



# PRESCOTT BUSH, THE UNION BANKING CORPORATION AND THE *STORY*

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AUGUST 2003

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“**T**HERE’S THREE THINGS TO REMEMBER: claim everything, explain nothing, deny everything,” recalled Prescott Bush as to how politics was explained to him by Clare Booth Luce, congresswoman and wife of fellow Bonesman and magazine magnate, Henry Luce. The remarks were recorded in a 1966 interview with Prescott for an oral history project about the Eisenhower Administration by Columbia University.

The Bush political family seems to have taken those words to heart, one example being the *story* of Prescott’s involvement with the Union Banking Corporation and the financing of Hitler and fascism. Why there has been such a deliberate and hard cover-up of this affair is in no doubt due to its *sensitive* nature.

The who, what and where of this business is already covered in several of the other articles in this book. Here we will examine the *story* as it appears today.

The specific allegations about the Union Banking Corporation first surfaced in Antony Sutton’s 1975 book, *Wall Street and the Rise of Hitler*. Sutton at that time did not know about the Order of Skull & Bones. After becoming aware of the Order in 1983 he expanded his writings on the subject in *How the Order Creates War and Revolution* in 1984, which was later published, with Antony’s three other booklets on The Order of Skull & Bones, together as *America’s Secret Establishment* in 1986. The charges were articulated again in 1988 in Sutton’s *The Two Faces of George Bush*.

The mainstream press and establishment historians *ignored* Sutton’s books and the accusations.

In 1992, Webster Tarpley and Anton Chaitkin authored *George Bush: The Unauthorized Biography* (some chapters are presented in this book), which took the investigations

further. They found in U.S. government archives the vesting order seizing the Union Banking Corporation and documented other Harriman/Bush controlled interests that were doing business with the Nazis. Their book was published by Executive Intelligence Review, a Lyndon LaRouche organization, and again the reports were ignored.

John Loftus, a former attorney for the Office of Special Operations prosecuting Nazi war criminals in the US Justice Department also added information about the situation in his 1994 book, *The Secret War Against the Jews*.

A Dutch producer Daniël De Witt, from Dutch National Television interviewed Sutton, Chaitkin, Tarpley and others in 1996, for a documentary on Skull & Bones that included confirmation from Dutch officials concerning the Union Banking Corporation and its activities in financing Hitler through a Dutch bank, the Bank voor Handel en Scheepvaart (Bank for Trade and Shipping). From the documentary: “Original documents of the Amsterdam based International Institute of Social History (Instituut voor Sociale Geschiedenis) clearly show the connection between the BHS, the August Thyssen Bank from Fritz Thyssen and Harriman’s Union Banking Corporation.”

The show — as produced — never aired.\* The show was listed in printed schedules and there was a preview in a TV guide but the program was pulled just before being a televised in 1998. Finally in January 2001, a re-edited thirty minute segment of the original eighty minute film was aired plus ten minutes of new footage of interviews of the movie, *The Skulls*, writer and director.

With the advent and growth of the Internet and its ability to by-pass the mainstream media *editorial* bottleneck there was a growing awareness of the Nazi-Bush financial connections. Newspaper reporter Michael Kranish finally made the accusations *public* through a mainstream press article in the *Boston Globe* that became *the story* about the charges. A front-page article headlined *Triumphs, Troubles Shape Generations*, ran on April 23, 2001. The *story* was told in first three paragraphs.

### The story:

Prescott Bush was surely aghast at a sensational article the New York *Herald Tribune* splashed on its front page in July 1942.

“Hitler’s Angel Has 3 Million in US Bank,” read the headline above a story reporting that Adolf Hitler’s financier had stowed the fortune in Union Banking Corp., possibly to be held for “Nazi bigwigs.” Bush knew all about the New York bank: He was one of its seven directors. If the Nazi tie became known, it would be a potential “embarrassment,” Bush and his partners at Brown Brothers Harriman worried, explaining to government regulators that their position was merely an unpaid courtesy for a client. The situation grew more serious when the government seized Union’s assets under the Trading with the Enemy Act, the sort of action that could have ruined Bush’s political dreams.

As it turned out, his involvement wasn’t pursued by the press or political opponents during his Senate campaigns a decade later. But the episode may well have been one of the catalysts for a dramatic change in his life. Just as the Union Banking story broke,

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\* see note, page 212

Bush volunteered to be chairman of United Service Organizations, putting himself on the national stage for the first time. He traveled the country raising millions of dollars to help boost the morale of US troops during World War II, enhancing his stature in a way that helped him get elected US senator. A son and grandson would become presidents.

The next fifty plus paragraphs extolled Prescott's liberal virtues, proclaimed him to be "akin to the Kennedys" and mentions Prescott's membership in the Yale singing group the Whiffenpoofs, but failed to inform about his membership in the Order of Skull & Bones.

Alexandra Robbins, a member of Yale's second oldest senior secret society Scroll & Key, used the *story* in 2002 to deflect the charges in her faux exposé of the Order of Skull & Bones, *Secrets of the Tomb*:

Nor was it Skull and Bones that specifically instructed members to aid Adolf Hitler, though Hitler's financier stowed \$3 million in the Union Banking Corporation, a bank that counted among its seven directors Prescott Bush.

*That's it.* That is Ms. Robbins complete comment on the subject of the Union Banking Corporation, financing of Hitler and the Order of Skull & Bones. No mention about the American Ship and Commerce Company, Consolidated Silesian Steel Corporation, Hamburg-Amerika Lines, Harriman Fifteen Corporation, Harriman International Company, Holland-American Trading Company, Steamless Steel Corporation or the Silesian-American Corporation, companies of which Brown Brothers Harriman were involved and all of which were enmeshed with Hitler's rise to power. No mention that under the Trading with the Enemy Act many of these companies were seized and were placed at the US Office of Alien Property Custodian. No mention that the Union Banking Corporation was established in August 1924 with George Herbert Walker serving as president and working out of the offices of W. A. Harriman and Company. No mention that in 1932, four out of the eight bank directors were members of the Order of Skull & Bones. No mention that, in the fall of 1942 when Union Banking Corporation was taken over by the government, that a total of three out of seven directors were members of the Order and that a fourth director was an employee of Brown Brothers Harriman — effectively giving Brown Brothers Harriman voting control. No mention that while there were many other non-Bones personnel in partnership at Brown Brothers Harriman, none of them were directors of Union Banking, *only* Bones partners were on the Union Banking Corporation board. The only exception being not another partner but a Brown Brothers Harriman *employee*. No mention that two of the other directors have been identified as Nazis. There was no mention of published accounts such as "[a] 1934 congressional investigation alleged that Walker's Hamburg-Amerika Line subsidized a wide-range of pro-Nazi propaganda efforts both in Germany and the United States;" or that in June of 1936 "[i]nstead of divesting of the Nazi money, [Prescott] Bush hired a lawyer

to hide his assets. The lawyer he hired ... was Allen Dulles.” Was it because Ms. Robbins didn’t do her homework — or was she just *advancing the story*?

The *story* next gets extended and *massaged* in Mickey Herskowitz’s craftily written just released 2003 biography of Prescott Bush, *Duty, Honor, Country*:

In everyone’s life there is a summer of ‘42; Prescott Bush spent his on Wall Street, where nostalgia and romance are not the hot commodities they were in the motion picture that made the phrase symbolic.

A headline that landed on the front page of the New York *Herald Tribune* in July of that year read: “Hitler’s Angel Has 3 Million in U.S. Bank.” The reference was to the Union Banking Corporation. Prescott may have been upset or alarmed by the disclosure — he was one of its seven directors. A person of less established ethics would have been panicked.

The story claimed that the bank held \$3 million in deposits for a German businessman, described as a “financier” for Adolf Hitler. There was speculation that the account may have been intended for the later use of “Nazi bigwigs.”

Buried in the databases that dealt with the Bush family political tradition, the article was rediscovered and reported in the Boston *Globe*, in April 2001, by Michael Kranish. He concluded in the article that the connection had represented a potential “embarrassment” for Prescott. No one actually knew what purpose the fortune had been meant to serve, or who controlled it. Possibly, the money had been socked away as a hedge against Germany’s defeat.

Bush and his partners at Brown Brothers Harriman informed the government regulators that the account, opened in the late 1930s, was “an unpaid courtesy for a client. The situation,” wrote Kranish, “grew more serious when the government seized Union’s assets under the Trading with the Enemy Act, the sort of action that could have ruined Bush’s political dreams.” The phrase was an ominous one.

The client was believed to be a friend of Charles Lindbergh, according to Roland Harriman. Prescott Bush acted quickly and openly on behalf of the firm, served well by a reputation that had never been compromised. He made available all records and all documents. Viewed six decades later in the era of serial corporate scandals and shattered careers, he received what can be viewed as the ultimate clean bill.

A decade later when he ran for the Senate, his involvement in the bank went untouched by the press or his political opponents.

Earlier that year he had accepted the chairmanship of the USO (United Service Organizations.) He traveled the country over the next two years raising millions for the National War Fund and, as the Boston *Globe* noted, “putting himself on the national stage for the first time ... (and) boosting the morale of U.S. troops.” Out of adversity good things came.

Again the other companies are conveniently ignored and *new facts* appear out of thin air and a *theme* is laid down. Mr. Herskowitz doesn’t cite any known

sources for this new information. He cites the Kranish article but does not cite the *Herald-Tribune* or any other contemporaneous accounts; he says he had access to 46-hours of taped interviews and scrapbooks from the Bush family and mentions archives at the University of Connecticut. So we do not know where he gathered this particular new information. We do know that it is incorrect and misleading.

Let us examine the *story*:

First off the *Herald-Tribune* article *didn't appear* in July of 1942 it was actually printed in *July of 1941*. The article itself proved to be quite the challenge to find. I talked with several different researchers and none had been able to find it, although spending hours looking at microfilm. Since, there was never a complete date given, just July, 1942, researchers were having to look at the whole month of July and when it wasn't found there, began looking in June and August.

In a July 2003, call to Mr. Kranish at the *Globe* I was told that "several other people" had called him telling him that they were "unable to find it." That there wasn't a complete date reference on the *Herald-Tribune* article because the article — he had found it in an "archive of archives" — was cut out and there was not a full date just a month and year. He said he was sure it was July 1942. I asked Mike, if it was a special edition and if I could find out where this archive was? He said, "The *Herald-Tribune* doesn't exist anymore and it is hard to find, you are just going to have to take my *word* for it. The story definitely appeared." He then excused himself as being busy, that he had written the story over two years ago and he needed to go.

Well, we have found proof that the article did indeed appear — *in July of 1941*. First we found on Alex Jones' infowars.com website an article from the July 31, 1941, *Zanesville Signal* in Ohio. The Thyssen/Union Banking news story was in an INS (International News Service) wire report, which says that it was "disclosed today in a news story in the New York *Journal American*. We then found, at ancestry.com, an AP wire report in the *Sheboygan Press*, a Wisconsin newspaper of August 1, 1941 which stated: "The *Herald-Tribune* said Thursday [July, 31, 1941], that Fritz Thyssen, German industrialist credited with helping finance Adolf Hitler's rise to power, 'has \$3,000,000 in American cash salted away in the bank vaults of downtown New York.'" Armed with the correct date, we were then able to find both the New York *Herald-Tribune* and New York *Journal American* stories. The articles are presented in full later in this chapter.

So, big deal, what difference does a year make? Well, let's see — in July of 1941 — when the article was *really* printed, there was no declared war, and the *story* allows the rehabilitation of Prescott's *honor* by allowing him to "enhance his stature" *before* the revealing newspaper article, instead of after. The truth of the matter, that Prescott was possibly running for cover in February 1942, by serving as the national chairman of USO, is not broached and the *scandal* is *covered-up*.

What “embarrassment” Prescott may have felt isn’t known. The incident isn’t discussed in his oral history interviews nor were there any contemporaneous news articles except for the one flurry in July/August 1941 and the articles that mention his name do so without any personal comments. Neither establishment historians nor the mainstream media have dealt with the episode in any depth. Sutton’s works and others have been quietly ignored for years, it is only the power of the Internet that has brought forth the *story*.

In the *History Of The Class Of 1917 Yale College, Volume V — Twenty-Fifth Record* printed in 1942, Prescott proudly proclaims his directorship of the Union Banking Corporation, listing it third behind CBS and The Dresser Manufacturing Company and ahead of six other substantial companies. He had been on the bank’s board since 1934, his father-in-law was a founder and had been the bank’s president. It really wasn’t a bank per sé, but acted as a holding company for Thyssen, the German Steel Trust and its related components in their dealings with American industrial and financial markets. It allowed the Thyssen interests to raise money, sell and buy goods in America and then use Union Banking Corporation as their reciprocal bank to transfer monies back and forth.

And the *theme* of poor ol’ diligent, naïve Prescott and partners being flummoxed by Charles Lindbergh into such a position of “embarrassment” — is unfounded blame-shifting. The statements by Mr. Herskowitz of “[n]o one actually knew for what purpose the fortune had been meant to serve, or who controlled it” and “that the account [was] opened in late 1930’s” are incorrect and disingenuous at best. The bank had working relations with the Thyssen interests since the 1920’s and Prescott would have had access to information concerning business. Prescott had been a director of the bank since the early 1930s and he was “running the business” at Brown Brothers Harriman at the time of the scandal. In Prescott’s own words, from the Columbia University oral history: “... the partners, like myself and Knight Wooley, who became — certainly after Lovett went to Washington in 1940 — from then on, we were really running the business, the day to day business, all the administrative decisions and the executive decisions. We were the ones that did it.”

The Union Banking Corporation was capitalized at \$400,000 (most of the stock held by Roland Harriman) and acted as a repository for Thyssen’s funds earned in the United States. Tarpley and Chaitkin have written that government investigators reported “the Union Banking Corporation has since its inception [1924] handled funds chiefly supplied to it through the Dutch bank for Thyssen interests for American investment.” Averell Harriman had been in Berlin in 1922 establishing a “Berlin Branch of W. A. Harriman & Co. under George Walker’s presidency” at which time he “became acquainted with Fritz Thyssen.”

In the 1941 articles it was reported that Union Baking Corporation’s three million in funds had been frozen in May of 1940 and that the three million dollars, came from “organizations [that] did a thriving business rolling-up dollars.” There were four and a half billion dollars in “foreign assets frozen by the US

Government since Adolf Hitler's armies began overrunning Europe" in US banks. Dutch, Belgian, Norwegian and French assets were frozen in 1940 — after the Nazis occupied those countries. German assets were frozen June 14, 1941.

President Roosevelt ordered Axis funds in the United States frozen. In view of the unlimited national emergency declared by the President, ... The Executive Order is designed, among other things, to prevent the use of the financial facilities of the United States in ways harmful to national defense and other American interests, to prevent the liquidation in the United States of assets looted by duress or conquest, and to curb subversive activities in the United States. *Bulletin*, p. 718. See also Vol. 6, *Federal Register*, p. 2897 (<http://www.ibiblio.org/pha/timeline/4106int.htm>)

So had an intrepid reporter, tracking down leads about frozen assets uncovered the story? Or was it some sort of controlled leakage? Over a third of the article consists of the letters to and from the Superintendent of Banks of the State of New York which give some "patriotic" cover for the Brown Brothers Harriman partners. The article also sets out doctored facts, some in the bold subheads, such as "Enlisted Harriman in 1925, that is even contradicted in the newsstory. The theme of the *Herald-Tribune* article is a "chance" meeting, that it may be or not be that bad or duped Thyssen's fault, that no compensation was received and how *above-board* and approved the whole affair is from the governments view. The use of controlled scandal to deflect and cover-up deeper scandal has been used many times in US political life and it sometimes even gets a reporter off an editor's back. The story runs and is forgotten.

No matter what the reason, the reportage was quietly stifled. With Luce's *Time-Life* combine, Harriman's position at *Newsweek* and other Bones influenced media such as CBS, the *New York Times* and others, the *scandal* was effectively killed as an item of news.

There was *no* coverage of the *Herald-Tribune* article's information on the Thyssen/Union Banking Corporation connection in the national news weeklies, the *New York Times*, the *Wall Street Journal* or even the *New York Daily Worker*. The afternoon daily, Hearst-owned *Journal-American's* article was basically a condensed re-hash of the earlier *Herald Tribune* articles.

The next known mention of the Union Banking Corporation in the news was the cryptic one sentence in the December 16, 1944 *New York Times*\* financial pages saying that:

The Union Banking Corporation, 39 Broadway, New York, has received authority to change its principal place of business to 120 Broadway.

The *real* story continued to be suppressed. No reportage that the corporation was taken over by the US Government under the Trading with the Enemy Act

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\* See page 264



in the fall of 1942, nor that the address to where Union Banking Corporation was moved was the Office of the Alien Property Custodian.

Maybe that power to suppress, to fabricate, *to deny everything and to explain nothing* was why Prescott was so blasé and felt no need to hide from his peers his directorship in a company that had already been reported by the New York press to be holding \$3 million dollars in Nazi funds, prior to him putting the “bite” on classmates as the National Chairman in Charge of the 1942 Fund Drive for the USO.

The next mention of Thyssen in the news were reviews in newspapers, and in magazines, such as *Time*, *Newsweek* and *Nation*, for the book, *I Paid for Hitler*, by Fritz Thyssen. In Bonesman Henry Luce’s *Time* magazine October 13, 1941 it was reported that a co-writer, Emery Reeves a journalist, who in April of 1940 met with Thyssen in Paris and persuaded Thyssen to go to Monte Carlo with Reeves, “a collaborator and a secretary.” Where Thyssen would “dictate three solid hours every day, then revised and approved the copy.”

In late May 1940. Reeves went “to Paris to check some names and dates.” As the Germans were also on their way to Paris. Reeves left France for Britain on a British destroyer. “He never saw or heard from Thyssen again. After more than a year, it seemed obvious that Thyssen was a captive; for if he were free, he would have communicated with his family in South America. Alive or dead, he was Reeves decided, beyond the power of the book to hurt or help. So Reeves decided to publish.”

The book has Thyssen pounding his head and muttering “‘*Ein Dummkopf war ich!*’ (What a dumbhead I was)’” and reports about Thyssen’s financial assistance to Hitler prior to the Beer Hall Putsch of 1923. The Thyssen role in financing Hitler is covered extensively in other chapters, so we will not recount that history here. A new revelation in the book was the novel conspiracy theory that Adolph Hitler was the illegitimate son of Baron Rothschild. *I Paid for Hitler* was published in New York, by Farrar & Rinehart. Chairman of the Board of Farrar & Rinehart was John Chipman Farrar a member of the 1918 cell of the Order of Skull & Bones. The class that had been tapped by Prescott’s Bones cell. The 1918 Bones cell included US Congressman Malcolm Baldrige, CIA personnel Director F. Trubee Davison, mega-businessman Artemus Gates and the then, in 1941, Asst. Secretary of War and Brown Brothers Harriman partner Robert A Lovett. They had all been part of the famous Palm Beach, Florida, Yale WW I flying unit.

John C Farrar during WW II was a member of the Psychological Warfare Branch in the Office of War Information and was an editor for some of the OWI propaganda publications.

After the war, Thyssen “denied authorship” of *I Paid for Hitler*. Was there more to the book than met the eye? Was *I Paid for Hitler* created to confuse and possibly rehabilitate certain individuals and diffuse and confuse situations in the war-charged American atmosphere of the early 1940s? Similar to Bonesman



Luce's *Life* magazine reversing the Zapruder film frame of the JFK murder so as to accommodate the physics of the official *story* of that action.

*You have got to be willing to do a lot of things furtively and secretly, to bring about a situation that will accomplish what you want to have accomplished.*

— Prescott Bush, speaking about the intelligence services in his oral history, done by Columbia University.

Prescott definitely understood this and it seems as though he and Brown Brothers Harriman were trying to keep the *scandal* in the dark — before some newshound broke the soon to be squashed news — because in the July 31, 1941, New York *Herald-Tribune* it says that seven months *before*, in January of 1941, Brown Brothers Harriman partner and Bonesman, Knight Wooley had written to the NY State Banking Board Superintendent that “[s]hould the United States enter the war, they [the Union Banking Corporation American directors] felt they might be under some embarrassment, . . . .”

Kept in the dark it was and Prescott won a special election in 1952, after the death of a sitting Senator, to serve as a US Senator from Connecticut. General Dwight Eisenhower, whom Prescott in November of 1951, had urged to run for the Republican party nomination for President of the US was also elected. Prescott golfed with President Eisenhower often, and spent a half-hour alone with him on Ike's last day as President.

Senator Bush served on the Banking Committee, many times as a contact person for World Bank and Federal Reserve officials, who sometimes looked for more casual places to do business than the Senate committee rooms. In his second term — protecting his state's interests — Prescott also served as a member of the Armed Service Committee. For years Connecticut had received more *per capita* of the defense dollar than any other state earning itself the sobriquet, the “Arsenal of Democracy.” That the Military-Industrial Complex began in Connecticut in the 1800s is relevant . . . but another tale.

Prescott was a member of two private clubs in Washington, the Alibi Club and the Alfalfa Club. Every presidential election season, the Alfalfa Club nominates one of its members in jest to run for President of the United States. In January 1959 Senator Bush was the nominee for Alfalfa Party. His acceptance speech was recorded and a transcript was included, by the Senator's request, in his oral history given to Columbia University. In this speech Prescott says:

I recall here the immortal words of Granville Rice, when he wrote:

*The rules of life apply the same  
To any sport you choose  
It matters not how you play the game,  
So long as you never lose.*

Prescott Bush retired from the Senate in 1962, returning to his work at Brown Brothers Harriman. He passed away in October of 1972. Antony Sutton didn't

write his book about the Order of Skull & Bones and the Union Banking Corporation’s involvement with financing Hitler until 1984. The *story* and Prescott’s defense didn’t appear till April 2001, just after his Bonesman grandson’s selection to serve as the President of the United States.

Prescott never heard the *story*. Do we wonder ... what he would have said?



**\*A NOTE FROM DANIËL DE WIT, DUTCH TELEVISION PRODUCER;**

Amongst other things, what we had to cut was the information on the Bilderberg society and the CIA-drugs segment. What was left was as good as dead and was broadcast at the ultimate impossible hour of 5 PM on a Friday afternoon as every possible viewer is in traffic going home. There never was a rerun. The reason we had to, well, kill our ‘child,’ was because the new head of the documentary department at that time could not stand behind our findings. Even though they were based on facts and told by experts. There was also a cultural difference. The new head was just recently promoted to this documentary department from a news section that made very factual clips of maximum five minutes: ‘There is a fire and two people died.’ Whilst our documentary was about ‘who lit the fire and why?’ We had made a documentary — which is a view on reality based on facts — of one hour and twenty minutes and with a subject that is beyond the frame of mind of many people consuming the news that they are fed. This combination of events was the end of our documentary as such.

Making the program was quite an experience, not the least because of all the spooks we had to deal with for the CIA-drugs segment. When we first started in 1995 there was no Internet, just some old stencils of a hard to find book of a man known by only a few and the few who knew him, thought Antony Sutton was dead or lived on a high mountain. To communicate there was the fax and the telephone. In 1996 the Internet came (for us at least) but information on Skull & Bones was still hard to find. Try to explain that to anyone typing in “Skull and Bones” in Google today and getting swamped in information.

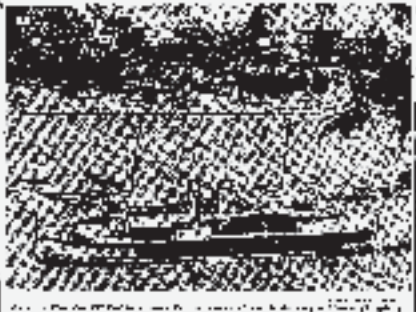
The subject of Bones and all these kinds of institutions and people was a real eye opener. As a matter of fact, it changed my life and made me see the world completely different. So much different that many times things are one hundred percent different than they seem. Not just ten of sixty percent, but really one hundred percent, turned upside down. On the one hand the subject of Skull & Bones became less ‘dark,’ because we found out the society is not some sort of spooky world government, on the other hand it became darker, because these Bones-like institutions and their members show a brute force and an enormous concentrated power that is overwhelming and could make anyone very cynical very easily. That also must be a reason people like to stay away from these realities.

Since corresponding and meeting with Antony Sutton he is my greatest example. He was just a player in the game that has to be played, but he played his role very well. He made a difference. I was then and still am ‘in the research business’, as Antony called it, digging deeper as ever, but it is extremely difficult to find resources to make new documentaries on the subjects I specialize in. Very frustrating, because the market is there. It’s just not easy convincing the people who have the funds about this fact. In the meantime I began DaanSpeak.com, a web page that is an outlet for the information I collect and explain in my articles. It’s a hobby, but a serious one. My main work is being a researcher for television programs. Through my website two program makers contacted me for their Dutch series that looks in a serious way at the phenomenon of conspiracies. The series will show that it is a very normal and obvious phenomenon. The program will air (although you never know) in Holland in January 2004.

Daniël de Wit  
August 2003

**U.S. Protests to Japan on Bombs Near Gunboat and China Embassy**

U.S. officials today expressed their protest against the dropping of atomic bombs on Hiroshima and Nagasaki, Japan, and the attack on the USS Arizona, which sank near the Chinese Embassy in Shanghai.



**Communists' Milk Shortage**

Communists' Milk Shortage: A Milk Shortage in the City of New York is being caused by the Communists' refusal to allow the city to buy milk from private sources.

**Hopkins Tells Student S. Will Kill Red Needs**

Hopkins Tells Student S. Will Kill Red Needs: A statement by Hopkins University officials regarding the needs of students.

**Double Women in Home Defense Is Charged as Mrs. Kern Dies**

Double Women in Home Defense Is Charged as Mrs. Kern Dies: A report on a woman's death and her involvement in home defense.

**Thyssen/Union Banking**

Thyssen/Union Banking: A detailed article discussing the financial relationship between Thyssen and Union Banking.

**The Unkers Raise Retail Prices 2.4% With Regressive Sanction**

The Unkers Raise Retail Prices 2.4% With Regressive Sanction: A report on retail price increases and government sanctions.

**Dewey Won't Run Again for Prosecutor**

Dewey Won't Run Again for Prosecutor: A statement from Thomas E. Dewey regarding his political future.

**Physician Dies \$3,000,000 Cash in New York Bequests**

Physician Dies \$3,000,000 Cash in New York Bequests: A report on a physician's large estate.

**Billman Tells Electrical Union To End Strike at New York**

Billman Tells Electrical Union To End Strike at New York: A statement from a union official regarding a strike.

**Senate Debate On Retention of Soldiers Open**

Senate Debate On Retention of Soldiers Open: A report on a Senate debate regarding military personnel.

**Roosevelt Asks Control Over Prices and Rents To Bar Inflation 'Disaster'**

Roosevelt Asks Control Over Prices and Rents To Bar Inflation 'Disaster': A report on President Roosevelt's request for price and rent control.

**Thyssen/Union Banking**

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News on Inside Pages

NEW YORK

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NEW YORK

The front page of the New York Herald-Tribune, July 31, 1941.

The Thyssen/Union Banking article was continued on page 22 in the financial news section, with three almost full columns plus another full column ancillary story on Thyssen. The articles are reproduced in full in the following pages.

Michael Kranish, the Boston Globe reporter, when we contacted him in August 2003 to tell him that the articles were actually published in 1941 said, "Well, I wrote that so long ago, I can't remember now why — if it is '41 — why it says '42. It is a mystery to me. I do not know what the situation is. But it definitely was there, that is all I can say. The copy that I have, you know, someone put the date in it — maybe that was wrong. I certainly would have tried carefully to put the right date." Mike then wanted to know my purpose for looking in to this. I tell him I am a researcher and writer looking into Prescott Bush and Union Banking.

His then last words on the subject were, "I have looked very thoroughly and I did not find the evidence that the conspiracy theorist allege, so ... if the date is different I just don't know why that is."

New York *Herald-Tribune*, July 31, 1941

## THYSSEN HAS \$3,000.000 CASH IN NEW YORK VAULTS

**Union Banking Corp. May Hide Nest Egg for High Nazis He Once Backed**

By M. J Racusin

In the tides of economic warfare now surging over the world, the New York *Herald Tribune*, has discovered that Fritz Thyssen, the German industrialist who was Adolf Hitler’s original patron on a prodigal scale a decade has \$3,000,000 in American cash, salted away in the bank vaults of downtown New York.

In the American colony of Thyssen enterprises perhaps the most interesting is, the Union Banking Corporation, 39 Broadway, nominal guardian of the \$3,000,000 cache, all in United States currency — a sort of nest egg for Herr Thyssen or perhaps for some of his high-placed Nazi friends when the present troublous days are over.

Among other Thyssen interests in New York are half a dozen corporations engaged in the shipping, export and import trades, centering chiefly about coal and steel industries and operating under the wing of the Union Banking Corporation. These organizations did a thriving business in rolling up dollars for Herr Thyssen in years past, but have been brought virtually to a standstill during the last year by the war.

One of the most fascinating aspects of this story is the mystery surrounding the Thyssen fortune. At the moment, of course, no can get at this Thyssen nest egg, because it is part of the \$4,500,000,000 foreign assets frozen by the United States government since Adolf Hitler’s armies began overrunning Europe.

Government circles assert that the assets of the Union Banking Corporation and its subsidiaries were frozen because capital and control came from Netherlands institution called the, Bank voor Handel en Scheepvaart (Bank for Trade, and Shipping) in Rotterdam one of the Thyssen string of banking houses on the Continent. It was subject to the freezing order, however, as a Dutch corporation and not as a German-owned property.

As the Custodian of all Dutch property outside the Netherlands, the Netherlands government in exile represents that it, too, would seem to have some rights in the matter. Nevertheless all of Fritz Thyssen’s properties were confiscated by the Nazi regime back in 1939, and thus it might appear that the assets here are legally a part of the German government’s assets in the United States.

### Rotterdam Bank Bombed

The Thyssen bank in Rotterdam which nominally owned the New York corporation was bombed out of existence by the invading Nazis in May, 1940. No one in New York professes to know what has happened to the officers of the Rotterdam institution. Not a word of instruction or advice has come from abroad.

Perhaps it wasn’t Herr Thyssen’s money at all, some persons suggest. Maybe he sent it here for safekeeping for some of the Nazi bigwigs — perhaps for Goering, for Goebbels, for Himmler, or even Hitler himself.

No matter how the story comes out, the United States government has the situation in hand. Every penny of known Thyssen assets is frozen, under the strictest control.

There are many Americans in responsible positions who do not think that the rift between Herr Thyssen and the Nazis was genuine at all, preferring to believe that Thyssen was in reality a sort of economic advance agent of the Hitler forces, a financial surveyor and softener-up posing as a refugee.

Reliable private information is that Thyssen has been wandering about Switzerland, France and other European countries before and after the Nazi armies arriving without much hindrance, from the Hitler government. Thyssen is now in Germany — not under confinement, free to move

about but closely watched — perhaps a willing prisoner, perhaps a hostage for his wealth throughout the world.

Herr Thyssen's adventure in the American business world dates back to August, 1924, when without flourishes or ruffles the Union Banking Corporation was incorporated with a capital stock of \$400,000, the money coming from the Bank voor Handel en Scheepvaart, of Rotterdam. It was licensed under the New York State banking laws as an investment corporation.

In addition to known lieutenants of the Thyssen interests in Europe, there appeared and continue to appear on the board of directors of this corporation the names of several partners of the private banking house of Brown Brothers Harriman & Co., 59 Wall Street.

### **Enlisted Harriman In 1925**

This circumstance dates back to a chance meeting in Europe in 1925 between Fritz Thyssen and W. Averell Harriman, a partner of the Brown Brothers, Harriman firm and now minister plenipotentiary to England as expediter of lease-lend aid to the British. Herr Thyssen said to Mr. Harriman that he was opening a bank in the United States to take care of his financial and industrial interests here and, asked Mr. Harriman to serve on the board. Mr. Harriman agreed to have several other members of his firm, go on the directorate.

This took place, of course, at a time when the present world tangle could hardly have been foreseen and when such courtesies were part of the normal routine of international banking relations.

When a new world war began the Brown Brothers Harriman partners sensed possible embarrassment through association with a corporation stemming from German interests and considered withdrawal from the Union Banking Corporation's board. In a consultation with William R. White, State Superintendent of Banks, on the subject Mr. White requested them to remain on the board

to assure efficient administration of the corporation's affairs by trustworthy and responsible persons during the emergency. They agreed to comply with Mr. White's request.

Brown Brothers Harriman & Co. have never had any financial interest in the Union Banking Corporation or any of its subsidiaries, and have never profited in any way from its activities. The association of some of its partners with the Thyssen corporation, it points, out, was entirely a matter of courtesy.

### **Relationship Explained**

The circumstances of relationship were frankly set forth in a letter addressed by Knight Woolley, a partner of the, Brown Brothers Harriman firm, to Mr. White on Jan. 14 of this year. This letter follows:

"January 14, 1941.

"William R. White, Esq.,

"Superintendent of Banks, State Of New York,

80 Centre Street,

"New York, N, Y.

"Dear Mr. White:

"As you are aware, my partners, E. R. Harriman, Ray Morris, Prescott S. Bush and our manager, H. D. Pennington, are directors of the Union Banking Corporation, a state institution under your supervision. This corporation is located, at 39 Broadway, and it is in effect a New York office, or agency, of the Bank voor Handel en Scheepvaart, in Rotterdam. Because of possible uncertainty as to whether the Bank voor Handel en Scheepvaart might be held to be a Dutch institution, or whether it is, in fact, a German institution under a Dutch name, my partners have been giving serious consideration to withdrawing from the board. Should the United States enter the war, they feel they might be under some embarrassment because of their connection with the bank, even though we have no financial interest in the Union Banking



Corporation, nor do we participate in its earnings. They act as directors merely as a matter of business courtesy.

“In order that you may understand clearly the reasons for our doubts, I should like to give you the background of our connection with the Union Banking Corporation. Our partner W.A. Harriman was in Europe in 1925, and at that time he became acquainted with Mr. Fritz Thyssen, the German industrialist. To the best of my knowledge, Mr. Thyssen formed the Bank voor Handel en Scheepvaart and presumably controlled that institution. At one of his meetings with Mr. Harriman, he told him he was forming a bank in New York to look after his interests in the United States and he asked Mr. Harriman to serve on the board. Mr. Harriman agreed that certain of his associates would serve in this capacity, and as a result various members of the Harriman organizations and now of Brown Brothers Harriman & Co., have been on the board ever since.

“The Union Banking Corporation does no commercial business, and its only depositor is the Bank voor Handel en Scheepvaart. Its activities are limited to occasional payments and a few purchases and sales of securities. All shares of the Union Banking Corporation are registered in the name of E. R. Harriman, who is chairman of the board, except the qualifying shares held by directors. As the company is Dutch-owned, its banking accounts were frozen under the Presidential Proclamation of May 10, 1940.

“The Union Banking Corporation maintains accounts with the Chase National Bank, the National City Bank, the Guaranty Trust Company, and ourselves. At present its account with us is the only one which is active, and the drawings are limited to the Payment of salaries and usual office expenses. To further control its operations, we have arranged that either Ray Morris or H. D. Pennington must sign checks jointly with the president of the

company, Mr. C. Lieveense, or with the, assistant treasurer, Mr. W. Kauffmann, and that one of our gentlemen from our organization must be present when access is desired to the company’s safe deposit box at the Chase Bank.

“You have perhaps read in the newspapers recently that, Fritz Thyssen is no longer in Germany, and it has been reported that he has had differences with the Nazi regime. We have no knowledge as to whether he still retains an interest in the Bank voor Handel en Scheepvaart, nor are we able to obtain any information with respect to the stock ownership in the bank.

“In view, of these uncertainties, together with the censorship affecting communications to and from Rotterdam, I realize that the Union Banking Corporation might be placed in an embarrassing position if all the directors were to resign at this time. I feel sure however that you will understand the position of my Associates, and I would greatly appreciate, a frank expression from you as to the action which you feel that they should take should you believe that the interests of the Banking Department would be best served by their continuing as directors until the situation abroad has been somewhat clarified, I know that they will be glad to be guided by, your judgment and I shall greatly appreciate your reaction to this situation and your opinion as to what action, if any, should be taken by my associates.

Very truly yours,  
“KNIGHT WOOLLEY.”

Whites Reply

To this Mr. White replied:

“May 13, 1941.  
“Mr. Knight Woolley,  
“Brown Brothers Harriman & Co.,  
“59 Wall Street,  
“New York City.



Dear Mr. Woolley:

“Reference is made to your letter of January 14 and to conversations which you and certain of your partners have since had with me relative to the status of the Union Banking Corporation.

“During recent months this department has been obliged to give unusual attention to certain of the banking organizations in this country which have been affected by the freezing orders. This, however has not been true in the case of the Union Banking Corporation because of the confidence which the department has in the directors of this institution

“While the department would, not feel free to object if your partners, Mr. Harriman, Mr. Bush, and your firm’s manager, Mr. Pennington, should desire to resign as directors of the corporation, nevertheless the department would be gratified if these gentlemen could find it possible to remain on the board during this period of uncertainty.

“I appreciate your thoughtfulness in bringing this matter to my attention and the willingness of yourself and your associates to consideration to the department’s point of view in the matter.

“Sincerely yours,  
“WILLIAM R. WHITE.”

**Personnel and Assets**

The personnel and financial setup of the Union Banking Corporation is provided in the following report of the institution, issued on Jan 1, 1941:

UNION BANKING CORPORATION. NEW YORK, 39 BROADWAY, ORGANIZED 1924  
Cornelis Lievens, President  
Walter Kauffmann, Treasurer  
Directors- Cornelis Lievens, E. Roland Harriman, R. D. Pennington, P. S. Bush, J. Kouwenhoven, Ray Morris, J. G. Groeninger

**RESOURCES**

Cash on hand and due from banks (domestic) .....\$2,817,763.95  
Bond and Stock investments ..... 232,880.25

Other loans, notes and bills (including other acceptances) .....53,000.00  
Accrued Income .....947.66  
Total resources.....\$3,104,591.86

**LIABILITIES**

Deposits: Demand .....\$115,880,14  
Due to banks (domestic and foreign).....2,262,040.20  
Other Liabilities .....822.64  
Capital stock .....400,000  
Surplus and undivided profits.....302,339.70  
Reserves.....23,503.18  
Total liabilities.....3,104,591.86

**Lievens a United States Citizen**

The dominating personality in the administration of the Thyssen domain in the United States is the shy and little known Cornelis Lievens, a colorful little Hollander who arrived in this country by way of Montreal in May, 1926, two years after the Union Banking Corporation was set up. Mr. Lievens is a naturalized American citizen having received his final citizen papers on Jan. 29, 1932, at Mineola, L.I.

Besides the Union Bank Corporation, Mr. Lievens is president of the Holland American Corporation, the Domestic Fuel Corporation, and the Seamless Steel Equipment Corporation.

All of these occupy offices with the Union Bank Corporation at 39 Broadway. Others in the group at that address are the Kemari Trading Corporation, the Riberena Fuel and Chartering Corporation, Kauffmann & Co. and Religious Publications Inc.

Mr. Lievens admitted that the assets of the Domestic Fuel Corporation, the Holland American Trading Corporation and the Seamless Steel Equipment Corporation had all been frozen along with those of the Union Banking Corporation by the Treasury Department. He said the business of the whole group, aside, from the bank, hardly approached \$1,000,000 annually.

**Blacklisted by Canada**

He admitted also that the Domestic Fuel Corporation, which had been bringing cargoes of, coal from the Thyssen mining

interests in Europe to Canada and other Western Hemisphere points, had been blacklisted by the Canadian Trade Commission in the fall of 1940.

Mr. Lievense would reveal little of the operations of the corporations beyond saying that they are now under the strict supervision of the Treasury Department and that there was “very little activity.”

He insisted, however, that Religious Publications, Inc., although occupying offices with the Union Banking Corporation and the others, was not a Thyssen venture but was purely his personal affair.

“This is a philanthropic venture of mine,” he explained with disarming sincerity, “undertaken to bring out the religious works of Dr. K Schilder, a Dutchman who has recently been released from a German concentration camp. This is in no sense a profit-making venture and must not be associated with these other business organizations.”

Three of Dr. Schilder’s books have been, brought out by the William B. Eerdmans Publishing Company, of Grand Rapids, Mich., and were translated from the Dutch by Henry Zylstra. They bear the titles, “Christ In His Suffering,” “Christ on Trial” and “Christ Crucified.”

### **On Other, Thyssen, Boards**

Mr. Lievense speaks in soft, low tones and merely smiled broadly when questioned about his association with Herr Thyssen. His name appears as a director of the Thyssen Holland American Investment Corporation, at Rotterdam. He is a member of the board of the August Thyssen Bank, Aktiengesellschaft, at Berlin, and, he is also a director of the Handelscompagnie Ruilvkeer, a Thyssen bartering company at Amsterdam.

Two of Mr. Lievense’s associates, on the board of the Union Banking Corporation,, J. G. Groeninger and N. J. Kouwenhoven, are among Herr Thyssen’s chief managerial assistants in the conduct of many of his European Projects. Kouwenhoven is

an old school friend of Mr. Lievense and is managing director of the Bank voor Handel en Scheepvaart. He is also managing director of the Holland American Investment Corporation and is on the board of the Thyssen-owned Vlaardingen Harborworks.

Groeninger is managing director of the Thyssen-owned Halcyon Line, with headquarters at Rotterdam. It was this corporation which refused to transfer its headquarters and assets outside Holland when the Netherlands government warned all industrialists to take their properties to Dutch colonies at the time of the Nazi Invasion. Just before the arrival of the German forces at Rotterdam, the British and Dutch navies seized eleven of the thirteen ships of the line and incorporated them in the British shipping pool. It is understood that three of these ships have since been destroyed. Only two ships of the line fell into the Nazis, hands.

### **Only One Has Visited U. S.**

Both Groeninger and Kouwenhoven are directors of the local Holland American Trading Corporation. Groeninger is also on the board of the Bank voor Handel en Scheepvaart and is a director of the Vulcan Rhine Shipping Co., another unit in Thyssen’s industrial kingdom. Kouwenhoven visited the United States about four or five years ago, Mr. Lievense said, but Groeninger appears never to have been here.

“I have told the government, Authorities everything I know and that is all I can say,” Mr. Lievense said in a tolerant manner. “As, a matter of fact, I cannot say now who owns this money and this bank and these corporations. I cannot tell you if Mr. Thyssen owns it or not. You know, of course, that the building the Bank voor Handel en Scheepvaart has been bombed out of existence. Where is it now? Who owns it? Who knows?”

Pacing the floor of his office on the twenty-fifth floor of 39 Broadway, he said,

“All I know is that I am here and that the United States government is exercising strict supervision of all activities of the bank and these corporation. I cannot tell you whom I am working. You may be sure there is really little to do. All these corporations in their best years have done less than \$1,000,000 annually.”

Mr. Lievense added that his business had slowed down to such a degree that he had to let out two or three of his office force and had reduced his three-room office to two rooms.

### **Has Time to Play the Organ**

“In fact” he said, “I have been, spending too much time indulging in my favorite pastime — playing the organ at my home. I also play the organ for the Whiteman Memorial Baptist Church at Oyster Bay, What else is there to do?”

Mr. Lievense and his wife, Maria Jacobs, have lived in a rambling two-story semi-Colonial home in Cedar Swamp Road, in the High Hills Farm section of Glen Head L. I., for the last eight or ten, years.

He passes much time visiting the tulip beds in the vicinity of his home. He is a member of the Netherlands Club, and was born in Maassliuis, Holland, July 28, 1890.

Below is a sidebar article from *Herald Tribune*  
July 31, 1941, page 22.

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## **Thyssen's Role In World Affairs Still a Mystery**

**Original Hitler Backer May  
Be Refugee or Nazi Agent  
if He's Alive and at Large**

Fritz Thyssen, once ruler of the German steel trust and most important backer of Adolf Hitler in the early days of the Brown Shirt revolution in Germany, is the interna-

tional mystery man of today. It is anybody's guess whether he is a genuine refugee from the Nazi terror or a Hitler agent wrapped in a fugitive's cloak. The world at large does not know where he is or even whether he is alive. And it has, apparently, no way of finding out.

On March 17 it was reported in Vichy, France, that he had been arrested on the Riviera in December, returned to Germany and lodged behind the barbed wire of Dachau concentration camp. Four days later German authorities announced that he was not in France or in Dachau but in South America. Earlier this month informed sources in Germany said he had been released from custody and was in a German sanatorium enjoying “limited freedom of movement.”

Contradictory reports of Herr Thyssen's status are not new in the history of the man who, more than any other, financed Hitler's rise to power. Since 1934 vague rumors of breaks between Thyssen and Hitler have circulated from time to time. They came to a head on Nov. 11, 1939, when it was announced that he had left Germany for Switzerland “for an indefinite stay.” The next day he arrived in Lucerne and for several months kept correspondents regarding his hints that he quit his country after protesting against the Nazi-Soviet pact and urging Hitler through Hermann Wilhelm Goering, not to go to war.

### **Property Confiscated**

A week after his arrival in Switzerland it was announced in Berlin with fanfare that the Reich had confiscated his fortune and property estimated to be worth at least \$88,000,000. It was done on the basis of a law aimed at persons inimical to the people and the state. On Feb. 12, 1940, a decree was published in the official German gazette stripping him and his wife of their citizenship. They were then living in luxury in a Locarno hotel.

From then until his disappearance from the Riviera his movements were of a nature to arouse suspicion, or at least puzzlement.

He was in Belgium in March, 1940, and within a few weeks Hitler’s armies forced the surrender of that country. From Belgium he moved to France, where he remained unmolested long after the French bowed before Hitler’s legions.

Thyssen’s residence at the Hotel Crillon in Paris while the German armies gathered in front of the, Maginot Line puzzled the Parisians. It seemed strange to them that a man who was a declared enemy of France and the prime mover of Hitler’s coup should be ensconced in the French capital at that particular time, able to get the ear not only of French industrialists but also of French politicians.

The same puzzlement arose after the French surrender when Thyssen supposedly an enemy of the Reich was allowed to sun himself for months on the sands of Cannes, although the German authorities could have had him for the asking.

### **Mentioned as Roehm Associate**

All this maneuvering was an echo of an earlier incident in his career. In 1934 after Hitler had assumed the Chancellorship with the staunch help of Thyssen, Berlin began to buzz with rumors of a split among the Nazis. It was also said that Thyssen was seen frequently in the company of Captain Ernst Roehm, one of the leaders of the supposed plot against the Fuehrer.

In the blood bath of July 30, 1934, when Hitler purged his party by killing Roehm and others, there was no mention of Thyssen’s having a part in the conspiracy. Yet, when he sailed in August for South America, it was reported that he was fleeing. Despite his intimacy with Roehm however, Thyssen apparently suffered none of Hitler’s suspicion. After studying the steel business of South America, he returned in the spring to Germany and took up where he had left off.

In the various accounts of the string-pulling responsible for Hitler’s rise in Germany, there is no suggestion that Thyssen shelled out his marks to the Nazi

party for any reasons but selfish ones. He was a firm believer in capitalism so far as capitalism was represented by the palatial Thyssen chateau, the roaring Thyssen steel furnaces in the Ruhr and Rhine valleys and the 120,000 workers who owed their daily bread to the Thyssen pay rolls. Hitler’s main appeal to him was as a defender of Capitalism against the Bolshevik bogey.

The Thyssen holdings were hard hit in the German inflation and the subsequent struggle of German industry against the restrictions imposed under the Versailles Treaty. Thyssen hated the French, distrusted the German Republic and dreaded socialism. He began to look around for an antidote to the three-headed monster of his imagination. In 1927 he found it in the person of an Austrian former house painter.

### **Started Pushing In ‘30**

Thyssen kept an eye on Hitler and, when the depression in 1930 rocked the Thyssen industrial empire, decided that it was time to push the Nazi leader. He introduced him to prominent industrialists, promised them that Hitler’s National Socialism was only window dressing and helped to pry money for the cause from their pockets. In 1930 he and a business associate distributed 1,000,000 marks to the party and two years later, before the fateful presidential election leading to Hitler’s Chancellorship, Thyssen donated 3,000,000 more.

His reward was to be made economic dictator of western Germany and a member of the Reich’s Grand Economic Council and Prussian State Council. He also had a seat in the Reichstag.

If the version that would picture him tossed over by Hitler is correct, he mistook his man when he patronizingly gathered the Fuehrer under his wing. His idea was to guide Hitler in the paths of safety for the Thyssen fortune. Like other German industrialists with same thought, however, it would appear that his supported puppet turned out to be a Frankenstein monster.





## Thyssen Fund Of \$3,000,000 Found Here His Nazi nest egg in Uncle Sam’s cold storage.

Existence of a \$3,000,000 fund established here by Fritz Thyssen, German industrialist and original backer of Adolf Hitler at the beginning of the latter’s rise to power, was disclosed today.

Whether the money is for Thyssen personally, or, perhaps, for some of his high-placed Nazi friends in the event of an “emergency” compelling them to leave Germany, no one knew.

However, it will do neither Thyssen nor any of his Nazi friends any good now, as it has been “frozen” along with the \$4,500,000,000 Axis assets now held in this country.

### INVESTMENT COMPANY.

The money exists in funds of the Union Banking Corporation, an investment company incorporated and licensed under new York State laws in August, 1924.

Money for its \$400,000 capital stock came from Thyssen’s Bank voor Handel en Scheepvaart in Rotterdam.

Among members of its board of directors are E. R. Harriman, Ray Morris and Prescott S. Bush, partner in the firm of Brown Brothers Harriman & Company, of which W. Averell Harriman is now American minister plenipotentiary to England.

Also a director is H. D. Pennington, Brown Brothers Harriman & Co. manager.

On Jan. 14, 1941, Knight Woolley, another partner in the harriman company, wrote to State Banking Superintendent William R. White in behalf of Harriman, Morris, Bush and Pennington.

“Should the United States enter the war, they feel they might be under some embarrassment because of their connection with the bank, even though we have no financial interest in the Union Banking

Corporation, nor do we participate in its earnings,” Woolley wrote.

### SEEKS STEPS TO TAKE

He asked White for “a frank expression from you as to the action” the Harriman directors should take. Their own impulse, he indicated, was to resign en masse from Thyssen’s bank.

White, however, replied on May 13:

“While the department would not feel free to object if your partners, Mr. Harriman, Mr. Morris and Mr. Bush, and your firm’s manager, Mr. Pennington, should desire to resign as directors of the corporation, nevertheless the department would be gratified if these gentlemen could find it possible to remain on the board during this period of uncertainty.”

He plainly indicated that he considered it best, if Thyssen or other Nazi money was tied up in the Union Banking Corporation, to keep the corporation under Harriman’s Morris’s, Bush’s and Pennington’s control, thus effectively checkmating whatever Thyssen’s plan might be.

All of the shares of the Union Banking Corporation are registered in the name of E. R. Harriman, who is chairman of the board, except the qualifying shares held by other directors.

Mr. Woolley related the circumstances leading to the selection of the Harriman partners on the board of directors. He said:

### ‘BUSINESS COURTESY.’

“Our partner, W. A. Harriman, was in Europe in 1925 and at that time he became acquainted with Fritz Thyssen.

“To the best of my knowledge, Thyssen formed the Bank voor Handel en Scheepvaart, and presumably controlled that institution.



"At one of his meetings with Mr. Harriman he told him he was forming a bank in New York to look after his interests in the United States, and he asked Mr. Harriman to serve on the board.

"Mr. Harriman agreed that certain of his associates would serve in this capacity, and as a result various members of the Harriman organization, now Brown Brothers Harriman & Co., have been on the board ever since."

Mr. Woolley emphasized that these directors act "merely as a matter of business courtesy."

President of the Union Banking Corp. is Cornelis Lievense, Holland-born, who came to the United States by way of Montreal in May, 1926, two years after the bank was set up.

He is now a naturalized American citizen, having received his final papers in Mineola, L. I., Jan. 29, 1932.

He is president also of the Domestic Fuel Corp., Seamless Steel Equipment Corp., and Holland-American Trading Corp., all of which share the Union Banking Corp.'s offices at 39 Broadway.

### ASSETS FROZEN

The assets of all three of these firms also have been "frozen" by the U. S. Government, Lievense admitted.

Last Fall, the Canadian Government blacklisted the Domestic Fuel Corp., which had been bringing coal from Thyssen's European mines to Canada.

Also housed in the same offices with the bank are the Kemari Trading Corp., Riberena Fuel Y Chartering Co. Religious Publications, Inc., and Kauffmann & Co.

Reached early today at his home on Cedar Swamp Road in the Glen Hills Farm section of Glen Head, L. I., Lievense said:

"I have nothing to say. I have no comment to make on anything, especially when I'm asleep."

Besides the Harriman officers on the board of the Union Banking Corp., there

are J. G. Groeninger and N. J. Kouwenhoven.

Kouwenhoven is managing director of the Bank voor Handel en Scheepvaart, managing director of the Holland-American Investment Corp., and a member of the board of the Thyssen-owned Vlaardingsen Harborworks.

Groeninger is managing director of the Thyssen-owned Halcyon Line, which refused to obey the Netherlands government's order to all industries to remove their properties to the Dutch colonies, just before the Nazi invasion."

Thyssen himself, according to best obtainable advices, is now back in Germany. For a time he wandered about Switzerland, France and other European countries. His present status is said to be that of, perhaps, a willing prisoner, not in confinement but under surveillance, perhaps a hostage for his wealth throughout the world.

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## Prescott Sheldon Bush

- Business:* General Partner in the firm of Brown Brothers Harriman & Co. (private bankers), 59 Wall Street, New York City.
- Residence:* Grove Lane, Greenwich, Conn.
- Married:* Dorothy Walker, August, 1921, Kennebunkport, Me.  
Daughter of George Herbert Walker and Loulie Wear.
- Children:* Prescott Sheldon, born August 10, 1922; George Herbert Walker, born June 12, 1924; Nancy Bush, born February 4, 1926; Jonathan James, born May 6, 1931; William Henry Trotter, born July 14, 1938.

Pres has been a General Partner of Brown Brothers, Harriman & Company since January 1, 1931. He is a director of the following corporations: Columbia Broadcasting System, The Dresser Manufacturing Co., The Union Banking Corporation, The Simmons Company, Massachusetts Investors Second Fund, The Rockbestos Products Corporations, The Vanadium Products Corporation of America, The United States Guarantee Company, Commercial Pacific Cable Company, and he is Chairman of the Board of the Pennsylvania Water & Power Company.

His son Prescott, Jr. is a member of the Class of 1944 at Yale, and his son George Herbert graduated this year from Andover Academy. Nancy is at Miss Porter's School at Farmington while Jonathan James attends the Greenwich Country Day School. William Henry Trotter Bush, age 3, better known as "Buck" is still too young to attend any school.

Pres is quite active in local town politics. He has been a member of the Representative Town Meeting of Greenwich since 1933 and has been Moderator of this body since 1935. He is a member of the Greenwich Defense Council. He is a member of the Republican party and has been active in local campaigns for the last eight years. Since 1938 he has been a director of the Greenwich Hospital Association. He is also a trustee of the Greenwich Boys Club. He belongs to the Yale Club of New York and has been a member of the Council since 1938. He belongs to the Lunch Club of New York, The Roundhill Club of Greenwich of which he was President from 1935 to 1938 and belongs to the Field Club of Greenwich.



period he also served successively as Secretary, Vice-President and President.

Pres writes: "It has been my good fortune to be closely associated in business for a good many years with Classmates of 1917. These are Bunny Harriman, Knight Woolley and Ellery James, who unfortunately died in 1932. In addition to these the firm of Brown Brothers Harriman & Co. has been rather heavily populated with Yale men, including — Averell Harriman, 1913; Bob Lovett, 1918; Thatcher M. Brown, 1897; Ray Morris, 1900, and a number of younger men who were graduated in the middle or late twenties, whose names are probably not familiar to the Class. The firm in which we have been associated has been established in business since 1818 and has the rather unique record of having maintained its place of business since that time in exactly the same location at 59 Wall Street, although the present building is the third one which has housed the business. In spite of the many changes in the political and economic life of the country over this long span of years the firm has been handed down from one group of partners to another in an unbroken line, and even today our senior partner is a direct descendant of the founder and his son is also now a member of the firm.

While the record of this firm is in no way spectacular, and while in comparison with our many huge banking institutions throughout the country the firm is relatively inconspicuous, it is nevertheless true that the firm today is larger and perhaps fully as vigorous as it has ever been. Thus, I feel that the association with this organization has been indeed a privilege and a satisfaction. I mention this because there is no doubt that my own participation in the business is traceable entirely to my acquaintance at Yale. I gratefully acknowledge the debt that I owe her for having made such a happy business life possible.”

To the cognoscenti, and who of 1917 is not one of them, it is entirely unnecessary to announce that early this year Pres was appointed National Chairman in Charge of the 1942 Drive for funds for the United Service Organization (USO). At this writing, July, 1942, he is still in the midst of his campaign so it is impossible to state the measure of his success. Knowing Pres, however, we venture to predict that his total will eclipse that collected last year, and will give those that may follow him in this worthy project something to shoot at.

PRESCOTT SHELDON BUSH, care Simmons Hardware Company, St. Louis, Mo.

Enrolled for Plattsburg, 1916, but transferred to Battery A, Tobyhanna; Yale R. O. T. C.; first Officers’ Training Camp, Fort Benjamin Harrison; commissioned Captain, Field Artillery, U. S. R., August 15, 1917; assigned as Instructor to second Officers’ Training Camp at same post; attached to 322d Field Artillery, in command of Battery D, Camp Sherman, November 30, 1917; ordered to School of Fire, Fort Sill, about March 14, graduating May 24, 1918; went overseas June 14, assigned to Headquarters, 158th Field Artillery Brigade, as Intelligence Officer on General Fleming’s staff; in August ordered to Verdun for special training in connection with the Intelligence Service, and assigned for period of three weeks to a staff of French officers; 158th Brigade, 32d Division, ordered to the front about September 15, serving continuously in the Meuse-Argonne Offensive until the Armistice; November 16, transferred to Headquarters, 7th Corps, serving as Operations and Intelligence Officer in march to the Rhine; transferred to the 132d Field Artillery, January, 1919; returned to the United States, March 25, and received discharge April 4, 1919.

From: History of the Class of 1917  
Yale College, War Record – 1919

PRESCOTT SHELDON BUSH

Vice-president of W. A. Harriman & Company, Inc. (investment bankers),  
39 Broadway, New York City.

Residence, Stanwich Road, Greenwich, Conn.

**B**USH accepted a position with the Simmons Hardware Company of St. Louis soon after his discharge from military service in 1919, and in January, 1921, he was made a member of the board of directors and assistant general manager of the company. About two years later he became general manager and treasurer of the Hupp Products Company of Columbus, Ohio, but resigned in November, 1923, to become president, in charge of sales, of the Stedman Products Company in South Braintree, Mass. He was made manager of the foreign division of the United States Rubber Company in New York City in February, 1925, but gave up that position in May, 1926, to become associated with W. A. Harriman & Company, Inc.

Bush is secretary of the United States Golf Association, and he belongs to the Yale and Lunch clubs in New York City and to the Round Hill and Field clubs in Greenwich. He is a member of St. Paul’s Church, Greenwich.

He was married on August 6, 1921, at Kennebunkport, Maine, to Dorothy Walker. Mrs. Bush, who attended Miss Porter’s School in Farmington, is the daughter of George Herbert and Lu-Jr., born at Kennebunkport in August, 1922; George Herbert Walker, born in Milton, Mass., in June, 1924; and Nancy, born in New York City in February, 1926.

From: History of the Class of 1917 Yale  
College, Decennial Record – 1928