

# Scholars Identify German who Warned of Hitler's Atrocities

By Charles Fenyvesi  
Washington Post Staff Writer

Two American University professors have identified the mysterious German industrialist who risked his life to warn a representative of Jewish organizations in Switzerland that Adolf Hitler planned to ship Jews to extermination camps in eastern Europe.

The two academic detectives discovered that the industrialist, Eduard Reinhold Schulte, also was a top World War II intelligence source for the Allies, warning them of Hitler's invasion of the Soviet Union.

In a heretofore unnoticed citation in 1945, Allen Dulles, then chief of U.S. intelligence operations in Switzerland and later director of the CIA, stated that Schulte had "rendered most valuable services to the cause of the United Nations, motivated solely by his hatred of the Nazi system and his desire to see it overthrown as thoroughly and speedily as possible."

Schulte, who died during the 1950s, headed the largest zinc-producing firm in Germany. It had a branch in Switzerland. He passed along to the Allies, without pay, valuable information from inside the German military.

The professors who solved the four-decade-old mystery of Schulte's identity are Richard Breitman, 37, a specialist in European history, and Alan Kraut, 36, a specialist in U.S. immigration policy. They identified Schulte in the October issue of Commentary.

They said that they were left with "absolutely no doubt" about his identity when they found references in three groups of documents—Allied intelligence data, a Swiss banker's report to U.S. intelligence and Jewish reports out of Switzerland—to a German industrialist who cited as his source a German colonel with an armored regiment on the Russian front.

One of the U.S. intelligence reports identified Schulte by name. A Jewish document included the initials "E.S." And another Allied document disclosed that one of Schulte's sons fought in an armored regiment on the Russian front.

The only person still alive known to have received intelligence directly from the German industrialist is Gerhart Riegner, then, as now, the Geneva-based representative of the World Jewish Congress. Contacted by The Washington Post, Riegner would only repeat that he had given his word to the industrialist never to reveal his name.

But on previous occasions, Riegner had told others that their speculation was wrong. One of them, Walter Laqueur, director of research at Georgetown University's Center for Strategic and International Studies, said in an article Friday on the opinion page of The Washington Post that the industrialist's identity has now been established "beyond any shadow of doubt."

When Breitman and Kraut asked Riegner to let them know if they had the wrong man, Breitman said, "He did not contradict us."

Working independently of Breitman and Kraut, another scholar, Monty Penkower of Touro College in Brooklyn, also identified Schulte through research in Jewish archives in London and Jerusalem.

Breitman said that he and Kraut have been working on the case since 1980, "but we have been obsessively involved only since last fall. We just had to track him down."

Laqueur had come up with an important clue, the initial "S," which Riegner confirmed. Riegner then told Breitman and Kraut that the industrialist had 30,000 employees, was tall and opposed Hitler on moral grounds.

It appeared to Breitman and Kraut that Riegner was determined both to keep his secret and to keep talking about it.

"Riegner threw the gauntlet at

us," Breitman said. "He said scholars would never find out. That really was a slap at historians that we regarded as a challenge."

The two historians' speculation first centered on industrialist Hugo Stinnes, whose brother, Edmund, spent the war years in the United States. Their brother-in-law, Gero von Gaevernitz, a German-born American, was an adviser to Dulles.

But contacts with relatives and checks in archives showed that the brothers had no love for each other and that Hugo Stinnes "was no democrat, unless he concealed his true convictions very well," Kraut said.

The two scholars said that they found 20 German industrialists heading large corporations of roughly 30,000 employees during World War II and with family names beginning with "S."

"We were frustrated," Breitman said.

They then combed the original files of the U.S. legation and consulates in wartime Switzerland, which are now housed in Suitland in an annex of the National Archives.

"We found many citations of unnamed prominent German industrialists. And also at least five industrialists mentioned by name, three of them beginning with 'S,'" Breitman said. This search went nowhere.

Next they sifted through the Swiss-origin intelligence reports in the Archives. They said that the CIA has declassified only one-fourth of wartime records from agents and other sources.

"That's still better than the British," Breitman said. "That's indefinitely unavailable."

Breitman and Kraut said that they are convinced that the CIA has the letter naming the industrialist that Riegner said he gave to the U.S. consul in Switzerland in 1942 in what he called a "desperate attempt" to get the Allies that the information on the death camps came from a reliable source.

PEKING

FORMER CIA AGENT SAYS JOHN FOSTER DULLES BLOCKED CHINESE OFFER TO  
RELEASE HIM

Former CIA agent John T. Downey, imprisoned in China for 21 years, said Sunday he might have been released in 1957 if not for then-Secretary of State John Foster Dulles' "overwhelming fear of communism."

"It boggles the mind to consider the possibility that I could have been free 16 years earlier," Downey told the Associated Press in an interview as he strolled through central Tienanmen Square.

"Now that I've heard the story from the Chinese side, I'd really like to confront Dulles himself - unfortunately he is dead," he added.

Downey's plane was shot down while on a spy mission over China in 1952 and he was imprisoned near Peking. He was released 10 years ago at the urging of former President Richard Nixon.

Now 53 and a lawyer in New Haven, Conn., Downey returned last week for a goodwill tour of China with his Chinese-born wife Audrey and their 3-year-old son, Jackie.

"I felt no bitterness then or now toward China," said Downey, adding that it was the late Premier Chou En-lai who proposed releasing him and other U.S. prisoners in 1957.

He said Chou offered the release if the United States would agree to an exchange of Chinese and American journalists to promote better understanding after years of suspicion.

"But Dulles was so fiercely anti-communist and had such an overwhelming fear of communism that he absolutely rejected the offer as blackmail and extortion," Downey said.

In Washington, State Department press officer Robert William declined to respond to Downey's statements, saying "I've seen the reports and I have nothing for you on that."

Downey said he heard the full story of the Chinese release offer from Wang Bingnan, former secretary to Chou and now president of the Chinese People's Friendship Association.

Wang gave a dinner for Downey on Friday and praised the American's feelings for the Chinese people.

"If I had one strong conviction when I went home 10 years ago it was that it was very much in our national interests to work for a good relationship with China," Downey said. "I want to contribute to that in any way I can."

He said his 1952 spy mission was aimed at contacting Chinese CIA agents who had been dropped into north China. The agents were taken prisoner, however, and when their captors heard Downey trying to make radio contact with them they fired at his plane.

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# GUNS AND MONEY

By Rudy Maxa

**S**am Cummings used to drive around Europe in a Cadillac Seville with Virginia license plates that read "OKDR." The plates caused double-takes on the autobahns of Germany, where, until the end of World War II, the four letters stood for "Ober Kommando Der Wehrmacht," the chief of staff of the German army.

For Cummings, the license plates were a sly joke by a man whose business is deadly serious: From his warehouse on the waterfronts of Alexandria, Virginia, and Manchester, England, Cummings sells more weapons than any other person in the world. His company, founded in Washington 30 years ago, is called Interarms, and when it comes to selling guns, mortars, grenades, and ammunition, nobody does it bigger.

In the United States, Interarms is the largest wholesaler of sporting pistols and rifles. In a typical year, the firm will sell about 170,000 such weapons. Most are imported, though Interarms now also manufactures its own weapons in Virginia and Alabama. But most of Interarms' business involves the buying and selling of military weapons from its stock, which Cummings says can equip 26 army divisions at the drop of a certified check.

In comparison to arms deals promoted by the Pentagon or foreign governments, Cummings is a minnow among the whales: Interarms' sales, which Cummings says do not exceed \$100 million a year, can be dwarfed by a single arms shipment that the American government might make to any ally. Before the downfall of the Shah, for example, Iran received \$10 billion worth of weapons from the US. Such government-to-government transfers involve high-ticket items, such as ships and jet airplanes.

But for all the publicity those additions to the world's arsenals receive, most of the wars fought since World War II have involved small arms of the type Cummings buys and sells. In Iran, all the Shah's sophisticated weaponry couldn't save him from an internal revolt led by dissidents brandishing rifles. For decades, in such places as Angola, Nicaragua, Pakistan, and other countries that host border clashes, religious disputes, rebellions, and riots, it has been the small arm that kills and conquers.

From his twelve-room apartment overlooking the Mediterranean Sea in Monte Carlo, or from his chalet nestled in the Swiss Alps near Geneva, the 56-year-old Cummings keeps watch on a troubled world. His agents in about 75 countries—most of whom are former military or government officials who work on a commission—communicate by Telex, telephone, or mail to keep Cummings apprised of the supply of, or demand for, weapons.

Cummings's competitors are often freelancers, con artists, or corrupt opportunists. Some prosper briefly by smuggling arms to terrorists or by putting together one lucky deal. Some are murdered by factions to whose enemies they sell arms. Some, such as Edwin Wilson, wind up in jail or, like Frank Terpil, in

exile for illegally selling weapons to a foreign government (Libya) of whom their government (the US) disapproves.

Cummings survives by avoiding back-alley deals. He cannot ship weapons to other countries from his Alexandria or Manchester warehouses unless either the United States or Great Britain approves the deal by granting "end user certificates," which specify the final destination of his arms shipments.

Which is why, when Uganda's Idi Amin called him in search of bazookas, Cummings suggested he try the Soviets—Cummings knew neither Washington nor London would approve a weapons sale to Amin. Equally futile was Libya's Colonel Muammar Qaddafi's offer to pick up Cummings in a private jet so the two could discuss the modernization of Libya's military.

Not that dealing with an Amin or a Qaddafi gives Cummings pause; he likes to project an image of a broker whose job is no more interesting than, say, that of a mattress wholesaler. Interarms will happily sell to whoever has the money, and Cummings considers the use to which his products are put to be none of his concern. He patiently awaits the lifting of arms embargoes against Iran and South Africa—as a merchant, he professes indifference to a country's politics, just as he could care less which side wins a war.