

Opening Statement

MILITARY TRIBUNALS

Case No. 10

THE UNITED STATES OF AMERICA

against

ALFRIED KRUPP, et al., Defendants

OPENING STATEMENT FOR

THE UNITED STATES OF AMERICA

Nurnberg
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INTRODUCTION

Of all the names which have become associated with the Nurnberg trials, I suppose that none has been a "household word" for so many decades -- indeed for nearly a century -- as that of Krupp. Today the name "Krupp" is freighted with associations and preconceptions. For some people it is the name which heads the list of arms-makers -- Schneider-Creusot, Vickers, Skoda, and others -- who, it is said, stir up wars and, with a zeal which transcends mere patriotism, arm all the legions of Mars with terrible impartiality. For others, the name of Krupp weighs level in the balance with the sum total of von Klucks and Kluges and Kuechlers and Kleists and all the gallery of tight-lipped German war lords; so regarded, Krupp and the German militarists are the indestructible common denominator of Germany's murderous and obstinately-repeated lunges at the world's throat.

Just because "Krupp" is so meaningful and historic a name, the true basis and purpose of this case are not unlikely to be misunderstood. We do not seek, in this case, to level any attack against the business of making arms as such. We are not trying to prove that all wars derive from the sinister machinations of armament manufacturers and their sales agents. The armourer's trade is no more inherently unlawful than that of the soldier or diplomat; all of these professions revolve around war and statecraft, but that does not make them criminal per se.

Furthermore, the individual defendants in this case are not being prosecuted for the sins of others, or because the name "Krupp" has acquired over the years a sinister sheen. The men in the box are not symbols, nor are they charged as representatives of other men. It is true, of course, that the charges in this case arise out of acts committed by or in the name of the Krupp firm, of which all the defendants were officials. And it is true that most of the crimes with which the defendants are charged were committed by them in their capacity as Krupp officials. But no man in the dock was named in the indictment merely because of his association with the Krupp firm; each defendant was named because the prosecution believes, and is confident that it can prove, his personal

criminal responsibility.

X We are not dealing in this case with men who rose to power by riding the crest of the Nazi wave. That most of the defendants were members of the Nazi party is a significant fact, but it is not part of the basic framework of this case.

Nazism was, after all, only the temporary political manifestation of certain ideas and attitudes which long antedated Nazism, and which will not perish nearly so easily. In this case, we are at grips with something much older than Nazism; something which fused with Nazi ideas to produce the Third Reich, but which has its own independent and pernicious vitality. X

We cannot, therefore, comprehend the actions or judge the guilt or innocence of these defendants without some familiarity with the setting in which those acts occurred. And that setting is the Krupp firm and family enterprise -- its plants, its techniques and, most of all, its history and traditions. We do not indict these defendants because of the history of the Krupp firm, but that history will shed much light on the motives which led the defendants to do the acts with which they are charged.

In opening a case of such historic import, there is a natural impulse to dramatize the occasion by ringing all the changes on the name "Krupp", which was described two years ago by Mr. Justice Jackson as¹

.....the focus, the symbol, and the beneficiary of the most sinister forces engaged in menacing the peace of Europe.

But in fact our task is far too grave and serious to warrant any indulgence in forensics. The pages of Krupp history need no underlining; we have not indicted these men to make a show, but because we believe that the evidence will prove them to be criminals. We will postpone any further characterization or general comment, and proceed at once to the charges.

1. Vol. I, Trial of the Major War Criminals, p. 134

COUNT ONE: PLANS, PREPARATIONS, INITIATION,
AND WAGING OF AGGRESSIVE WARS

The acts and events on which the charges in Count One are based began nearly thirty years ago. The earlier history of the Krupp firm is important only as background, and we will sketch it in at this time only for the purpose of clarifying the scope and nature of the Krupp firm at the end of the First World War, when the story of this case begins.

A. Historical Background

The firm of Fried. Krupp was founded in 1811 as a small cast steel foundry in the city of Essen, in the Ruhr. The firm retained its family character throughout the early part of the 19th century; when Friedrich Krupp died in 1926, he was succeeded by his eldest son, Alfried. Alfried Krupp was the sole owner and manager of the firm for over 60 years, until his death in 1887, and it was under his management that the firm grew from an obscure foundry into the largest and most notorious armament enterprise of all time. Krupp cannon construction dates from just over a century ago, from 1844, when the Prussian military authorities ordered an experimental one-ton gun of cast steel, and the first complete shop for the manufacture of guns was built in 1861. Krupp fame and fortune were derived basically from the unification of Germany, the German wars against Denmark and Austria, and the Franco-Prussian war of 1870. The victorious German armies were extensively armed with Krupp guns, and after the Franco-Prussian war, Alfried Krupp was commonly referred to as the "cannon king".

But if it was as a gunsmith that Alfried Krupp attained worldwide fame, nevertheless he did not allow his enterprises to remain limited to armament manufacture alone. The Krupp iron and steel mills participated extensively in the early construction of German railroads. With the development of the Bessemer process, steel making became a big business. In order to give his enterprises their own source of raw materials, Krupp acquired extensive coal mines and iron ore beds. Later on, in furtherance of his export interests, Krupp acquired transport ships and docking interests in the Netherlands. After the Franco-Prussian war, Krupp

became a large supplier of railroad equipment and other items used in the vast railway construction program in the United States.

In 1887, the Krupp inheritance passed to Friedrich-Alfried Krupp. The rapid development and expansion of the enterprises continued. New factories were built, and new resources of coal and iron ore were purchased in Lorraine and in Germany proper. Krupp's principal German competitor in the field of armour plate -- the Gruson works -- was bought out and absorbed. With the acquisition of the Germania shipyards at Kiel, Krupp entered the shipbuilding business on a large scale.

Although these were years of peace, Krupp continued to devote great emphasis to the armament business. Questions of design and scientific research were given great attention and fostered by capital investment. Krupp's own firing ranges for the testing of its guns and projectiles were greatly expanded. And, through the Germania shipyards, Krupp became a vital figure in the German government's policy of naval expansion, which came into full flower after the dismissal of Bismarck by Wilhelm II shortly before the turn of the century.

Upon the death of Friedrich-Alfried Krupp, the last of the male line, in 1902, the proprietary management of the firm passed to his widow, and the heiress was his sixteen-year-old daughter, Bertha Krupp. Pursuant to Friedrich Alfried's will, the Krupp firm was reorganized into a private limited liability company, Fried. Krupp A.G., with a stock capitalization of 160,000 shares valued at 1,000 marks each. All but four of the shares were held by Bertha Krupp, and the remaining four, distributed only in order to comply with legal requirements, were kept under careful control. In 1906, Bertha Krupp married Dr. Gustav von Bohlen und Halbach; the Emperor Wilhelm II attended the wedding and conferred upon the bridegroom the right to use the name "Krupp".

Expansion of the Krupp enterprises continued unabated, right up to the outbreak of the First World War. Immediately after Friedrich Alfried Krupp's death, his widow built a huge new steel plant at Rheinhafen, on the left bank of the Rhine, twenty miles from Essen. The Krupp ceased to be purely a specialist in the manufacture of arms and special steel products and took its place in the front rank of the great German

steel producers. The Germania shipyards hummed with activity as Krupp built a large part of the German high seas fleet. In 1906, Krupp built the first German submarine.

During the First World War, the Krupp firm was, needless to say, Germany's principal arsenal. It was no accident that, in 1916, when General Ludendorf asked two outstanding leaders of German industry to "join his train" to discuss war production, the two men invited were Gustav Krupp von Bohlen and Carl Duisberg.¹ Guns, shells, and armour plate poured out of the Krupp factories. Warships and submarines were built, armed, and fitted at the Germania shipyards. Together with the other leading steel plants, Krupp supplied the finished and semi-finished steel for building, transport, and a variety of other industrial uses. The laboratory of war was an enormous stimulus to design and research. As a captured Krupp document tells us:

The Armistice of 1918 found the Krupp artillery designing bureaus and the armament work shops at the peak of their efficiency and in full activity.

As late as 8 November 1918, governmental orders had been placed and instructions had been given for the shipment of artillery equipment to the front. In addition, numerous newly developed guns were being designed and in the course of being manufactured.

B. The Versailles Treaty

The armistice which ended the First World War did not, surprisingly enough, end Krupp's armament activities completely. Krupp continued to repair and recondition certain guns, and to complete the manufacture of new guns which were almost ready at the end of the war. Krupp records show that between the Armistice and July 1919, 238 guns were repaired, and 315 new guns were manufactured. Even after July 1919, the Krupp firm continued to work on one or two types of new guns until the arrival of the Interallied Control Commission at the Krupp plants in 1920.

In fact, Germany's defeat in the First World War, in and of itself, would probably not have radically affected Krupp's armament activities. But the disarmament provisions of the Treaty of Versailles were quite

1. Ludendorf's Own Story, by Erich von Ludendorf, Vol. I, p. 326.

another matter. These provisions confronted the Krupp managers with a major question of policy: whether to convert the Krupp enterprises into a steel combine, similar to those in Germany and other countries, with its principal foundation in a peacetime economy, or whether to make special efforts somehow to preserve Krupp's preeminent position in the armament field.

The Treaty of Versailles was signed on 28 June 1919. The provisions which were of special concern to Krupp, and are of special interest in this case, are those embodied in Part V entitled "Military, Naval, and Air Clauses". By Article 160 of the Treaty, the German army was limited to ten divisions consisting of not more than 100,000 men -- the so-called "100,000 men Reichswehr". Under the express language of Article 160, the exclusive purpose of the authorized German army was "the maintenance of order within the territory and the control of the frontiers." But the provision of most fundamental importance to Krupp was Article 168 relating to the manufacture of arms, which stated in part:

The manufacture of arms, munitions, or any war material, shall only be carried out in factories or works the location of which shall be communicated to and approved by the Governments of the Principal Allied and Associated Powers, and the number of which they retain the right to restrict.

Within three months from the coming into force of the present Treaty, all other establishments for the manufacture, preparation, storage or design of arms, munitions, or any war material whatever shall be closed down.

Subsequent provisions of the Treaty are also of great importance. Article 170 prohibited the importation of arms and munitions into Germany, and at the same time prohibited the manufacture of arms within Germany for export to foreign countries. Article 171 flatly prohibited the manufacture in Germany of tanks, armoured cars, and "all similar constructions suitable for use in war." Article 181 stringently limited the size of the German navy, and Article 190 specified the rate at which the authorized naval units could be replaced. Article 191 forbade Germany to construct or acquire any submarine whatsoever, even for commercial purposes.

The above and other comparable provisions of the Versailles Treaty

were to be enforced by Allied Control Commissions.

Article 208 of the Treaty set forth that:

The Military Inter-Allied Commission of Control will represent the Governments of the Principal Allied and Associated Powers in dealing with the German Government in all matters concerning the execution of the military clauses.

In particular it will be its duty to receive from the German Government the notifications relating to the location of the stocks and depots of munitions, the armament of the fortified works, fortresses and forts which Germany is allowed to retain, and the location of the works or factories for the production of arms, munitions and war material and their operations.

It will take delivery of the arms, munitions and war material, will select the points where such delivery is to be effected, and will supervise the works of destruction, demolition, and of rendering things useless, which are to be carried out in accordance with the present Treaty.

The German Government must furnish to the Military Inter-Allied Commission of Control all such information and documents as the latter may deem necessary to ensure the complete execution of the military clauses, and in particular all legislative and administrative documents and regulations.

Under Article 168 of the Treaty, the allied nations subsequently determined that Krupp should be the firm licensed for the production at Essen of guns with a caliber greater than 17 centimeters. No other type of armament manufacture was permitted to Krupp. Smaller guns were to be manufactured by the Rheinmetall plants at Duesseldorf; ammunition, and other weapons and war material, were licensed to other firms. The lists so prescribed by the allies were accepted by the German government by its announcement of 15 July, 1921. In the meantime, the Military Inter-Allied Control Commission, headed by the French General Nollet, established itself in Berlin, and, on 29 May, 1920, representatives of the Commission, headed by the English Colonel Leverett, arrived at Essen.

The establishment of the Control Commission and the arrival at the Krupp Essen plants of Colonel Leverett's group signalized the opening of a long and bitter struggle between the Control Commission on the one hand, and Krupp, secretly supported and encouraged by the German Government, on the other hand. And it is in this setting that the chain of circumstances and course of conduct charged as criminal in Count One really begins.

C. "Germany Must Again Fight to Rise"

We have mentioned that the provisions of the Treaty of Versailles and the implementation of these provisions through the Inter-Allied Commission of Control presented the Krupp managers with a very fundamental problem of policy relating to the future of the Krupp firm. None of the defendants in this case participated in the solution of this problem; ultimate authority to settle the question resided in Bertha Krupp and her husband, Gustav Krupp von Bohlen, who actually exercised the proprietary management. Gustav Krupp von Bohlen still survives, but is mentally and physically incapacitated. Three of the defendants were associated with the Krupp firm at the time in question. The defendant Pfirsch was first employed by Krupp in 1902, and the defendant Janssen and Eberhardt joined just after the First World War, in 1918 and 1919, respectively. None of these three defendants occupied a sufficiently important position to justify charging him with responsibility for decisions taken before 1920, but all three of them, and others among the defendants, participated actively in events which flowed from and were a consequence of this early decision and which took place some time before the advent of Hitler's dictatorship.

In approaching this matter, we may well bear in mind that the provisions of the Versailles Treaty, whether wise or unwise, were legally binding within Germany. This was so not only as a matter of international law, but as a matter of German domestic law. A memorandum written in January 1927 by the Legal Division of the German Defense Ministry stated:

Furthermore, the peace Treaty of Versailles is also a law of the Reich, and by reason of this it is binding on all members of the Reich at home. This commitment ranks even superior to the provisions of the constitution of the German Reich since Article 178, paragraph 2, second sentence of this Constitution, provides that: "The provisions of the Peace Treaty signed on 28 June 1919 in Versailles remain unaffected by the Constitution."

The members of the Reich government who participate in the preparations for mobilization of a Wehrmacht

exceeding that sanctioned by the Treaty would make themselves guilty of an intra-state violation of the Peace Treaty promulgated as a Reich law, and, as a result of this, they could be indicted before the State judicial Court for culpable violation of their official duties under Article 59 of the Constitution at the behest of the Reichstag.

The same conclusion was reached in a memorandum written a few weeks later within the Armaments Office of the Reich War Ministry, which stated that "The Treaty of Versailles has been made valid as a law in Germany", and these conclusions were reinforced when the German Reichstag enacted the "Law on Implements of War" on 27 July 1927.

The question which confronted the Krupp management as a result of the Versailles Treaty is very well summarized in the report of the Direktorium of Krupp covering the year 1937-38; that is, the year in which the defendant Loeser joined the Krupp firm as a member of the Direktorium. The report in question states:

X With the end of the business year 1937/38, twenty years have passed since the World War. Its unfortunate ending had fateful effects for us. The "dictate" of Versailles prohibited us to manufacture armaments and army equipment almost completely and demanded the destruction of machines and installations necessary for their manufacture. Under the supervision of the interallied control commission, approximately 10,000 machines, presses, furnaces, cranes and assembly shafts, over 800,000 gauges, die blocks, devices and special work tools, as well as the installations of the firing ranges in Essen and Meppen were destroyed. Our firm had to decide whether it wanted to renounce, for all time, the production of war material and continue the enterprise on the basis of the coal mines, the refined steel works in Essen and the foundry in Rheinhausen while discharging all superfluous workers and employees, or whether it would continue employing its personnel with a new production program and keep the shops operating with the production of peacetime products. X

The same report gives the answer to this problem, and sets forth the reasons therefore:

X In spite of numerous doubts and contrary to the advice of outside experts, it (Krupp) decided, as trustee of a historical inheritance, to safeguard the valuable experiences, irreplaceable for the armed strength (Wehrkraft) of our nation, and through constant close ties with the works members to keep up the shops and personnel in readiness if the occasion should arise,

for armament orders later on. With this view in mind, we chose objects for the new program of manufacture on which the personnel could obtain and improve their experience in the processing and refining of material, even though the manufacture and sale of these products partly entailed big losses. The change-over was made more difficult by the occupation of the Ruhr and its effects. But, after the inflation, the reserves built up by the very cautious evaluation of the property in the Goldmark balance, the proceeds from the coal mines, the Essen steel works and the foundry in Rheinhausen, as well as the renunciation of the payment of dividends, made it possible to overcome the difficulties of this period of time so full of losses.

And, finally, Loeser and the other Krupp directors were able to look back, after five years of the Hitler dictatorship and one year before the outbreak of the war against Poland, and view with immense satisfaction the decision taken in 1920:

When, in 1933, we were again called upon to manufacture war material in large quantities, we were immediately ready to do so, and in addition, we were able to let other firms profit from our experiences, safeguarded and newly acquired by the use of our capital. Workshops which had not been in operation for years or had only been operating on an insufficient scale were again put into operation, and after a short preliminary stage, were working at capacity. Recognitions for holding out and rapidly going to work fill us with pride. They prove that the sacrifices of the past safeguarded great values for our people.

After having again abandoned the production of all objects which were only meant to keep our personnel and our plants occupied, our production program today is a carefully balanced whole in which peace and war production are organically united. X

The prosecution is not, therefore, indulging in empty chatter when it speaks of the importance of the Krupp tradition, and the light which Krupp history throws on later events. The same viewpoint is reflected in an article written by Gustav Krupp von Bohlen in 1941. After speaking of himself as "the trustee of an obligatory heritage", Gustav Krupp wrote:

At the time (1919) the situation appeared almost hopeless. At first, it appeared even more desperate if one was not -- as I was myself -- firmly convinced that "Versailles" did not mean a final conclusion. Everything within me -- as within many other Germans -- revolted against the idea that the German people would remain

enslaved forever. I knew German history only too well, and just out of my experiences in the rest of the world, I believed to know the German kind; therefore I never doubted that, although for the time being, all indications were against it - one day a change would come. How, I did not know, and also did not ask, but I believed in it. With this knowledge however - and today I am speak about these things and for the first time I am doing this extensively and publicly - as responsible head of the Krupp works, consequences of the greatest importance had to be taken. If Germany should ever be reborn, if it should shake off the chains of "Versailles" one day, the Krupp concern had to be prepared again. The machines were destroyed, the tools were smashed, but the men remained; the men in the construction offices and the workshops who in happy cooperation had brought the construction of guns to its last perfection. Their skill had to be maintained by all means, also their vast funds of knowledge and experience. The decisions I had to make at that time were perhaps the most difficult ones in my life. I wanted and had to maintain Krupp, in spite of all opposition, as an armament plant - although for the distant future. X

A further citation indicates that Krupp did not make this decision for patriotic reasons alone, or at least that he was anxious to be recompensed for the losses which the firm incurred as a result thereof. This observation is made in no spirit of criticism; certainly the desire to make a profit is far less dangerous than the willingness to arm to the teeth the legions of a ruthless and aggressive dictator and launch upon the world a cataclysmic war. This next document was prepared by the Krupp firm in July 1940, and was transmitted to the High Command of the German Armed Forces; the details therein were prefaced by the following general observations:

The following details are to provide the justification for the increase in sales prices which the firm Krupp needs for its manufacture, as this increase in sales prices is the only means by which Krupp is enabled to maintain the highest technical standard in its output.....

Without government order, and merely out of the conviction that one day Germany must again fight to rise, the Krupp firm have, from the year 1918 to 1933, maintained employees and workshops and preserved their experience in the manufacture of war materials at their own cost, although great damage was done to their workshops through the Versailles Treaty, and employees and machines had in part to be compulsorily dispersed. The conversion of the workshops to peace time production involved losses, and as at the same time, the basic plan of a re-conversion to war production was retained, a heterogeneous program as the result, the economic

outcome of which was necessarily of little value; but only this procedure made it possible at the beginning of the rearmament period to produce straight away heavy artillery, armor plates, tanks and such like in large quantities. The material losses which the Krupp firm is bearing amount to several hundred millions of marks.

Finally, it must not be thought that Krupp stood alone or unsupported in the decision taken by his firm. As we will see, the chiefs of the German Army and Navy played exactly the same game and worked very closely with Krupp. So did various leading political figures of the Weimar Republic. Joseph Wirth, Chancellor of the German Republic in 1921 and 1922, wrote a letter to Gustav Krupp in 1920, in which the following appears:

I recall with satisfaction the years of 1920 till 1923, when together with Herr Direktor Dr. Wiedtfeld both of us were able to lay new foundations for the development of the German armament technique (Waffentechnik) through your great and most significant firm. Herr Reich-President von Hindenburg, as is well known, had been informed of it. His reaction also was very creditable though nothing of this has as yet been disclosed in public.

I also write down these lines to add them to my files, which already contain the well known letter of Dr. Wiedtfeld of 1921, stating that your most respected firm was assured of 10 years' service for the government on account of my initiative as the Reich-Chancellor and Reich Minister of Finance, by releasing considerable means of the Reich for the preservation of German armament technique.

I report this matter in a purely personal and confidential way without thinking of making these lines available to the public. The fact being that, approximately two years ago the Reich government made it known through the Ambassador in Paris, that any publication about previous preparations for the recovery of national freedom would be discouraged.

D. Krupp's Violations and Evasions of the Versailles Treaty under the Weimar Republic
(1919-1933)

We have seen that Gustav Krupp and the other Krupp managers decided, after the Treaty of Versailles, that they would maintain Krupp's potential as an armament factory by retaining their skilled personnel, and utilizing these workers for "a new program

of manufacture in which the personnel could obtain and improve their experience in the processing and refining of material". This was merely one of a number of stratagems which Krupp adopted to frustrate the purpose of the disarmament provisions of the Versailles Treaty, in preparation for the day when "Germany must again fight to rise". Krupp's attitude toward the Treaty and toward the Allied officers charged with its enforcement is also reflected in Gustav Krupp's article written in 1941:

Without arousing any commotion, the necessary measures and preparations were undertaken. Thus to the surprise of many people, Krupp began to manufacture products which really appeared to be far distant from the previous work of an armament plant. Even the Allied snooping commissions were duped. Padlocks, milk cans, cash registers, track repair machines, trash carts and similar "small junk" appeared really unsuspecting and even locomotives and automobiles made an entirely "civilian" impression.

Any successes which the officers of the Control Commission achieved were merely the occasion for bitter resentment and hostility on the part of the Krupp officials. A history of Krupp's artillery designing activities during these years, written by the artillery designing department of the Krupp firm, tells us:

The uncouth, irreconcilable attitude, especially on the part of the French members of the Control Commission, as well as a widespread network of spies and denunciators made sure that the provisions were carried through completely. One of the higher works' officials had to be discharged because through the exchange of a barrel number he had tried to save a good barrel for Germany. Thus the hands of the firm were completely tied and not even the slightest deviation from the rigid regulations was possible.

The concluding record of the Inter-Allied Control Commission was finally signed on 16 March 1926. The Commission departed. Although this did not yet mean the end of spying - entailing the danger of international complications or of seeing the works closed, and its workers losing their livelihood - this meant, nevertheless, an important step on the road towards freedom.

We shall not attempt at this time an exhaustive recapitulation of the numerous respects in which the Krupp firm secretly flouted and violated the Treaty of Versailles during the era of the Weimar Republic. As examples which are sufficient for present

purposes, we will discuss briefly, in the naval field, the unlawful construction of submarines and, on land, the unlawful design and construction of guns and tanks.

1. Submarines

As we have noted, Article 191 of the Treaty of Versailles categorically forbade the construction or acquisition by Germany of any submarines whatsoever. In 1937, the German Navy compiled a secret document entitled "The Fight of the Navy Against Versailles." This document throws much light on the circumstances which made possible the rapid development of the German U-boat arm after Hitler came to power.

It appears from this document that, in 1920, Krupp's Germania shipbuilding company, with the approval of the German Admiralty, sold its blueprints of projected German submarine types to Japan, and that Japan adopted these blueprints as the basis for the construction of its own submarine cruisers. The construction of submarines in accordance with these blueprints, at the Kawasaki shipbuilding company, was carried out under the supervision of German submarine constructors and under the personal direction of the chief submarine constructor of the Germania shipyards, Dr. Techel. A German naval officer, with extensive experience in submarine warfare, participated in the trial runs of these submarines and, of course, reported his observations to the German Admiralty.

A much more important step was the establishment, in 1922, of a dummy Dutch company called the "Ingenieurkantoor Voor Scheepsbouw" (commonly abbreviated I.v.S.). A Krupp memorandum written just before the establishment of this company states that its purpose was "the preservation and further implementation of German U-boat experiences", and makes it clear that the connection of this company with the Krupp concern (through the Germania shipyards) was kept strictly secret in order to conceal the obvious breach of Articles 168, 170 and 179 of the Treaty of Versailles.

The German Navy's secret history, referred to above, shows that this company was established in Holland with the approval of Admiral Behnke of the German Admiralty, and that the purpose of the I.v.S., from the standpoint of the Admiralty, "was to keep together an efficient German submarine office and, by practical work for foreign navies, to keep it in constant practice and on top of technical developments."

This cloaked branch of the Krupp shipyards fulfilled its purpose highly efficiently; it not only engaged in submarine research and design but actually built submarines for sale to other governments. Two submarines were built and sold to Turkey before 1927. Other submarines were built in Spain and Finland in accordance with designs developed by the I.v.S. in Holland.

The layman might think that this clandestine fooling with a few submarines in Japan, Holland, and Finland amounted to very little in terms of modern naval warfare. The German Navy, however, in its secret history, credited these projects with having made possible the "astonishing facts" that:

After the carrying out of the armistice conditions and the signing of the Versailles treaty, any practical continuation of the work in the field of the submarine arm was impossible in Germany. In spite of that, it was possible to put the first submarine into service only 3 1/2 months after the restoration of military sovereignty declared on 16 March 1935, that is on 29 June, and then at intervals of about 8 days to put new submarines continuously into service, so that on 1 October 1935, twelve submarines with fully trained personnel were in service.

On 7 March 1937, during the critical moment of the occupation of the demilitarized zone on the Western border, eighteen submarines in service were available, seventeen of which had already passed the test period and in case of emergency, they could have been employed without difficulties on the French coast up to the Gironde.

It becomes more apparent how deeply indebted Hitler and the German Wehrmacht were to Krupp and the I.v.S.

2. Artillery and Tank Design and Construction

Gustav Krupp was not the only man who decided to undermine

the Treaty of Versailles and prepare for a resurgence of German armed might. There was another man, not so well known to the world at large: Generaloberst Hans von Seeckt, Chief of the German Army Command from 1921 to 1926.

Late in November 1925, "His Excellency" General von Seeckt paid a five-day visit to the Ruhr primarily to confer with Gustav Krupp von Bohlen and to inspect the Krupp plants. The Krupp directors described to General von Seeckt the destruction caused by the Inter-Allied Military Control Commission and calculated the damages at 105,000,000 gold marks. General von Seeckt noted the "readiness of Krupp to oblige the military administration in order to gain experience in designing" armaments. The General learned about the close relations between Krupp and the Bofors firm in Sweden. The possibility of constructing a model of a "German tank" was also touched upon.

These ceremonious but secret discussions between Gustav Krupp von Bohlen and Generaloberst von Seeckt were concerned with a sustained and deliberate program and conspiracy, to which the Krupp directors and the German Army High Command were the principal parties, to maintain Krupp artillery designs and gun production potential at the highest possible level, in despite of the provisions of the Treaty of Versailles. The history of this conspiracy is set forth in a long document compiled in 1943 by the artillery department of Fried. Krupp A.G. which contains a detailed account of the development of army guns by Krupp from 1918 to 1933.

Just as in the case of submarines, Krupp's first move was to secure foreign bases for experimentation. This time the country chosen was Sweden, and the firm Bofors. The Krupp history sets forth:

When, after the end of the war, it became a certainty that, for Krupp, gun production would come to a complete standstill, Krupp concluded an agreement with Aktiebolaget Bofors, a Swedish firm - which made available to Bofors information on Krupp's experiences relative to the production of steel in certain fields, and especially

of steel for the manufacture of guns - also a license agreement on the basis of which Bofors was authorized to duplicate some types of Krupp's artillery designs insofar as they were not classed as secret by the Reich. Krupp combined with this the intention of benefiting by the experience gathered at that end. Bofors pledged itself at Krupp's request to permit Krupp employees admission to its works at all times and to supply them with all desired information.

The history goes on to tell us that Bofors took over several

Krupp contracts for the delivery of guns to Holland and Denmark, the fulfillment of which in Germany was prohibited by the Versailles Treaty. The experience in the design and testing of these guns was made available in turn by Krupp to the Reich Ministry of Defense.

The defendant Pfirsch visited Sweden in connection with these arrangements. In conclusion on the Bofors arrangement, the Krupp history tells us:

On several occasions, Krupp also introduced German officers into the Bofors plant to inspect guns and munitions and who were present during firing tests. Bofors also made experimental ammunition for armored vehicles which was fired in Sweden in the presence of German officers. Thus the Krupp-Bofors relationship proved beneficial for the further development of the German Army's artillery.

In 1935, the contract agreement between Krupp and Bofors was annulled because a new Swedish law prohibited the participation of foreign capital in Swedish armaments firms. The Krupp officials returned to Essen and since then are again working in the artillery designing department.

Guns, however, can be designed and tested more secretly than submarines, and in the field of artillery violations of the Treaty took place within Germany as well as abroad. Krupp activities within Germany were based upon a secret agreement on 25 January 1922 with the Reich Defense Ministry. Here, again, the story is told clearly and succinctly by the secret Krupp artillery history:

We have seen how, by way of Bofors, Krupp could utilize its previous designs and could derive benefit for itself, and thus for Germany, from experiences gathered abroad. In like manner, the firm was also endeavoring to prove ineffective, in Germany itself, the

unworthy provisions of the Treaty of Versailles, and in some way or other to participate in the gleaning of experience. The same spirit prevailed with the German authorities..... During the first years after the war, an exchange of opinion took place repeatedly on that point. The common wishes and aspirations were finally consolidated in the agreements of 25 January 1922 which, for political reasons, did not constitute an official contract but a gentlemen's agreement.....

These agreements of 25 January 1922 stressed that as a matter of mutual interest it was imperative to draw on Krupp's experience for the continued development of guns of a caliber of 17 cm and below, of munitions and of vehicles, as well as also to make available to Krupp the experiences derived by the RWM (Reich Defense Ministry) in this field.....

These most significant agreements of 25 January 1922 are the first step jointly taken by the RWM and Krupp to circumvent, and thereby to break down, the regulations of the Treaty of Versailles which strangle Germany's military freedom (Wehrfreiheit).

The remainder of the report is devoted largely to the activities of Krupp's artillery designing department under this secret agreement. It appears that the department was dissolved in 1919, but that a large part of its staff was retained on other work. Some fitful research on guns continued and, after the signing of the agreement with the Reich War Ministry, systematic work in cooperation with Army artillery officers began. This was checked, however, by the French occupation of the Ruhr in 1923; as a result, Krupp's artillery design work was moved from Essen to Spandau, near Berlin.

On 1 July 1925, Krupp and the German Army's Inspection Office for Arms and Equipment (IWG) established an artillery designing office in Berlin under the camouflage of the name Koch and Kienzle. The Krupp secret history lists a half dozen or more important artillery design projects which were handled in this clandestine fashion. In the meantime, French occupation of the Ruhr was terminated and, in 1926, the Inter-Allied Control Commission was discontinued and its representatives left Essen. Accordingly, at the end of 1927, the Koch and Kienzle office was dissolved and the Krupp designers returned to Essen, where the artillery designing department had been promptly reconstituted.

The Krupp secret report continues with a long tabulation of the more important tasks undertaken by Krupp in the field of military design at the behest of the German Army and in violation of the Treaty of Versailles. Many of these tasks related to the design of specific types of guns, such as light and medium self-propelled guns and tank guns. Other tasks related to basic problems of artillery technology, such as the proper methods of gun barrel construction, research in breech blocks, and, as the importance of artillery mobility became more and more apparent, the development of gun carriages.

At about this time, several of the defendants in this case make their appearance as important Krupp officials, participating in this clandestine and unlawful rearmament. We have already seen the defendant Pfirsch visiting Sweden in connection with the Bofors arrangement; in February 1928, we find him negotiating with the Army Ordnance Office on the matter of prices for the development of self-propelled gun carriages. After they joined the Krupp firm in 1926 and 1927, respectively, the defendants Houdremont and Korschach dealt with the selection of types of steel and steel alloys to be used in the manufacture of gun barrels. Korschach also visited the Bofors plant in December 1932 or January 1933 to discuss the development of machine gun barrels.

The departure of the Inter-Allied Control Commission in 1926 also signaled the revival of Krupp work in connection with the design of tanks. In the early correspondence on this subject between Krupp and the Reich Defense Ministry, the tanks were referred to as "tractors". Besides tanks, other types of military vehicles and self-propelled gun carriages were also developed. One interesting letter, written in November 1927 from the Ministry of Defense to the Krupp firm, set forth the specifications for an "artillery power tractor" which, according to the specifications, was to be of such a size "as to enable the tractor to be shipped on an ordinary open railroad car, considering the smallest Belgian and French loading capacity." A Krupp memorandum written in 1942

tells us that "with the exception of the hydraulic safety switch, the basic principles of armament and turret design for tanks had already been worked out in 1926."

We have now outlined the general nature of Krupp's policies and activities with respect to the Treaty of Versailles during the era of the Weimar Republic. The immediate significance of these acts is clear enough. Krupp deliberately decided, in conspiracy with the German military and political leaders, to violate the Treaty in every possible way and to lay the groundwork for the rearmament of Germany. "Germany must again fight to rise". These acts and decisions constituted preparation to enable Germany to wage war by means forbidden by the Versailles Treaty. And, as we have shown, these acts violated not only international law but German domestic law as well.

But these events have a much deeper significance for this case. One can for convenience divide recent German history into the period of the Weimar Republic and of the Third Reich. But there was no impermeable barrier between the two; the one flows into the other, and Hitler's dictatorship was conditioned by the history of the preceding Republic. Weimar Republic and Third Reich had many common denominators, and one of them was the Krupp firm. What the Krupp firm accomplished under the Republic was a vitally important part of the process of German rearmament for aggressive war. This fact will become increasingly clear as we examine the development of the conspiracy under the Third Reich. The seeds planted during the Republic will now come to flower.

Christmas 1932 was the last under the Weimar Republic, and already Hitler's shadow loomed large. For millions of people, abrupt and terrible changes were only a few months in the future.

For some few, the change was neither terrible nor abrupt. On December 28, 1932, Colonel Zengauer, a department chief in the German Army Ordnance Inspection Office, wrote a note of New Year's greeting to the Krupp firm. It was polite, but not a message of peace and good will to men. It said:

I wish to express our thanks for the excellent support which you and your staff have again given us in our development work during the past year.

The department is convinced that thanks to your active cooperation and valuable advice, our armament development in 1932 has made considerable progress, which is of great significance to our intent of rearming as a whole.

It gives me special satisfaction that the firm, in reviewing the year 1932, may take credit for a substantial material success in the decision reached in your favor concerning the light field cannon.

There could be no better example of the link which the German Army and the Krupp firm constitute between the Weimar Republic and the Third Reich.

E. Krupp and the Establishment of the Third Reich

The facts concerning Gustav Krupp von Bohlen's participation in Hitler's seizure of power have, by now, become matters of public record in other proceedings,¹ and we may pass over them very briefly. Hitler's selection by Hindenburg as Reich Chancellor on 30 January 1933 grew out of a conference earlier in January between Hitler and von Papen which had been arranged by the Cologne banker, von Schroeder. But Hindenburg's appointment of Hitler as Chancellor did not constitute or assure the Nazi seizure of power; a majority of the members of the Reichstag were members of other parties, and the leaders of other parties were included in the cabinet which Hitler headed. Indeed, despite Hitler's appointment, the situation of the Nazi party was not, in all respects, promising. The Nazis, at the election of November 1932, had dropped some 2,000,000 votes below their poll in July 1932, and their representation in the Reichstag had fallen from 230 to 196 seats. On 8 December 1932, Joseph Goebbels had noted in his diary:

Deep depression is prevalent in the organization, financial worries prevent any constructive work.... We were all very discouraged, particularly in the face of the present danger that the entire party may

1. Case No. 5, United States v. Friedrich Flick, et al.; Case No. 6, United States v. Carl Krauch, et al.

collapse and all our work be in vain. We are now facing the decisive test.

Accordingly, Hitler's appointment as Chancellor some two months later was an opportunity, but not a fulfillment. New elections were scheduled for the month of March, and the Nazi party was in desperate need of support, financial and otherwise, to insure such a measure of success as would continue Hitler in office and make possible the completion of the Nazi drive to dictatorship.

In this critical situation, on 20 February 1933, Goering invited about twenty leading German bankers and industrialists to his home, in order to obtain financial support for the Nazis in the coming election. Hitler appeared and delivered a long speech. Among those in attendance was Gustav Krupp von Bohlen, who made notes summarizing Hitler's speech, which will be offered in evidence. Hitler said in part:

Private enterprise cannot be maintained in the age of Democracy; it is conceivable only if the people have a sound idea of authority and personality. Everything positive, good, and valuable, which has been achieved in the world in the field of economics and culture, is solely attributable to personality. When, however, the defence of this existing order, its political administration, is left to a majority, it will irretrievably go under.

Life always tears up humanity. It is, therefore, the noblest task of a Leader to find ideals that are stronger than the factors that pull the people apart. I recognized that one had to search for new ideas conducive to reconstruction. I found them in Nationalism, in the value of personality, in the denial of reconciliation between nations,.....

Now we stand before the last election. Regardless of the outcome, there will be no retreat even if the coming election does not bring about a decision. One way or another, if the election does not decide, the decision must be brought about even by other means. I have intervened in order to give the peoples once more the chance to decide their fate by themselves.

For business, I have the one wish that it go parallel with the internal structure to meet a calm future. The question of restoration of the Wehrmacht will not be

decided at Geneva, but in Germany, when we have gained internal strength through internal peace.

There are only two possibilities, either to crowd back the opponent on constitutional grounds, and for this purpose once more this election, or a struggle will be conducted with other weapons, which may demand greater sacrifices. I would like to see them avoided. I hope the German people thus recognize the greatness of the hour. It shall decide over the next 10 or probably 100 years.

Thereafter, Goering addressed the meeting and again stressed the importance of the coming election: "We must penetrate with our SA men into the darkest quarters of the cities". Goering then brought up the matter of financial contributions, and concluded his solicitation with the comment that:

The sacrifices asked for surely would be so much easier for industry to bear if it realized that the election of March 5th will surely be the last one for the next ten years, probably even for the next hundred years.

One other man spoke at this meeting, and that was Gustav Krupp von Bohlen, who expressed to Hitler "the gratitude of approximately 25 industrialists present for having given us such a clear picture of the conception of his ideas." Krupp also stated, on behalf of all the industrialists, that it was high time "to finally clarify the questions pertaining to domestic politics in Germany" and "that only in a politically strong and independent state could economy and business develop and flourish." Krupp concluded by pledging 1,000,000 marks or more on behalf of the Ruhr industries.

Eight days after this meeting, at which Hitler received the support of Krupp and the other industrialists, the Reichstag building was set on fire, and on the same day Hitler and his cabinet, utilizing the fire as a pretext, promulgated a decree suspending the constitutional guarantees of freedom. By this decree, certain sections of the German constitution were indefinitely suspended and, as the decree went on to state:

.....restrictions on personal liberty, on the right of free expression of opinion, including freedom of the

press, on the right of assembly and the right of association, and violations of the privacy of postal, telegraphic, and telephonic communications, and warrants for house-searches, orders for confiscations as well as restrictions on property, are also permissible beyond the legal limits otherwise prescribed.

This was the first act of Hitler and the Nazi party after receiving the subsidy which Krupp had so generously provided. The decisive election was held with the constitutional guarantees in a state of suspense one week later; the Nazi party received seventeen million votes out of thirty-nine million cast, and 288 Reichstag seats out of a total of 647. Still lacking a majority,

Hitler applied the "other methods" which he had threatened to use in his speech on the 20th of February. Opposition members in the Reichstag were taken into "protective custody" and in their enforced absence the Reichstag on 24 March 1933 passed the Enabling Act which gave Hitler full legislative power, including the power to deviate from the constitution. Thus perished democracy and liberty in Germany.

Soon after the elections of March 5, Gustav Krupp von Bohlen had taken upon himself the leadership in rallying German industry behind the Nazi dictatorship. The day before the Reichstag passed the Enabling Act, he convened a meeting of the Praesidium of the Reich Federation of German Industries, to discuss the political situation; on 25 March, the day after the Reichstag decree, a resolution of the Federation supporting the Nazi government was transmitted to Hitler.

During the remaining months of 1933, the grip of tyranny grew ever tighter. The independence of the judiciary was fatally undermined, special political courts were established, and the concentration camp made its appearance. Jews were eliminated from the civil service and otherwise persecuted, the trade unions were strangled, and the Hitler Youth was organized on military lines.

Joseph Goebbels established the Ministry of Peoples' Enlightenment and propaganda to insure distortion and suppression of the truth.

Germany withdrew from the International Disarmament Conference and from the League of Nations.

In the industrial field, Gustav Krupp supported and participated in this brutal course of dictatorship step by step. In April 1933, Hermann Goering founded the Gestapo. In the same month, the Reich Association of German Industry, through Gustav Krupp as its chairman, submitted to Hitler a plan for the reorganization of German industry according to the "Fuerher-Prinzip" or "Leadership Principle". The documents which we will offer make it clear that this plan was developed by Gustav Krupp in close collaboration with and after numerous conferences with Hitler himself. In transmitting the plan, Gustav Krupp stated:

The turn of political events is in line with the wishes which I myself, and the Board of Directors, have cherished for a long time.....In reorganizing the Reich Association of German Industry, I shall be guided by the idea of bringing the new organization into agreement with the political aims of the Reich government.....

In May 1933, the old German trade unions were suppressed and replaced by the compulsory Nazi labor organization, the Deutsche Arbeits Front (DAF); in June 1933, Baldur von Schirach became the youth leader of the German Reich, and soon thereafter most of the preexistent youth organizations were dissolved. During these same months, Gustav Krupp was organizing the so-called Adolf Hitler Spende, or Adolf Hitler Fund. This was a fund collected annually from every circle of German industry, including banking and agriculture. The proceeds were put at the disposal of Hitler and various Nazi party organizations, including the SA, the SS, and the Hitler Youth. Gustav Krupp remained chairman of the organization which raised this fund until about 1942, when his son, the defendant Alfried Krupp took over this function.

While Gustav Krupp was devoting his energies to the consolidation of the Nazi dictatorship within Germany, he did not fail to note the importance of concealing its true character from the world abroad. After a conference with Alfred Rosenberg, then Chief of the Bureau of Foreign Politics of the Nazi party, he arranged for

funds to be put at Rosenberg's disposal in order "to counteract" by "counter-propaganda" the "misunderstandings" which were being created abroad "by ill-meaning circles".

At numerous public meetings and conferences, Gustav Krupp continued to carry the torch for Adolf Hitler and the Nazi Party. He complied willingly with a request from Goebbels for an article in support of Hitler to be used for the so-called "plebiscite" of November 1933. After the Anschluss with Austria, in March 1938, he paid tribute to the "statesmanship" of Hitler and hailed the "victory of Germanism in central Europe"

No useful purpose would be served by further recital of the many occasions on which Gustav Krupp demonstrated, publicly and practically, his wholehearted support of the dictatorship of the Third Reich and of its accomplishments. We will, in due course, suggest some of the reasons which determined this course of action. We may first, however, more profitably examine the policies and activities of the Krupp firm and of these defendants between the birth of the Third Reich and the seizure of Austria in 1938.

F. KRUPP AND THE THIRD REICH: THE PREWAR YEARS
(1933-38)

The support which Krupp gave the Nazi Party was dictated, in part, by very practical considerations of self interest. The development orders which the firm received from the Weimar Republic, while valuable in that they preserved the position and connections of the firm, could not possibly return Krupp's capital investments in armament production. For that a large scale armament production program, unhampered by the restrictions of the Versailles Treaty, was necessary. It was precisely this which the Nazis promised. By aiding their accession to power, Gustav Krupp was simply collecting on the gamble taken in 1918. In a Germany pledged to rearmament, Krupp would again flourish as the "Weapons Forge" of the Reich. The period of losses would be over.

Such indeed proved to be the case. The Krupp Board of Directors were able to report for the business year following the Nazi seizure of power that "The business, for the first time after three years of losses, yielded a profit". The report reads:

The upward trend of German economy which marked the past year was visibly reflected in our plants. The measures of the Reich Government designed to promote the national work have given a vigorous impulse to the entire industrial life of our people. A strong, new, national will to work, founded upon a national basis, has superseded the class struggle and found free expression in new legal forms.

The economic revival of the German iron industry which set in with the National Revolution has gradually extended to almost all our spheres of operation from the production of raw materials to the manufacture of the finished products.

The character of "the measures of the Reich government designed to promote the national work" responsible for the "improved market position" which the Board of Directors took so much pleasure in reporting is indicated by a later report of Krupp's Grusonwerke, referring to this period:

Immediately after the seizure of power, the Navy, as the most powerful part of the Wehrmacht, began with us to equip and expand our factory installations for the production of war materials. In view of our location in the heart of the Reich, favorable from a military point of view, the production of especially important Wehrmacht equipment was entrusted to us from the very outset and plant facilities for a much greater

capacity than would be required for peace time needs were set up in case of war.

As the program of rearmament , which was started immediately after the seizure of power was accelerated, the returns to Krupp rose proportionately. In 1935, the net profits of the firm after taxes, gifts, and reserves, were approximately 57 million Reichmarks; in 1938, they were 97 million; in 1940, 111 million. This increase in the profits of the Krupp firm was the direct result of the tremendous armament program launched under the Third Reich.

From the time of the Nazi seizure of power until the defeat of Germany, the relations between Hitler and the Krupp firm were exceedingly close. Hitler often visited Krupp to inspect the progress of particular projects; he consulted with its members, particularly the defendants Alfried Krupp and Erich Mueller, on armament problems; he participated in planning its expansion; and almost every project of any size worked on by Krupp was on Hitler's personal order. The work done by Krupp reflected this close relationship. It followed every turn of the development of the Nazi plans of aggression.

After the seizure of power, Hitler's first concern was an immediate strengthening of the German armed forces in all respects. This was a necessary preliminary to repudiation of the Versailles Treaty and re-occupation of the Rhineland, both of which had to be accomplished before more ambitious steps could be taken. Equipment of all types was needed, and needed quickly. At this point, the value of the secret development work which Krupps had been doing proved itself. Large-scale production of tanks, artillery and, in due course, submarines, of the most advanced and modern type, could be started immediately. Krupp subsequently had occasion to remind the Reich of these facts:

Owing to the fact only, that the firm, acting on its own initiative and believing in a revival , has since 1918 retained at its own expense its employees, practical knowledge and workshops for the manufacture of war material, was it in the position not only to produce war material in its own plants as soon as called to do so, but to initiate other firms which were not familiar with the manufacture of war material, and therefore contribute to the enlargement of the armament capacity. This has shown particular results as regards the heavy field artillery which is the backbone of the army.

During the period after the First World War, Krupp had worked on producing a mount for the 8.8 anti-aircraft gun, developed during that war for naval use, which would make it suitable for the Army. This work had been completed by 1933. In consequence, mass production of the gun which was to become famous in the Second World War was started in 1933 at the Grusonwerke. To meet the requirements of the Army for mortars and howitzers, the defendant Korschach found it necessary, as early as June 1933, to submit a request for the enlargement of one of the principal gun shops.

Like the initial mass production of medium and heavy artillery, the first two tank programs also rested on Krupp designs. A Krupp memorandum relates:

The firm of Fried. Krupp played a pioneering role in the development of combat vehicles in Germany since the earliest beginnings in 1926. After the preliminary experiments with the "Heavy Tractor", "Light Tractor", and the L.S.K., the LaS (Panzer I) was developed and built in series by the firm of Fried. Krupp as the first German armored combat vehicle (alternatively equipped with air-cooled Fried. Krupp engine or water-cooled Maybach engine). Four subcontractors built the LaS to our designs and specifications and were enabled thereby to work out their own designs for new types of armored combat vehicles.

The first large scale tank program initiated by the Nazis called for the production of one hundred tanks by March, 1934; the second, for six hundred and fifty by March, 1935. It is worth observing that the Versailles Treaty, under which all tanks were forbidden, was not formally repudiated by Germany until May, 1935. Krupp contributed the design for these programs and shared in their execution. These illegal programs were camouflaged by calling the tanks "LaS", the abbreviation for the German words meaning agricultural tractor. The choice of name completely epitomizes the inverted scale of Nazi values; swords rather than plowshares, tanks rather than agricultural tractors.

During the period of extensive but necessarily secret rearmament, which immediately followed Hitler's accession to power, the Navy could play only a subordinate role to the Army. Tanks and artillery can be kept hidden more readily than submarines and battleships. The Navy could and did prepare, however, for the moment when the Treaty of Versailles would be openly repudiated. In this it received the full cooperation of Krupp. By October 1934, the Germania shipyards had received orders to build six submarines. Two months before Germany unilaterally denounced the Versailles Treaty, the keels of these boats were laid. Two months later, the first one was delivered. The design for these boats was the product of the I.v.S. The value of the work done prior to 1933 thus proved itself again.

Raeder, the Commander-in-Chief of the Navy, was preparing as early as 1934 to oppose England. Hitler considered it vital that the Navy be increased, "as no war could be carried on if the Navy was not able to safeguard the ore imports from Scandinavia". To enable Krupp to meet the demands of the Navy arising out of this program of expansion, two interest-free loans were made; one in January 1934, the second in December 1934. Both loans were made in "mefo" bills. This was the device by which Germany, both before and after repudiation of the Versailles Treaty, concealed the vast sums going into rearmament.

As early as April 29, 1933, the defendant von Buelow was called to a conference of armament firms at the War Ministry to discuss methods of payment for war material deliveries. Three months later, the Metallurgische Forschungsgesellschaft m.b.H. (called "mefo") was founded by five armament firms of which Krupp, represented by von Buelow, was one. The function of this company, which was purely a dummy organization, was to accept bills drawn on it by armament contractors. These bills were then received by all German banks for discounting with the Reichsbank. They were guaranteed by the Reich. Their secrecy was assured by the fact that they appeared neither in the published statements of the Reichsbank nor in the budget figures. Until their abandonment in 1938, when the secrecy of the rearmament program was no longer as essential as it had been, Krupp was one of the chief users and beneficiaries of the 12 billion Reichsmarks channelled into rearmament through this device.

In May, 1935, the armament provisions of the Versailles Treaty were formally and publicly repudiated. They had already become virtually a dead letter. Repudiation permitted rearmament to be more open than previously, but otherwise affected it comparatively little. The Versailles Treaty had long since ceased to pose any effective barrier to German rearmament. The annual report of Krupp's war material department lumps the period before and after repudiation in the following terse sentence:

At the close of the past fiscal year, 1936-1937, three years have passed since the recommencement of war material production unhindered by the obligations of the Treaty of Versailles.

Greater candor would have made it four years. After the seizure of power by Hitler, the obligations of the Treaty of Versailles were little hindrance to either Krupp or the government.

At the Nazi party rally in September 1936, Hitler reviewed what had already been accomplished by way of rearmament and announced as his new four year program:

In four years, Germany must be wholly independent of foreign countries in respect to all those materials which can, in any way, be produced through German capability, through our chemistry, machine and mining industries.

* * * * *

I have just issued necessary orders for carrying out this mighty German economic plan. Its execution will take place with National Socialist energy and force.

In a memorandum to Goering, Plenipotentiary for the "Four Year Plan", explaining its objectives, Hitler stated that the final solution of Germany's problem lay in the acquisition of new territories; that such acquisition was the task of "the political leadership"; that in order for the "political leadership" to exercise its responsibilities, the German economy had to be mobilized for the purpose of making Germany self-sufficient in critical war materials.

The industrialists, whose cooperation was needed for the accomplishment of Hitler's program of autarchy, were advised that the purpose of the "Four Year Plan" was to prepare Germany for war. On 17 December 1936, in Hitler's presence Goering made a speech in Berlin to the Reichsgruppe Industrie, in which the intention of the Nazi government to wage war was plainly stated. Goering said, among other things: "The battle which we are approaching demands a colossal measure of productive ability. No limit on the rearm-

ament can be visualized. The only alternative in this case is victory or destruction. If we win, business will be sufficiently compensated." He ended his speech: "Our whole nation is at stake. We live in a time when the final battle is in sight. We are already on the threshold of mobilization and we are already at war. All that is lacking is the actual shooting."

Krupp cooperated as wholeheartedly in the overall economic program of the "Four Year Plan" to make Germany self-sufficient in essential war materials as it did in the more direct armament programs of the Army and Navy. Houdremont acted as a special advisor to the "Four Year Plan" on metallurgy. As one of the leading iron and steel producers in the Ruhr, Krupp sent its representatives to the conferences at which plans were laid for the greatest possible exploitation of Germany's natural ore resources. At the first of these meetings, held on 17 March 1937, Goering emphasized that the "shortage of ores must not endanger the program of munitions production or armaments in case of war." The core of the problem was: "What is the quantity that the German ore mining industry must be prepared to supply the German nation in case of war, and in how many years must this goal be attained."

At a second meeting, held three months later, to discuss progress in the program, Goering made it even clearer that Germany was preparing for war and that production and distribution, including the export of iron and steel products, had to be adjusted accordingly. He stated that the purpose of the Four Year Plan was "to create a foundation upon which preparation for war might be accelerated" and the most urgent necessity was to increase iron production. Iron was to be used first to increase iron production, and then for the armed forces, for warships and tanks, for the Four Year Plan and for export for foreign exchange. The export of semi-finished products was to be reduced and care was to be exercised not to facilitate the armament of the enemy. Goering was assured that only six percent of Germany's export of iron went to "so-called enemy countries like England, France, Belgium, Russia and Czechoslovakia."

The iron and steel industrialists, through the Wirtschaftsgruppe Eisenschaffende Industrie, in which Krupp representatives held leading positions, gave their full cooperation to this program. On 4 November 1938,

at a conference of iron and steel industrialists including the defendants Alfried Krupp and Ewald Loeser, Goering - through his representative - congratulated the members of the industry upon what had been accomplished.

The eagerness with which Krupp set itself to cooperating with the Four Year Plan is set out at length in the report of its Board of Directors for 1936-1937:

Our primary task within the framework of the entire German economy was cooperation to bring into effect, practically military sovereignty, to attain the goals set by the Four Year Plan, and to strengthen the export trade and the foreign currency balances.

The character of the German armament program during the second phase of rearmament, from 1936 to 1939, is indicated by Hitler's instructions to Goering in 1938. These were to build, as rapidly as possible, an air force five times as large as originally planned, to increase the speed of the rearmament of the Navy and Army, and to concentrate on offensive weapons, principally heavy artillery and tanks. Krupp was valuable to the execution of all these objectives, and, to some of them, indispensable.

During these years, Krupp had a virtual monopoly of the design of heavy artillery and of tank turrets. Any armament program involving these required its cooperation for success. Every effort was made, at Hitler's personal request, to achieve the maximum output of the 21 cm mortar, a heavy gun used for shelling fortifications. Heavy howitzers continued to be produced in large numbers. In addition to increased production, Krupp made available to other firms its designs and "know-how". A Krupp report states:

From the beginning of the rearmament program, we have, to a great extent, placed our experience, free of charge, at the disposal of sub-contractors, both with regard to the necessary installations and production factors, and with regard to the production of guns, in order to permit rapid armament on a broad basis. We considered the request to surrender all data which would serve to increase the armament industry's capacity, e.g., also in the metallurgical field, to be justified in the interests of the life and death struggle of the German people, and we considered the fulfilment of this request to be a matter of course.

The value of Krupp designs to Germany is indicated by the following extract from a report written in 1940, after the start of the war:

The guns, developed by us such as heavy 15 cm field howitzers, heavy 10 cm and 15 cm guns, 8.8 cm anti-aircraft guns, 21 cm howitzers, and railway guns, represent the main body of the medium artillery of our present Armed Forces.

In the field of tanks and combat cars, the debt of the German Army to Krupp was nearly as great.

In addition to these orthodox developments, Krupp, at the personal suggestion and request of Hitler, embarked on the design and execution of a monster 80 centimeter railway gun, eventually named the "Big Gustav", which was beyond doubt the largest gun ever constructed. Its specifications required that it penetrate armor plate one and a half meters thick and cement ceilings three and a half meters in depth. Because of its huge size, it represented a radical departure from all conventional gun construction and would have been beyond the competence of almost any firm other than Krupp. Its first test firing in December, 1941 was attended by all the top executives of the firm as well as by high Army officials. The defendant Erich Muller and a team of Krupp men personally supervised its use at the siege of Sevastopol in May and June 1942. According to a Krupp report, it was "fired 53 times in all, sometimes with the most successful results against fortified targets. After the fort was captured, opportunity was given to study the good aiming and also the exceptional effects of the semi-armour-piercing shells on fortifications".

Krupp's chief importance to the rearmament program lay, however, in its value to the Navy. In recognition of the importance of the activities of the defendants Alfried Krupp, Loeser, Houdremont, Korschan, Mueller, Janssen and Pfirsch to the rearmament of the Navy, they were all designated "War Economy Leaders" (Wehrwirtschaftsfuehrer) and charged with the responsibility of preparing and carrying out the mobilization of the armament industry and of directing it in time of war. Each of them was required to submit, in connection with the acceptance of this position, a "Declaration of Political Attitude" in which he stated:

I herewith declare that I stand by the National Socialist conception of the State without any reserve and that I have not been active in any way against the interests of the people.

* * * * *

I am aware that in case of any expressions or actions of mine in the future which might be understood as an offense against the National Socialist conception of the State, I must expect, in addition to a legal prosecution, my dismissal from the post of Wehrwirtschaftsfuehrer.

Plans for extending Krupp facilities to meet the requirements of an expanded Navy program were first discussed at Berchtesgaden with the

defendants Alfried Krupp and Erich Mueller, in May 1937. These plans crystallized a year later under the name of the "E-Program", pursuant to which Krupp was to receive approximately 180 million Reichsmarks as an interest-free loan to use for expansion. It was Hitler's intention to build a navy to match that of England. Eventually, it was planned to build three battleships a year. The extension of Krupp's facilities was necessary to meet the demand this would create for armor plate and guns. These plans were to have been substantially completed in 1944, and the outbreak of war with England necessitated revision and the "E" program was never fully realized as originally intended. Nevertheless, Krupp contributions to the Navy were by no means minor. It produced the guns for the pocket battleships "Scheer" and "Graf Spee", for the battle cruisers "Scharnhorst" and "Gneisenau", the battleships "Bismarck" and "Tirpitz", and for the cruisers "Bluecher", "Admiral Hipper" and "Seydlitz". The cruiser "Prinz Eugen" was not only armed by Krupp, but built at its yard in the Germaniawerft. This yard, which had been the cradle of German submarine construction, continued to play a leading role in their design and construction.

In addition to building up the striking power of the German armed forces, Krupp was also vitally important in the construction of the West Wall, which was equally as essential to the accomplishment of the Nazi plan of aggression. Like the Four Year Plan, the West Wall was first projected in 1936 when fortification of the West was first made possible by the militarization of the Rhineland. As one German officer later stated, the West Wall:

in contra-distinction to the Maginot Line, was not a measure based on debility and resignation, but one intended to afford rear cover for an active policy in the East.

Immediately upon the reoccupation of the Rhineland, Krupp which, as early as 1933, had begun working on fortifications, was asked to take a substantial part in its construction. According to documents in the Krupp files, construction of the West Wall would not have been possible without its assistance:

Fortifications for the border defense line (cupolas and casemates) of latest construction were first developed by Krupp after the war. The experience gained thereby served as a basis for the organization of the present system of fortification. It would have been impossible to carry out the required tasks had Krupp not been able to fall back

upon its experience in the manufacture of armor plate and upon its foundries.

In 1938, after five continuous years of rearmament, Hitler personally advised Alfried Krupp that there was still no end in sight. By this time, the aggressive intentions of the Nazis were beyond question. In that year, German armed might brought about the seizure of Austria and the Sudetenland. The Krupp firm shared in the spoils of conquest.

Opening Statement for Prosecution
Sec 2

G. Invasion and Occupation of Austria

On 12 March, 1938, Germany invaded Austria. This move was, as the International Military Tribunal found,¹ A "premeditated aggressive step", but its timing was not planned in advance. On the contrary, it was precipitated, unexpectedly even to Hitler, by Schusnigg's announcement on 9 March of a plebiscite on the question of Austrian independence.

Long before the German invasion of Austria, the Krupp firm had coveted -- and coveted in vain -- the Berndorfer Metallwarenfabrik, the most important Austrian metals enterprise. The Berndorfer firm, located near Vienna, had itself been established by a Krupp -- Arthur Krupp, a great granduncle of Alfried Krupp -- in 1843.

By the time the Krupp firm became interested in the acquisition of Berndorfer shares is reflected in a letter written in February 1937 to Gustav Krupp by Tilo von Wilmowsky, his brother-in-law and Deputy Chairman of the Krupp Aufsichtsrat Wilmowsky wrote:

I spoke with State Secretary Lammers today. He is going to try to have the Fuehrer receive you, if at all possible, the week after next. I told him that you wanted to speak to him about the possibility of acquiring Austrian shares.....At the same time, I asked him to see to it that an audience takes place as soon as possible as you were very anxious to have the matter definitely settled and besides, the Fuehrer himself had promised to receive you.....

Despite all Krupp's efforts, however, the Austrians were not willing to sell the majority interest in Berndorfer. Other German firms were also interested in Berndorfer and, in order to establish a preferred position, the Krupp firm kept the negotiations alive and continually brought its wishes to the attention of the Reich authorities.

In February 1938, the invasion of Austria and the subsequent Anschluss presented Krupp with its long-sought opportunity. As the official Krupp historian has put it, Krupp's acquisition of

1. Vol. I, Trial of the Major War Criminals, p. 192

Berndorfer was "a pleasant consequence of the annexation of Austria." After the Anschluss, the Reich government issued a decree prohibiting German industrialists from buying up valuable properties in Austria, in order to insure that the German government itself could control and direct the process of expropriation. Krupp, accordingly, was dependent upon the government for approval of the purchase of the Berndorfer shares, and this was accomplished through Hermann Goering, who directed that the Berndorfer enterprises could be sold only to Krupp. Goering, as head of the Four Year Plan, was anxious to achieve the integration of the Austrian economy as quickly as possible with the German war economy; Krupp stood ready to accomplish this with respect to the Berndorfer plant and, accordingly, Goering directed Wilhelm Keppler, his representative in Austria, to support Krupp's position.

The Creditanstalt lost its independent Austrian character soon after the Anschluss, and bowed to force and transferred the Berndorfer shares to Krupp. In this acquiescence, of course, the Austrian institution was not a free agent. Krupp actually paid for the Berndorfer works just over RM 8,500,000; less than six months later, the assets of Berndorfer were estimated at over RM 27,000,000 in Krupp's balance sheet. The defendant Loeser played a personal and important part in Krupp's acquisition of the Berndorfer shares. Soon after the acquisition, Berndorfer's production was converted to Goering's program of economic preparation for war under the Four Year Plan. During the war itself the plant was used for manufacturing munitions and other materials for aggressive warfare, with the aid of thousands of slave laborers.

The acts which we have just described constitute a separate crime under Count Two of the indictment, but they are equally criminal under Count One, and all the charges with respect to plunder and spoliation are incorporated in Count One by virtue of paragraph 29 of the indictment. These acts were an intrinsic part of the invasion of Austria, and the invasion clearly constituted a "crime

against peace" within the meaning of Control Council Law No. 10. And the occupation of Austria, including the conversion of Austrian industry in conformity with the needs of the Four Year Plan and the appropriation of Austria's military potential, was part of Germany's preparation for the aggressive wars which were to be launched in the near future.

H. Fried. Krupp, A.G., at the Outbreak of War
(1939)

On September 1, 1939, the aggressive plans of the Third Reich culminated in the Second World War, touched off by the invasion of Poland. Long before the actual outbreak of war, it had been anticipated within Germany. Mobilization plans had been made as early as 1936. In Krupp memoranda on production problems, references to the various terms by which the possibility of war was referred to, "A-Fall", "Mob-Fall", and "Ernst-Fall", crop up constantly.

In September 1938, the defendant Loeser started to arrange Krupp's affairs against the war which was so clearly in preparation. A memorandum of a telephone call made by him in that month to the Dresdner Bank reads:

Krupp has outstanding debts, payable in foreign currency, mainly in England, amounting to several millions reichsmarks and on the other hand has liabilities in foreign countries, which amount to less than that amount. On the basis of its experiences during the World War, Krupp intends to assign its outstanding debts in foreign countries to its foreign creditors in payment of their claims against it, in order to prevent its accounts receivable from being confiscated, while its foreign debts still remain on the books.

Krupp has in the meantime applied for permission to the Foreign Currency control office.

When the war actually broke out, the defendants knew that the war against Poland was aggressive. But this knowledge in no way deterred them from continuing to participate in its waging as willingly and fully as they had in its preparation.

Before going further, it may be useful to take another look

at the Krupp company, and the positions occupied therein by the several defendants, at the outbreak of war in 1939. The Krupp enterprise had grown materially in size and scope of activities during the Hitler regime. Some of its coal deposits had been utilized for the development of synthetic gasoline manufacture; this and other commercial chemical processes were carried on through the Krupp Treibstoffswerk. Shipbuilding facilities were expanded and control of the Deutsche Schiffs u. Maschinenbau (Deschimag) was acquired. The development of new metals intensified the acquisition of interests in foreign countries. As we have just seen, the Berndorfer works in Austria were acquired in 1938; soon German conquest was to bring Krupp extensive new interests in Lorraine, the Soviet Union, and elsewhere.

The corporate structure of the Krupp enterprise, in a very simplified form, is shown by the chart on the wall of the courtroom. The principal company, Fried, Krupp A.G., was both an operating and a holding company. The original plant in Essen -- the Gusstahlfabrik -- and the two newer plants in nearby Rheinhausen (the Friedrich Alfried Huette and the Krupp Stahlbau) were regarded as plant sections of the main company and were directed by the same officials.

The two principal subsidiary companies were the Germania shipyards at Kiel and the Grusonwerk machinery factories at Magdeburg. Mines, collieries, transportation companies, development and research companies, and a host of miscellaneous other enterprises were carried on by various other subsidiary concerns.

Scattered as were the Krupp interests geographically, Essen remained the center of the complex and maintained control through membership on the governing bodies of the subsidiary, tight control of the expenditures, and the dependence of the out-lying firms on Essen for research, advice, and directing personnel. Policy was made at Essen and frequently representatives of the Essen managers were "sent into the field" to direct, investigate, and report back.

In 1939, Gustav Krupp von Bohlen, as proprietary manager and chairman of the Aufsichtsrat, was still the final authority on important policy matters, although he was approaching the age of 70. The practical management of the firm, however, was handled by the members of the Krupp Vorstand

and their principal deputies. In 1939, there were three Vorstand members: the defendants Alfried Krupp and Loeser, and the deceased Paul Goerens, Loeser, who had joined the Krupp firm in October 1937 as a member of the Vorstand, was concerned primarily with finance, commerce, and administration. Alfried Krupp, who reached the age of 30 in 1937, had been playing an increasingly important part in Krupp affairs during the last several years, and became a Vorstand member in October 1938; his special responsibilities were in the field of armament, raw materials, and mining. Goerens, who died (a suicide) soon after the end of the war, was responsible for metallurgy, and for the steel, machine, and locomotive plants.

The other ten defendants occupied responsible positions under the three Vorstand members. Seven of them in 1939 held the title of "Deputy Director". Houdremont and Korschan were steel specialists under Goerens; Ihn and Janssen were subordinated to Loeser, Ihn as Personnel Manager and Janssen as Chief of Krupp's Berlin office. Under Alfried Krupp, Erich Mueller was in charge of artillery design, and Pfirsch and Eberhardt were concerned with war materials sales. Of the remaining three defendants, Buelow was the chief of the works police and in charge of intelligence and security. Lehmann after February 1940 occupied a responsible position under Max Ihn in the personnel field, and Kupke was at that time in charge of the experimental firing ranges, under Erich Mueller.

As the other chart on the courtroom wall shows, the defendant Pfirsch is by far senior to the other defendants in point of length of service, having joined the firm in 1902. Janssen and Eberhardt joined immediately after the First World War, and Houdremont and Korschan just after the departure from Essen of the Inter-Allied Commission of Control. Buelow and Ihn became Krupp officials at the time Hitler came to power, and Erich Mueller, Alfried Krupp, and Loeser all took important positions at about the time of the Four Year Plan. Kupke and Lehmann were less important officials who joined the firm, respectively, just before and just after the outbreak of war.

Before continuing, we must also note the important parts which many

of the defendants played in the great German industrial association and government offices. In the German iron and steel and coal industries, the economic associations wielded a mighty influence, which increased during the war. Their functions were numerous -- from setting prices to mobilization of industry for war. Reference has already been made to Gustav Krupp's leadership of the Reich Association of Industry down the Nazi road of dictatorship under the Fuehrerprinzip.

Under the Third Reich, the great economic associations were made semi-public organizations, strengthened and often given new form and names. After 1934, one of the most important organizations in the iron industry was the Wirtschaftsgruppe Eisenschaffendeindustrie, which we shall refer to as the "WGE", and in which Krupp was strongly represented. Among its officials were the defendants Alfried Krupp, Loeser, Houdremont, and Ihn. It was directed until 1942 by an informal, behind-the-scenes group called the Kleiner Kreis ("Small Circle") composed of seven leaders of industry, one of whom was the defendant Loeser. The WGE was the council house at which the government economic leaders discussed with industrial leaders their preparations for war, and where plans were made for the preparation and mobilization of the iron and steel industry for war. Later it participated in the execution of the spoliation and slave labor programs.

In 1942, economic controls over the industry were tightened with the establishment of the Reichsvereinigung Eisen (Reich Association Iron, commonly called "RVE"), of which the defendant Alfried Krupp was Deputy Chairman in charge of Raw Materials and Transport, and in which several other defendants played leading roles. In this position they participated in the formulation and presentation of demands for slave labor to be fed into the maw of the industrial machine, and the spoliation of occupied territories. The coal industry was organized even earlier into a similar tight organization, the Reichsvereinigung Kohle (Reich Association Coal, or "RVK"); the defendant Alfried Krupp was a member of the Praesidium and chairman of the Committee on Organization.

I. The War Years (1939-1945)

With the actual outbreak of war, Krupp's efforts on behalf of German

armament became, if possible, even greater. As a report prepared by Krupp in 1942 shows, their contributions to the program of conquest had already been substantial:

The superiority of German weapons in the campaigns of the last two years, in the battles in the air and also on the sea, is at the same time the best proof of the great achievements which Krupp attained in the field of armaments.

The great fighting strength of the German artillery, the superiority of the German tank IV over those of the enemy, the performance of the 8.8 cm anti-aircraft gun in the support of other formations in attack as well as in defense against enemy tank attacks, the successes of the German Air Force and of the submarine, the fight of the battleship Bismarck already speak clearly for the quality of these weapons, in the development of which Krupp played a decisive part.

Within the limits of available time, we may only touch on a few of the many ways by which Krupp helped to wage the war it had done so much to bring about. Quite apart from the actual production of armaments for the Wehrmacht, for instance, were Krupp's exports and export policies. Ever since 1936, when Krupp's armament exports were resumed, they had provided a substantial part of the foreign exchange required for the Four Year Plan. A memorandum by the defendant Eberhardt stated:

Straining every nerve, without regard for effort, expense, and risks, important transactions were negotiated which served the purpose of procuring foreign exchange or raw materials, and were at the same time welcome from a political point of view.

But, while the procurement of foreign exchange was important to the realization of the objectives of the Four Year Plan, more direct military and political considerations controlled the export of armaments. Thus, the countries which were potential enemies of the Third Reich were barred from exports, regardless of economic considerations. This group included the former Allied governments almost without exception, and the established governments of Spain and China; France's forces, however, fought with tanks and bullets made by Krupp.

The export of armaments served Germany's war program in still other respects. Krupp was thoroughly indoctrinated by the German Armed Forces Intelligence Service in the necessity for acquiring information concerning foreign armaments in the course of its export business, and was schooled in the best techniques for acquiring such intelligence. On 9 February, 1940, less than two months before the invasion of Denmark, Krupp canvassed

its organization, including its representative in Denmark, to provide the Counter Intelligence Service of the German High Command with information on Danish armament establishments. And in March 1941, within one month of the attacks on Yugoslavia and Greece, Krupp furnished the Army High Command with complete lists of all weapons which Krupp had shipped to the Balkan countries.

Because of the control exercised by Hitler and the OKW, the export of armaments often reflected German foreign policy and indicated, to the informed observer, the countries against which Germany's next aggressions were directed. So, in May 1939, the coming aggression against Poland was signalled by the cutting off of all armament exports to that country. On August 22, 1939, Germany's intentions were even more clearly disclosed by an order requiring immediate cessation of exports to Poland, but advising that suspicion should not be aroused by outright cancellation of outstanding contracts; instead, evasive answers should be given Polish customers.

Precisely the same pattern of conduct was followed in connection with Holland. In the spring of 1939, an order for delivery, in the following year, of 120 light field howitzers, together with ammunition, was obtained by Krupp with the assistance of the German government. In March, 1940, at Krupp's suggestion, in order not to arouse the suspicions of the Dutch, they were given visas to inspect the still unfinished guns. These guns were, in fact, never delivered, as Holland was invaded long prior to the date fixed for their delivery. Instead, they were completed for the German Army; the Dutch, however, were forced to pay for them on the ground that they were unsaleable.

In 1940, at the urgent request of the German government, Krupp contracted to export naval guns and other war material to the Soviet Union. This decision was dictated by the desire to obtain extensive exchange shipments of grain and other essential raw materials, and to maintain the appearance of friendly relations between Germany and the U.S.S.R. Dilatory tactics which would not arouse Soviet suspicions, but would prevent delivery of war materials, were prescribed shortly before the attack on the Soviet Union in June, 1941.

After the outbreak of war, Krupp's relations with both the Wehrmacht and the Reich civilian agencies grew even closer. The experience it had accumulated was put at the service of the government. Two of the defendants, Erich Mueller and Houdremont, took leading government positions. In September 1940, Mueller became Chairman of the newly created Weapons Committee in the Todt Ministry. Eventually, as Chairman of the Armament Commission, the successor agency to the earlier Committee, Erich Mueller controlled the production of all weapons from small firearms to the largest calibre guns. Houdremont in the field of metallurgy filled an analogous role; as Special Commissioner for Metal Substitutes, he utilized in the interest of autarchy the research Krupp had done in metal substitutes and alloys.

Relations between Hitler himself and members of the Krupp firm became, if anything, even closer than before. Erich Mueller was increasingly called on by Hitler during the war years for consultation prior to major decisions. According to a Krupp document:

The Fuehrer desired to obtain information directly from Krupp on what was technically possible, and then, having heard the military authorities, to make his decisions.

The close connection between Krupp and Hitler was utilized to secure the exploitation of the material resources and labor of the occupied countries in the manufacture of munitions with a view to the ultimate aggrandizement of Krupp. Plants, factories, and mines in the occupied territories were used to supplement Krupp facilities in Germany. At the same time, the inhabitants of these countries were deported to replace German workers in Krupp factories. A report of the Board of Directors for 1941 reports:

Numerous raw material sources at home, in occupied territories, and in neutral foreign countries were broadened or opened up by us alone or with our assistance, at great cost. Positions which workers vacated in order to report for military service we filled with forces whom we trained, with women, with foreign labor and prisoners of war.

In 1941, the report for the war material department headed by Erich Mueller stated that:

A further means toward intensified production to be practiced still more extensively is the subletting of the manufacture of consumer goods to occupied and controlled territories of Europe, including, more recently, the U.S.S.R.

By 1942, these plans had further crystallized. The Krupp report for that year reads, in part:

We have undertaken to erect and run, at the expense of the Army High Command, a munition production plant in Mariupol, Ukraine, in the Asow, a foundry which we administer as sponsors and trustees on behalf of the Berghuette Ost.

While Krupp was expanding in the occupied countries, it was also using the requirements of the war to obtain new facilities within Germany. Long before the war, Krupp had been anxious to build a new main plant since the Gusstahlfabrik, built in an earlier era, was not altogether suited for modern production methods. The war gave it the opportunity to effect this expansion. With the blessing of Hitler and the assistance of concentration camp labor a new plant, known as the Berthawerk, was started at Markstaedt, near Breslau in Silesia. Upon its completion it, like the parent plant at Essen, turned to the miserable victims of the Nazi slave labor program for its workers.

Krupp needed no urging to participate in the war crimes and crimes against humanity committed under the Third Reich in the course of the war. It aggressively sought the right to exploit the material and human resources of the conquered countries in the interest of the Nazi war machine. Thus, a report of a conference of Erich Mueller with Hitler on 14 April 1942 reads:

At the same conference, Dr. Mueller, on the basis of growing needs, referred to the Krupp firm's interest in starting shell production on a large scale in the Ukraine. This suggestion was gratefully accepted. Krupp is also interested in manufacturing automatic weapons in connection with a concentration camp in the Sudetengau.

We think nothing could better illustrate the truth of the International Military Tribunal's conclusion that the war crimes and crimes against humanity committed by the Third Reich after the beginning of the war, "were all committed in execution of, or in connection with, the aggressive war".¹ He whose purpose is to bring about a war is not likely to be squeamish about the means used to bring it to a successful conclusion. As the International Military Tribunal stated in its judgment:²

1. Vol. I, Trial of the Major War Criminals, p. 254-55

2. Vol. I, Trial of the Major War Criminals, p. 227

...in this conception of "total war", the moral ideas underlying the conventions which seek to make war more humane are no longer regarded as having force or validity. Everything is made subordinate to the overmastering dictates of war. Rules, regulations, assurances, and treaties all alike are of no moment; and so, freed from the restraining influence of international law, the aggressive war is conducted by the Nazi leaders in the most barbaric way. Accordingly, war crimes were committed when and wherever the Fuehrer and his close associates thought them to be advantageous. They were, for the most part, the result of cold and criminal calculation.

The crimes charged in Counts Two and Three of the indictment, accordingly, are part and parcel of Count One as well, and are rightly incorporated therein by paragraph 29 of Count One of the indictment. They are an integral part of the crimes against peace charged in Count One. The allegations in Counts Two and Three are, of course, independently criminal as "war crimes" and "crimes against humanity." We will next outline the evidence in support of the charges in Counts Two and Three.

COUNT TWO: PLUNDER AND SPOILIATION

Close behind the legions of the Wehrmacht, armed by Krupp, came swarms of German agents and officials, organized for plunder where the Wehrmacht had conquered. This criminal spoliation was an integral part of the program of conquest, and not an accidental by-product of the war.

The charges under Count Two of the indictment are based upon familiar and well-established principles of international penal law, embodied in the Hague Conventions and other authoritative sources. Article II of Control Council Law No. 10 includes, under the definition of war crimes, the "plunder of public or private property", and in the definition of crimes against humanity it recognizes the criminality of inhumane acts and other offences committed against civilian populations.

On 19 October 1939, Goering, in his capacity as Commissioner for the Four Year Plan, addressed to his subordinates, to the Reich Ministers and to the businessgroups in which Krupp participated, the following directives:¹

The task for the economic treatment of the various economic regions is different, depending on whether the country involved will be incorporated into the German Reich or will not be made a part of Germany. In the first mentioned territories, the safeguarding of all their productive facilities and supplies must be aimed at, as well as a complete incorporation into the greater German economic system at the earliest possible time.

With regard to the territories where incorporation into the German Reich was not anticipated, Goering directed that all raw materials, machines, etc., which were of use for the German war economy should be removed. The decree continued:²

Enterprises which are not absolutely necessary for the meager maintenance of the naked existence of the population must be transferred to Germany, unless such transfer would require an unreasonably long period of time and would make it more practicable to exploit those enterprises by giving them German orders to be executed at their present location.

1. Vol. I, Trial of the Major War Criminals, p. 240

2. Ibid.

German conquest, accompanied by the policies set forth in the Goering decree quoted above, resulted in the ruin of local economy in the countries and territories occupied by Germany. The Third Reich left no doubt about its ultimate goal, and the German industrialists, including these defendants, participated in formulating and executing this policy and used it for their own purposes.

It must be borne in mind that, although the acts charged as crimes in this count were committed in the first instance against property, their impact was not felt only in terms of francs, or acres or tons. Plunder, as charged in this count, is basically a crime not only against the individual but also against community of an occupied territory. The occupant disrupts the economic life of the subjugated people for his own purposes and makes the agricultural and industrial activities of the occupied country subservient of the occupying power. The sufferings connected with war are thereby deliberately and criminally aggravated. The seizure of factories and other capital goods, as carried out by the Germans, had a shattering effect on all aspects of the internal economy of those nations. As the International Military Tribunal found, their resources¹

were requisitioned in a manner out of all proportion to the economic resources of those countries, and resulted in famine, inflation, and an active black market.

Summing up its findings on the overall German program of plunder and spoliation, the International Military Tribunal stated:²

The evidence in this case has established that the territories occupied by Germany were exploited for the German war effort in the most ruthless way, without consideration of the local economy, and in consequence of a deliberate design and policy. There was, in truth, a systematic "plunder of private and public property", which was criminal under Article 6 (b) of the Charter.

In outlining the evidence under Count One of the indictment, we have already described in summary fashion Krupp's seizure and exploitation of

1. Vol. 1, Trial of the Major War Criminals, p. 240

2. Vol. 1, Trial of the Major War Criminals, p. 239

the Berndorfer Metal enterprises in Austria. These and other acts of the defendants/^{particularly} in Austria and Czechoslovakia were an integral part of the invasion and occupation of those countries and, accordingly, fall within the scope of Count One. The same acts constituted war crimes and crimes against humanity, as is charged and set forth in Count Two.

The defendants knew that Germany's series of aggressions called for ever-increasing production; increased production necessitated more machines, more raw materials, more workshops, more workers. When the Krupp leaders asked for or received increased production quotas during World War II, they in fact asked for or received "Nazi titles" to spoliation, loot, plunder, and slave labor, since domestic sources to carry out these production quotas were known by the defendants to be entirely inadequate. This inadequacy of German vital production elements made it imperative for the German war leaders, both military and economic, once they had decided to engage in an aggressive war, to despoil each occupied territory of its very economic substance in the interest of German victory.

It is not our purpose now to give a detailed picture of all the of plunder and spoliation in which Krupp took part. At this time, we will confine ourselves to a sketch of the evidence in three countries: France, Holland, and the Soviet Union. The acts charged against the defendants under Count Two were not confined to these three countries, nor to the specific examples which we will now outline. But the evidence with respect to other countries and other examples may await its actual presentation during the trial.

A. France

German plunder and spoliation in the West, and especially in France, was at first cloaked by the official catch-word "collaboration". Thus, the techniques utilized by the Germans in the West were at first more indirect than in the eastern occupied territories in order to give a semblance of legality to there activities. But the ultimate goal was the same in both cases, and in France just as everywhere else, Germany's aim was the widest possible use of French facilities for the German war machine.

This purpose clearly appears from the basic decrees of the Third Reich issued at that time, and particularly from Goering's decree of 6 August 1940 entitled "Systematic Spoliation of the Economy of the Occupied Western Territories for the German War Economy", which stated in part:

It is a necessity of high political importance that the capacities and raw materials in the occupied Western territories shall be employed systematically and to the greatest extent in order to help the German war production and to raise the war potential for the fulfilment of the demands to be made in the interest of further warfare. The High Command of the Armed Forces (OKW) and the Reich Minister for Weapons and Ammunition have already published the directives necessary in this connection.

German industrialists took an intense interest in the execution of decrees such as the one just quoted, and many of them in advance to mark out areas, spheres of interest, or particular enterprises which they wished to take over as part of the "spoils of war". The avidity of some of the industrialists was so marked that in June 1940, both Goering and Walther Funk were forced to caution important German businessmen "that no excesses should occur which might give an opening to the opponents of private enterprise", and that "one should seek now to suppress all lust for annexation". Funk's warning was delivered at a meeting of the so-called Kleiner Kreis, of which the defendant Loeser was a member as Krupp's representative.

During the trial, we shall offer evidence of a number of examples of Krupp's participation in German plundering activities in France. For present purposes, one example will suffice.

One of the greatest textile machine factories of continental Europe was the French Elmag A.G., the plants of which are located in and near Mulhouse in Alsace. The Elmag was taken over by German commissioners, operating under the German Chief of Civil Administration in Strasbourg, soon after the German occupation of Alsace. In March 1943, the Krupp directors, including the defendants Alfried Krupp, Loeser, Houdremont, Korschach, Mueller, and Pfirsch, determined that Krupp needed additional plant facilities, and inspected the Tatra works in Czechoslovakia and the Elmag plants in Alsace. As a result of strong pressure on the government, the German Civil Administration in Alsace turned the Elmag plants over to Krupp under a lease. The German Civil Administration and the

Krupp firm were totally and equally without legal authority to dispose of the French Elmag properties which had been unlawfully seized, and the rights of the French owners were completely disregarded at all times. Under Krupp management, Elmag's traditional production of textile machinery was radically changed, and was converted almost entirely to the production of military vehicles and other war material.

In the fall of 1944, allied troops had penetrated to the Vosges mountains and the German hold on Mulhouse was seriously threatened. On 2 September 1944, a Krupp representative in Berlin informed the defendants Alfried Krupp, Eberhardt, Janssen, Houdremont, Mueller, and Ihn that, on the authority and the request of the Speer Ministry, "the military tractor production should be immediately evacuated from Mulhouse". Thereupon, not only did the Krupp managers evacuate from Alsace the German machinery which had been brought there, but also a very large amount of the French machinery of the Elmag plants which had been there since before the German occupation, as well as other French machinery. A substantial amount of this valuable industrial loot was there after utilized in Krupp plants located within the Reich.

B. Holland

In Holland, principal feature of the German program of plunder was the actual confiscation of raw materials, semi-finished products, and machinery, and the removal of such goods from Holland to Germany. The Krupp firm was well prepared to participate in these activities, because of its long-standing business connections with Dutch firms and banks, as well as extensive ownership interests in Holland. Local representatives of Krupp in Holland were in a position to inform the German occupation authorities where useful stores of materials and products were located and available for seizure.

In large measure, the activities described above were carried out in Holland from 1942 to 1944 through and by means of what was known as the "Lager-Aktion". This was a requisition action chiefly for the benefit of the German iron and steel industry, and in the course of it nearly 400,000 tons of steel and iron tubes and pipes, sheet metal, and other iron and steel products were shipped to Germany. The Lager-Aktion was carried out

through the "Rijksbureau Voor Ijzer en Staal", a German-controlled office in Holland which acted under the direction of the German occupation authorities and which ordered Dutch firms to deposit specific types of iron and steel materials at various collection centers. This office, in turn, was connected with the Reichsvereinigungsgisen (RVE), of which Alfried Krupp was Deputy Chairman.

The Rijksbureau sent lists of available confiscated materials to the RVE, the members of which, including Krupp, thereupon sent representatives to Holland to select the materials wanted by each firm. A large share of the products so seized were allocated to Krupp. The Krupp firm paid a price fixed by the German-controlled Rijksbureau, which the Dutch owners had to accept without prior negotiation. The forced purchases carried out under the Lager-Aktion were clearly unlawful under Articles 46, 52, and 53 of the Hague Conventions.

The general point of view held by Krupp officials with respect to the sanctity of private property in Holland is reflected in the following letter to the defendant Loeser from his subordinate, one Schroeder, written after a visit to Holland in June 1942:

The owner of all shares (55,000 guilders) is Mr. Wortelboer, a Dutchman. Obviously, he has no interest in furthering the plans of the German Navy..... Cooperation with Mr. Wortelboer doesn't appear possible to us..... On the other hand, we have the intention of acquiring the shipyard if we can get it at an acceptable price. Dr. Knobloch shall communicate our impressions to the German Navy and shall propose that the German Navy exercise a certain pressure on Mr. Wortelboer..... Maybe Mr. Wortelboer shall then weaken and find himself ready to sell...

During the last phase of the German occupation of Holland, in 1944 and 1945 when the German industrial area of the Ruhr was undergoing heavy air attacks and was threatened by the allied armies, the German inaugurated an even more ruthless program of plunder entitled the "Ruhrhilfe-Aktion". These confiscations of Dutch machinery and tools for removal to the Ruhr were carried out by open force and constituted plain plunder. Krupp took part in the Ruhrhilfe-Aktion, particularly in the plundering of large Dutch factories in Hilversum, Rotterdam, Dordrecht, and Gorinchem.

C. Soviet Union

German plunder in the Soviet Union, in contrast to the somewhat more devious techniques utilized in the west, was conducted with complete openness and with no attempt to comply, even superficially, with the requirements of international law. Indeed, the Third Reich flatly took the position that the Hague Conventions were not applicable at all. At the time of the attack on the Soviet Union, the government of the Third Reich issued a general directive concerning the administration of the occupied Soviet territories which stated, in part:

The regulations of the Hague Convention on land warfare which concern the administration of a country occupied by a foreign belligerent power are not applicable, since the USSR is to be considered dissolved, and therefore the Reich has the obligation of exercising all governmental and other sovereign functions in the interests of the country's inhabitants. Therefore, any measures are permitted which the German administration deems necessary and suitable for the execution of this comprehensive task.

These unlawful policies were not kept secret, but were proclaimed from the housetops. On 17 July 1941, Hitler publicly stated:

On principle, we have now to face the task of cutting up the giant cake according to our needs in order to be able firstly to dominate it, secondly to administer it, and thirdly to exploit it.

The following year, on 20 May 1942, Goering issued a decree setting forth the economic methods by which the occupied territories of the Soviet Union were to be exploited:

Property still to be sequestered or already sequestered became available for the struggle against Communism in consequence of the commitment of the entire German people. It is therefore to be treated as the marshalled property (Sondervermogen) of the Reich. The proceeds arising from a subsequent disposal of this property shall be applied to the account of war expenditures.

Paralleling this decree of Goering, Reichsminister Rosenberg promulgated the regulation that:

The entire movable and immovable property of the USSR, its member states, corporations, associations, and societies which have served the purposes of economy, shall constitute within the occupied eastern territories, which are subject to the jurisdiction of the civil administration, a marshalled property - property marshalled for national economy. (Wirtschafts-Sondervermoegen)

To summarize, there can, we believe, be no argument upon the point that the German economic program in the Soviet Union and its execution were openly and avowedly in violation of the laws of war and the Hague Conventions. It is also clear that the German program for exploitation of the Soviet Union constituted an integral part of the planning and waging of aggressive war against that country. As the International Military Tribunal stated;¹

The plans for the economic exploitation of the USSR....were all part of a carefully prepared scheme launched on 22 June without warning of any kind and without the shadow of legal excuse. It was plain aggression.

The government of the Third Reich set up a variety of quasi-governmental agencies and "monopoly organizations" to carry out the program for the exploitation of the Soviet economy. One of these agencies, the Berg- und Huettenwerke Gesellschaft Ost (commonly known as the BHO), was entrusted with "the task of managing, as well as the mining of iron ore." The BHO was established in August 1941; its articles of incorporation and the general decrees under which it was established clearly set forth the unlawful results which it was designed to achieve. And it was through the BHO that the Krupp firm effected some of its more important spoliation acquisitions in the Soviet Union.

In August 1942, a meeting was held in the office of the defendant Loeser for the purpose of discussing the administration, by Krupp, of important factories in the Ukraine which had been allocated by the Reich to the Krupp firm. The defendant Korschan was empowered to establish policies in these Ukranian plants, supervise distribution of raw materials, and decide financial matters. That the defendants had in mind ultimate acquisition of the Russian plants is clear from a note in the Krupp files dated August 20, 1942, which stated:

1. Vol. I, Trial of the Major War Criminals, p. 215

After a discussion with Dr. Loeser and Dr. Janssen on August 19th in Berlin, Mr. Engelking and a member of our plant, perhaps Mr. Muth, will be sent immediately to Russia with the object of securing from the military authorities of the occupied territories the appointment of Krupp-Stahlbau in one of the larger steel construction factories. Thus an accomplished fact would exist and the plants are to be allocated later on.

A few weeks later, in September 1942, at a meeting attended by the defendants Alfried Krupp, Loeser, Pfirsch, and Eberhardt, there was further discussion of plans for the production of munitions in the Ukrainian factories. It was decided that Krupp would form a new corporation to which the Reich would transfer the Ukrainian plants for the purposes of operation and management. Still later, in October 1942, the defendant Eberhardt met with officials of the BHO and reported to the other defendants the wish of the Reich government that Krupp should administer certain factories in the Ukraine at Mariupol as "a department Krupp within the BHO", but on an "independent" basis.

The consummation of Krupp's plans for the seizure of industrial resources in the Soviet Union was frustrated by the expulsion of German troops from Soviet territory and Germany's defeat in the war. As the German armies were driven back across Soviet territory, some of the seized Soviet factories were destroyed a part of a ruthless program of devastation and others were systematically looted. An example of the latter type of industrial pillage is contained in a letter of 20 September 1943 from the defendant Erich Mueller, which came to the attention of the defendants Janssen, Houdremont, Korschan, and Eberhardt. In this letter Mueller reported that a number of freight cars full of machinery seized from the Ukrainian plants administered by Krupp during the occupation of Soviet territory had arrived at Auschwitz in Poland. The letter went on to suggest certain arrangements which should be made to insure that the machinery so seized could be secured for the Krupp enterprises with the Reich.

* * * * *

Alfred Krupp and the other defendants named in Count Two knew that they were violating international law by participating in the ruthless exploitation of the conquered territories. On 2 August 1943, the Verbindungsstelle Eisen fuer Schrifttum und Presse, Berlin, an organization

which provided important Nazi industrialists with confidential and secret information, and for which Friedrich von Buelow was the Krupp liaison officer, transmitted to Alfried Krupp an article from the British paper, The Financial News, of 15 July 1943. This article, translated into German and captured after the war in a confidential folder of Alfried Krupp, reads in part:

Sooner or later, the Allies will have to draw their lists of war criminals. While those who are responsible for executions and tortures, for acts of unprovoked aggressions, will be dealt with first, it is to be expected that those who have ordered or executed looting of all sorts will not be overlooked. -- It is an undisputed principle that participation in spoliation of occupied territories is considered to be a war crime.

COUNT THREE: DEPORTATION, EXPLOITATION, AND ABUSE OF SLAVE LABOR

Under Count Three of the indictment, the defendants are charged with crimes which are recognized as such not only under international law, but by the ordinary penal laws of all civilized nations. The Hague and Geneva Conventions contain numerous applicable provisions with respect to the treatment of prisoners of war and the civilian population of occupied countries. The definitions of "war crimes" and "crimes against humanity" in Article II of Control Council Law No. 10, specifically proscribe "murder, ill treatment or deportation to slave labor or for any other purpose, of civilian populations from occupied territories, murder or ill treatment of prisoners of war" and "extermination, enslavement, deportation, imprisonment" and "other inhumane acts committed against any civilian population, or persecution on political, racial, or religious grounds." The evidence under this Count relates primarily to the use and abuse of prisoners of war, and the enslavement and deportation to slave labor and mistreatment of many thousands of civilians in and from the countries occupied by Germany and concentration camp inmates.

The slave labor program of the Third Reich was the revolting offspring of the aggressive wars which it planned and waged. It was designed to keep the German war machine rolling at the frightful expense of the freedom and lives of millions of persons. The tyranny and brutality of Nazi conquest was felt by them not only in their own homelands of France, Belgium, Holland, Russia, Poland, Czechoslovakia, and Denmark. Hundreds of thousands suffered the additional misery of being torn loose from homes and families and shipped to Germany into slavery and often to a miserable and premature death.

An important section of German war production was that which these defendants primed with thousands of slave workers -- prisoners of war, concentration camp inmates, Italian military internees and foreign civilians from occupied lands. These crimes are no greater nor worse, perhaps, than others charged in the indictment; but here in the documents

and testimony the human factor is more sharply defined; the harsh bark of the oppressor and the sharp cry of pain of the individual victim will be heard.

During the early years of the war, there was unquestionably a large number of workers who, faced with a choice between work at plants in Germany or withdrawal of ration cards and starvation, or hunting by the Gestapo at home, chose to work in Germany. It requires no deep perception to see that these were not free men; and not even the Nazi slave drivers pretended very vigorously that these were voluntary workers.

The prosecution in this case does not believe that any end of justice requires an exact determination of the percentage of voluntary foreign workers who actually, of their own free will and not simply in making an unlawfully required choice between the lesser of two or more evils and unlawful alternatives, chose to work in Germany. Moreover, the question of involuntariness of foreign workers is dependent not only upon the original method of recruiting, but also upon the methods whereby these workers were kept at their jobs in Germany. The involuntariness, by and large, is unquestioned; and has been determined by the International Military Tribunal judgment.

In respect to concentration camp inmates, the SS practice, until 1942, was one of extermination by relatively quick means. At that time, a decision was made to exploit, also, the labor resources of these victims; and in such a way as to get a life-time of work out of a man in a few short months. This was a policy combining work and extermination through work. The International Military Tribunal said of treatment, in general, of civilian slave labor in Germany:

Theoretically, at least, the workers were paid, housed, and fed by the DAF, and even permitted to transfer their savings and to send mail and parcels back to their native country; but restrictive regulations took a proportion of the pay; the camps in which they were housed were unsanitary; and the food was very often less than the minimum necessary to give the workers strength to do their jobs.

1. Vol. I, Trial of the Major War Criminals, p. 246

A long time has passed since slavery was common in the civilized world. The term "slave labor" is a convenient abbreviation adopted by the International Military Tribunal, both for the several closely related crimes connected with employment and charged as offenses against persons, and, also, for describing the several groups of persons against whom these offenses were committed. Enslavement is only one of the offenses charged against these defendants under Article II, sections b) and c) of Control Council Law No. 10.

Military Tribunal II, in its judgment in Case No. 4, characterized slavery in these words:

Slavery may exist even without torture. Slaves may be well fed and well clothed and comfortably housed, but they are still slaves if, without lawful process, they are deprived of their freedom by forceful restraint. We might eliminate all proof of ill treatment, overlook the starvation and beating and other barbarous acts, but the admitted fact of slavery.....compulsory uncompensated labor.....would still remain. There is no such thing as benevolent slavery. Involuntary servitude, even if tempered by humane treatment, is still slavery.

Prisoners of war may be fairly regarded as slave labor when forced to labor subject to conditions or treatment forbidden specifically by written law or the laws of humanity. The Geneva Convention of 1929 plainly forbids the use of prisoners of war in labor directly related to war operations, in the manufacturing and transporting of arms or munitions of any kind, or in dangerous work or places. This Convention sets out in some detail the minimum standards of treatment for prisoners of war.

Foreign civilians in or from occupied territories and prisoners of war are both protected by the Hague Conventions of 1907, to which Germany was a party. They represent a codification of the determination of civilized men to value human life and dignity and to lessen suffering; so far as possible even during war. The Conventions did not foresee these recent reversions to barbarism, nor spell out the prohibitions against the crimes which the Third Reich and these defendants devised. Nevertheless, the Convention does prohibit such excesses of occupying military forces. Article 46 requires respect for "family honor and rights,

the lives of persons and private property, as well as religious convictions and practice...." Article 52 provides:

Requisitions in kind and services shall not be demanded from municipalities or inhabitants except for the needs of the army of occupation. They shall be in proportion to the resources of the country, and of such a nature as not to involve the inhabitants in the obligation of taking part in military operations against their own country.

It is clear that deportation, enslavement, and exploitation in Germany were impositions of services upon the inhabitants of an occupied country which were neither for the needs of the army of occupation, nor in proportion to the resources of the country. When married persons or children were so treated the rights of the family were certainly violated.

Law No. 10 and the Hague Conventions are, of course, only a part of the law which proscribes the crimes here charged. Deportation, enslavement, and brutal mistreatment are crimes under the general principles of international law and under the domestic laws of all civilized nations.

The progressive draining of Germany's manpower resources caused labor to become the main bottleneck in production and manpower became the key to the problem. The defendants Alfried Krupp, Loeser, Houdremont, Ihn, and Buelow, through the RVK, the RVE, and other industrial associations, addressed themselves vigorously to its solution. Both associations brought the combined pressure of the industries concerned to bear on all agencies involved in the recruitment and allocation of slave labor. The representatives of the RVK and RVE joined with representatives of the Wehrmacht and the SS in the forcible procurement of workers. In his capacity as deputy chairman of the RVE, the defendant Alfried Krupp represented the RVE on numerous occasions, at meetings of the Central Planning Board, and was referred to by Albert Speer as one of the "three wise men" of the RVE.

At these meetings, the representatives of the RVK and RVE submitted their demands for manpower, and participated actively in the criminal planning and demands of the Board for the procurement and allocation of slave labor. On 22 July 1942, the defendant Alfried Krupp,

representing the RVE, attended a session of the Central Planning Board together with Speer, Sauckel, Milch, Koerner, and others, in the course of which it was decided to impress 45,000 Russian civilian workers into the steel plants, 120,000 prisoners of war and 6,000 Russian civilians into the coal mines, and to place the medical standards for recruiting prisoners of war lower than those required of Germans employed in coal mines.

The defendant Alfried Krupp attended with regularity the meetings of the RVE, and was given full reports of meetings which he missed. Circular letters, reports, and other documents, issued by the RVE on the treatment of foreign workers, reveal his knowledge of and responsibility for the labor program as adapted to the iron industry. On 4 October 1943, the RVE issued a confidential letter, signed by Roechling, addressed to all member plants, concerning the treatment of foreign workers. After referring to "breaches of contract" by such workers, Roechling declared:

Improper conduct on the part of the workers is immediately to be called to attention and severely punished; if necessary, by confining to concentration camps. Repeated and serious misconduct by foreigners, especially disappearing from work must be reported by the plants without delay to the Gestapo.

Another confidential letter from the RVE, dated 21 October 1944, and addressed to defendant Buelow, advised him to "immediately report to the Gestapo all unreliable foreign workers". The letter contains marginal notes from Buelow to Wilshaus to the effect that "this order can only induce us to take more severe measures in such cases than we have done up to the present".

The extent of the slave labor program in Krupp's own plants can be measured only approximately; complete central records have not been found. Records at Essen, however, reveal that on one date about 75,000 slave workers were being utilized in Germany by Krupp. Other records and testimony which the prosecution will present bring the total to about 100,000 persons exploited as slaves by Krupp in Germany, in countries alien to them and in concentration camps. The proportion of

such labor at Krupp plants in Germany averages around 40 per cent of the total work rolls; at the Bertha Works and Auschwitz it was about 80%. When it is considered that records are missing and that there was a rapid turnover from deaths, escapes, abandonment of old and establishment of new plants, the total number of Krupp slave workers must have been far greater. The vast number of foreign workers exploited in their own countries, and placed under restrictions frequently bordering upon slavery, are not included in these figures.

Krupp plants in Germany employed at least 70,000 foreign civilian workers from the countries under German occupation; first Poles, then French, Belgians, Danish, Hollanders, Luxembourgiens, Czechs, Slovaks, Russians, Ukrainians, Lithuanians, Yugoslavs, Greeks and Italians loyal to the Badoglio Government. The Krupp plants also employed at least 21,000 French, Russian, and Yugoslav prisoners of war; over 2,000 Italian Military Internees, who were regarded nominally as prisoners of war until 1944; and over 5,000 concentration camp inmates and so-called political prisoners of many nationalities. Nearly every Krupp plant in Germany employed involuntary foreign labor. We have evidence concerning foreign slave workers in over 76 plants in Germany and three in France; of the unlawful employment of prisoners of war in about 58 plants in Germany and the occupied countries; and of concentration camp inmates in at least five plants in Germany, at a plant in France and another at infamous Auschwitz in Poland; and of the use or proposed use of concentration camp inmates elsewhere in Poland and in the Sudeten area of Czechoslovakia.

It is not to the credit of these defendants that they did not personally deprive families of their ration cards; nor that the iron hand which reached into the kitchen or the public hall in every occupied country of Europe and actually grabbed the man by the scruff of the neck was a soldier, Gestapo, SD, or other government agent. Ordinarily the defendants left this dirty work to the Gestapo, SD, and the Labor Offices, using Buelow as an intermediary. They obtained forced labor from Czechoslovakia for Essen and later shipped 1,000 Czechs across

Germany to Markstaedt; they continually moved slave labor about according to their whims. In reports from the Elmag plant, in late 1944, the defendants Alfred Krupp, Houdremont, Mueller, Eberhardt, and Ihn, among others, were regularly informed of Krupp transfer of Eastern workers from France to the Krupp Suedwerke in Nuremberg and vicinity. A Krupp document, dated 24 April 1942, is headed "Holland-- Operation Sauckel" and urges shipment to Essen of 1,300 Dutch metal workers.

These defendants cannot say that they believed that this labor was voluntary. The defendant Lehmann, in December 1942, made reports to the defendants Alfred Krupp, Loeser, Mueller, and Ihn referring to the levy of French workers about to be made at the demand of Sauckel. The defendant Alfred Krupp was so informed -- not for the first time -- by a distant Dutch relative who turned up as a forced worker in another Essen plant. They knew of the forceful recruiting and the deportations. Later they saw the contracts forcibly extended and leaves forbidden so that, had there been free workers, they were so no longer.

From the beginning the defendants saw Poles, then Russians and other Eastern workers imprisoned in camps enclosed by barbed wire; forbidden to leave the camps, except under guard; marched long miles to work wearing their badge of special persecution -- "Ost". After Sauckel finally ordered removed, for morale purposes, some of the outward indicia of the slavery in Germany of Eastern workers -- the barbed wire around their camps -- it required a personal inspection at Essen, and a personal order to the defendants, before that order was complied with by the Gusstahlfabrik. They saw enemy nationals doing work for a hated and aggressive Germany which only traitors would have done voluntarily -- and they knew from their constant efforts to punish so-called "loafing" that not many of these enemies were eager to work for Germany and for Krupp. The statistics alone show that foreigners did not come voluntarily in any number. There were 95 French civilian workers at the Gusstahlfabrik on 1 January 1942. In September 1942, the Sauckel-Laval Decree providing for forced labor in Germany from Frenchmen went

into effect; and in December 1942 there were 4,823 French civilian workers at the Gusstahlfabrik.

Large numbers of prisoners of war who had no proper training as miners were sent into mines. The defendants even went beyond the requests of party and military commanders; and when German workers were demanded from Krupp to labor on the West Wall fortifications, Krupp answered that Germans could not be spared, but Italian Military Internees would be sent instead.

A report by the chief camp physician to persons including the defendants Ihn and Kupke states in part:

The P.O.W. camp in the Noeggerathstrasse is in a frightful condition.....Krupp is responsible for housing and feeding..... It is astonishing that the number of sick is not higher than it is, and it moves between 9 and 10%.

A Krupp file note of the Cast Steel Works, 15, October 1942 concerns a "telephone call by Oberst (Colonel) Breyer of the Supreme Command of the Armed Forces, Dept. POW's, Berlin" for the defendant Buelow:

Oberst Breyer who wanted to talk to Herr von Buelow, requested me to pass on the following to Herr von Buelow:

The Supreme Command of the Armed Forces has lately received from their own offices and recently also in anonymous letters from the German population, a considerable number of complaints about the treatment of POW's at the firm Krupp (especially that they are being beaten, and furthermore that they do not receive the food and time off that is due to them.....) None of these things occur anywhere else in Germany. The Supreme Command of the Armed Forces has already requested several times that full food rations should be issued to the prisoners.

The usual Krupp camps for foreign workers and prisoners of war were in many respects prisons, but Krupp also maintained jointly with the SS or Gestapo actual concentration camps in Essen and at several of its plants. In 1944, the defendant Lehmann went to Gelsenberg concentration camp to pick out slave workers. Other Krupp employees involved in picking concentration camp inmates at Gelsenberg reported to Krupp that the women inmates were unfit for the work in prospect at Essen. Nevertheless, the SS negotiated with the defendant Ihn, and Krupp provided German women employees to train as SS guards. When the SS sent to Essen 520 Hungarian Jewish women and girls, some of them only 14 years old, the

defendants established the Labor Commando Krupp, Essen of the Buchenwald Concentration Camp. They were shorn of their hair, dressed in ragged concentration camp clothes, and almost barefoot. The defendants treated them abominably while they were under their care; and they forced them to do hard labor, including carrying great loads of stone up three stories. They were forced to live in unimaginably bad conditions -- without sanitation, part of the time in an unheated cellar. As the Allied armies approached, and they needed their labor no longer, several of the defendants -- including Janssen, Lehmann and Houdremont -- discussed a report that these women were to be slaughtered by the SS. They decided to abandon the women to the SS, and followed the defendant Houdremont's instructions to get them out of Essen. Four of the girls escaped beforehand, but the others cannot be traced beyond the Concentration Camp Bergen-Belsen. At least one of the four who escaped will testify before the Tribunal.

At a Special Labor Allocation Officers discussion, in January 1944 -- reported to the defendants Alfried Krupp, Houdremont, Mueller, Janssen, Ihn, Eberhardt and Lehmann -- the defendant Buelow took the floor for a lecture about combatting of idlers. I quote from the report:

Foreigners must be treated with greater severity and strictness. For them, punishment away from work is especially suitable. Dechenschule will become a penal camp for Eastern workers and Poles, under the supervision of the Gestapo. They are to be cared for by the Main Administration for the Workers Camps and Works Security Police. Special Labor Allocation officers were invited to enumerate especially difficult and dirty work for which these foreigners may be used in groups of 50-60. Reports to be made to Herr v. Buelow.

The defendant Buelow was the principal overseer of this camp for Krupp; but it had been designated by the defendant Ihn; and was under the administration of the Lagerfuehrer, the defendant Kupke. To fill the requirements of Krupp for labor, there were fed into this camp (besides the Eastern workers and Poles) political prisoners picked up in raids in other countries. Krupp guards and trucks participated in the deportations. Some of the inmates of this camp -- and a similar camp of Krupp's at nearby Rheinhausen -- who had been seized by the

Gestapo as hostages, or simply as available manpower in Belgium and Holland, will testify to their seizure, deportation, and the heavy work and vile treatment in Krupp plants and the deaths of many of their comrades.

In October 1943, the defendant Buelow concluded an agreement with one Captain Borgmeier regarding the punishment of prisoners of war employed in the Krupp plants. The agreement stated that, where a prisoner of war had offended in such a manner that minor disciplinary measures would not suffice, then the prisoner of war:

will be turned over to a military court....., except the Russians, who are to be brought before the State Police. In such cases, the State Police always imposes the death sentence, for the execution of which a Kommando of other Russian prisoners of war may be used.

Von Buelow embodied the terms of this agreement in a note to the defendant Lehmann, adding:

I wish to request that in future such cases be handled according to the concluded agreements. However, I request that the contents of this note be treated as confidential, particularly in view of the death penalty.

Krupp's largest concentration camp was at the proposed Bertha Works, in Markstaedt; five thousand concentration camp workers participated in building the plant. When the time came to commence production, the proposal to use concentration camp labor, which had been forwarded by the defendant Korschach and approved first by the defendant Mueller, was then approved by the Vorstand in Essen; and thousands of concentration camp inmates were then established in camps, including Fuehftteichen, as Ausserlage (annexes) of the notorious Gross-Rosen concentration camp.

Not content with exploiting concentration camp labor in its permanent plants, Krupp actually went inside the confines of the concentration camps to establish plants. In 1942, the defendant Mueller reported upon a project to make parts for automatic weapons at the infamous Auschwitz concentration camp, and the defendants Alfried Krupp and Loeser approved an appropriation of two million marks for this purpose. In 1943, these plans were successfully carried out; it

was to this plant, at Auschwitz, where the greatest and most horrible exterminations of all time occurred, that these defendants arranged with the Speer Ministry to transfer some 500 Jews who had been working in or near Berlin. A report to the defendants Mueller, Eberhardt, and Pfirsch, dated 16 March 1943, stated:

Obersturmfuehrer Sommer received the lists sent to me by Dr. Wieland, Special Committee m 3, of Jews who have been employed by the firms Krone-Presswerk and Graetz (about 500 workers) who are to be transferred to Auschwitz for the purpose of employment in the proposed manufacture of fuses.

About 14 days ago, all Jews were transported from Berlin, and according to the statements of the SS they are for the most part already in the Auschwitz camp. Obersturmfuehrer Sommer again pointed out that when establishing a fuse manufacturing plant in Auschwitz, we could count on the full support of the SS, and he requested immediate action in case any assistance from his office became necessary.

Having experienced the benefits of exploiting concentration camp labor, the defendants used such labor at several other Krupp plants, including Geisenheim, Norddeutsche Huette, Deschimag, and Weserflug. They obtained concentration camp inmates for use even in plants in occupied countries, as at Elmag in Mulhouse, France.

The defendant Ihn reported on a conference on this subject at his office on the afternoon of 5 July, 1944, at which the defendants Buelow and Kupke were present. This report, which is marked for distribution to, among others, Alfried Krupp von Bohlen, Janssen, Houdremont, Mueller, von Buelow and Kupke, stated in part:

"Subject: Allocation of prisoners, etc.

"The situation is as follows:

"1.) 2000 concentration camp inmates.

Standartenfuehrer of the SS, PISTER, Commander of Concentration Camp Buchenwald . . . , with which we have to deal, was here on the afternoon of the 4th of this month. . . . He promised us the allocation of 2000 Hungarian and Jewish prisoners (men). . . .

* * * * *

b) We pay RM 4.00 per day for each prisoner, including all social welfare dues such as for sickness and accident insurance, etc.

* * * * *

"2.) 500 concentration camp prisoners (women) who are to be allocated to us by the Main Committee for Weapons"

"3.) 500 convicts requested by Herr A. v. Bohlen from the office of Attorney General Joel, Hamm.

Attorney General Joel has offered the prospect of several hundred convicts. A conference with him is to take place in the week of 9-15 of this month. Herr v. Buelow and Kupke of the cast-steel foundry are to handle the negotiations.

* * * * *

"4.) 440 convicts (prisoners from the penitentiary at Koenigsberg). Herr Vorwerk, F.A.H. (Friedrich-Alfred-Huette) will study the question of whether the F.A.H. can receive an allocation of concentration camp inmates and convicts. The Gusstahlfabrik will, if necessary, try to help in solving this problem.

Herren Guentherp and Graefe, Geisenheim, are negotiating with the concentration camps of their district. Although the discussions have so far had negative results, Geisenheim will continue, from there, to study the question. Not until everything else has failed will the Gusstahlfabrik offer its aid, if necessary."

The treatment accorded to Krupp slave labor was inhumane and unlawful. Harsh directives were often issued by the government; but the application of these measures and the implementing of them was the responsibility of these defendants. The shelter was seldom adequate for human beings. An official inspection committee reported that, of Krupp camps, most were substandard, and only one provided good shelter.

The medical care was confined chiefly to inspections by doctors who usually ordered the slave workers to report for work. A Krupp physician refused to enter an Essen camp because it was so verminous. The food was inadequate and bad; and the withholding of food was common punishment, particularly to increase production. One witness will tell of pitchforking dirty, decaying, spinach from a wagon directly into the cooking pots, and of how it was fed to human beings without washing. No wonder that disease and dysentery were rife. A medical report of 15 December 1942, marked for the special attention of the defendant Ihn and initialed also by the defendant Buelow reads, in part, as follows:

"An Eastern worker died suddenly in the wheel set shop 3 days ago. In order to determine whether or not the death had been caused by carbon monoxide poisoning a post-mortem examination was made by Dr. Husten, the Association's specialist in pathological anatomy. In this post-mortem no indications, microscopic or otherwise, of carbon monoxide poisoning were found. The blood analysis also had a negative result. No organic ailment of any other kind was found, although a condition of malnutrition to an extreme degree

was determined. The fat tissue had disappeared from the entire organism and only a so-called gelatinous atrophy was left. The liver was small, lacking fat and glucose; the musculature was weak.

It is worth noting that this Russian is supposed to have been here in Essen for 5 months. The case shows that Eastern workers who arrive here in a severely reduced state of health in general cannot be restored to a normal condition of nutrition by means of the diet offered.

The Russian's organism could not store up even the slightest amount of energy reserves in fat or carbohydrates. Moreover, the inferior endurance of the Russian led to an incorrect estimate of his working capacity."

In a camp maintained by Krupp for the children of Eastern workers, the children were often permanently separated from their parents. This camp, "Voerde West," was approximately 60 kilometers from Essen, and it was almost impossible for the workers to visit their children there. Moreover, the mothers were moved without their children, at the whim of the defendants, to other Krupp plants; and the children were, likewise, turned over to the Reich authorities and removed without the knowledge of the parents. At Voerde West, the children died by the scores of disease and neglect.

An excerpt from the proposals for the Special Labor Allocation meeting of 12 January 1944 reads:

"The following arrangement of shifts should be considered ideal.

- | | |
|------------------|----------------------|
| 1. German women | from 6 - 12 o'clock |
| 2. German women | from 12 - 18 o'clock |
| 3. Foreign women | from 18 - 6 o'clock |

This time arrangement will not be objected to by the industrial supervisory agency, since no time-limit as to the number of working hours for foreigners including women exists. Through this arrangement German workers who are still working in 2 or 3 shift-enterprises would become free for other employment requiring little or moderate physical exertion."

All of the defendants made their headquarters at Essen, and could and did see from day to day the slave workers there. All or nearly all of them visited other Krupp plants employing slave labor. All of the Vorstand members and deputy members participated in procuring, exploiting and mistreating slave labor: Alfried Krupp as War Material and Raw Material Chief, and later head of the whole Krupp empire and leading official in the RVE and RVK; Loeser and Janssen as chiefs of personnel,

finance and administration; Houdremont as head of the Machine Plants and plant leader at Essen; Mueller as onetime head, too, of Machine Plants, and as head of war material production; and Eberhardt as also concerned in such production at Essen, Mulhouse, Nurnberg, and elsewhere; Pfirsch as Berlin liaison man helping to get concentration camp labor; Korschan as Bertha Works Chief and head of the Ukraine plants. Then there were the special labor officers: Ihn who, by his special position as Chief of the Personnel Department and actual executor of the Plant Leader's functions was daily immersed in slave labor matters; Buelow the policeman; Lehmann, who assisted Ihn generally, and had responsibility for procurement of labor and liaison with the DAF; and Kupke, head of the camps for the slave workers.

They accepted responsibility for the care and welfare of their foreign civilian labor, and a large measure of responsibility for prisoners of war and concentration camp inmates and so-called "political prisoners." They took the initiative in making requests and demands for more and more slave workers. Sometimes they specified particular categories of foreign labor which they wanted; and they always knew, after 1942, that their requisitions would be filled with foreign civilians or prisoners of war. No private individual firm in Germany was forced to accept female concentration camp inmates -- but Krupp took them willingly. These defendants organized in detail the exploitation of all categories of slave labor.

The first slave labor was brought to Essen after the Vorstand had considered and approved this measure. Matters of procurement, care and treatment were thereafter frequently considered by the Vorstand, and various defendants and others were authorized to continue the program. The use of concentration camp inmates at Essen, Markstaedt and Auschwitz was again specifically approved by the Vorstand. All expenditures of more than nominal amounts of money, it is to be recalled, were subject to approval by several Vorstand members.

No erudite legal counsel nor moral philosopher was required by these defendants to inform them that they were committing crimes against their 100,000 slave workers. They are all capable of knowing right from wrong. Some of them may have had less moral perspicacity and greater, calloused unwillingness to see the crime; others, whose conscience made them aware of the crimes, forsook the leadership of that conscience. Those defendants who were not members of the Vorstand had perhaps more knowledge of details, participated more actively in acts of brutality, but had less responsibility for the whole. These are refinements in the degree of guilt which will be illuminated as the evidence is presneted. But they do not mitigate the degraded, criminal character of the wholesale enslavement for which the defendants are all responsible.

CONCLUSION

The charges in the indictment have been divided into three counts, because each count is legally self-sufficient, and for convenience and clarity in presenting the evidence. Viewed realistically, however, this is not three cases, but one case. The motives and ambitions underlying all three counts are the same. Men who do not stop short of enslavement are men who will have no compunctions about precipitating a war; in both cases such men may be governed by prudence and caution, but not by moral factors. Wars may not be started without a promising opportunity for victory; enslavement will not be practiced unless it brings victory a step closer. But prudence and caution are slender quarantees against ruthlessness and arrogance. And it is these two qualities which underlie the charges in all three counts. Germany must fight to rise, she must rise to the top, and to reach the top she must stop at nothing.

We stated at the outset that the defendants are not charged as Nazis. We are, indeed, quite prepared to assume that various aspects of Nazi ideology or tactics may have been distasteful to the Krupp firm and to the defendants. But this, if true, is quite irrelevant to the charges in this case. And we reiterate that the crimes here arose out of certain ideas and attitudes which form part of the Krupp tradition, and that these ideas and attitudes were also a basic part of the ideology of the Nazi party. That is why there was something like a "coalition" between Adolf Hitler and Gustav Krupp; that is why Krupp policy and Nazi aims fused so successfully.

It is quite possible that Gustav Krupp never heard of Adolf Hitler or the Nazi Party until years after its foundation; it is quite possible that, whenever he first heard of Hitler, he did not support the Nazis until Hitler's appointment as chancellor. But the common ground upon which both stood was established immediately after the First World War. From then on the parallels are, in many respects, striking.

The Nazi party program dates from 1920, when it was proclaimed by Hitler at Munich. The first two of the twenty-five points call for "the unification of all Germans in the Greater Germany" and the "abrogation of the peace treaty of Versailles". The third point calls for land and territory. The twentysecond point demanded the formation of a national

army. The last (25th) point demanded "the formation of a strong central power in the Reich". This last demand led directly to the establishment of the dictatorship of the Third Reich and, as the International Military Tribunal has pointed out:¹

The demand for the unification of all Germans in the Greater Germany was to play a large part in the events preceding the seizure of Austria and Czechoslovakia; the abrogation of the Treaty of Versailles was to become a decisive motive in attempting to justify the policy of the German Government; the demand for land was to be the justification for the acquisition of "living space" at the expense of other nations;.... and the demand for a national army was to result in measures of rearmament on the largest possible scale, and ultimately to war.

In 1920, when Hitler's program was formulated, Krupp has already come to the same conclusions, and was proceeding to execute them most effectively. It was already engaged in a mortal struggle with the allied representatives who were seeking to enforce the disarmament clauses of the Versailles Treaty. Krupp would not change its nature and tradition. "If Germany should ever be reborn, if it should shake off the chains of Versailles, the Krupp concern had to be prepared" said Gustav Krupp. For Krupp and Hitler alike, the Treaty was the immediate obstacle to the fulfillment of the other cherished objectives: reconstitution of "Greater Germany" and the reestablishment of German armed might. For all these purposes, Hitler and Krupp agreed "the formation of a strong central power in the Reich" was most desirable. Just in this vein both of them spoke to the assembled German industrialists on 20 February, 1933, at the most critical moment of Hitler's climb to dictatorship; "only in a politically strong and independent state could economy and business develop" said Gustav.

But the solid working alliance which was formed between Krupp and the Nazi party by, if not before, 1933 was based on more than an abstract agreement on political principles. Each was vitally necessary to the other; on matters

1. Vol. I, Trial of the Major War Criminals, p. 175

of fundamental political policy, Hitler and Krupp fitted together like a mortise and tenon joint.

We have already brought out that Krupp's decision in 1920 to preserve the specialized armament capacity of the firm entailed considerable temporary sacrifice. This decision was made in the expectation that, one day, the bars would be let down and the halcyon times of Bismarck and Wilhelm II would return. After a very lean decade, and in a turbulent political situation, Hitler and the Nazi party alone offered Krupp the fulfillment of these expectations.

Hitler needed Krupp just as badly. He came to power by violent and demagogic appeals to the most chauvinistic and militaristic elements in the German mentality. He could not afford the luxury of inaction and, indeed, was obliged to act speedily in order to maintain his prestige. Within six months, Germany withdrew from the International Disarmament Conference and the League of Nations; within two years, the disarmament clauses of the Versailles Treaty were denounced; within three years, the demilitarized zone of the Rhineland was reoccupied.

All these steps entailed risks, and to justify such risks Hitler desperately needed to muster all available military power with the greatest possible speed. And indeed, at the time, the rapidity of the resurgence of Germany's military strength was astonishing and almost miraculous. All of us remember our amazement in 1938 and 1939 that a nation which had been thought so completely disarmed only three or four years earlier had achieved such formidable and terrifying strength.

The evidence in this case goes far to explain this seeming mystery, the solution of which lies chiefly in the extensive and effective clandestine rearmament accomplished by Krupp before Hitler came to power. For various reasons, this fact has been obscured ever since. Until 1937 or 1938, it would have been politically and diplomatically imprudent for Germany to disclose the secret armament history of the Weimar Republic, and after that time Hitler and the Nazis were probably quite reluctant that anyone should think that substantial steps to reestablish German armed might had already been taken long before the advent of Hitler. It may be remembered that Chancellor

Joseph Wirth's letter to Gustav Krupp, written in August 1940, stated that: "Approximately two years ago, the Reich government made it known, through the Ambassador in Paris, that any publication about previous preparations for the recovery of the national freedom would be discouraged."

Some of the documents showing the enormous importance of Krupp's pre-1933 armament work have already been mentioned. The annual report of the Krupp Board of Directors for the year 1937-1938 stated that "When in 1933, we were again called upon to manufacture war materials in large quantities, we were immediately ready to do so" and that "workshops..... were again put into operation and after a short preliminary stage, we were again working at capacity". We have also mentioned Krupp's secret memorandum transmitted to the German Army in July 1940, which stated that Krupp's "basic plan of reconversion to war production" had "made it possible at the beginning of the rearmament period to produce straight away heavy artillery, armour plate, tanks and such like in large quantities." To the same effect is Gustav Krupp's article written in 1942, which stated:

After the assumption of power by Adolf Hitler, I had the satisfaction of being able to report to the Fuehrer that Krupp's stood ready, after a short warming up period, to begin the rearmament of the German people without any gaps of experience..... Since that time, I have often been permitted to accompany the Fuehrer through the old and new workshops and to experience how the workers of Krupp cheered him in gratitude. In the years after 1933, we worked with an incredible intensity and when the war did break out, the speed and results were again increased. We are all proud of having thus contributed to the heretofore magnificent successes of our army.

In a more particular fashion, we have already learned that Germany had submarines in operation only three months after the denunciation of the Treaty of Versailles and had no less than eighteen submarines in service in March, 1936, at the critical time when the Rhineland was reoccupied; these facts the German Navy itself described as "astonishing". We have also learned, by Krupp's own memorandum written in 1942, that "the basic principle of armament and turret design for tanks had already been worked out in 1926". But perhaps the most amazing revelation along this line is contained in the "concluding remarks" of the history written by Krupp's artillery designing department, to which reference has already been

made. This most significant paragraph reads as follows:

The foregoing remarks showed us only weak attempts in the field of gun design for the first years after the World War which aimed to salvage from the collapse what could be salvaged. Beginning with the middle of the twenties, however, we gradually note the aspiration which becomes more and more pronounced to re-build, and also to embark on fresh projects. It is true that the guns then developed can only be classed as fore-runners; they made an appreciable contribution, however, towards clarifying opinions and requirements, thereby making it possible to meet them, and thus they have entirely served their purpose. They were followed very shortly afterwards by the weapons which were finally adopted. Of the guns which were being used in 1939/41, the most important ones were already fully developed in 1933; the mortar was almost completed, and the light field gun 18 also was ready for use. For the equipment which was tested in secrecy, the Army Ordnance Office and the industry stood ready to take up mass production, upon order from the Fuehrer.

On 9 October 1939, just after the successful conclusion of the campaign against Poland, Hitler wrote:¹

The warlike equipment of the German people is at present larger in quantity and better in quality for a greater number of German divisions than in the year 1914. The weapons themselves, taking a substantial cross-section, are more modern than is the case of any other country in the world at this time. They have just proved their supreme war worthiness in their victorious campaign There is no evidence available to show that any country in the world disposes of a better total ammunition stock than the Reich..... The A.A. artillery is not equalled by any country in the World.

And six weeks later, he met with all the Commanders-in-Chief of the Armed Forces to discuss future plans. In support of his exhortations that an aggressive policy of attack should be pursued, Hitler summarized Germany's great advantages in armament over its competitors, and mentioned:²

1. The number of active organizations in Germany is greatest.
2. Superiority of the Luftwaffe.
3. Anti-aircraft beyond all competition.
4. Tank corps.
5. Large number of anti-tank guns, five times as many as 1914 machine guns.
6. German artillery has great superiority because of the 10.5 gun.
7. French superiority in howitzers and mortars does not exist.

Most of the weapons mentioned by Hitler were manufactured by Krupp, or by others according to Krupp designs and specifications. Statements

1. Vol. I, Trial of the Major War Criminals, p. 183

2. Transcript of record before the International Military Tribunal, Exhibit USA-26

such as those quoted above begin to make clear the enormous debt which Hitler owed to Krupp policy and Krupp techniques. In 1940, Gustav Krupp once had occasion to emphasize that he had promised "to prove to the Fuehrer from the very outset that workers, experience, construction, and production processes were available to carry out the rearmament quickly and successfully". These promises were well kept.

In fact, the partnership of Hitler and Krupp, and the smooth functioning of Krupp as an integral and important part of the Third Reich, continued through the war, and was finally broken only by Germany's military defeat. During the latter part of the war, Krupp's special and favored status was recognized by a special law which Hitler enacted for the future governance of the Krupp enterprises.

In 1942, Gustav and the defendant Alfried Krupp made overtures to Hitler and Martin Bormann for the issuance of a decree permitting "Family Enterprises" to be created by those who had sufficiently established themselves in the scheme of National Socialist economy. To this overture Hitler responded favorably and ordered the preparation of a special decree to create and perpetuate the Krupp family enterprise. This decree was enacted by Hitler on 12 November 1943. The preamble recites that: "The Enterprise of Friedrich Krupp, a Family Enterprise for 132 years, deserves highest recognition for its incomparable efforts to raise the military potential of Germany".

The "Lex Krupp" provided for special treatment as to matters of inheritance and taxation, and the regulation of the firm by its own internal statute. By this decree the Krupp firm became in truth a "State within a State" created by the Third Reich. Whoever became the owner of this firm was to bear the name "Krupp" before his own name. The internal statute provided that the leaders of the Krupp firm must be specially approved by Nazi Party and Reich Officials. The defendant Alfried Krupp von Bohlen und Halbach assumed the sole ownership and control of the Krupp Enterprise by virtue of the formal approval of Martin Bormann, Chief of the Party Chancellery, and of Dr. Lammers, Reichminister and Chief of the Reichs Chancellery.

Words of grateful appreciation were expressed by the parents of Alfried Krupp to Hitler, for the latter's efforts in establishing the Krupp dynasty in its new legal form. To the words of appreciation, they added the words of

assurance to Hitler, that "We shall do everything in our power to equip our son , Alfried, the present owner of the Family Enterprise, for the task of securing and , if possible, increasing the production of the Krupp works, both in peace and war, in your spirit, and for the benefit of our people".

No other industrial concern in Nazi Germany was honored by such privileges as were thus granted to the Krupp Family Enterprise. By it, Hitler bestowed on the Krupp firm a unique and most favorable position in the commercial and industrial life of Nazi Germany.

We have seen that the Krupp firm favored the creation of a strong central German government; assisted, both with its money and its prestige, in the establishment of Hitler's authority and the dictatorship of the Third Reich; provided the Third Reich with what it most needed to put its aggressive and warlike policies into effect; and played a vital part in the waging of the wars which inevitably followed. We have seen that these things were done not because the Krupp officials were "Nazis" but because they shared with the Nazis certain basic ideas and desires.

We have also seen that, if Krupp was in tune with the policies of aggression of the Third Reich, it was equally in step with Nazi concepts of the methods by which wars should be waged. The utmost ruthlessness and disregard of international conventions came as naturally to Krupp as to the German war lords and the political leaders of the Third Reich. The mines and factories of Austria and Alsace and the Ukraine were seized with as little compunction as the deported workers from France and Poland and Russia were enslaved and terrorized to keep the Krupp machines turning. All this was in full keeping with Nazi scorn for the rights of others and the dignity of man.

We said at the outset that the crimes charged in this case arose out of certain ideas and attitudes which antedated Nazism, and have their own independent and pernicious vitality but which fused with Nazi ideas to produce the Third Reich. No one has expressed this better than Gustav Krupp von Bohlen himself. On the 1st of May 1940, Rudolf Hess and other prominent Nazis visited Essen to confer on the Krupp company the "Golden Banner "which distinguished the works as a "National Socialist Model Plant". Hess was

received at the entrance to the hall by Dr. Gustav Krupp, and by the three members of the Vorstand, the defendants Alfried Krupp and Ewald Loeser and the deceased Paul Goerens. As the Krupp report of this occasion tells us, Rudolf Hess delivered a "stirring address" which was "characterized by a most timely political note -- settling final accounts with the Jewish-plutocratic-democratic world". Gustav Krupp acknowledged the award with the following words:

I share with the entire personnel of the Krupp Works a pride in this award. It is in honor of a social-political attitude which, while having its roots in a 128 year old tradition, has developed organically so as to fit into the new times, into the National Socialist Germany.

These words accurately epitomize the defendants. Nothing need be added. The tradition of the Krupp firm, and the "social-political" attitude for which it stood, was exactly suited to the moral climate of the Third Reich. There was no crime such a state could commit -- whether it was war, plunder, or slavery -- in which these men would not participate. Long before the Nazis came to power, Krupp was a "National Socialist Model Plant".