

Nr. 5.2.3.07

Schreiben F. Thelwall an Thomas Hunter Urwick (27.01.1921)

Brief

Bearbeitet von: Roman Köster

Fundort: Archives Nationales Paris, AJ,6,361

Formalia:

Maschinenschriftliches Briefdokument

Regest:

Diese umfangreiche Quelle gibt einen anschaulichen Einblick in die konkreten Schwierigkeiten der Abwicklung von Handelsgeschäften zwischen Deutschland und Großbritannien nach der Verschärfung der Einfuhrkontrollen und der Devisenbewirtschaftung im Frühjahr 1920. F. Thelwall, angesehener Economic Councillor des britischen Foreign Office, beschreibt die Durchführung des Handels und der Devisenbewirtschaftung allgemein. Historischer Hintergrund waren die Versuche, das "Loch im Westen" zu schließen, dass also insbesondere in den von Frankreich besetzten deutschen Gebieten eine Durchsetzung der Verordnungen über Handel und Kapitalstransfers kaum möglich war. Dagegen war die Einfuhrverordnung vom 22. März 1920 gerichtet, die nicht nur jede Einfuhr genehmigungspflichtig machte, sondern auch drakonische Strafen für die Verletzung der Verordnung festlegte und Einfuhrwaren grundsätzlich unter den Verdacht der Illegalität stellte. Damit wurden dem Handel bewusst kaum tragbare Beschränkungen auferlegt. Thelwall analysiert in dem hier präsentierten Gutachten die Folgen und er beschreibt zahlreiche Fälle, in denen sich das Foreign Office - zumeist mit Erfolg - zugunsten einheimischer Firmen einsetzte. Deutlich wird, wie kompliziert und zeitaufwändig der Handel durch die neuen Einfuhrregelungen wurde. Thelwall kam mit guten Gründen zu der Auffassung, die Deutschen würden auf diese Weise ihren Wirtschaftsbeziehungen mit dem Ausland eher schaden als nutzen, was aber durchaus beabsichtigt gewesen sein könnte.

3 Pariser Platz

Berlin, 27th January 1921

Dear Urwick,

I have recently compiled at the request of M. Billoteau a short summary of most of the cases of complaint in connection with the German import and export regulations which have been dealt with in this office. As this compilation was intended for the Reparations Commission, you will no doubt see it and I should, therefore, like to point out the following for your information in connection with it.

You will notice that most of the cases have in the end been settled in our favour, but that this always took an extraordinarily long time. As a matter of fact few new cases are now coming in, which is probably due to the fact that British merchants have now become accustomed to the regulations. The real basis on which the subject should in my opinion in future be examined is whether it is truly for Germany's benefit and does not rather impede her foreign trade, secondly, and this is the most important point, whether the system at present in force does not represent a complete contravention of those clauses in the Peace Treaty which forbid Germany to extend the most[2] favoured nation treatment to countries other than the Allies.

As to the latter, it is difficult to obtain proof and the only cases which might be regarded as evidence in this connection are those on page 8 under Imports, referring to the Industrial Importing Co. and Messrs. S. Banner & Co. Ltd. As a matter of fact most Germans admit in conversation that they cannot do without the freedom of

according preference to whom they like and that, therefore, they cannot abolish the present import und export licencing system until the Allies again accord them such freedom.

Yours sincerely,

F. Thelwall

[3]The most serious obstacle to trade relations between Germany and foreign countries are the Export and Import licence regulations¹ which cannot be too strongly condemned, not only on account of the defects which are inherent to it them but also on account of the manner in which it is they are applied. In its construction the German apparatus for controlling foreign trade shows on the one hand an absolute ignorance of or disregard for the first principles of commerce and on the other an ingenuity for those details which will require the employment of the largest possible number of officials, will waste endless time, will enable preferential treatment to be given to friends or compatriots, will favour corruption and facilitate the evasion of the terms of the Peace Treaty.

There exists a large number of foreign control offices (160–170) for all branches and subdivisions of trade and industry which give import and export licences; the monopolies, almost all of them war creations, who enjoy the privileges of being alone allowed to deal in their respective articles also issue import and export licences as[4]far as the commodities [handschriftlich: are:] concerned ([handschriftlich: for which they are responsible:].

The Customs also have a say in the interpretation of import and export regulations.

The working of these departments are not very efficient and it may also happen that they are ignorant of each others regulations; and one authority often upsets the decision given by another. There appears to be no check on the offices which issue import and export licences and preference is therefore given to Germans or to the nationals of those nations from whom she has obtained credits, or to persons who pay the highest bribe. Moreover, persons engaged in trade are employed in these offices so that decisions are frequently influenced by private business interests. This applies particularly to the monopolies who issue import licences and have the disposal of confiscated goods. This confiscation is carried out in the most arbitrary and unjustifiable manner, but once it has been effected the British [handschriftlich: Allied] trader is at the mercy of the monopoly concerned and he will be lucky if he escapes with only a small loss. It might at least have been expected that, in recognition of the permission given by the Allies for the application of the German foreign trade control in Occupied Territory, the Germans would have[5]exercised this control in a fair and lenient manner, so as not to inflict unnecessary hardship on the nationals of those nations upon whom Germany is dependent for her economic and commercial existence and from whom she is daily asking for favours and for mitigations of the terms of the Peace Treaty. This is far from being the case. British [handschriftlich: Allied] traders are continually being subjected to annoyance, loss and hardship which a little fairness and common sense on the part of the German officials and organisations could easily prevent.

BERLIN, 18th January 1921.[6]

The following is a summary of some cases which may serve to support the above mentioned arguments.

EXPORT.

G.SHEPHERD & CO., Schaafenstrasse 4/6,Cologne, were refused an export licence by the Export Control-Sub-Offices for Iron Ware and Arms (Aussenhandelsnebenstelle fuer Kleineisenwaren und Waffen) of Schlossbleiche 4/6, Elberfeld, on the ground that the Elberfeld Offices gave no export licences to foreigners on principle.

F.O.REPLY: This case was submitted to the German Foreign Office on June 28,1920. Reply, dated 30th December,1920, states that the respective offices have been instructed that detrimental treatment of foreigners is against the terms of the Peace Treaty and is not to recur.

1 Bezug ist hier die Einfuhrverordnung vom 22. März 1920 und die Verordnung über die Außenhandelskontrolle vom 20. Dezember 1919, die Außenhandelsgeschäfte genehmigungspflichtig machten. Die Durchführung der Importkontrolle fand durch den "Rheinauffanggürtel" statt, dass also Waren an verschiedenen Punkten am Rhein registriert und lizenziert wurden. *Haberland, Elf Jahre*, 38–64.

FALK.STADELMANN & CO.LTD: 83 Farringdon Road, London E.C. were charged an export duty on part of an order for electric bell accessories placed by them with Messrs. Grothe & Soehne, of Cologne.

F.O.REPLY: This case was submitted to the German Foreign OFFICE on June 28, 1920. Reply, dated 30th December, 1920, states that the order regarding the payment of an export duty should have been known to Messrs. Grothe & Soehne when concluding the contract, as its application had[7]been advised in December, 1919. The export duty is a tax concerning the inland exporter and not the foreign purchaser. The regulations do not permit of an exception being made in this case.

SIMON MAY & CO. Nottingham, purchased from Carl Heymann, Cologne, Neumarkt 35, a) musical instruments b) celluloid mirrors before the German export laws came into force. The export licence was refused by the Aussenhandelsnebenstelle Glas, Berlin, on 15th May, the Reichsverband der deutschen Musikinstrumenten-Fabrikanten, Abteilung Preispruefung, on the 10th May, on the ground that the price demanded was too low and the payment should be made in sterling.

F.O.REPLY: This case was referred to the German Foreign Office on June 28, 1920. Reply of 30th December, 1920, states that the application for the export licence for celluloid mirrors was received by the Aussenhandelsnebenstelle Glas on the 8th May, that it was submitted to the Price Control Office, granted on the 9th June and forwarded to Carl Heymann in Cologne on the 14th June. As applications of this nature necessitate enquiries being made, a certain delay in settlement is unavoidable.

E. GREEN & SONS, 22 Market Street, Glasgow, purchased in March, 1920, a quantity of picture mouldings from Herren Aug. Brandenburg, Wolfstrasse, Cologne. Part of the Order was delivered through Messrs. J.Kendall & Co. Ltd., but the remainder erroneously warehoused and when ready for[8]shipment the German export regulations had come into force in Occupied Territory. The application for export licence was refused by Syndikus Dr. H. Roehl, Engelufer 10, Berlin S.O.16 on the ground that the sale price for the goods was too low. Messrs. Green & Sons are not prepared to pay the additional charge.

F.O.REPLY: 1) This case was submitted to the German Foreign Office on June 11th, and a reply received on July 30th, stating that, as the price was too low, the application could not be considered.

2) This case was also submitted in the Memorandum to the German Foreign Office of June 28th. The reply of December 30th states: Aussenhandelsstelle fuer Holz in Cologne informed August Brandenburg on the 5th August that upon renewal of application, licence would be granted.

EARNshaw, LODGE & CO. 8 Breite Strasse, Cologne, on May 20, 1920, obtained export licence from the Reichsstelle fuer Textilwirtschaft, Muenchen-Gladbach[sic!], for goods which they had imported into Germany but desired to re-export. They were at the same time requested to pay export duty to the amount of M.27,663.- on these goods. An

F.O.REPLY: 1) application for release was submitted to the above mentioned Office by Mr. Kavanagh, [handschriftlich: Commercial Secretary in Köln,] and reply of June 22, 1920, states that an exception cannot be made.

2) This case was also submitted in Memorandum of June 28, 1920, to the German Foreign Office, and in their reply of the 30th December, 1920, they state that export duty[9]should not be levied on goods to be re-exported if the export takes place within a year after the import. On referring to this regulation Messrs. Earnshaw Lodge & Co. will be released from paying export duty.

IMPORTS

LAWLER, AYRES & CO. 4 Broad Street Place, E.C.2, imported Asbestos sheets, but did not obtain an import licence before goods entered Germany, as their application had been mislaid by the Comptroller of Imports&Exports. An Import licence was issued subsequent to arrival of goods in Germany. In the meantime, however, goods were confiscated, but eventually the confiscation was withdrawn. Both documents, import licence and release of confiscation, were later cancelled by the Delegate for the Supervision of Imports and Exports, as the law provides that no import licence shall be granted for goods once they have been confiscated.

F.O.REPLY: This case was submitted to the German Foreign Office in Memorandum of 28th June, 1920. The reply of the 30th December, 1920, states that, as the application for import licence was only made after

the goods were confiscated and as such import licences are legally invalid, the Delegate for the Supervision of Imports and Exports in Cologne ought not to have issued the import licence. In view of the fact that the confiscation of the goods was due to the mistake of a German official, the confiscation has been withdrawn.

MINERAL WATER SPRINGS OF KRONDORF AT KRONDORF IN CZECHO-SLOVAKIA.[10]Mr. John Ruston, the owner of the spring, applied for an import licence, in order to resume business with Germany, but was refused on the ground that only a limited number of mineral waters was allowed to be imported into Germany. The German Authorities admitted at the same time that import licences had been granted to the Gieshuebel and Billin springs, also in Czecho-Slovakia.

F.O.REPLY: 1) This case was submitted to the German Foreign Office by the Embassy on June 2nd and in their reply they state that only mineral waters are allowed to be imported if they cannot be replaced by German waters. Therefore decision cannot be altered.

2) This case was also included in the Memorandum to the German Foreign Office of June 28th, 1920. Reply: This case is similar to the Case Export No.1 and, therefore, the same decision applies to it.

UNITED STATES OVERSEAS CO. LTD., London, imported 1½ million oil cakes into Germany without having obtained an import licence. The goods were confiscated upon arrival at Emmerich.

F.O.REPLY: This case was mentioned in the Memorandum to the German Foreign Office of June 28th, 1920. Reply of the 30th December, 1920: Confiscation in order, as no import licence had been obtained. Although the import of oil cakes was declared free soon after the arrival of the consignment in question, it does not alter the fact that at the time of entry the free import of oil cakes was prohibited. The Delegate for the supervision[11]of Imports and Exports withdrew the confiscation, without being legally obliged to do so, when the firm submitted their contract with the "Reichsfutterstelle" which ensured the oil cakes being placed at the disposal of the German Government Offices.

FISHER, KING & CO., 70 Weston Street, Bermondsey, London S.E.1, sold one case of Chamois leather, value £416.17.10, to Solberg & Chaskel, Aggrippinahaus, Cologne, without having obtained import licence. Messrs. Solberg & Chaskel's instructions to postpone despatch of these goods arrived after the consignment had left England.

F.O.REPLY: Kavanagh applied for release of goods on June 1st, 1920.

This case was mentioned in the Memorandum to the German Foreign Office of June 28, 1920, and in their reply of the 30th December, 1920, they state that (as already stated under case 2) the import licence which was issued after the goods had been confiscated, was of no legal value. The Customs Authorities acted according to instructions when confiscating the goods, and they had no authority to release the goods, as was done later by their superior offices.

ERIC MORTON & CO., Cologne, imported 2000 cases of Watson's Matchless Cleanser. The goods were shipped in error on or about the 21st April without an import licence. They were consequently confiscated at Emmerich, but allowed to proceed to Cologne. The Ausschuss for Oils & Fats,Cologne,[12]gave a release for re-export, which however was not recognised by the Cologne Customs. The matter was then referred to Berlin and on the 27th May an import licence for 200 tons Watson's Matchless Cleanser was obtained from the Commissioner for Oils & Fats, who also gave verbal permission to re-export 2,000 cases (50 tons) on the strength of the above licence. The Cologne Customs refused delivery.

F.O.REPLY: 1) The case was mentioned in the Memorandum to the German Foreign Office of the 28th June. 2) This case was also submitted to the German Foreign Office by the Embassy on July 29th, and in their reply of October 7th, they state that the matter is before the Reichswirtschaftsgericht whose decision must be awaited. No further reply.

In the reply to the Memorandum it is stated that: if shipment was made in error, the firm must take consequences. The goods were confiscated because no import licence had been obtained. Later the import of 200 tons soap was granted, but it was then stated that the 50 tons which were already confiscated, were not included in the licence. At first the Commissioner granted the re-export of the goods, because applicant had not informed him that the soap had already been confiscated. This explains the different instructions which were alleged to have been issued by three different authorities.

This last reply makes no mention of the decision of the Reichswirtschaftsgericht.[13]

INDUSTRIAL EXPORTING & CO., Cullum St., London E.C.4, applied for an import licence for 15,000 kg shellac on May 7th, 1920. The Aussenhandelsstelle Chemie, Hamburg, refused on May 31st, on the ground that sufficient quantities of shellac were available in Germany. British firm submitted proof that two German firms had been granted import licences for Shellac.

F.O.REPLY: This case was mentioned in Memorandum of the 28th June, 1920. The reply of the 30th December states: Statement made under Export Case No.1 refers also to this case, but the issue of import licence is always dependent on the demand in Germany, and it must not be concluded that the granting of one or several import licences ensures the issue of any amount of licences for the same kind of goods.

S. BANNER & CO.LTD. 8 Fazackerly Street,Liverpool, applied for import licence for 10,000 kg of white spirit, but were refused by the Mineralölversorgungs-Gesellschaft m.h.H., Berlin, on the ground that this article is under Government control. The firm of P.A. Boulai & Co., Godesberg, to whom the consignment was to be despatched submitted proof that white spirit had been imported into Germany on import licence.

F.O.REPLY: This case was mentioned in Memorandum of June 28th, 1920. Reply of 30th December: Same decision as previous case.[14]

APPLICATION OF GERMAN IMPORT AND EXPORT REGULATIONS IN OCCUPIED TERRITORY BEFORE MARCH 31st, 1920.

HENDERSON, CRAIG & CO, 67 Watling St., London E.C. shipped a consignment of spices to Coblenz in January, 1920. Ship put in at Duisburg (Unoccupied Territory) and goods were confiscated, as no import licence had been obtained.

F.O.REPLY: This case was mentioned in Memorandum to the German Foreign Office of June 28th, 1920, and reply of 30th December, 1920, as follows: Confiscation took place at Duisburg which is Unoccupied Territory. The German Government naturally insists on the import and export regulations for Unoccupied Germany to be complied with and has a right to take legal action. Any evidence which would justify the release of the confiscation has not been submitted.

THE BRITISH FIRM OF WILSON bought goods from Leonhard Tietz, Cologne, at a time when the German import and export regulations were not admitted by the Allies in Occupied Territory. The application for export licence was refused by the Aussenhandelsstelle fuer die holzverarbeitende Industrie on the ground that the regulations came into force in Occupied Territory on the 7th December, 1919.

F.O.REPLY: This case was mentioned in the Memorandum to the German Foreign Office of June 28th,1920. Reply; The Aussenhandelsstelle f.d. holzverarbeitende[15]Industrie reports that it has granted the applicant an export licence for furniture to the value of M.19035.- The goods from the Cologne firm Leonhard Tietz are probably included in this amount.

TRANSIT GOODS

The following regulations concerning goods in transit through Germany, have been published by the Delegate for the Supervision of Imports and Exports:

"As at present only a tariff for goods traffic exists between neighbouring countries, but not for countries which are separated by German territory, the latter can only have an interrupted goods traffic, i.e. through the intermediary of a person living in Germany. The following rules have been fixed:

1) Consignments from abroad are not subject to import and export licences, if the way bill shows that they are transit goods.

2) Such consignments should be forwarded in bond to a Customs House within Germany,

3) On the way bill or other document accompanying the consignments should be written:

"Im gebrochenen Durchgangsverkehr an den inländischen Empfänger unter Zollkontrolle durchzulassen. Weitersendung an den auslaendischen Empfaenger unter Zollkontrolle muss ohne Verzoegerung erfolgen".[16]

4) If transit goods are unloaded and stored within the country, they become again subject to import and export regulations.

As since the enforcement of these rules hardly any complaints have been made, it is believed that the traffic of transit goods will not meet with difficulties in the future.[17]

GOLD DUTY

RICHARD CHAPMAN NORTHCOTE LTD., 43 Finsbury Circus Buildings, E.C., bought 20 million cigarettes in New York in September, 1919, but on account of dock strike they were not shipped until November. Arrived at Antwerp on November 24th, at Emmerich on December 17th and at Ruhrort on the 19th December. They were detained there owing to floods and arrived at Coblenz on January 10th. They were therefore declared subject to Gold duty, being a loss of M.2,100,000 to the British firm.

F.O.REPLY: 1) This case was submitted by Embassy to the German Foreign Office on April 6th. Reply: Application for remission of gold duty refused.

2) This case was also mentioned in the Memorandum to the German Foreign Office of June 28th, 1920. Reply: Although the firm has been requested to submit proof of the loss they sustained by paying' the gold tax, they have not done so. The gold tax could, therefore, not be remitted to the firm.

ERIC MORTON & CO: London E.C.2., shipped 10, 218 cases of soap on October 4th and Oct. 8th to Cologne, where they arrived between December 15th and 27th, 1919. The goods were declared subject to gold duty by the German Authorities.

F.O.REPLY: Embassy applied for remission of gold duty to German Foreign Office in April, which was refused on August 21st.

2) This case was also mentioned in the[18]Memorandum of June 28th, 1920. Reply of the 30th December: Investigations have resulted in the following: The unloading of the Coeln 52 was completed on November 29th and not, as stated by the firm, towards the end of December. They therefore had a month to dispose of the goods before the gold duty came into force; they have not submitted evidence that they were not able to do so. Consequently the gold duty paid on the cargo cannot be remitted.

The unloading of the ss. Badenia could only be completed during January and the gold duty paid on the cargo of the Badenia has therefore been refunded.

H.V.HART & CO. 41 John Dalton Street, Manchester, shipped a consignment of gloves and shawls to Cologne on November 17th, but owing to transport difficulties between Herbesthal and Cologne they arrived there only on December 15th; the goods were released from Customs Warehouse on January 14th and were therefore subject to payment of gold duty.

The British firm applied to Hauptzollamt, Cologne, for refund of gold duty about middle of June.

F.O.REPLY: This case was mentioned in Memorandum to the German Foreign Office of June 28th, 1920. Reply of the 30th December, 1920, states that the application for remission of gold duty could not be settled, as the[19]firm had not submitted the necessary documents to the Haupt Zollamt, although they had been repeatedly requested to do so. [20]

EMIGRATION LICENCE

The question of granting emigration licences is the subject of negotiations which will shortly be concluded.

After having settled the individual cases, the Foreign Office begs to point out that the regulations applying to the Foreign trade, which are at present in force in Germany, have been necessitated by the effects of the war and of the Treaty of Peace and will have to remain in force until the circumstances which demanded their introduction have changed. The competent Authorities are continually endeavouring to simplify the system as much as it is possible without impeding its effects, so that it will not prove an obstacle to trade and commerce. Owing to pressure of work it will not always be possible to settle the cases as quickly as the businessmen would like, nor will it be avoidable that preliminary contradictory decisions will be arrived at by the various offices which have to comply with the regulations, but the German Government guarantees[sic!] that the regulations will be carried out impartially. The competent Authorities are also endeavouring in cases of controversy to arrive at

a decision not entirely according to the letter of the law, but also to give reasons of equity due consideration. Proof of the latter are the decisions arrived at in the above mentioned cases.[21]

The Foreign Office is convinced that in future the traffic will not meet with difficulties, as the very difficult period of transition is past and as the business men have become accustomed to the essential formalities.

BERLIN, 30th December 1920.