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Vienna, Austria,
May 6, 1938.

FORCING JEWS OUT OF BUSINESS.

According to information I have recently received from very reliable sources, the actual physical maltreatment of Jews has become much less now. The activities of forcing Jews out of business, however, are becoming intensified. The following specific example has been reported to me:

A successful Jewish owner of a small factory employing about 100 workmen has in the past been able to operate at a reasonable profit. Recently a "Kommissar" has been appointed involving extra costs. Furthermore, the owner has been forced to increase wages against his will. As it is a Jewish company his orders have fallen off sharply. Despite this fact he is not allowed to discharge any of his Aryan employees. He has nine Jewish employees and these, he was told, he could discharge. The result of this whole situation is that his expenditures are now far greater than his receipts and he is rapidly being forced into bankruptcy. The object of such a procedure is undoubtedly to force him into bankruptcy and then have the firm bought by Aryan interests at a greatly reduced price.

The above specific example is typical of many others. In general, Jewish firms without any reason beyond the fact that they are Jewish, have Kommissäre appointed which immediately imposes an additional financial burden. Also, despite reduced orders they are forced to maintain all their Aryan personnel on the payroll. With no possibility of cutting

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expenditures, their free capital and cash reserves are drawn on as long as there is anything left and they are then forced out of business.

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GR/mf