

The confiscation of cultural assets in the Soviet Occupation Zone and the GDR

The current state of research and perspectives

Report on conference of November 21, 2016, at Stiftung Brandenburger Tor, Berlin

On November 21, 2016, the German Lost Art Foundation and the Stiftung Brandenburger Tor cultural foundation held a specialist public conference on the present state of research into the confiscation of cultural assets in the Soviet Occupation Zone and the GDR. In addition to the established project funding for research into Nazi-confiscated property, possibilities should be explored within this framework for a thorough investigation of the “Schlossbergung” (palace salvage) operation, carried out as part of land reform measures, and of the Staatlicher Kunsthandel (state art gallery) in the GDR.

Dr. Pascal Decker, Managing Chairman of the Board of Directors at Stiftung Brandenburger Tor, and **Prof. Uwe M. Schneede**, honorary Executive Board member of the German Lost Art Foundation, welcomed the guests to Stiftung Brandenburger Tor’s premises on Pariser Platz in Berlin. Uwe Schneede stated that there was a lack of in-depth knowledge to date about the fate of expropriated property and that the need for research in this area should be identified. It was important to distinguish responsibly between the different contexts in which cultural assets had been seized and not to lose sight of Nazi-looted art as the main priority. This was an issue for the whole of Germany, he said, and not something that affected just the new federal states because the GDR’s methods of obtaining foreign currency meant that confiscated cultural assets could still be found in West German collections to this day.

Wolf-Dietrich Freiherr Speck von Sternburg, president of the Maximilian Speck von Sternburg Foundation at the Museum der Bildenden Künste Leipzig, spoke about the eventful history of his family’s art collection. The collection and library created by the Leipzig merchant Maximilian Speck von Sternburg was located at the family residence of Lützschena palace until 1945. Following a period of storage in the Leipzig depot, it was expropriated by the Soviet Military Administration in Germany (SMAD) in 1949. It was not until the 1970s that the family, now living in Bavaria, learned that part of the collection had been obtained by the then Georgi Dimitroff Museum in Leipzig. In 1990, Speck von Sternburg revisited Lützschena for the first time on behalf of his relatives in order to trace the whereabouts of the family’s former property. It became clear from the Second Property Law Amendment Act (Zweites Vermögensrechtsänderungsgesetz—2.VermRÄndG) of 1992 and the Indemnification and Compensation Act (Entschädigungs- und Ausgleichsleistungsgesetz—EALG) of 1994 that the family would not be able to recover their ancestral home, but did have a claim to their movable goods, including the art collection and library. The ruling that property reallocated under the land reform could not be expropriated from its recipients had been right in order to prevent further injustice, said Speck von Sternburg, but it should have been possible to give back run-down vacant properties to noble families. In the 1990s, the family decided to establish a foundation for the official preservation of the family heritage. The corresponding negotiations with the City of Leipzig and the

State of Saxony went well. To build up foundation capital, the left wing of the St. Catherine Altarpiece (1506) by Lucas Cranach the Elder and “Heimsuchung” (Visitation) (1425) by Rogier van der Weyden were sold from the collection. The art collection and library were handed over to the City of Leipzig in 1996 as a non-cancellable permanent loan on condition that the Museum der Bildenden Künste was rebuilt and the library and art collection were made accessible to the public on a permanent basis. The foundation is managed by the Speck von Sternburg family in an administrative capacity.

Prof. Gilbert Lupfer, head of the Research and Scientific Cooperation department at the Staatliche Kunstsammlungen Dresden (SKD), set out five research fields in which work would need to take place in the future. In the new federal states, the issue of cultural assets seized in the Soviet Occupation Zone and the GDR had been tackled extensively for 25 years already, he said. There had been an investigation commission at the SKD as early as 1990, and the same was true of Berlin. Nevertheless, the research to date was still limited. A Bundestag committee of inquiry on organized art theft in the GDR went largely unnoticed in the old federal states. Interdisciplinary research was necessary, he said, as the Staatlicher Kunsthandel (state art gallery) in the GDR also needed to be regarded as a piece of East Germany’s economic history. Lupfer suggested the term “art transfer” in order to incorporate all the aspects of a complex system involving stakeholders from east and west and a number of legal and moral gray areas. The primary research field was the post-war period, in particular the “Schlossbergung” (palace salvage) operation of 1945 and 1946, which was carried out as part of land reform measures in the Soviet Occupation Zone. Although intended to cover the expropriation and collectivization of large-scale agricultural estates, it also extended to include manor houses, palaces and their furnishings as a very welcome additional source of valuables. Research into the fate of individual manor houses and palaces had already been carried out as part of numerous re-transfer procedures, but there was still a lack of comprehensive descriptions. The role of individual stakeholders such as the Soviet Military Administration in Germany (SMAD), the German civil administrations, the state commissions and museums needed to be examined, he said.

The second research field was the opening of abandoned deposit facilities and safety deposit boxes by the GDR Ministry of State Security as part of the “Aktion Licht” operation. The overlap of Nazi persecution and GDR injustice would be of particular interest here. The Kommerzielle Koordinierung (KoKo) department was set up in 1966 at the GDR’s Ministry of Foreign and Intra-German Trade for the purpose of generating hard currency. One of its firms was Kunst und Antiquitäten GmbH (KuA), which was responsible for selling works of art.

As the third research field, Lupfer cited the importance of the museums in the state’s efforts to generate hard currency. Investigations should be carried out into how the search for sellable objects was undertaken, the institution’s history reviewed and the practice of selling off museum holdings examined as an example.

Trade on the other side of the GDR’s borders represented a fourth research field. The behavior towards private dealers and collectors in West Germany needed to be reviewed; there was a complete lack of factual basis to date. West German museums should also develop an interest in this review.

As the fifth and final research field, Lupfer cited the role of private collectors within the GDR, who were not to be regarded only as victims. From a sociological point of view, the acquisition strategies, networks and transitional links between collecting and art trading were of interest here. There was thus a need for both individual studies and summarized descriptions. Important files were only just being opened up for these tasks. The provenance research on Nazi-confiscated property was always focused on finding fair and just solutions in accordance with the *Washington Principles*—this did not apply for the post-war period, as no obligation to return property resulted from the present-day legal situation. Lupfer

concluded by stressing the aspect of clarification from Germany as a whole, which such research would aim to achieve.

Dr. Uwe Hartmann, head of the Provenance Research Department at the German Lost Art Foundation, spoke about the impact of land reform as a cultural-political dilemma in the GDR. He said that land reform had a clear ideological goal: to break down the traditional bond between peasant and master and forge a revolutionary atmosphere among the farming community. A further goal had been to improve the wretched conditions suffered by refugees and displaced persons in the Soviet Occupation Zone through the redistribution of land and the creation of living space. The “Schlossbergung” operation had also resulted in purely practical issues. Artworks and furniture were taken away to protect them from wear and tear if, for example, kindergartens were set up in former manor houses. However, in other cases, library holdings were used as fuel and furniture was converted into stables. It was up to the museums to save important pieces from being used in this way. The museums also viewed the allocations as a way to fill their empty depositories again to replace items lost during the war. Socialist cultural policy paid no attention to the desire for private ownership of art collections. In order to enable cultural participation in public property, a range of reproductions was developed. The GDR’s Staatlicher Kunsthandel issued a range of posters and promoted coin trading, ceramics and graphic prints, thus creating opportunities to acquire cultural assets and new ways for artists to earn money. The aim was to suppress the private art trade as far as possible. However, in the 1980s, artists increasingly joined forces to form their own self-administered galleries. The average industrial housing apartments with limited space for collecting art stood in sharp contrast to old buildings, in which art had been preserved often throughout generations of families—private apartment galleries developed as a result of this situation.

Dr. Thomas Rudert, a researcher at the Staatliche Kunstsammlungen Dresden, gave a presentation on the situation prior to the creation of the KuA in 1973, using the SKD’s acquisition of Otto Dix’s triptych “Der Krieg” (The War) as an example. The triptych was displayed prominently in the Albertinum museum on permanent loan from the artist up to 1967, when he indicated his intention to exhibit the work in West Germany with a view to selling it there. Consideration was given to purchasing the work in order to keep it in Dresden. A confidential request from the Cultural Ministry of the GDR then went out to museum directors asking them to select other pieces from their collections which could be sold quietly on the West German art market in order to fund a loan for the purchase amount. These works were provided for sale to Galerie Ars Domi in Zurich, which belonged to the art dealer Adreina Schwegler-Torré. By issuing object lists for valuations to West German art dealers in advance, the market was primed by the GDR museum directors. Reselling multiplied the profits, but Dresden was no longer able to benefit from this. The valuation-based sales prices were much too low compared to the revenue achieved—the SKD probably lost half a million Deutschmarks as a result. The individuals in Dresden were completely detached from the trading process and in that respect it was problematic, as valuer and buyer were sometimes the same. This demonstrates behavior that does not comply with the market, a certain blind confidence and naivety on the part of the museum directors in the GDR. It was no longer possible for the GDR’s mercantile interests to be represented on the western art market in this way. To finish, Rudert put forward the hypothesis that the founding of the KuA was directly related to the Dix purchase: as a conclusion of the systematic shortcomings of the Dix purchase, the KuA emerged as an instrument for securing the profit margins achieved in the West.

Dr. Ulf Bischof, a Berlin-based lawyer for art law and author of “Die Kunst und Antiquitäten GmbH im Bereich Kommerzielle Koordinierung” (2003), gave a presentation outlining the business practices of the KuA. Unlike the GDR’s Staatlicher Kunsthandel, which traded within Germany, the KuA had the export

monopoly for trade in cultural property. Its approximately 120 employees were generally not experts, which is why a procurement and evaluation primer with example photographs was developed. Experts from museums were not consulted. Special items in particular were sold below their value due to a lack of expertise. The KuA's main customers were primarily West Germany, the Netherlands, Belgium and Italy, followed by Switzerland and France. In many cases, items were resold to the United States via Belgium and the Netherlands. Bischof identified three groups of customers. Firstly, there were the occasional buyers, who were approached through advertising brochures for tourists in East Berlin. Secondly, there were the regular dealers from the Federal Republic of Germany, who were interested in low prices and sometimes maintained satellite companies in West Berlin for the purpose of cooperation. This is clear proof that West Germany had in-depth knowledge of the machinations of the GDR. Contact with West German auction houses, on the other hand, tended to be initiated by the KuA. Trips to East Berlin were specifically organized in order to view items. Transportation of the items was sometimes undertaken by the KuA and negotiations were conducted on site in the auction houses. There were also framework agreements for supplies. The third group comprised firms that were controlled directly from Mühlenbeck and which handled sensitive transactions, particularly art from private collections. These transactions were arranged in such a way that the path of the artworks could not be retraced, thus ensuring the buyer bought in good faith. In view of this deliberate obfuscation, provenance research needed to be stepped up in this area, said Dr. Bischof. For such cases, it should be possible to register reports in the Lost Art Database as a documentation medium. Bischof also called for a reform of the acquisitive prescription regulations and of the allocation of burden of proof, and for the restriction of good faith acquisition and the limitation rules. The same legal changes were needed for cultural assets displaced during wartime, he said. All lost cultural property needed to be covered under civil law. A draft proposal had been available to the Ministry of Justice since the Gurlitt case, but was not currently being pursued with any urgency.

Prof. Konrad Breitenborn, director of the Core Tasks Restitution unit at the Stiftung Dome und Schlösser in Saxony-Anhalt, presented the work of the Stiftung Dome und Schlösser on repatriation processes in line with the Vermögensgesetzes (VermG) and the EALG. As the largest cultural foundation in the federal state, with 18 properties, it had now restituted 12,528 cultural assets from over 2,000 applications. Applications from claimants continue to be received. The castles of Wernigerode and Moritzburg Halle were central repositories for expropriated cultural property. The 20-year usufruct period established by the EALG, which ended in 2014, had not always been used to its full extent; shorter periods had also sometimes been agreed with claimants. However, since 1994 many opportunities for amicable agreements had been lost, as the usufruct period had also led to inactivity. Through the intensive research work, the exhibits had never been as well known as at the time of their restitution. During the course of the research, over 1,000 objects were found in roof spaces and under false floors. Difficulties arose, for example, with dismantled ovens, which were counted towards the assessed value of a building and thus could not be returned in accordance with the EALG. 32 restituted objects had been purchased for a total of €420,000.

Dr. Samuel Wittwer, director of Palaces and Collections at the Prussian Palaces and Gardens Foundation Berlin-Brandenburg (SPSG), gave an account of the research project reviewing the relationship between the KuA and the then State Palaces and Gardens Administration Potsdam-Sanssouci. In 2012 and 2013, Jan Thomas Köhler had explored the question of cooperation with the KuA using SPSG archive records and by means of testimonies from former employees. In light of the missing pre-war archive of the Prussian Palaces Administration, the destruction of files up to 1965 and the systematic purging of records after reunification, the institution's file collection did not provide a reliable picture, Dr. Wittwer

said. He pointed out that the practice of deaccession had not been unusual in the past. Previously, items of furniture from imperial ancillary rooms, which were used by servants, had been sold to the Foundation's employees. For later sales, there were descriptions of mahogany and silk, which might indicate that items were removed as part of the "Schlossbergung" operation. Sales premises were maintained and sales campaigns conducted from 1963 onward—apparently the museums had no reservations about selling objects from their holdings. Calls to "clean out" with clear guidelines for examination indicated that deaccession had not been painful, but also provided relief in the case of bad purchases as well as the opportunity to give away "dead stock". Under the heading of profile building, items from storage were offered and thus curiosities in particular were given up. In the 1970s, sales campaigns were initiated at the instigation of those in charge of the museum in order to enable new acquisitions. With the special order of the Mückenberger Commission in 1973, the provision of a certain sum was requested for the first time, which is why the historic stock was touched. There was no intention of letting the proceeds flow back into the institutions. The storage depots had become disparate due to the war: In addition to inventories for painting, sculptures and graphic works, there were also room inventories for the original fittings; by contrast, no inventories were drawn up for "Schlossbergung" activities and relocated items were mixed up. According to a verbal statement by an employee, the Palaces Administration was also able to acquire objects from the KuA's stock in Mühlenbeck between 1976 and 1986—but no evidence of this could be found. Many unsuccessful requests were made to recruit museum employees as art experts for the KuA. A framework agreement with the KuA guaranteed the Palaces Administration the delivery of objects at its discretion plus 30% of the sales proceeds, which was mainly used to purchase tools and materials. The KuA even ordered seeds, tools and other items for the Palaces Administration. A KuA termination notice in February 1990 with reference to residual proceeds is evidence of the transactions. The files would say nothing about many questions concerning the initiatives and possible denunciations etc., and likewise the contemporary witnesses.

Michaela Scheibe, an employee in the Department of Early Printed Books at the Staatsbibliothek zu Berlin, gave an overview of the redistribution of incriminated book stocks after 1945. As part of the "Schlossbergung" operation, a large number of abandoned stocks of books came into circulation, with deliveries sometimes being made by truck to major recipient institutions such as the regional libraries. The Zentralstelle für wissenschaftliche Altbestände (Central Department for Old Academic Holdings—ZwA) was the hub for distributions. It was set up in Gotha because the entire holdings of Gotha regional library had been transported to the Soviet Union and an empty building stood available. When Gotha library's holdings were returned in 1959, the ZwA was relocated to Berlin, where it remained until 1999. As an independent department of the German State Library, it was very reminiscent of the Reich Exchange Office of the Nazi era. It acted as a non-commercial headquarters for the redistribution of historic stock with over 300 recipient institutions in the beginning, including West German libraries. With the relocation to Berlin, the recipient libraries were reduced to 30 as the smaller libraries in particular accepted everything that was in circulation. The German State Library had the prerogative of first choice, after which offers to exchange books were made to various libraries in the GDR. Anything that was left over went either to the Zentralantiquariat Leipzig (ZA) or was treated as paper waste. The ZwA service catalog documents the stocks provided. Individual decisions were reached in relation to libraries belonging to people who had fled the GDR, as these sometimes substantial stocks had to be kept together. A certain pressure developed to procure historic stocks for resale to the ZA; from 1977 there were no longer sufficient supplies. Selling via the ZA was, however, not financially attractive and was never comparable with the revenues generated by the KoKo. The cards in the ZwA's service catalog do not record details of provenance, but in an ideal case the ZwA number is found both in a book and on

the card, thus making it uniquely identifiable. Hebraic objects bypassed the ZwA and went either directly to the ZA or were offered elsewhere. The tracing of copies of books shows many different paths and a certain number of hubs, but there is still no overall picture. It is necessary to improve the evidence situation in libraries so that findings can be documented effectively and amalgamated.

Dr. Petra Winter, head of the Central Archives at the Staatliche Museen zu Berlin—Prussian Cultural Heritage Foundation outlined the available sources for research on cultural assets seized in the Soviet Occupation Zone and the GDR. It was the norm for consignors and museum directors to exchange correspondence and this could be informative. The term “transfer” in the records should prompt suspicion as it could hide all manner of things. In the Federal Archives, the archive holdings of the KuA were opened up in depth in 2015: there are around 75 linear meters of archive material from the storage facility in Mühlenbeck with gaps in the 1970s and 1980s. It is suspected that the KuA’s Berlin headquarters were only representative as no files were found there. The holdings contain no management files, very few strategic plans and mainly lists. Worthy of note are the so-called “stock transfers”, or incoming goods, and “current value assessments”, i.e. acquisitions from tax proceedings, from district pension institutions and court exhibits. An attempt has been made to decipher the coding—this can be requested from colleagues. A lot of personal data is available, which is why permission to view is granted on request where there is a legitimate interest. The KuA intermediaries are traceable in the files; activities primarily focus on antiques and second-hand goods. Detailed descriptions of artworks are also provided. Correspondence with the Staatlicher Kunsthandel and with museums can also be found in the files. The holdings of the VEH Bildende Kunst und Antiquitäten (Staatlicher Kunsthandel der DDR), comprising over 100 linear meters, can also be found in the Federal Archives. Mainly consisting of accounting records, these have not yet been opened up, but there are plans to do so soon. The holdings of the Kulturgutschutzkommission (Commission for the Protection of Cultural Assets) consist of approximately two linear meters, are very dense and cover the years from 1974 to 1990. They are accessible, but can only be inspected on site. On the face of it, there are two main subject areas: Prevention of the export of valuable cultural assets and the repatriation of items lost during wartime, or cultural assets otherwise displaced. The Kulturgutschutzkommission was officially based at the Staatliche Museen zu Berlin and undertook evaluation activities in Mühlenbeck prior to the export of artworks. The cooperation between the KuA and the Kulturgutschutzkommission was clearly difficult as classifying items as “nationally valuable” ran counter to the objective of achieving profitable sales abroad. It is not possible to say how many works remained in the country and ended up in East German museums due to the Commission’s intervention and how many works went to West German museums via the KuA. Other stocks in the Federal Archives relate to the Ministry of Culture, the Ministry of Finance and the vault administration division of the Ministry of Finance. Since it is not a traditional archive, structural investigation according to the division of holdings and content-related research at the Stasi Records Agency (BStU) is not possible. The files are organized according to personal data, meaning that the names of individuals concerned are helpful in the search. Winter emphasized that work needed to continue on opening up holdings that were relevant for research. Firstly, more information should be added to complete the history of the KuA and the Staatlicher Kunsthandel, linkages and collaboration should be researched and files in different holdings should be checked against each other.

Uwe Schneede summarized the German Lost Art Foundation’s planned activities in the provenance research field once more. First of all, work should be carried out on the mechanisms behind the “Aktion Licht” and “Schlossbergung” operations within the framework of basic research. Further research was necessary on the role of museums and the Kulturgutschutzkommission, on the expropriation of private

collections and their utilization via the KuA and on the KuA's links with the art trade in the West. There was also still a lack of inventory audits for art collections as well as book stocks. The in-depth opening up of the archive material in the Federal Archives and at the BStU was of great importance for this research.

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