Chapter 9

The Policy of Accommodation
Put to the Test

The Commandeering of Gold and Foreign Currency

The Currency Protection Office (Devisenschutzkommando) was notifying the Belgian civilian population as early as 21 May 1940 that free access to the hired safe-deposit boxes in the strong-rooms of the private banks was temporarily suspended. The hirers were requested to present themselves and, by appointment, to open their safe-deposit box in the presence of a representative of the Kommando, who would verify the contents and list them. Should the hirers not appear, members of the Kommando would force the boxes and, after verification, draw up an authenticated inventory of the contents. Gold, foreign currency and securities would be deposited in safe custody with the bank in question, cash placed on a blocked current account and jewellery placed in an envelope that would then be sealed and entrusted to that bank.

However, the occupier’s search for gold, foreign currency and foreign securities went further than the inspection of safe-deposit boxes in banks. On 17 June 1940, the Military Government issued an ordinance prohibiting the population and other authorised persons in the occupied territory from having free disposition of gold, foreign currency or foreign securities; anyone in possession of them was required to declare them to the nearest local office of the Reichskreditkasse. Further instructions were to follow in an eventual total of twelve decrees that were promulgated subsequently.

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2 BNB, Archives, SD, Malaise Papers, 3, dossier 9.5.11, s. f. 4: Kauch, rapport au Roi (20.12.1943), p. 100.
On 2 August, in a first decree, gold, gold coins, US dollars, Swiss francs and Swedish kronor were required to be declared and offered for sale to the Banque d’Emission, from where they would be transferred on a weekly basis to the Reichsbank in Berlin. It is to be noted that in the decree nothing was formally ‘assessed’, but great pressure was exercised on owners to sell\(^3\). Later, this requirement was expanded to include other metals, such as platinum and silver. A decree of 27 August, concerning all foreign shares, bonds and government securities, as well as other assets held abroad, explicitly emphasized that Congolese shares and securities were also to be regarded as ‘foreign’. Lastly, the requirement was extended to include virtually all European and Latin-American currencies, plus the Canadian dollar and the Japanese yen\(^4\). Apparently, and somewhat oddly, there was no interest in sterling holdings, though this situation was to change in February 1943, when these, too, had to be declared and offered for sale\(^5\).

It was not only the numerous holders of precious metals, hard currency and foreign shares who were affected by the decrees; the Bank, too, felt itself targeted. Janssen informed von Becker that the decree of 17 June and the implementing decree of 2 August had hit the Bank hard, as it removed any possibility for the Bank in the future to build up a gold reserve or a portfolio of foreign reserve currencies, over and above its holdings of Reichsmarks; the country was in desperate need of such reserves to buy foodstuffs and raw materials. Further, he asked whether it would not be better to allow the Banque d’Emission to keep the gold and foreign currency it had purchased and use them as an exchange reserve, rather than sending them to the Reichsbank in Berlin\(^6\).

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6 BNB, Archives, Studiedienst, 9, dossier 01.02.01.70 (A 240/6): letter of 29.08.1940 from Janssen to von Becker.
In its answer of 11 September, the Bankaufsichtamt rejected this suggestion, arguing that the general centralization of these assets in Berlin was necessary in order to secure their efficient use in the interests of the ‘European’ economy.

Bad blood was likewise created by the ordinance of 27 August concerning the declaring and offering for sale of foreign shares, bonds and government securities. Janssen turned again to Rolin for advice. The centralization of foreign currency in a special Banque d’Emission account at the Reichsbank and the refusal to allow the Banque d’Emission, to dispose of it, were in Rolin’s view against art. 52 and 53 of the Hague Convention: the Reichsbank could, if deemed necessary, always commandeering the contents of the account, thereby giving the occupier the disposition of some private Belgian assets in the event of a European emergency. The Bank and the Banque d’Emission therefore ought not to acquiesce in this disguised confiscation or actively participate in voluntary or compulsory purchase operations, nor in the centralization of the purchased items, nor in their transfer to Berlin. Any active participation would imply giving financial assistance to the enemy and would fall under article 115 of the Belgian Penal Code.

Janssen, Plisnier and the private bankers brought a great deal of pressure to bear on the Bankaufsichtamt to tone down the measures. Their efforts produced a response: the Military Government agreed to exempt colonial shares and securities from the obligation to declare and offer them for sale. This came as a great relief, particularly for the Société Générale de Belgique, though also for the many Belgian private individuals, holding companies, businesses and institutions that had traditionally invested in such valuables. There was also a second con-

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7 BNB, Archives, BR BEB, 16.10.1940. See also: BNB, Archives, SD, ‘enquête BEB’: report of the Commission of Enquiry (published 1946), Part 1, p. 159.
8 BNB, Archives, SD, 30, BEB, dossier 8.11.24 s. f. 16: note de L.H. Dupriez (sur la quatrième ordonnance relative aux devises étrangères du 27 août 1940), 09.09.1940; BNB, Archives, SD, dossiers officiels après 1945, dossier 13: note résumant l’entretien du mardi 24 septembre 1940 entre M. le Gouverneur et M. Henri Rolin, 01.10.1940.
9 BNB, Archives, SD, dossiers officiels après 1945, dossier 13: note résumant l’entretien du 24 septembre entre M. le Gouverneur et M. Henri Rolin, 1 octobre 1940 (in adendum: letter of 08.10.1940 from Rolin to Janssen).
10 BNB, Archives, Contentieux: nota, 12.09.1940; BNB, Archives, SD, Malaise Papers, dossier 9.5.11, s. f. 4: Kauch, rapport au Roi (20.12.1943), pp. 107-109.
cession concerning foreign securities, which now were no longer required to be offered for sale, though they still had to be declared

However, neither of the two concessions was mentioned in a new implementing decree; rather, they were communicated verbally and Janssen took it upon himself to use the press to announce them to the public. It was also a fact that no further mention of the two original obligations was made on the declaration forms. Privately, and aside from any ordinance, transactions in foreign shares and securities were still taking place between Belgian and German civilians and institutions, this period seeing numerous Belgian assets in Eastern and Central Europe being sold to German firms and private individuals. In general, these arose from participating in banks, companies and buildings that had given Belgian investors little satisfaction, particularly during the 1930’s, when profits were frozen for years or the repatriation of invested capital prohibited. The Germans, looking to increase their sphere of influence in those regions, were very avid buyers. The transactions also fitted in extraordinarily well with Goering’s policy of economic integration, which was only gradually under way in the rest of the occupied territories

For precious metals and foreign currency, the obligatory declaration and offer for sale remained in force. Janssen ultimately assented to the measure and was also prepared to accept the role of the Banque d’Emission in centralizing the purchases and in transferring them to Berlin. It is probable that he still nurtured the hope that his good personal relationship with Puhl, Deputy-chairman of the Reichsbank, would lead to the Banque d’Emission retaining some say in whether the valuables could be used for the purchase of foodstuffs and raw materials

Rolin was not happy with the accommodating stance adopted by Janssen in the planned announcement on the matter, and particularly with the acceptance of the role of the Banque d’Emission in centralizing

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11 BNB, Archives, sd, Malaise Papers, dossier 9.5.11, s. f. 4: Kauch, rapport au Roi (20.12.1943), pp. 104-105.
13 BNB, Archives, BR BEB, 16.10.1940.
and transferring gold and foreign currency to Germany. Janssen took account of Rolin’s opinion and corrected his original text, the new version of which he submitted to the board of directors. There was unanimous agreement for the role of the Banque d’Emission in transferring gold and foreign currency to Berlin, but under the explicit condition that the value they represented be used solely for financing the import of foodstuffs and raw materials to Belgium.

What prompted the Military Government to go some way to meeting the demands from the Bank, the Ministry of Finance and the private banks for the ordinance of 27 August to be watered down? It may well have been that it was sensitive to the argument that the measures contravened the norms of international law: during the Second World War, the German authorities, indeed, tried as much as possible to keep their actions legitimate within national legislation and within the international arrangements and conventions then in force. The Belgian leadership was often struck by the occupier’s concern with legality and had learned to use it to their own advantage: if German demands were thought to be excessive, the leadership argued against them on the basis of legal principles and attempted first to demonstrate that the proposed measures contravened national or international law.

The Bank also attempted to take a more subtle line in resisting the dictates imposed on it and to incorporate a certain ‘leisureliness’ into its cooperation, which proved relatively successful in dealing with the declarations about foreign assets. Declarations and offers for sale poured in during the summer and autumn of 1940. The declarations led to a total of about 400,000 dossiers being created, but no additional help to those who had to handle them was forthcoming from the Bank. The Bankaufsichtamt became impatient and indeed suspicious, and laid down that priority be given to the declarations concerning gold and foreign currencies. Between July 1940 and August 1944, the Banque d’Emission transferred to the Reichsbank 210.9 million Belgian francs.”

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14 Commission d’études sur le sort des biens des membres de la communauté juive de Belgique, final report (final evaluation, conclusions and proposals), Brussels, 2002, p. 455.

15 In respect of what follows, see the memorandum from R. Simonis regarding the interview granted to W. Pluym in 1998: ‘Quelques souvenirs de la période de guerre à la Banque’.
worth of gold and 94.7 million Belgian francs’ worth of foreign currency, the greater part before the end of 1940.

Another aspect of the commandeering of gold, money and other valuables, one in which both the Bank and the Banque d’Emission were involved, concerned the persecution of the Jews. Belgian Jews and Jewish firms had to open their safe-deposit boxes in the same way as all other Belgians, but from October 1940 they were subject to a series of additional measures. With effect from 28 October, for example, all Jews were required to have their names recorded in the Jewish register and all Jewish firms were required to enrol with a special registration service. It was then but a short while before the Military Government focused its attention on the Jewish community’s financial assets, an ordinance of 31 May 1941 obliging all Jews and Jewish firms to notify their banking institution that they were Jewish, to transfer their deposits to an account at one of the recognized exchange banks and to deposit their holdings of Belgian and foreign securities with that same exchange bank.

The Bank found itself caught up in this measure, as fifty or so of its clients – individuals and firms – holding a current or a custody account gave notification that they were Jewish. Not having the legal status of a recognized exchange bank, the Bank was consequently obliged in principle to transfer their credit balances. It nevertheless obtained the right to retain the accounts. In the autumn of 1942, however, the Military Government decided to centralize all Jewish bank and custody accounts at the Brüsseler Treuhandgesellschaft, a management company in Belgian law, under German control; this company in turn demanded that all those accounts be transferred before 31 January 1943 to its account at a French institution under German control, the Société française de banque et de dépôts in Brussels. The Bank allowed the investigations into the exact amount of the balances to drag on and

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it was only in the spring of 1943 that the credit balances of seventeen accounts were transferred, most of which did not even amount to 300 Belgian francs; all the other accounts showed a negative balance which precluded any transfer.

THE FRAUDULENT CLEARING SYSTEM

By the time the Second World War broke out, the monetary world order had already moved a long way from the gold standard. During the depression of the 1930s, many countries had scrapped not only their currency’s gold convertibility, but also its linkage to gold. Most of them had then introduced a system of floating currencies, sometimes with the national currency floating against all other currencies and sometimes with the national currency as part of a group of currencies – as in the case of the sterling zone – with fixed exchange rates against each other, but floating against all other currencies. Other countries that had abandoned the gold standard introduced a bilateral system of fixed exchange rates, linked to a strict commercial policy.

Until the German invasion, the Belgian government maintained the gold convertibility of the Belgian franc and foreign payments remained in principle unrestricted. Clearing accounts were nevertheless opened at the Bank for countries that officially permitted foreign transactions only on that basis. With the occupation of Belgium, the situation changed: the Belgian franc was now in the German Reichsmark zone and Belgian foreign payments would consequently be integrated into the German clearing system. On 10 June 1940, immediately after the occupation had become a fact, an official of the Bankaufsichtamt met Goffin to discuss the situation, but Goffin pointed out that such arrangements fell within the competence of the Ministry of Finance. Plisnier was then brought into the matter and authorized the Bank to co-operate in the implementation of the German clearing system. The definitive arrangement was published in a notice of 10 July 1940 in the German Official Gazette. All payments from Belgium to German creditors were required to be transferred to an account in the name of

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18 BNB, Archives, sd, 31, Malaise Papers, dossier 8.11.25, s. f. 10, 'entretiens' (meeting between Goffin and Flad, 10.06.1940).
the *Deutsche Verrechnungskasse* at the Bank in Brussels; conversely, all payments from Germany to Belgian creditors would be transferred to an account in the name of the Bank at the *Deutsche Verrechnungskasse* in Berlin; payments would be at a fixed exchange rate of 1 Reichsmark to 12.50 Belgian francs. The arrangement was, in fact, similar to the method current during the 1930s in the countries within the German sphere of influence, as indicated above; it was no longer the market, but the government, in cooperation with the central banks, that would ensure bilateral equilibrium in international payment transactions within the zone.

On his return from France on 10 July, Janssen had no choice but to accept the German arrangement just announced, as it was simply imposed on Belgium by the occupier. He found nevertheless that the system also offered certain advantages, creating an institutional framework for both the export of Belgian manufactured goods to Germany and the import of what to Belgium were essential foodstuffs and raw materials. Furthermore, the centralization of all Belgian international payments ought normally to give the Bank the opportunity to control them. However, Janssen was undoubtedly aware of the difficulties that cooperation in clearing could create for the Bank, should it later have to justify its wartime activities. Shortly after his return, therefore, he negotiated with the *Bankaufsichtamt* to have the Bank relieved of its clearing task and to transfer this to the *Banque d’Emission*. On 4 August 1940, the Military Government acceded to Janssen’s request19, but the change was greeted with mixed feelings by the founder-bankers of the *Banque d’Emission*. On the one hand, they were satisfied that they now had a direct say in the country’s foreign transactions. On the other, they feared unfavourable implications in the longer term, though against this was Janssen’s integrity and their own ‘patriotic caution’20.

Janssen was also able to convince Plisnier that the financing of exports was in fact linked to the import of foodstuffs and raw materials so vital for the country, and that the general and the private interest

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19 BNB, Archives, *sd*, Malaise Papers, 2, dossier 9.5.11, s.f. 2, ‘renseignements BEB, n°4’: the decision of 4 August was published as a notice in the Verordnungsblatt (German Official Gazette), 07.08.1940.

20 BNB, Archives, *sd*, 41, dossier 8.11.42 b, ‘enquête BEB’: memorandum of 22.01.1945 from Plisnier.
thereby coincided. Consequently, providing a State guarantee against
the risks involved in clearing was in the general interest. Plisnier ac-
cepted this reasoning and on 19 July authorized the Treasury to issue
Treasury certificates for the purpose, up to a maximum amount of 1
billion Belgian francs, and to pass them to the Bank. From 4 August
on, the certificates were handed over to the Banque d’Emission.

Janssen found this procedure too complicated and suggested a sim-
plification. The Bank would make the necessary banknotes available
to the Banque d’Emission, the Ministry of Finance granting the latter
a State guarantee up to an amount of 1 billion Belgian francs for any
losses that it might incur. On 20 November 1940, at Janssen’s insist-
ence and after a great deal of quibbling, the guarantee was raised to
1.5 billion Belgian francs; almost a year later, on 5 November 1941, an
unlimited State guarantee was granted.

Although Janssen had accepted the clearing system as such, he was
not happy with the conditions that the arrangement of 10 July 1940 im-
posed on Belgium. In accordance with the pre-war procedure, putting a
clearing system in place was a matter of a voluntary agreement between
two sovereign states and had to be based on full equilibrium between
mutual imports and exports in terms of value; no imbalance could be
tolerated for more than a limited period. The system imposed on Bel-

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21 BNB, Archives, SD, 31, dossier 8.11.25, s. f. 10, ‘divers’: entretiens. See also: BNB, Ar-
chives, Studiedienst, 6, dossier 01.02.01.70 (A 237/1, s. f. 11): projets d’arrêté minis-
tériel relatif à la garantie de l’État (memorandum of 31.07.1940 from Smeers to Plis-
nier).

22 Published in the Belgian Official Gazette of 12-13.09.1940: BNB, Archives, BR BEB,
18.09.1940; Brutsaert, Oscar Plisnier, pp. 84-85. See also: Krijgsauditoraat, enquête
BEB, dossier 3-4: A. Heilporn, E. Guyot, E. Desutter, rapport d’expertise en cause de
la BEB, Part 1, pp. 14-16.

23 Krijgsauditoraat, enquête BEB, dossier 3-4: A. Heilporn, E. Guyot, E. Desutter, rap-
port d’expertise en cause de la BEB, Part 1, pp. 15-17. See also: BNB, Archives, RR,
20.11.1940; BNB, Archives, SD, 12, notes (conférences), dossier 8.11.25.

24 Krijgsauditoraat, enquête BEB, dossier 3-4: A. Heilporn, E. Guyot, E. Desutter, rap-
port d’expertise en cause de la BEB, Part 1, pp. 15-18. In Plisnier’s opinion, the
State guarantee nevertheless remained subject to certain conditions: ‘Si cette ga-
rantie couvrait le risque global que l’Institut d’Emission courait, elle ne couvrait
aucune opération individualisée du clearing...’ For Plisnier, it was also clear that
the ultimate beneficiary of the State guarantee was the Bank, and not the Banque
d’Emission (NB, SD, 41, dossier 8.11.42 b, ‘enquête BEB: memorandum of 22.01.1945
from Plisnier).
gium ignored those elementary pre-war rules; it was established by unilateral decision of the Germans, leaving Belgium unable to make any suggestions to amend it. Worse, the arrangement of 10 July 1940 stated that Belgian exports of goods and services to Germany were not subject to any limitation and that there was no compulsion for there to be countervailing exports from Germany to Belgium, a regulation that was to give rise to insurmountable problems in the future.

Belgian exporters were able to demand payment as soon as the amount due had been transferred to the Banque d’Emission’s account at the Verrechnungskasse in Berlin. Should the Banque d’Emission refuse financing, the German commissioner, and indeed the German Minister of Finance in Berlin, were empowered to order payment. By this arrangement, the Banque d’Emission was put entirely at the mercy of the occupier’s whim; it could, in principle, be forced to finance every claim on Germany, without being able to exercise any ‘prior’ verification of the legality of that claim. Its competence was, in fact, limited to a posteriori verification of the documents submitted. The arrangement was not at all to Janssen’s liking and though he still nurtured a faint hope that the Germans would not abuse the arrangement, he felt no certainty about this.

Janssen turned to seeking a way of circumventing the disadvantages of the system and to that end contacted the Reichsbank in Berlin with the intention of concluding a separate agreement between the respective German and Belgian issue institutions, in order to counter the danger of having to comply with arbitrary instructions from the authorities in Berlin. It was in that spirit that, on 16 August 1940, on behalf of the Banque d’Emission, he signed a convention that was endorsed a day later by the Reichsbank. The Banque d’Emission undertook to exchange into Belgian francs, without let or hindrance, all Reichsmarks presented by the Reichsbank; for its part, the Reichsbank undertook to exchange into Reichsmarks, without let or hindrance, all Belgian francs presented by the Banque d’Emission.

25 BNB, Archives, sd, Malaise Papers, 2, dossier 9.5.11, s. f. 2: ‘clearing’.
26 BNB, Archives, Studiedienst, 5, dossier 01.02.01.70 (A 409/ 2): mémorandum relatif à l’accord du 16-17 août 1940 (20.05.1941).
27 BNB, Archives, sd, Malaise Papers, 3, dossier 9.5.11, s. f. 4: Kauch, rapport au Roi (20.12.1943), pp. 65-76.
The policy of accommodation put to the test

The convention harked back to the method introduced by Germany in the 1930s to have all international payments pass compulsory and exclusively via the central banks, the purpose being to enable those banks to control all financial operations with other countries and thereby maintain full equilibrium in bilateral payment transactions. In Janssen’s view, the convention would be to Belgium’s advantage, as it would give the Banque d’Emission autonomous scope to use the receipts from Belgian exports to Germany for purchases of German foodstuffs and raw materials, and to gear those purchases to Belgium’s import requirements. Moreover, the two central banks would constantly monitor equilibrium in the clearing system between the two countries: the convention thus was, in his view, ‘an instrument to counter any abuse, which could arise from the arbitrary and unilateral character of the system, imposed on 10 July’.

Janssen’s hope proved idle. The convention of 16–17 August was a non-starter and was even to be used by the German authorities against the Bank. In the first place, it was not with the Reichsbank that German customers were required to settle their debts, but with the Verrechnungskasse in Berlin, which was in no way accountable to the Reichsbank. Consequently, the Reichsbank had no authority to interfere in respect of the growing imbalance in clearing between Germany and Belgium. Furthermore, the freedom of action of both the Reichsbank and the Banque d’Emission was restricted by the German regulations governing the import and export of goods, services and capital; there were no restrictions whatever on exports from Belgium – the more, the better – but exports from Germany were limited to such an extent as to amount to virtually a complete embargo on them. Lastly, the Banque d’Emission had neither free disposition of its foreign currency account at the Reichsbank, in order to be able to purchase foodstuffs and raw materials in Germany or elsewhere abroad, nor free access to its credit balances at the Verrechnungskasse. Janssen quickly realized that what was seen as a German concession in the convention remained a dead

letter as far as Belgium was concerned. During a meeting in September 1941, Collin was even to claim that the convention was a weapon the Germans authorities could use to force the Bank to co-operate in the inflationary monetary policy.\(^{30}\)

The clearing system put in place on 10 July 1940 between Germany and Belgium was followed by similar bilateral agreements between Belgium and a number of other countries\(^{31}\), but these were concluded by the Military Government, not by the Belgian administration. The agreements were fairly quickly integrated into a multilateral system, the hub of which was the *Verrechnungskasse* in Berlin. The measure was justified by the theoretical argument that multilateralization would remove the limitations inherent in the requirement for bilateral equilibria. In the prevailing circumstances, however, the measure was simply a pretext to lay hands on foreign currency: ‘a one way system, imposed upon all occupied countries in Europe and even upon a neutral country such as Switzerland.’\(^{32}\)

**THE FIRST CRISIS OF THE CLEARING SYSTEM**

Towards the end of the exceptionally harsh winter of 1940-1941, famine, especially in the towns, became a feature of daily life. Janssen, the Galopin Committee and many other people in authority rightly looked for recourse to the clearing agreement, asking why, if the *Banque d’Emission* had such an exceptionally positive credit balance at the *Ver-

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30 *BNB, Archives, s.d*, Basyn Papers, s. f. 6: minutes of the meeting of the editorial committee for the drafting of the motion of 24.09.1941.

31 In 1940, clearing agreements were signed on 2 August with the Netherlands, on 24 September with Italy, on 27 September with Sweden, on 1 October with the Protectorate of Bohemia-Moravia, on 7 October with Switzerland, on 1 November with Finland, on 13 November with Yugoslavia, on 9 December with Bulgaria, on 18 December with Norway, on 23 December with Hungary, on 9 December with Greece; and in 1941, on 21 January with Denmark, on 27 January with France, on 28 February with Rumania, on 11 June with Slovakia, on 23 April (until 22 June) with the Soviet Union, on 18 September with Serbia and on 20 October with Croatia.

rechnungskasse in Berlin, the promised supply of food had not materialized. At the meeting of the Bank’s supervisory council on 13 November 1940, indeed, Janssen had already indicated that the credit balance had risen to nearly 1 billion Belgian francs³³.

However, the Germans showed little willingness to supply foodstuffs, something that put Janssen severely out of countenance: he had, after all, invested a great deal of his energy and even prestige in the clearing system’s operation. On top of this came the news that, at the beginning of March 1941, the Banque d’Emission’s credit balance has suddenly increased by about 700 million Belgian francs³⁴. During a meeting of the institution’s board of directors on 5 March, Commissioner von Becker let slip that the increase was due mainly to financial transactions, namely to payments made by German private individuals and institutions for participations they had taken in Belgian companies and, most of all, to payments for German purchases of Belgian foreign investments³⁵. Belgian holding companies and banks had, in fact, been able to rid themselves of their Central and Eastern European assets, blocked since the 1930s, by selling them to German banks. Additionally, German law obliged holding companies and banks to divest themselves of their assets in Luxembourg – now German territory – through sales to German residents or companies³⁶. Those who had sold shares, whether under compulsion or not, were now looking to use the clearing mechanism of the Verrechnungskasse and the Banque d’Emission to convert their Reichsmark receipts into Belgian money.

This was not the first time that payment for financial transactions had been made in Belgium to the beneficiaries, and Janssen, who had taken complete control of the clearing operations since July 1940³⁷, had indeed always sanctioned the payments³⁸. Now, however, exception-

³³ BNB, Archives, RR, 13.11.1940.
³⁴ BNB, Archives, BR BEB, 05.03.1941.
³⁷ BNB, Archives, DC, 10.07.1941.
ally high amounts were involved, so that even the maximum limit of the State guarantee was exceeded. Certain members of the Banque d’Emission’s board of directors also found it unacceptable that the increase was the result not of commercial activities, but of purely financial transactions, and many among them could not help but feel uneasy about such operations.

There was no room here for the argument that the operations were necessary for imports of foodstuffs, because the credit balance from commercial activities was more than sufficient to ensure food imports for Belgium. What made matters worse, however, was that the sale of Belgian assets abroad served to increase the economic power of Germany; any Banque d’Emission involvement would be punishable in Belgian law. These considerations prompted the board to call a temporary halt to payments in respect of financial transactions and to contact Secretary-general Plisnier to obtain his advice and cooperation in finding a solution.

On 7 March 1941, Janssen and certain members of the board, gathered together with Plisnier and two representatives of the Ministry of Economic Affairs, to discuss the problem of payments regarding financial transactions and to determine the extent to which, in this context, the State guarantee could be extended. Plisnier was formal: payment for financial transactions could not be advanced as an argument for increasing the amount of the State guarantee. He was nevertheless prepared to cover an overrun of the limit, provided it was temporary and the consequence of payments for commercial transactions.

The next day, on 8 March, the board of directors, taking into account the results of the meeting with Plisnier, decided to maintain the suspension of payments regarding financial transactions. Von Becker reacted by issuing the same day a formal payment order (Weisung) of 275 million Belgian francs. After long discussions the board, in the end, decided to execute the order, acknowledging that at that very moment a fair amount of foodstuffs and raw materials had been sent from Germany to Belgium, or were to be sent shortly. Consequently the disequilibrium in the clearing account was reduced substantially.

40 BNB, Archives, BR BEB, 14.03.1941.
Meanwhile, von Becker had left for Berlin, in order to explore the possibility of finding a satisfying solution for the Belgians with respect to the problem of payments for financial transactions. He returned with some positive results. In a letter of 21 March 1941 he set out a concrete proposal for the separation of commercial and financial transactions with Germany. Belgian claims from commercial transactions would continue to be regulated by transfer to the Banque d’Emission’s account at the Verrechnungskasse and those transactions would be covered by the State guarantee. However, Belgian claims from financial transactions would be regulated within the framework of the convention of 16-17 August 1940, signed by the Reichsbank and the Banque d’Emission, and would be entered on the Banque d’Emission’s special account at the Reichsbank in Berlin, opened a few days later on 20 August. These transactions would cease to be covered by the State guarantee. According to this proposal, equilibrium in respect of that special account would be secured by the Banque d’Emission investing in German securities, as was the case at the Nederlandsche Bank41.

Janssen and the directors of the Banque d’Emission accepted von Becker’s idea of separating transactions, but not his proposal that the credit balances of the special account at the Reichsbank be invested in German government paper. Intensive negotiations therefore followed and it was not before 22 April 1941 that a final agreement was reached. The separation of the two types of transaction was approved and came into effect on 1 May 1941; additionally, the Banque d’Emission was permitted to decide autonomously for what financial transactions it would pay, as well as the form the payouts would take. The suggestion that credit balances on the special account be invested in German government paper was set aside42.

41 BNB, Archives, SD, 14, dossier 8.11/4, ‘Reichskreditkassenscheine’: memorandum of 21.03.1941. See also: BNB, Archives, Studiedienst, 5, dossier 01.02.01.70 (A 409/2): mémorandum relatif à l’accord du 16-17 août 1940 (20.05.1941).
42 BNB, Archives, Studiedienst, 5, dossier 01.02.01.70 (A 409/2): mémorandum relatif à l’accord du 16-17 août 1940 (20.05.1941).
In an *a posteriori* assessment of the first crisis of the clearing system, the questions arise of why Janssen accepted the German order of 8 March 1941 to pay out 275 million Belgian francs, why he requested the board of directors of the *Banque d’Emission* to approve the payments and why he did not choose that moment to resign. It must already have been crystal clear to him that the wartime clearing system was collapsing and that the German occupier would not hesitate to bend the convention of 16-17 August 1940 to its own advantage, even – displaying great arrogance – to legitimizing its own abuse of power\(^43\).

The reasons behind the stance he adopted are complex. In the first place, he was well aware that the arrangement of 10 July 1940 gave von Becker the right, in case of refusal, to compel the *Banque d’Emission* to make payment. Janssen had hoped that, if the refusal could be justified, the occupier would not have recourse to that right, but that was a first miscalculation. Secondly, he was convinced that his own personality and authority were the best guarantees for the continued protection of the interests of the Bank, the *Banque d’Emission* and the country. His conviction would have been reinforced by events in the Netherlands, where the President of the *Nederlandsche Bank*, L.J.A. Trip, had resigned in March 1941 and had been promptly replaced by the Nazi sympathizer Rost van Tonningen\(^44\). In Janssen’s opinion, something similar would befall Belgium were he to follow Trip’s example and resign.

Thirdly, he was extremely concerned about Belgian food supplies and, above all, feared that famine would strike, which is why he had subscribed to the Galopin Committee’s policy of a resumption of work and had accepted the clearing system imposed in July 1940. In all this, it should not be forgotten that the *Banque d’Emission*’s credit balance at the *Verrechnungskasse* remained relatively modest until the summer of 1941, with the imbalance remaining more or less within acceptable


\(^{44}\) Joh. de Vries, *De Nederlandsche Bank van 1914 tot 1948*, pp. 278-280.
limits; in the spring of 1941, moreover, there was the fact, and future prospect, of major imports of foodstuffs and raw materials.\footnote{BNB, Archives, SD, ‘enquête BEB’: report of the Commission of Enquiry (published 1946), Part 1, Chapter 1, p. 82.}

In the same way as Plisnier, Janssen attempted to obtain the maximum from his constant negotiations and compromises with the occupier. Inevitably, it was a thankless task that brought failure and disappointment with it, but Janssen was undoubtedly convinced, as was Plisnier, that they were patriotic and courageous in their behaviour.\footnote{BNB, Archives, SD, 41, dossier 8.11.42, ‘Comité d’Enquête’: memorandum of 22.01.1945 from Plisnier.}