

A black and white photograph of a classical building facade with tall, fluted columns and arched windows. The image is used as a background for the title text.

# REICHSBANK OFFICES 1938–1945 IN FOCUS: MAIN REICHSBANK OFFICE VIENNA

Study commissioned by the Oesterreichische Nationalbank  
Authors: Oliver Rathkolb and Theodor Venus

# Summary

The National Socialist German Workers' Party (Nationalsozialistische Deutsche Arbeiterpartei – NSDAP) developed an effective base – a “factory cell” (“Betriebszelle”) – at the Oesterreichische Nationalbank (OeNB) several years before Austria's Anschluss to Germany in 1938. The factory cell was established in 1930, remained active throughout the years during which the NSDAP was banned (after June 1933), and attracted a larger membership from 1936/1937. Until 1932, the factory cell had canvassed mostly workers with little influence within the OeNB; then, university graduates of the younger Austrian “lost generation” that had served during World War I began to flock to the cell.

The factory cell was popular for many reasons, above all the virtual collapse of the Austrian economy toward the end of the 1920s, the impact of the financial and economic crisis, public sector austerity measures and the prevailing right-wing German nationalism among the better-educated elite of the times.

This trend was compounded by the OeNB's staff structure: Unlike at private banks, the socialist trade unions and their banking industry representatives never had a broad support base at the OeNB. The membership statistics of the Reichsverein der Bank- und Sparkassenbeamten (the labor union of bank and savings bank employees) list only 21 OeNB employees as members. In other words, right-wing, German national recruitment networks were very effective alongside the predominantly Christian Social movement.

Some 120 of 800 OeNB employees are thought to have joined the NSDAP prior to 1938, not all of whom actively participated during the period in which the party was proscribed. Even though the NSDAP was outlawed, the authoritarian regime of Chancellor Schuschnigg waited until December 1934 to arrest the leader of the OeNB's National Socialist factory cell. The government had unsuccessfully tried to control or integrate the illegals for too long.

## **1938 – “Machtergreifung” at the Oesterreichische Nationalbank**

On the morning of Monday, March 14, 1938, members of the SA and the factory cell blocked the entrances to the OeNB. One day earlier, the desks of the key officials of the OeNB had been searched and documents had been seized.

Six management officials were among the persons arrested at the OeNB: Franz Bartsch, the deputy director general; Eugen Kaniak, key controller; Richard Kerschagl, head of the economics department, and top officials of the Vaterländische Front (the Austrofascist party Fatherland's Front), such as Ferdinand Meissner; Karl Kolbenschlag, savings commissioner; and Julius Hantich, head of the Linz Reichsbank subsidiary. Wilhelm Tomaschek, who was also a Vaterländische Front activist, was arrested on August 26, 1938.

Astonishingly, former minister of finance and lawyer Viktor Kienböck, who had been president of the OeNB since 1932, was not arrested. Both the OeNB factory cell and NSDAP officials agitated against him, severely criticizing him of being a "clericalist politician" and a "first-degree mixed-race individual." Purportedly, the then-minister of economics, labor and finance, Hans Fischböck, insisted on keeping Kienböck, who was not removed from office until March 20, 1938. Reichsbank president Hjalmar Schacht is also believed to have supported Kienböck.

The value of the OeNB's gold and foreign exchange reserves, which were transferred to the Reichsbank in Berlin, totaled 2.45 billion Austrian schillings, which, expressed in Reichsmark, came to 1.151 billion Reichsmarks (gold parity) or 1.63 billion Reichsmarks at the effective exchange rate. According to WWII estimates by British experts, the Reichsbank appropriated as much as 2 billion Reichsmarks in Austria in 1938 alone, not counting the looted Jewish property. While the forfeiture of Austria's gold and foreign exchange reserves was not the only reason for the Anschluss, the "net spoils" of the raid were nevertheless crucial fodder for the rapid advancement of the aggressive armaments policy, as the Third Reich's gold and foreign exchange reserves had been nearly depleted by 1937.

The roughly 1 billion Reichsmarks generated from stocks and bonds as well as foreign exchange appropriated from the OeNB, as accounted for by the Reichsbank, would imply that the Reichsbank's foreign exchange assets and external assets had by then been depleted to the equivalent of some 800,000 Reichsmarks. With its coup in Austria, the Third Reich significantly broadened its international room for maneuver despite the global economic contraction.

The forcible "Gleichschaltung" of the OeNB after March 11, 1938 – i.e. the exercise of full control over what became a subsidiary of the Berlin Reichsbank – was facilitated by bringing a handful of Reichsbank officials from Berlin to Vienna. In addition to the Reichsbank directors Stephan Schott and Paul Emde, apparently only a small team of officials from other Reichsbank subsidiaries was temporarily relocated to Vienna.

## **Dismissals, Retirement, Demotions, Transfers**

All in all, in 1938/1939 under the National Socialist regime, 26 bank employees were dismissed, 54 were sent into retirement or demoted, at least formally. Moreover, two employees resigned, and four charges were brought before the courts under the regime. 20% of the original sanctions were either (mostly) reduced, but in some cases, disciplinary action followed an interim solution (“no action”). To our knowledge, 95 employees were subjected to internal investigations to implement the National Socialist Civil Service Restoration Act, 52 of whom suffered particularly harsh sanctions.

## **OeNB Employees Subjected to Especially Harsh Sanctions**

Prominent among the political persons subject to life-threatening consequences was director general Franz Bartsch, who was detained in police custody for three months and then was incarcerated in the concentration camp Dachau, from which he was released in October 1938. Eugen Kaniak was imprisoned in Dachau as well for nearly a year from March 14, 1938. His former wife, Stella Maria née Better, was Jewish and fled to Australia on August 1, 1939. Franz Stöger-Marenpach, who was also married to a Jewish woman, Johanna Löwy, was imprisoned from June 17, 1938, to March 13, 1939. He did not file for divorce. After his arrest on August 16, 1938, Wilhelm Tomaschek, head of service of the Vaterländische Front, was taken to Weimar-Buchenwald concentration camp following denunciations by the NSDAP factory cell, where he was kept in “protective custody” and not released until December 20, 1942.

## **Disciplinary Action against Employees of Jewish Descent and two Holocaust Victims**

Notices were issued under Article 3 of the National Socialist Civil Service Restoration Act to 26 (27.3%) of the remaining 95 employees subjected to investigations. 16 of these 26 persons were sent into retirement, 2 were dismissed under the same provisions. The persons in question were all civil servants who had first (“first-degree mixed-race individuals”) or second (“second-degree mixed-race individuals”) generation Jewish ancestors themselves or whose spouses had Jewish ancestors.

Hilda Schafranek, who worked in the foreign exchange and currency division of the OeNB, was classified as Jewish. On June 24, 1943, she was deported to

Theresienstadt concentration camp; then she was transferred to the Auschwitz extermination camp on May 18, 1944, where she died.

The second OeNB employee of Jewish descent, Karoline Winkler, had begun to work at the Oesterreichisch-ungarische Bank at the age of 21 in 1917, where she was employed as a worker at the cashier's division. On January 11, 1943, she was deported to Theresienstadt concentration camp and died there soon after, on March 20, 1943.

### **Two Relatives of Employees Murdered**

In two cases, it was not the employees themselves who became Holocaust victims, but their close relatives: Inspector Rudolf Lechner's first wife, Sophie Lechner, was deported to Maly Trostinec death camp in White Russia on August 31, 1942, because she was Jewish; she is believed to have been murdered immediately upon arrival. The second case was that of the mother of the former OeNB controller Roman Zellich, who was seized and committed to Steinhof mental asylum on November 15, 1941, where she died under unknown circumstances in April 1944.

### **Denunciations, Charges and Convictions under the Treachery Act of December 20, 1934**

Karl Papsch, who was reported at the Innsbruck branch office by a "colleague" for making statements against the NS regime, was charged but was ultimately acquitted by the Luftgau VII Munich military court on April 23, 1940.

After Josefine Haas and Paula Oswald had been denounced by their superior in fall 1941, the Sondergericht (special court) at the Vienna Landesgericht (regional court) sentenced Josefine Haas to 9 months and Paula Oswald to 13 months of imprisonment on August 7, 1942; both were later released.

### **NSDAP Supporters at the OeNB and Denazification after 1945**

As the internal personnel files of the Vienna Reichsbank head office were destroyed just before the end of WWII in 1945, supplementary documentation had to be unearthed in external archives. According to current knowledge, 331 blue and

white collar workers were members of the NSDAP, having joined the party between 1922 and late in 1944.

The evaluation of the evidence examined so far shows that of the 331 persons whose NSDAP membership has been substantiated, 235 were active employees in 1938 and only 78 had already retired in 1938. This evaluation does not include the Reichsbank officials relocated to Vienna after March 11, 1938. Most of the NSDAP members in our records – 289 of the total of 331 – were men.

The share of “illegals” (that is, people who were members of the NSDAP between 1933 and 1938, when the party was banned) came to 15% of total employment at the Vienna Reichsbank office according to the headcount figures of the beginning of January 1938. 35% of top-level employees were members of the National Socialist German Workers' Party, 42% of the lower- to middle-ranked staff were members, and only 9.32% of blue-collar workers were NSDAP members.

The denazification measures peaked in June 1946, with roughly 200 civil servants and employees of the former Reichsbank head office in Vienna – some 35.3% of total staff – being dismissed from their posts at least temporarily. 41 of the 366 persons remaining in their posts, i.e. about 12%, were former aspirants or former NSDAP party members. Previously, 75 civil servants or white collar workers had been dismissed as “illegals,” i.e. because they were NSDAP members between 1933 and 1938, 23 persons were sent into retirement, 27 persons entitled to retirement were temporarily not put into service, and 75 employees were not taken over.

