GIVEN THESE CIRCUMSTANCES, it is not surprising that the Russians comprised the most reliable and efficient group of laborers at Ford Werke in the summer of 1943 The advisory council minutes of July 1943 note that the "labor-power" (*Arbeitskraft*) of the Russians was "at about 90 percent of a normal German worker's" The "labor power" of the average German worker was said to have fallen off to 75 percent as a result of the many air raids on Cologne German morale was further undermined by the rise in working hours, from fifty-four to sixty a week Their sick rate was running at an extraordinary 17 percent.¹¹⁰

The "Westarbeiter" were by then causing many problems at Ford. About a third of the French, Belgian and Dutch civilians had escaped during the air raids, or failed to return from vacations. The situation among the French was considered critical. Seventeen out of one group of nineteen who went on holiday never came back to Ford.¹¹¹

Instead of recruiting workers who "then disappear at the first opportunity," Ford now took up the strategy of transferring assembly and parts manufacture to Belgium, or to other occupied territories.¹¹² Robert Schmidt had started taking steps in that direction from the moment he was appointed commissarial custodian of the Ford Motor Company units in Belgium and Holland. Ford Motor Company of Antwerp was placed under Schmidt's administration on 29 May 1940, after which Cologne devised the production plans for the Antwerp plant, and gradually integrated Antwerp into its arms program The mostly Belgian personnel jumped from 312 on 1 October 1940 to 1,080 on 31 December 1941, finally reaching 2,200 in 1944.¹¹³ Schmidt was crafting his postwar scenarios at a very early stage, as reported in the company magazine, *Ford-Werkszeitung*, in summer 1941 "As the Commissar for Ford operations in the Occupied Territories, Wehrwirtschaftsführer R.H. Schmidt is preparing Ford to take the measures required in the interests of a European economy after the war."¹¹⁴

The overwhelming majority of forced laborers at Ford received very low wages or none whatsoever KZ prisoners got nothing Companies were required to pay a fixed per diem to the SS for each KZ prisoner (four RM for so-called assistants, six RM for skilled workers) In the month of November 1944, for example, Ford paid 5,220 RM to SS-WVHA for its KZ satellite commando¹¹⁵ Almost no other documents concerning costs or wages for forced laborers at Ford survive Here we shall review the reigning general practices, as supplemented through oral reports from former forced laborers at Ford.

Prisoners of war received no wages. A fixed per diem, derived as a percentage of a German worker's average wage, was paid to the command of

each "Wehrkreis," the regional defense district that administered the Stalag POW camps.¹¹⁶ Mareno Mannucci was brought to Ford as an "Italian military internee" in 1943, and later given "civilian worker" status. When he was transferred away from the Ford camp, he received 50 reichsmarks as the wages for over one year's work. By decree, wages for "Westarbeiter" were lower than those for German workers. Actual net pay was in part determined by the companies, which deducted variable amounts from wages to cover the costs of a laborer's food or lodging.

The wages paid across the Reich for "Ostarbeiter" were so low that companies were embarrassed to pay them, as Armaments Commando VI reported in March 1942:

The deployment of civilian Russians of male and female gender has by now begun at a number of arms makers. The companies are satisfied with their work enthusiasm and conduct. They are worried about the very low wages, however. The companies have been reluctant so far to pay these amounts, in the fear that the low rates will act as an immediate damper on work enthusiasm.¹¹⁷

Again, in paying wages companies made use of a large leeway to deduct for food and lodging. The payroll accountant at Ford testified, soon after the war, that after withdrawals for taxes, insurance, lodging and food the "Russians" received less than half the wages due them under the regulations.¹¹⁸ This may explain why former "Ostarbeiter" from Ford report unanimously either that they got no money or, according to Stepan Saika, only worthless "camp money."

At the end of 1943, looking back on the past year, Reichskommissar Johannes Krohn expressed his satisfaction to Robert Schmidt "that the enterprises you administer contributed even more towards raising our arms potential in the year 1943 than in 1942."¹¹⁹ Ford's revenues were indeed impressive, having reached 128 million RM in 1941, 132 million RM in 1942 and a peak of 184 million RM in 1943.¹²⁰ Even in 1944, with the Allies approaching and bombing from all directions and causing repeated production stoppages, Ford still turned over 137 million RM in the first three quarters.¹²¹ Production bogged down only after the total collapse of the city's infrastructure in the devastating attacks of fall 1944.

The conspicuously high profits registered by "enemy companies" caused disputes between various Reich ministries. The Ministry of Economics (RWM) was especially keen to grab the profits.¹²² A high-level tax inspector named Hiller was sent out in September 1943 to audit several foreign companies, including Opel, Ford, Hollenth, and Kodak. He observed an impressive growth in assets at all of the companies. He found that Ford-Werke AG assets had grown from 14.8 million RM in 1938 to 36.7 million RM in 1942, and that net liquid assets had in the same period risen from 10 million RM to 28 million RM. Hiller attributed this phenomenal growth above all to a rise in revenues through Wehrmacht contracts and the consequent operation of plant at full capacity. As a third reason, he cited the use of cheap labor, such as prisoners of war and "Ostarbeiter."¹²³

Supported by the Foreign Ministry and the Reich Finance Ministry, the Reichskommissar put up a stubborn and successful resistance against RWM's designs on Ford's profits.¹²⁴ The dividends due to Ford Werke shareholders from "enemy states" were not paid during the war, but also not confiscated. They were left to Ford-Werke AG, and logged in the accounts books as loan from the shareholders or new equity.¹²⁵

The Buchenwald Satellite at Ford Werke

In the final two years of the war, even with the Wehrmacht falling back on all fronts, Ford and the rest of the arms industry continued producing for the Nazi Reich's last stand. The Western Allies landed in Normandy on 6 June 1944 and liberated France that summer. On the Eastern Front, the Red Army on 22 June launched an offensive that smashed the German lines and reached the gates of Warsaw that autumn. No doubt remained that the Nazi Reich would suffer total defeat.

In August 1944, Ford set up a new camp near the factory in Niehl. The KZ slave-labor squad known as "Aussenkommando Koln-Ford" moved in the camp on 12 August 1944.

The use of KZ prisoners in truck production came late in the war, as only after Armaments Minister Speer had applied sufficient pressure on the other authorities. Following a decree by Hitler in July 1944, Heinrich Himmler ordered that 12,000 KZ prisoners be made available for truck production. It was in this connection that Ford also received a KZ squad. Ford's squad comprised fifty men selected from KZ Buchenwald: thirty-five Russians, ten Czechs, two Germans, two Poles, and a stateless man. They were guarded by a unit of sixteen SS troopers.¹²⁶

Ford's contacts to the SS went back much further than that. Prisoners from Aussenlager Messe, the KZ satellite camp set up in September 1941 at the Cologne Fairgrounds, had often been assigned to work at Ford. Kazimierz Tarnawski was among a Messe group who traveled to Ford's back every day. If no transport car was free, they took the several kilometers on a forced march. At the company's docks on the Rhine, they loaded up ships with boxes headed to the Ford branch in Bucharest. Another "Aussenkommando" with KZ prisoners built bunkers on a field to the north of the factory.¹²⁸

The Messe camp was withdrawn from Cologne in May 1944. Apparently upset, the municipal authorities led a lobbying campaign for renewed assignment of KZ laborers. Three small commandos were then upon assigned to the largely leveled city in late summer 1944: one for the municipality ("Aussenkommando Koln-Stadt"), one for Westwaggon, one for Ford.¹²⁹

In relative terms, the Ford KZ labor commando was a very small satellite camp. To take three examples from the automotive industry, Daimler-Benz, BMW and Volkswagen employed thousands of KZ prisoners under

worst conditions imaginable.¹³⁰ Compared to that, the conditions at KZ Aussenkommando Köln-Ford were better. But the deployment of SS resources signals a new quality compared to Ford's use of forced laborers until then. All KZ satellite camps practiced selection. Prisoners who were no longer able to work were exchanged for healthy ones from the main camp. Returning to the main camp, the sick faced a likely death of hunger and neglect, or execution. Even if no one died or was killed at the Aussenkommando itself, companies who made use of such squads were complicit in the National Socialist policy of annihilation. The example of Opel (see Chapter 1) furthermore shows that it was possible for an arms producer to avoid such direct use of SS "labor resources."

Marian Gazinski, twenty-four years old at the time, was an automotive locksmith by trade. In his telling, the barrack for him and the other KZ commando prisoners was located seventy to one hundred meters from the factory grounds. Their fenced-in camp was painted green and kept spotless. The center section of the barrack held rooms for command and guard posts, the kitchen, and baths and toilets. Either wing was furnished with a commissary and enough three-level wooden bunks for twenty-five prisoners each.

The SS men led them to Ford and watched as they worked. Their shift ran from six in the morning to six at night. KZ prisoners were kept well isolated from all other workers. Marian Gazinski was assigned wherever he was needed each day. He operated a lathe, made engine parts, tested ignitions. The number of skilled workers among the prisoners of the Ford Aussenkommando is conspicuously high.¹³¹

The camp commandant was twenty-seven years old. Mr. Gazinski describes SS Oberscharführer Josef Gergel as an "arrogant" but not a brutal man. *The SS men did not mistreat the prisoners, but were "very concrete and determined,"* according to Mr. Gazinski. "We always behaved very properly, because we had this discipline. We knew you could lose your life for a trifle, so we stuck to the rules." In his recollection, the worst part about his time at Ford was the food, which he describes as worse even than at Buchenwald. Breakfast was coffee and two hundred grams of bread, dinner spinach and three potatoes or a white turnip soup. He still remembers a plate of lentils as the best meal he had. No food was served during the fifteen-minute break at midday, no extra rations were given for heavier labor or special occasions.

Four prisoners escaped from the Ford commando.¹³² Nine more were assigned from Buchenwald and two transferred in from Kommando Köln-Stadt, so that Ford's group numbered sixty-one. One died of unknown causes and five were sent back to Buchenwald for unknown reasons.¹³³ With the city destroyed and the Americans nearby, Ford Werke shut down operations altogether on 27 February 1945. The Aussenkommando was dissolved. The remaining forty-eight prisoners were transported back to Buchenwald, where the death march began in early April 1945.¹³⁴

Siege and Liberation

Although Ford Werke was a very important producer in the German war effort, it was not included in any Allied bombing plans until 2 October 1944. The U.S. Air Force flew two raids on Ford, on 15 and 18 October 1944. Instead of the factory, the bombs hit the barracks of the forced laborers.¹³⁵ The "Plan of Factory Ford-Werke AG," drawn up for the occupation government one year later, shows five barracks having burned down during the war. Of the plant itself, only a few smaller buildings are marked as having been hit.¹³⁶ One of the USAF attacks was witnessed by Franciszek Wójcikowski, a prisoner in KZ Aussenkommando Köln-Stadt who was working at Ford. As he remembers it, on that day, after the first sounding of air raid sirens, the factory gates were opened, and the people ran out and hid wherever they could. The Soviet civilians ran to their barracks. After about a half hour, the bombers appeared and dropped incendiaries on the barracks. At first a few people ran out of the barracks and back to the factory. Then no one could get past the flames. An unknown number died. "The barracks with the people inside. There was such a screaming! A terrible screaming."

The intensive bombings of fall 1944 were the most impressive sign of the coming end of the war for Cologne. A few of the forced laborers at Ford, among them Mareno Mannucci, were assigned to the labor army of the Armaments Ministry, known as "Organisation Todt." They built tank traps against the advancing Allies, who in October 1944 reached the town of Aachen, just 60 kilometers west of Cologne. In the month that followed, most Cologne authorities and companies moved to the "safer," eastern side of the Rhine. Ford Werke began relocating in mid-September 1944.¹³⁷ Its machine capital was transported to various "dispersal locations" in the surrounding country. Afterwards most of the forced laborers were moved to overcrowded and under-supplied camps east of the Rhine.¹³⁸ On 1 March 1945 the Gauleiter of Cologne (the Nazi district leader) ordered a supervised evacuation of the whole city west of the Rhine.¹³⁹ Five hundred forced laborers from the Ford camp were brought to one of Ford's dispersal plants in Duemmlinghausen, a village in the upper Bergish Country near Gummersbach, on 3 March 1945.¹⁴⁰ About 1,000 of the Ford laborers were held in the Cologne suburb of Bergisch Gladbach, east of the Rhine.¹⁴¹

Of course, production at the dispersal plants never got started in the mad confusion of the last days of war. In early 1945 the Reichskommissar for Enemy Property in Berlin lost all contact to Schmidt, who was presumed missing or dead. A new custodian for Ford was appointed in Berlin. He somehow got through the collapsing transport system to take a tour of the Gummersbach location. Meanwhile, the Gauleiter of Cologne, in his additional role as a "Reich Defense Commissar," appointed his own custodian for Ford's dispersal locations. The second custodian was bent on getting production running at the dispersal plants by the end of March 1945, by whatever means. This was hopeless. In April the Wehrmacht collapsed altogether, and U.S. forces crossed the Rhine. As in the rest of the Reich

Nazi hardliners ordered all of Ford's machinery destroyed. The Ford managers circumvented this and instead followed a deviant order from Albert Speer's Armaments Ministry, to disable, but not destroy, the machines.¹⁴²

The Ford Werke factory grounds had been occupied along with all western parts of Cologne six weeks earlier, on 5-6 March. The U.S. troops liberated a group of 290 forced laborers who stuck it out at the bunkers in Niehl.¹⁴³ The majority of forced laborers, who had been evacuated east of the Rhine, remained in constant danger of being killed in the hostilities until their own liberation in mid-April. Mareno Mannucci still calls the thirteenth of April, 1945, the happiest day of his life.

The Myth of the Model Camp

After the war, Ford Werke and the great majority of its executives benefited from the "dual loyalty"¹⁴⁴ they practiced under Nazi rule. During the twelve years of the "Thousand-Year Reich," they took every effort to look and act like a loyal German company. As soon as the U.S. troops arrived, they turned into the courageous protectors of American property. The Ford Werke management immediately pledged their loyalty to the U.S. Military Government (MG), which in turn provided Ford Werke with decisive assistance in resuming production. American military units helped ship the almost intact machinery back from the dispersal locations, and transported Ford's German workers back from their evacuation. In the last days of the war, Schmidt had ordered the sinking of Ford's riverbound spare-parts warehouse. The Military Government raised the ship from the bottom of the Rhine, enough parts were salvaged to allow three months of truck production. On 8 May 1945, the day of Victory in Europe, the first new truck rolled off the assembly line at Ford Werke.¹⁴⁵

The continuity in management was remarkable. The U.S. authorities in April 1945 appointed as the new company custodian Erhard Vitger, the same Danish executive who had served as Schmidt's second-in-command since 1937. He was joined on the new management board by Ford executives from Britain. Of Ford's 2,600 German employees, a total of forty failed their initial de-Nazification procedures, and were fired in the course of 1945.¹⁴⁶ Some disappeared, like the "Shop Leader" (*Betriebsobmann*) Brunkhorst, a notorious and feared Gestapo informant. But many of the Nazi-era executives had joined the NSDAP fairly late or not at all, and were exonerated in their de-Nazification procedures as Category V: "incidental members."¹⁴⁷ They were neither punished nor required to atone in any way. Of those who were fired, many returned to the factory, after a decent break of two or three years spent in effecting their rehabilitation. The former "Wehrwirtschaftsführer" and "Company Leader" Robert Hans Schmidt and the factory doctor Carl Wenzel were among them.

The re-employment of the factory doctor was controversial.¹⁴⁸ He had been fired in December 1945, but later placed in Category IV. A "storm of

indignation" broke out among the workers when they heard that he would be allowed to resume his old function on 15 September 1947. The works council, the newly elected representatives of the company personnel, voted to stage a work stoppage on that day. An assembly of the personnel adopted a resolution against re-hiring Wenzel, with just two abstentions. The workers refused to accept medical care from an old "Party Comrade," all the more so since he would be involved in setting their sick time and rest periods. They argued that Wenzel's professional conduct under the Third Reich had proven that he cared much more about the company's interests than the welfare of the personnel. The investigations set off by these protests then discovered evidence of Wenzel's wartime abortions.

The strike delayed but did not prevent Wenzel's return. The doctor's case is exemplary of a curious process after 1945, by which hundreds of thousands of active Nazis and Reich supporters mutated overnight into "persecuted opponents of the regime." Wenzel had once been a member in Germania Leipzig, a right-wing nationalist dueling fraternity prohibited by the Nazis. His telling practically turned it into an opposition movement. He used every argument in discrediting the main witness against him, and apparently also got his friends to pressure her. The Ford "Ausländerlager" was stylized into a model camp. Wenzel provided the de-Nazification board with a number of the exonerating third-party testimonies known popularly as "detergent certificates" (*Persilschein*). Wenzel found three former "Ostarbeiter" who attested to his general helpfulness, a "Political" whom he had adopted as a protégé just before the end of the war, and a co-worker who testified that Wenzel had "helped Jews." As for the details, the recipient of the help was a "half-Jewish" woman terrified that her parents would be deported to the death camps. Doctor Wenzel promised that before that happened he would provide her with the poison they needed to kill themselves.

The debate over Wenzel's wartime conduct lost any factual dimension in the winter of 1947 and 1948, as it turned into a proxy for other conflicts brewing between labor and management. Wenzel successfully portrayed the accusations as a personal smear campaign. The municipal appeals commission ruled in his favor on 13 April 1948, writing: "[We] on the contrary are of the view that a part of the personnel are attempting to have workplace issues resolved to their favor by making use of the de-Nazification offices."

Robert Hans Schmidt was a far less controversial figure among the "company community," but he also had to fight for his return.¹⁴⁹ He served the U.S. Military Government with eloquence and readiness from the moment of their arrival in March 1945. MG Headquarters in Frankfurt ordered his arrest in June 1945, however, and he was interrogated for two months about Ford-Werke AG and IG Farbenindustrie AG. By the time he was released and returned to Cologne, the city had been taken over by a British MG as part of the British Zone in the Allied organization of Occupied Germany. They slapped Schmidt with an employment ban, citing his honorific as "Wehrwirtschaftsführer," the title he had held since April 1941. Under Allied guidelines, this was grounds for immediate firing.

In the ensuing de-Nazification procedure, Schmidt reinvented himself as an internationalist and pacifist opponent of the Nazis. Not unlike Wenzel, he told of a "half-Jew" and of a "political victim" whom he had helped. But his first attempt at rehabilitation still went awry. The commission caught several false statements on his interrogation form. He neglected to mention his job as a "Reichskommissar" for Ford properties in Belgium and Holland, and his articles with a Nazi tone in the Ford company newspaper. The examples he cited of his "persecution" by the Nazis all turned out to be conflicts with individual NSDAP members that arose in the course of his efforts at building a private fortune. In a concurring statement, the British MG also balked at clearing Schmidt. "It is hard to believe regarding the carefulness with which the OKH and the NSDAP have selected their collaborators for responsible and leading positions that a completely politically unreliable person, as claimed by Schmidt, was selected for the positions stated above."

Rejected, Schmidt went searching for more exonerating material. In his appeal motion of 10 September 1946, he pointed to his exemplary conduct towards the forced laborers:

My basic attitude in all social and wage-issues naturally extended to the foreign workers, who were as decently treated, clothed, and fed as was at all possible under the very strict regulations. I often directly violated legal regulations in order to ease the lot of the people who had been taken away from their homes by force, insofar as this was possible. And here the limits of the possible were pushed far further than was generally the case.

Schmidt had seen how the war would turn out well in advance of the Allied victory. Instead of fleeing Cologne, he stuck it out at Ford Werke in March 1945. Now he claimed to be a resistance fighter who had defended the company's interests from the clutches of the Nazis. His argument was helped by a letter from the NSDAP district leader of Gummersbach, dated 12 March 1945. Therein, Schmidt is accused of sabotage for delaying the transfer of Ford's production machinery to the dispersal locations. This had helped thwart the Party's plans to destroy the machinery, and was very positively received by the personnel committee at Ford. It also helped that no documents confirming Schmidt's membership in the NSDAP had come to light. The commission never saw the only available source in which Schmidt is described as a "Party Comrade." That he had been a "Wehrwirtschaftsführer" was considered at least as serious, however. Schmidt deflated it by pointing out that his title was conferred only by General Leeb, head of the Army Weapons Procurement Office, and not by Reichsmarshal Hermann Goring. In no small part thanks to a recommendation from the Ford Werke works council, Schmidt was placed in Category V on 25 October 1947.

By the mid-1950s, with Ford Werke once again firmly and openly under the control of Ford Motor Company, most of the key executives from the Nazi era had moved back into leading positions. Six of them occupied posts on Ford Werke's eight-member board of managers as of 1956. Chairman Erhard Vitger and Deputy Chairman Robert Schmidt were joined by their

long-term associates, Hans Grandt, Ernst Sagebiel, Hans Schmidt, and Max Ueber. Schmidt was promoted into the directorate in 1958, and remained associated with Ford Werke until his death on 24 October 1962.¹⁵⁰

There is no doubt that the upper management at Ford was at least informed about the general living conditions of the forced laborers at their plant during the war. All manner of eloquent statements about their "foreign workers" can be found in their de-Nazification files, dating from 1945 to 1948. In their efforts towards exonerating each other, they helped constitute the company legend of the "model camp," in which the "foreign laborers" had lived particularly well. This legend not only found its way into the literature,¹⁵¹ but has been kept alive among the majority of retirees who witnessed the war years at Ford.

Conclusion

Under great legal and public pressure, a few major German industrial corporations finally brought themselves, in the course of 1998, to consider setting up compensation funds for Nazi-era forced labor. These announcements may be part of the companies' attempt to foil the enforcement of the former labor-slaves' legal claims, but they also constitute an admission by the companies that their former defense—that they were simply compelled to follow the orders of the Nazi regime—has become untenable in light of the facts.

That Ford-Werke AG in Cologne did make extensive use of forced labor, and that its forced laborers were subjected to degrading conditions, is no longer subject to question. Even if the available sources are meager on many points, Ford Werke cannot credibly claim that it was involuntarily assigned forced laborers to meet dictated production numbers. No evidence suggests that Ford Werke made an effort to limit its production capacity to avoid employing forced labor. Much evidence shows that the American-owned German Ford unit actively and independently pursued an expansion of its operations at all times under the Third Reich, so that it became one of the most important suppliers of vehicles to the Wehrmacht.

That the Ford subsidiary in Cologne stood under the supervision of the Reichskommissar for the Treatment of Enemy Property starting in May 1942 does not, on closer examination, relieve the Ford Motor Company of its responsibility. Long before then, already in 1940, Ford Werke was employing French prisoners of war as forced laborers.

The company's policy in the years from 1933 to 1941 is evident. Ford-Werke AG, with the knowledge and support of the Ford Motor Company in Dearborn, integrated its operations into the Nazi war economy and set off on the course that was followed after 1941. Strikingly, Ford returned to business as usual very quickly after the end of the war, and in doing so relied heavily on its well-tested managers from the Nazi period. This apparently smooth transition, with almost the same leadership from one era to the next,

is tantamount to a sanctioning after the fact by Ford Motor Company of the activities pursued by these men under the Nazi regime.

After the war the Ford Motor Company did not just reassume control of a factory, but implicitly assumed responsibility for its history. Through the lawsuits filed by the former forced laborers, Dearborn is today confronted with more than five decades of its sins of omission. Apparently no one at Ford Motor Company was interested in casting light upon this part of history, not even to explicitly proclaim a distance from the practices of Ford-Werke AG during the Nazi era.

– *Karola Fings*