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The financing of the Resistance in the Netherlands 1940-1945*

“Without money the Resistance would have been unthinkable.” So writes Professor P. Sanders in his book *The National Support Fund: A contribution to the history of the financing of the Resistance, 1941-1945* (The Hague: Nijhoff, 1960). And that money, of course, had to come from somewhere. One source was the Kas Bank in Amsterdam, and with that part of the story I have a personal connection.

When the Germans entered Holland in May 1940, things did not seem so bad at first. The feeling was that, as long as we behaved in an orderly fashion, they would leave us alone. Many Jews were also lulled into this false sense of security. Many thought that they would work in labour camps in the arms industry, and that the war would soon be over. However, the Germans took immediate control of the financial world. Families with fathers who were fighting with the Allies almost immediately lost their salaries. It must be remembered that almost all transactions at that time were made in cash. The Germans proceeded to design new paper money, and everybody had to exchange their cash with the old Dutch designs for the new issue. This meant you could not arrive at the bank with cash in large denominations and expect that such large sums could be exchanged without having to prove where you got all that money. Unless you could, the old money was now worthless. This meant that Jews, who had their money in large bills for practical reasons, were now penniless.

Hundreds of illegal groups and newspapers now sprang up all over the country. These were financed by ordinary individuals, churches and other groups. They provided money, food and false identity cards, as well as hiding places, for both Jews and Gentiles. Our Dutch newspapers were under German control and only informed us that all the battles were always won by the Germans. Actions against the Jews, who were mostly concentrated in Amsterdam, were never mentioned, and this also explains why many of us never heard of the gas chambers until the war was almost over, or only in the vaguest terms.

One of the earliest and most active freedom fighters was a man called Walraven van Hall, a member of an old aristocratic family. Almost immediately, when the Occupation had hardly started, he went to his wealthy friends in order to collect money for those in need. In 1943, in order to finance and unite the various groups working for the Resistance, van Hall and another man, Iman J. van den Bosch, created the National Support Fund. This fund collected in the end thousands of guilders. To give you an idea of the value of money, at that time my mother bought me a dress at a department store for one guilder.

It can be assumed that the Kas Bank had already cooked the books, with the co-operation of some senior employees, in order to, for instance, continue to pay salaries to employees in hiding. This fact

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must have been disguised in the accounts through fictitious entries and other devices. But then the Directors agreed to co-operate with the National Support Fund by printing false promissory notes and exchanging them for the genuine ones issued by the Dutch treasury. And so the greatest bank fraud in the history of the Netherlands was born.

The bank's co-operation with the National Support Fund started in the fall of 1943. One of the Directors was approached by Walraven van Hall and asked to transfer a large amount of money directly to the National Support Fund. The Director was willing to act solely on the basis of his own responsibility, but felt it was his duty to inform the President of the bank. After listening to the details of the plan, the President said: "I have heard everything, I have heard nothing." The signal was given and the Director, who possessed the key to the safe and knew the combination, took out several millions in cash. This money was given to the National Support Fund in return for a special receipt. But these first millions were only the beginning.

On September 17, 1944, the railroad strike was launched. That meant that the National Support Fund had to collect in one month the same amount of money that it had collected in total up till then, in order to pay the salaries of the 30,000 railroad workers. Including their families, at least 60,000 people were affected. On Monday November 2, 1944, Walraven van Hall met in the offices of the Amsterdam Stock Exchange with the directors of the five largest banks. In less than half an hour he knew he was assured of 3½ million guilders. An enormous success, yet only a drop in the bucket. Three more groups had to be approached:

the Netherlands Assurance Bank, the Netherlands Savings Bank, and the Netherlands Pension Fund, which were all controlled by the Central Securities Commission.

The astounding suggestion was made, and agreed upon, that promissory notes belonging to the Netherlands Bank would be exchanged for counterfeit ones, each with a minimum value of a hundred thousand guilders. It must be realized that this plot originated in the brains of the financial leaders of the country, almost all of whom belonged to old aristocratic families, well-known men of upstanding, absolutely unblemished reputation; admired and looked up to by those of modest means. This class could have lived through the war in comparative comfort, yet they had a sense of duty which compelled them to risk their lives. It is these men who dreamed up a Machiavellian scheme that surpasses one's wildest imagination. The Cashier-General of the Netherlands Bank gave his complete co-operation and deposited at irregular times the real promissory notes at the same spot where he had picked up the counterfeit ones a minute earlier.

The National Support Fund now had genuine promissory notes registered in the name of a National Treasury Fund, but it could not sell them, because this was never done. Such funds never came on the market, they were simply renewed with interest as they came due. So the genuine promissory notes had to be exchanged again, for notes in the name of companies, that were marketable and could be sold. In this way the German controllers would not become suspicious. It is here, according to Professor Sanders, that the Kas-Vereeniging did

not merely co-operate with the scheme: it took the initiative.

The Kas-Vereeniging possessed a large deposit of promissory notes belonging to the Co-Operative Central Farmers' Credit Union in Eindhoven, worth 180 million guilders. Eindhoven had been liberated on September 18, 1944, and the deposit was now, according to German regulations, an enemy possession and could be seized at any time. The entire deposit was placed in a safe with only one key, which was in the possession of one of the Directors. The notes could now be sold on the market in the usual way.

Before this could be done, however, the director wanted to be assured by the Dutch government in London that it would honour these transactions. Just before Christmas 1944, a coded message was received over Radio Orange: "Laat Bruin maar trekken" (let the brown horse start pulling the cart) - in other words, go ahead. The financiers kept receipts of all the transactions, and the Dutch government did indeed honour all their agreements after the Liberation.

On January 27, 1945, Walraven van Hall was arrested by the Germans, and on February 12, 1945, he and eight others were shot at the side of a public road; some citizens were forced to watch. An account of his life has been written by Erik Schaap (*Walraven van Hall, Premier van het verzet*, Wormerveer: Uitgeverij Noord-Holland, 2006). After the war the National Support Fund had a small sum of money left. Some of it was used to construct a monument to van Hall and some other freedom fighters, and the remainder was used to build the monument to

all the Dutch victims of World War II, on the Dam Square in Amsterdam.

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My father, who was Chief Cashier at the Kas Bank during the war, was intimately connected with this fraud.

One day in the winter of 1945, when we were sitting around the dining room table, my father said that we had to make a serious promise. I had to get up and stand in front of his chair as I promised. The Board of Directors would come to our house to have a meeting, and we were never to reveal this, no matter what. Shortly afterwards they arrived. The meeting took place in the dining room, heated for the occasion with the last remaining coal. My mother, my sister and I retired to the kitchen, where we sat shivering for the rest of the afternoon, for it was bitterly cold.

The promise I made then was so serious that I could not speak about it until many years had passed. Then I finally learned what had been discussed. They had come in order to take my father into their confidence. As the promissory notes were sold, millions of guilders would start streaming into the bank (since, as I have said, almost all financial transactions were made in cash at that time), and my father would have to count the money in the presence of the German supervisor - everything was done by hand then. As the fraud went into effect, the money started to arrive, often in large wicker baskets, the kind that people used in order to send laundry out to the laundry companies, who usually did their work in the dunes (white laundry at that time was still

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bleached in the sun). After all those years in the bank, my father could count money with the speed of lightning. He fanned the money between thumbs and let it riffle through. He said many years later that he could never understand why the Germans, who had taken such serious measures to control the money supply, never became suspicious. But after sitting around for hours while he counted all that money, they perhaps did not want to order him to do it again.

It was imperative that the whole operation should be as confidential as possible. The men in charge of the bank vault, experienced men who had not been taken into the bank's confidence, might have recognized that the promissory notes were fraudulent, but the Germans had cut off the electric power and the vaults were therefore only lit by candlelight. But who knows what they saw? Nobody talked.

Another major hurdle was the fact that the paper the promissory notes were printed on was extremely difficult to copy. In order to protect against fraud, the paper contained very fine small hairs in four colours, and by the end of the war this paper was no longer available. Four paper-makers were approached, all masters of their trade. They scratched tiny lines into a glass plate and filled these with the four colours. A famous old Amsterdam printing firm copied the printing, another laborious job, since every note had to be printed eight times in order to perfect the colours of the so-called hairs.

All this was being discussed in our dining room. When the meeting was finally over, my mother, my sister and I were asked to come in so that we could

be introduced to the Directors. I will never forget the sharp looks with which I was examined. I heard Mr. A.E. D'Ailly, who was later the mayor of Amsterdam, whisper to my father: "Can you trust them?" All my father said, softly, was "Yes." This has always remained a highlight of my life, because my father was strict and did not compliment me easily.

While researching this story, I made a discovery that, more than anything else, brought the whole episode to life again. I realized that the printing company that had so perfectly imitated the promissory notes belonged to the family of the first man I fell in love with, at the age of sixteen. Truth is stranger than fiction.

NOTE

* An earlier version of this paper was given at the CAANS annual conference at the University of British Columbia in Vancouver in May 2008. I wish to thank the Board of directors of the Kas-Bank for sponsoring my trip . When I wrote to the Bank I received a spontaneous, warmly worded response.